

Christmas deliveries under pressure

Holiday packages face time crunch with shorter shipping season

Holiday Crunch. With Cyber Monday falling on Monday, Dec. 1, FedEx reports that this shorter holiday season will make it harder for it to deliver packages on time. The delivery service currently has four 767 airplanes in service and expects another 12 by the end of 2015. Every new 767 replacement aircraft is projected to add about \$10 million annually to profits.

Rich Talk. Glenn Beck TV is expected to have over 450,000 subscribers, each paying about \$10 per month and with some extra offerings, Beck will generate approximately \$53 million annually from subscription fees alone, reports Cinedigm.

Athlete Support. Nike has received some blowback by sponsoring athletes who get into legal trouble, but the athletic brand has no plans to stop its brand ambassadors program. "First, I'll just start by saying that



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obviously we believe very much in the power of sport and athletes to inspire people," says Nike's Trevor Edwards. "Obviously, some issues are seriously concerning to us. On the other side, you have some great opportunities with some great athletes like Kevin Durant. So from our perspective, we really line up how we connect and sign the right athletes, really based on where we see the biggest growth opportunities."

Good Grapes. Wine consumption is shifting globally, according to wine maker Truett-Hurst. Canada's wine consumption is booming, along with the UK. In the U.S., wine coolers are back and there's growing interest in flavor-enhanced wine like chocolate wine. However, Central Europe's consumption is declining because the younger generation is switching from wine to cooler alcoholic products, like craft beers and hard ciders.

Out Of The Box. Diamond Foods is phasing out its canister packaging since the brand was losing money in these largest sizes. Now, nuts will come in transparent standup bags. "And keep in mind, the 100 calorie packs are bag in a box. They are packs of bags in a box and that the way it's consumed as people leave with the bags," says Diamond Foods' Brian Driscoll.

Off Court? Jordan brand has been a perennial strong seller, until now, says The Finish Line. "We made some errors in judgment and the assortment that we put together in collaboration with our partners at Nike. It didn't work in this quarter," says Finish Line's Glenn Lyons. Still, Jordan brand Retro continues to be in high demand, as are models like True Flight and Future Flight. However, the remaining Jordan brand key styles - which traditionally represent a meaningful percentage of the retailer's basketball revenue - did not resonate with consumers.

Home Improvement. KB Homes will end the year having opened almost as many communities this year as it did in the prior two years, combined. Still, there were various delays around home construction. Subcontractor shortages, inadequate municipal staffing among

city inspectors and the inability of utility companies to get new communities with meters installed on completed homes hindered the home builder's progress.

Money Matters. The average cash transaction in the U.S. is \$28-\$29, globally it's \$8-\$10, says Mastercard. "We need to recognize that payments are not the be-all and the end-all," says Mastercard's Gary Lyons. "They are — from a consumer perspective — often just a necessary step in what the consumer is actually trying to do. I have never woken up and thought, I can't wait to pay for that cab this morning and I'm really, really looking forward to go and to pay for my breakfast in the restaurant."

Larissa Faw covers business trends for Forbes, The Motley Fool and other outlets. Contact her at larissafaw@gmail.com.

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