



THE STORY OF YORK ATHLETICS:

THE BEST INVESTMENTS ARE IN HUMAN BEINGS, NOT PRODUCTS

Mark McGarry knew the challenge ahead of him better than anyone. Having spent much of his career in major roles within Nike and Puma, two globally dominant brands, McGarry knew the barriers to entry in launching a digitally native, direct-to-consumer footwear brand.

But that experience also gave him an advantage. He knew the market, the product and the consumer. He knew there was white space waiting to be owned. And he had just the right idea.

SITUATION

In 2016, Mark launched YORK Athletics Mfg. and set off to challenge the giants in the footwear space. But he would do it his own way. Mark's way meant rejecting the conventional approach of raising VC funding and flooding the market with cash. He wanted to maintain control of the brand and the customer experience. He wanted to prove there was a different way of running the business model of a direct-to-consumer footwear company — one that focused on profitability and responsible growth.

TO ACCOMPLISH THIS, HE NEEDED TO ALIGN HIMSELF WITH LIKE-MINDED PEOPLE. HE FOUND THAT IN KYLE YORK, CEO & MANAGING PARTNER OF YORK IE.

"I was thrilled with Kyle early on in our courtship," Mark said. "Fundraising was a daunting task for myself as I had never been through it before. But Kyle and I tagged teamed the investor deck and everyone we showed it to was in. Our original seed round was around \$800,000, which seemed like a lot to me. But Kyle was like, 'Watch this, no problem.' His help simplified and clarified my role in the process."

As a co-founder and personal investor, Kyle agreed with Mark's slow and steady strategy. Fast forward to today, and it's a strategy that's paying off. The company is growing rapidly, just launched a campaign with gold medal winning U.S. Olympian Aly Raisman, has attracted star investors — like Jay Bush of BUSH'S Best beans — to its board of directors, won numerous awards for the quality of its products, and has a return customer rate of more than 34 percent, which far exceeds industry averages.

Through that growth, Kyle and the rest of the York IE team has added value in a lot of ways, according to Mark.

“They played a pivotal role in our step growth and financial planning,” he said. “I would say, ‘Here’s where we’re at and here are [the] tradeoffs we need to make to be responsible.’ While some things seem fixed in my head, they always come at it from a more holistic, big picture view, which has really helped us keep moving forward and overcome the many challenges of running a startup biz.”

CHALLENGE

Businesses aren’t spreadsheets; they’re a collection of human beings. And being the CEO of a startup can, at times, feel like a lonely job. But Mark said Kyle offered him a sounding board.

“He understands the mindset and nuances of running a startup company and gave me a lot of entrepreneurial coaching,” Mark said. “We built a camaraderie around that. Sometimes I would be super focused on fixing a problem and Kyle would say, ‘Let it be a problem — don’t sweat it. In the bigger picture, it is just part of the game.’”

“When a company is performing [on offense], everything is great,” Mark continued. “When you’re on defense, that’s the true test; it gets tough and it can wreak havoc on your mental state.

SO, WHAT’S NEXT FOR YORK ATHLETICS?

Mark said the company is continuing to stabilize its go-to-market machine and fine-tune its execution. Simultaneously, they’re looking at strategic partnerships and opportunities that can help them innovate the direct-to-consumer model. He said he thinks the York IE team will undoubtedly continue to deliver value in these areas.

“When I talk about these types of partnerships, Kyle’s eyes get big,” Mark said. “He’s excited.”

With everything Mark and YORK Athletics have already accomplished, there certainly is a lot to be excited about.

“KYLE HAS BEEN THROUGH THAT AND SO HE UNDERSTANDS IT. HE OFTEN CHECKS IN ON ME — NOT ABOUT THE BUSINESS, BUT ABOUT HOW I’M DOING PERSONALLY. I APPRECIATE THAT.”

MARK MCGARRY