



DEJA SHOE (B): (ABSTRACT)

Product Launch

The Spring '93 Season

Recognizing the changing role of the corporation in society, the University of Michigan's Business School and the School of Natural Resources created the Corporate Environmental Management Program (CEMP). The program is designed to develop leaders, executives, and managers – whether they work in the private sector, public sector, or for an environmental non-profit – with the skills and knowledge required to create economically and environmentally sustainable organizations. Permission to reprint this case is available at the BELL case store. Additional information on the Case Series, BELL, and WRI is available at: www.BELLinnovation.org

Envirolites and Eco-sneaks were shipped to Deja's accounts in March 1993. Many stores had prepared special displays to showcase the innovative product or had tied promotions of Deja shoes to Earth Day (the third week in April). Yet despite the retailers' efforts to push the shoes, sell-through did not occur in many mainstream retail stores. MacGregor dryly characterized the situation in the spring of 1993, "The product shipped, and the product sat."

Despite the displays and the product's environmental attributes, consumers opted for canvass shoes in the traditional \$20 to \$30 range. Quality problems also plagued the product. Because Eco-Fibre's canvass was recycled and its fibers were shorter than in virgin canvass material, the fabric didn't wear very well. On some pairs, the canvass upper became detached from the sole and the material was ripping out in the back of the shoe. As a result, many shoes were returned. MacGregor explained, "What we constantly heard from consumers, through the retailers, was, 'People loved the concept, people don't like the shoes.'"

Mainstream retailers reacted by dropping their focus on the environmental footwear. Nordstrom's Earth Day display was pulled down the day after, and many other stores removed Deja shoes from window displays.

Sell-through in the green stores was "O.K.," according to Lewis. However, relative to the large orders that the green stores placed with Deja sales representatives, their inventory turnover was low.

*This case was prepared by **Paul W. Hardy** under the supervision of **Stuart Hart**, Director of the University of Michigan's **Corporate Environmental Management Program (CEMP)**, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. We gratefully acknowledge the support of **Consumers Power** in developing teaching materials in corporate environmental management. Copyright © 1996 by CEMP.*

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