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(c. 30,000)

RETAIL REPORT

# The *new* deal

Fast changing trends are nothing new for the retail industry. Some of the latest include multimedia integration and, of course, going green.

GREEN EXCHANGE



PLAYNETWORK INC.

## Turn Up The Volume

In the 2000 movie "High Fidelity," John Cusack's character, Rob, slyly announces to his slacker music store employees that "I will now sell four copies of 'The Three EPs' by The Beta Band." He slips a CD into the store's stereo and, within seconds, customers are nodding their heads along with the music and asking about the band.

It's just one of countless examples of the selling power of music. But it doesn't just sell itself; music – and other media – can be a key tool for selling all sorts of products.

PlayNetwork Inc. works with clients such as Under Armour, Starbucks, Anthropologie, MAC and Tiffany & Co. to integrate music, as well as messaging, video and promotional media, into their brands.

Craig Hubbell, senior vice president of direct sales and client services, says that simply playing a CD isn't enough. Today's consumers are more sophisticated and want a sense of ownership in the brands they choose. They want to pull content instead of having it pushed at them.

He says the company can work with clients to develop music offerings, podcasts and videos that

consumers can download and use. For an athletic brand like Under Armour, that might mean a selection of high-energy workout music.

In Under Armour retail stores, the company customized music programming to create a high-energy environment with no dead air between tracks. It incorporated a tunnel that customers walk through where crowd noise gets increasingly loud as they enter the store.

The tunnel also includes a video element with four 40-inch, high-definition LCD displays that feature full-motion video of the Under Armour product line. "It's an impactful piece," Hubbell says. Under Armour opened its first retail store in November 2007.

PlayNetwork recently partnered with XM Satellite Radio to offer the XM for Business service, which offers 170 digital channels of commercial-free music, sports, news and talk to clients. XM for Business will report and pay all licensing and royalty obligations.

Dave Purdy, senior vice president of XM for Business, says the new service offers business owners a "low-cost, no-hassle solution." *-Joanna Miller*

## Green Exchange

Manufacturers and, more recently, retailers are taking steps to go green. Retailers are beginning to sell natural products from LEED-certified stores, and the green trend is taking innovative forms.

As of June 2008, Chicago will have the country's first commercial structure based entirely on sustainability. The Green Exchange is housed in a 95-year-old-four-story, 250,000-square-foot building that has been renovated according to LEED certification standards. The project will be seeking platinum certification.

More than 8,000 square feet of retail space and 120,000 square feet of office space will be available. This space will also follow LEED interior standards. Phil Baugh, director of leasing for the Green Exchange, says this project was designed specifically for consumers who fall in the genre of Lifestyles of Health and Sustainability (LOHAS) category.

More than 63 million consumers consider themselves LOHAS shoppers in the marketplace, according to Baugh.

Green Exchange will feature a 60,000-gallon rain collection system, an energy-efficient HVAC system, environmentally friendly paints and stains and escalators that use light sensors to detect when people

need to use them. In most situations, natural light by means of 600 energy-efficient windows and a green roof will replace electricity. A 9,000-square-foot organic courtyard garden will be located in the middle of the site. Additional features include a bike room with showers, priority parking for hybrid vehicles and on-site dining.

Tenants of the Green Exchange will use non-paper-based means to communicate with customers and clients. An e-mail network, along with an online forum and in-depth Web sites, will spread news regarding store promotions, green developments and the exchange of environmental topics. An LED billboard adjacent to the building will promote businesses to an estimated 350,000 daily commuters, and an electric car showroom will promote alternative transportation.

*For more, visit [www.greenexchange.com](http://www.greenexchange.com).*

## GREENMAKER BUILDING SUPPLY

One tenant at Green Exchange will be Greenmaker Building Supply. In 2005, Ori Sivan and Joe Silver founded Greenmaker to supply environmentally friendly building materials. The company carries many supplies that are essential for LEED certification, such as non-toxic sealants and adhesives, energy-efficient windows, cork and bamboo flooring and cotton insulation. Greenmaker says its vision is to redefine "the concept of value in the construction and remodeling industries by providing smart, energy efficient and healthy alternatives to conventional building materials."

Sivan takes into account three main concepts when it comes to going green - people, the planet and pocketbooks. Buying green products benefits people and the planet by creating a positive and healthy way of living, he says. With more companies using natural materials to create green products, building a LEED-certified building or improving a house has become less expensive. "There has been a phenomenal awakening in this country and it gives me a lot of hope and optimism," Sivan says.

*For more, visit [www.greenmakersupply.com](http://www.greenmakersupply.com).*

*Green Exchange and Greenmaker were highlighted at GlobalShop 2008 at McCormick Place West during March 18-20. The panel titled "LEEDing the Way to Environmentally Friendly Retail" discussed the LEED certification process and what businesses can do to aid the environment. *-Adrian Finiak**