

# The Shoe-Ratings Snafu

Jogging mania has now gripped nearly 25 million Americans, and this week a good many of them will be running straight to the shoe store. The annual shoe survey of *Runner's World* magazine is due on the newsstands, and its ratings of running footwear have helped make the sport a \$470 million industry. They have also made *Runner's World* the bible of serious marathoners and sedate joggers alike. "God forbid that I should not have the five-star shoes in stock," shudders San Francisco shoe-store owner Tim Graney.

twenty top ratings this year. In 1977 the Pennsylvania-based manufacturer did about \$8 million worth of business and controlled 4 per cent of the running-shoe market. Then *Runner's World* designated its "Vantage" model "No. 1 Shoe," a rating that has helped catapult Brooks to a 15 per cent market share worth an estimated \$70 million. Anderson's own Starting Line Sports, a mail-order and retail operation, was able to stock the winning shoe, but other stores had trouble getting it at first.

Both Anderson and Brooks deny col-

ers it "accurate and objective," even though Converse shoes have not done particularly well. Adidas, however, no longer uses the five-star rating in its ads, and even Brooks vice president Jerry Turner concedes that Anderson's practice of rating his advertisers "is not the best possible system."

The ratings are based on tests conducted in the biomechanics lab at Pennsylvania State University. Few people doubt the fairness of the tests. But some object to Anderson's treatment of the data. Since the survey began in 1975, he has used a secret weighting system to come up with his final rankings, assigning more value to some of the tests than to others. His refusal to go public with the formula added to speculation that the survey may be biased. Paul Perry, a former managing editor of *Runner's World* who now works

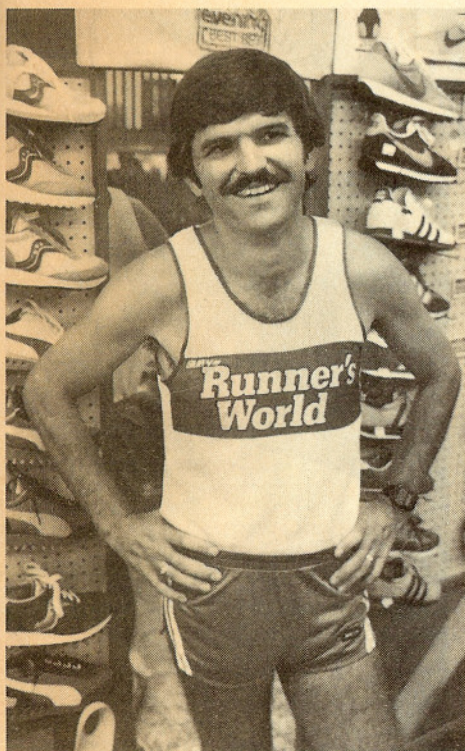
for Nike's *Running* magazine, says that "the survey is really Bob Anderson. Despite all the scientific testing, he decides who gets the good ratings." This year, bowing to what he called "the pressure of the press," Anderson finally revealed the weighting system, a complicated formula that awards points for everything from sole traction to a shoe's previous ranking. But it remains to be seen whether the disclosure will quell the controversy.

**'Nothing to Hide':** George Howe, also a former Anderson employee, questions other business practices of the publisher. In 1979 Anderson asked Nike to co-sponsor a series of races for executives who belonged to his Corporate Cup Association. When Nike refused, Anderson then went to Brooks, which agreed to put up \$150,000. According to Howe, former business manager of the Corporate Cup, the contribution came at a time

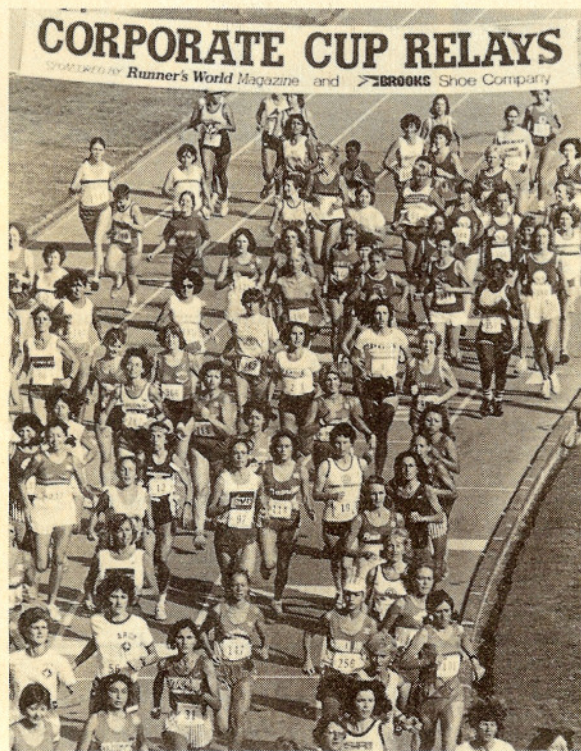
when *Runner's World* was short of cash, and was used "to tide us over." Though Anderson issued a statement maintaining that the Brooks money was spent for the race, Howe insists that "all \$150,000 did not go to the Corporate Cup Association." When he asked Anderson where the money went, Howe told *NEWSWEEK*, the publisher replied that "it was absorbed."

Amid the charges and countercharges, Anderson insists that he has "nothing to hide." And despite the controversy, his magazine—which began fifteen years ago as a hand-stapled newsletter—remains unchallenged as the country's most influential running publication. "Success breeds jealousy," he says. "I know a lot of people who would like to be in my shoes."

CYNTHIA H. WILSON with PATRICIA KING in San Francisco and GEORGE HACKETT in New York



James D. Wilson—*NEWSWEEK*



Publisher Anderson, Corporate Cup racers: A five-star controversy at *Runner's World*

"It could put me right out of business."

But the survey has generated almost as much controversy as cash. It has drawn attention to a tangle of what may be conflicting interests involving *Runner's World* publisher John R. (Bob) Anderson, and has raised questions that Anderson, head of a California-based conglomerate of sports-related businesses, may have improperly benefited from the survey. In response to complaints, the Federal Trade Commission is investigating charges that some shoe manufacturers may have tried to buy their stars.

**Collusion?** The FTC has named several shoe companies and sports publications as targets of its inquiry, including the Brooks Shoe Manufacturing Co. Brooks has been a major beneficiary of the survey during the last three years and won eleven of the

lusion. But this spring Nike, Anderson's largest advertiser, withdrew its shoes from the survey and canceled its ads. "Until questions are answered concerning the relationship between Mr. Anderson and shoe companies, particularly Brooks, and the legitimacy of the survey itself, we will no longer advertise in *Runner's World*," Nike said. Brooks denied any "special relationship" with the magazine, and Anderson countered with a \$6 million libel suit against Nike. He said that the company actually withdrew because its "Tailwind" shoe got a mediocre rating in 1979. He further suggested that Nike was seeking publicity for its newly purchased *Running* magazine, which went on sale this month.

Not all shoe manufacturers are dissatisfied with the ratings system. Converse Rubber Co. president John O'Neil consid-