

# Fanatics' online roots, and how it profits from being nimble

Company executive Jack Boyle offers insights into how online retailer works at JAXUSA Partnership luncheon.

By Mark Basch  
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Many area residents already know the story of Fanatics Inc. and how the Jacksonville-based online sports merchandising giant started with a single retail store in the Orange Park Mall.

But at the quarterly luncheon of JAXUSA Partnership on Thursday, Fanatics executive Jack Boyle told the story of how the company got into the online retail business.

The family-run business, founded by brothers Alan and Mitchell Trager, opened the store called Football Fanatics in 1995 as the Jacksonville Jaguars began their first season.

"The business was really strong right out of the box," said Boyle, who joined Fanatics in 2012 and is co-president of its direct-to-consumer/omni-channel business.

Because of the early success and popularity of the team, the store sold a lot of Jaguars merchandise and opened a second store in The Avenues mall in 1997.

"They were incredibly lucky to be in the situation they fell into," Boyle said.

But beyond the two stores, someone in the family had the bright idea to take advantage of the new "World Wide Web" and see if the company could sell merchandise over the internet, he said.

It bought a large shipment of Ohio State University clothing and when Ohio State won a big game in 1997, the company posted pictures of the merchandise and put it up for sale online.

"In a matter of minutes – not hours or days – the product sold out," Boyle said at the luncheon at the Hyatt Regency Jacksonville Riverfront.

Fanatics has grown a lot since it operated its online business out of the two mall stores.

It employs 1,000 people year-round at four Jacksonville facilities and up to 2,500 people during the current peak holiday season, Boyle said.

Revenue for the company exceeds \$2 billion a year and

it has relationships with every major professional sports league in the U.S. and a number of college sports and international teams.

The Tragers sold the company in 2011 to Pennsylvania-based GSI Commerce Inc.

Boyle said Fanatics is now a "V-commerce" business, meaning it's "vertical," not only selling merchandise, but designing and manufacturing it so it can respond quickly to consumer demand.

"It's the future of e-commerce," he said.

Boyle said retailers would normally have to make merchandise decisions nine or 10 months in advance, but the ups and downs of sports teams and personalities force Fanatics to move a lot quicker.

"In our business, it's tough to predict what's going on," he said. "You don't know what's going to happen, who's going to win, who's going to lose."

As an example, he cited the Jaguars first game this season, when the team sacked Houston Texans quarterbacks 10 times and fans unofficially began calling the team "Sacksonville."

"It went out on social media," Boyle said, and the company

responded.

"Within an hour after the game, we had Sacksonville merchandise available online."

Boyle said sales of Jaguars merchandise increased 100 percent because of the team's success this year, but he would not give sales figures.

Another example came this week when baseball star Giancarlo Stanton was traded to the New York Yankees from the Miami Marlins. Within seconds of the trade being officially announced at 2 p.m. Monday, Fanatics had merchandise available, and it has sold \$1 million in Stanton-Yankee gear this week, Boyle said.

Boyle said rapid response is a key to Fanatics' success.

"You have to disrupt. You have to move fast," he said.

## APR ENERGY HONORED

Another Jacksonville-based company known for moving fast was honored at the JAXUSA event as its international company of the year, APR Energy.

APR builds fast-track power plants around the world in situations where electricity is needed quickly.

For example, it has been providing power in parts of Puer-



Boyle

to Rico after Hurricane Maria severely damaged the island's infrastructure.

CEO John Campion said APR has 170 employees at its Jacksonville headquarters, and those employees represent 45 nationalities and speak 35 languages.

He said Jacksonville was the perfect place to start the company in 2004, because of its strong business community and the appeal of the area's lifestyle as it recruits employees.

"I keep telling people if you're going to start a business, start it in Jacksonville," Campion said.

## INTERNATIONAL BUSINESS PERSON OF THE YEAR

Darnell Smith, North Florida market president for Florida Blue, was named international business person of the year.

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