



The New York Times | <http://nyti.ms/1LUJ5cj>

BUSINESS DAY

Backpack Makers Rethink a Student Staple

By **HIROKO TABUCHI** SEPT. 2, 2015

The inside of Alejandro Sarete's backpack is jammed with the objects of a busy student life: smartphone, USB thumb drive, playing cards, lip balm. Cho Young-Uk's shoulder bag is more minimalist in content: Lenovo laptop and adapter.

Mr. Sarete and Mr. Cho, both students at New York University, have something missing from their stashes: piles of textbooks.

"I don't really have to carry around textbooks anymore, like I used to in high school," said Mr. Cho, a sophomore. All but two of his classes — Spanish history and financial accounting — had moved the coursework online.

"I think fewer people have them, for sure," Mr. Sarete said. "I actually still like physical paper, but I'm an exception."

As students increasingly go back to school with gadgets instead of textbooks, and no longer need huge backpacks to haul them around, backpack makers in the \$2.7 billion industry are rethinking not only the perennial style of back-to-school packs but also the mission of the ubiquitous carrying gear that for decades has been an annual must-buy for students of all ages.

For clues, Eric Rothenhaus and his team at VF Corporation, the apparel giant that owns a leading maker of backpacks, JanSport, sought the advice of some extreme backpack users. They studied mountaineers whose lives can depend on their gear. They talked to the homeless in San Francisco, who live out of shopping carts.

And they visited campuses to observe the habits and habitats of college students, who buy many of the eight million backpacks JanSport sells each year. "We realized we needed to forget everything we knew about the category," said Mr. Rothenhaus, director of research and design at JanSport.

"We went out to the streets of New York, to San Francisco, to college campuses, and we started to ask: What are the things we carry with us? How do we carry them? And how is that changing?"

Americans bought more backpacks than ever last year— 174 million of them, according to the Travel Goods Association. The bulk of these were purchased during back-to-school shopping season, typically the second-largest sales season for retailers and an important bellwether for year-end holiday sales.

But there is ample hand-wringing within the industry that it is not keeping up with the times. After growing at a fast clip over the last decade, as offices grew more casual and men increasingly switched from briefcases to backpacks, the market for backpack sales in the United States is expected to grow just 3.9 percent this year, according to data from Euromonitor International. That is down from 9 percent five years ago.

"The market for backpacks is becoming saturated and is nearing its peak," Ayako Homma, a Euromonitor research analyst, wrote in an email. Consumers, she said, are "looking for something new and different."

Those concerns add to pessimism over the entire late-summer shopping season. Consumers will spend about 6 percent less on back-to-school purchases compared with a year ago, the National Retail Federation predicts, in part because there are few new "must have" electronics so far this year.

In backpacks, too, experts say there is a dearth of hits. They say innovation has stalled in a market dominated by VF, which also owns the Eastpak, Timberland and North Face brands and controls 55 percent of backpack sales in the United States. Many packs on students' backs as they go back to school this week are largely indistinguishable from those their parents carried.

"I think there's room in the market for something new," said Lindsey Shirley, a clothing and textiles expert at Utah State University who is developing a new degree in outdoor product design to address a perceived shortfall of fresh talent in the field. "There's definitely room for innovation."

Some of that innovation has come from newer start-ups, aimed at specific groups of consumers. There is the \$170 Tylt Energi+ with a built-in battery charger and cables that charge up to three devices at a time. There is the \$1,450 Black Diamond JetForce Pack, fitted with a fan-driven airbag system to increase the chances of survival in an avalanche.

At the other end of the spectrum are retro-look backpacks from an upstart, Herschel Supply, which pair mountaineering straps with laptop pockets and have been a rare recent hit.

John Sears, vice president for design and development at the backpack maker Gregory Mountain Products, said that today's digital lifestyles were an opportunity, not a threat, because people were hauling around so much digital gear. Gregory will soon sell new backpacks with easily removable solar panels, designed for multiday adventures in the back country.

"People want to stay more connected socially, even in the outdoors," he said. "Even if they're in the back country, they're using solar panels, GoPros, GPS."

JanSport, which first started selling backpacks nearly a half-century ago in Seattle, has taken a page out of the start-up playbook, teaming up with Ideo, a design firm and Silicon Valley darling, to reimagine the backpack. The extreme mountaineers they interviewed demonstrated how they kept their most important gear at the top of the bag — lights, food, beacons — all sealed in Ziploc bags and away from damaging moisture.

The team found similar strategies among the homeless on the streets of San Francisco. The top layer of their shopping carts was lined with dispensable knickknacks. But they stored their valuable possessions, like money and food, in backpacks, easily accessible.

What interested Mr. Rothenhaus was that both groups developed meticulous and personalized packing strategies that they honed over time. They also valued the same backpack qualities: that they be water-resistant and have areas that were quickly accessible, yet be simple enough to meet a range of needs and packing methods.

"Packing — everybody has a system and methodology for it," Mr. Rothenhaus said. "Our research steered us away from trying to design pockets and compartments for specific uses. We didn't want to overengineer. We wanted to give people options."

The team then looked at their findings through the lens of average users like college students, for whom smartphones, not beacons, are survival tools. Many of their needs were similar. Water-resistance, it turned out, was as important to heavy users of smartphones as it was to mountaineers.

They also wanted flexibility, but they needed a little help with organization, Mr. Rothenhaus's team realized, as they watched students pull chargers and cords from their bags in a jumbled mess. ("I have a very cluttered mind," Mr. Sarete, the N.Y.U. student, explained.)

JanSport created an easily accessible "V-loft" pocket that sits on top of the bag, big enough for a phone, small tablet and other valuables.

The brand's rethinking inspired a new line of wrap-style pouches — which JanSport calls Digital Burritos — that help users gather up the cords and adapters. Designers waterproofed compartments to let users throw a burrito or soda or gym

shoes into their backpacks, without worrying about their tablets or laptops.

And JanSport homed in on some promising signs. Though students might not be carrying textbooks, their lives were lived increasingly on the go, their mobility helped by smartphones and Wi-Fi. JanSport will focus on tailoring its bags to lifestyles lived shuttling among what the team calls “third spaces” — the cafe tables or park benches that become impromptu work spaces — and studying how backpacks might fit in.

“We used to get up in the morning and go somewhere, go from A to B, then back to A. But now our spaces are little circles,” Mr. Rothenhaus said. “We might be outside in a park, working. We might be eating at food trucks.”

“When you need to be on the go,” he said, “you need a backpack.”

A version of this article appears in print on September 3, 2015, on page B1 of the New York edition with the headline: The Backpack, Revised.