

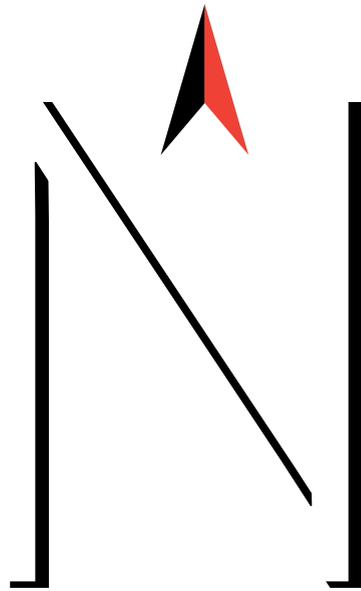


AN INSIDE LOOK AT THE BEHEMOTH ATHLETIC COMPANY AND HOW IT'S AFFECTING BALTIMORE.



BY MIKE UNGER | PHOTOGRAPHY BY DAVID COLWELL

# SHINING ARMOUR



**NICOLE DOENGES STROLLS ONTO THE WATER TAXI,** sits on a plastic bench, leans back, and watches the Canton shore fade from view. No blaring car horns or wailing sirens pollute the air, no construction zones or red lights impede progress.

The gentle hum of the boat's motor, the reflection of bright sunshine off the calmly lapping blue water, and the sound of seagulls calling out as they glide through the sky are the soundtrack of her morning commute.

This is rush hour?

"It's a really relaxing way to get my day started," says Doenges, 26, who certainly looks anything but stressed. "I don't even use my car most of the week."

She's one of a half-dozen Under Armour employees aboard on this sunny but brisk May morning. They're all young, fit, and sporting at least one item with the familiar interlocking UA logo that has become as inescapable in Baltimore as Natty Bohs and Old Bay.

Like Microsoft in Seattle, FedEx in Memphis, and Ford in Detroit, Under Armour has become a part of its home city's fabric.

The boat heads west toward Tide Point, where they used to make detergent. Now,

they spend their days making would-be athletes like you and me better.

Some of the passengers hold travel coffee thermoses or their phones. Most clutch both. Doenges, a graphic designer, has a yoga mat with her. There's a company-sponsored class after work, one of the many perks, she says, that definitely elevate the job.

The Water Taxi, free to the public and paid for in part by her employer, is another. Fifteen minutes after it leaves Canton Waterfront Park, it reaches Locust Point. Doenges grabs her bag, smiles, and says, "Thanks, Lar," to Capt. Larry Pinker, and sets off up the gleaming metal pier toward the campus where a company is transforming a city.

Or is it the other way around?

**BY NOW THE MICROFIBER-TO-RICHES** story of Kevin Plank and Under Armour has become the stuff of business-school legend. In 1995, Plank, special teams captain for the University of Maryland football team, no-



**"IF WE HAD SOMEONE VISITING, I'D HIRE MY FRIENDS TO COME IN AND SIT IN CHAIRS BEHIND RENTED COMPUTERS AND ACT LIKE THEY WERE DOING WORK."**

ticed that the cotton T-shirts his teammates wore under their jerseys constantly were drenched in sweat. Thinking there must be a better way, he created a prototype that wicked moisture and kept the athletes cool and dry. Working from his grandmother's Washington, D.C., row house, Plank started the company he's built into a multi-billion-dollar behemoth.

Under Armour's move to Baltimore was based partly on strategy, partly on practicality, and partly on gut instinct. In 1999,

the company signed Georgia Tech as its first major client. It needed to leave grandma's, and fast. Plank, a Kensington native who, like so much of the non-Hon speaking world, associated Baltimore primarily with the Orioles, Colts, and the Inner Harbor, essentially was a free agent.

"We were getting pushed to places that people thought were suitable for us, like out in Springfield, VA," Plank says. "But my partner who had just joined me, Kip Fulks [now COO], was a lacrosse player, and I was thinking we should own lacrosse. Baltimore was a hotbed for that. I had been here a few times when I was in school. The mayor [Governor Martin O'Malley] was this energetic guy from D.C. There were a lot of things that felt compelling."

After meeting with a friendly landlord, Plank sealed the deal on his move to a 2,400-square-foot space on South Sharp Street.

"It was myself, Kip, a bookkeeper, and another person who answered phones,"

Plank recalls of those early years. "If we had someone visiting, I'd hire my friends to come in and sit in chairs behind rented computers and act like they were doing work."

Enough got done that Under Armour quickly outgrew that space and moved to a 15,000-square-foot facility on Bush Street in Pigtown. By 2003, the company was bursting at the seams and signed a deal to move to the waterfront in Tide Point. Leaving the city, Plank says, was never an option.

"When I looked at the factors, the culture and identity of Baltimore is one of the things that attracted me as much as anything else," he says. "We wanted to build a hard-edged, blue-collar company, and that attitude fit with what Baltimore was. We had a chip on our shoulder. I think our city still does, and I think our company does."

In the former Proctor & Gamble plant, Under Armour's 25 or so employees occupied about 20,000-square-feet. As the company continued to grow, it gobbled up office space vacated by departing tenants. In

**CLOCKWISE FROM TOP:** EMPLOYEES GET OFF THE WATER TAXI AT TIDE POINT TO START THEIR DAY AT UNDER ARMOUR; THE COMPANY'S ORIGINAL 2,400-SQUARE-FOOT OFFICE ON SOUTH SHARP STREET; UNDER ARMOUR'S 15,000-SQUARE-FOOT FACILITY IN PIGTOWN ON WICOMICO AND BUSH STREETS.



2011, it bought the facility for a reported \$58 million and almost immediately mapped out an ambitious expansion plan. Today, 1,300 of its employees occupy six buildings on the campus.

"We've seen every inch of this city," Plank says. "Bush Street was cool. The day we moved we threw a big block party with keg stands and the whole nine yards. We played 'Movin' On Up' from *The Jeffersons*. We moved from across a scrap metal yard to the lap of luxury. We tell our people that this campus should be the center of energy for our company globally. We've stuck a flag in the ground here."

**LARGER-THAN-LIFE PHOTOS** of Under Armour athletes greet visitors who pass through the front doors of the Ivory Building. (Each building in Tide Point is named for a Proctor & Gamble product.) The players—Kemba Walker (basketball), Bryce Harper (baseball), Sloane Stephens (tennis)—are, perhaps like the company itself,



not yet superstars but hard-working young talents whose best days are yet to come.

In the third-floor lobby, three framed *Baltimore* magazine stories proclaiming Under Armour one of the best places to work in the city hang alongside copies of Plank's business cards throughout the years. In the early days, he carried both one that identified him as the president of the company and one with the title "sales manager."

Construction is underway on a free-standing visitors center in the middle of the 21-acre campus, but for now, guests report here.

"We thought Tide Point and this city fit our culture and our company," says Matt Mirchin, senior vice president of global brand and sports marketing. "Blue-collar, inner-city tough. When people visit us for the first time, they say they feel the energy. They say, 'This is how we envisioned Under Armour.'"

**"WE ENCOURAGE ACTIVE LIFESTYLES. YOU DON'T HAVE TO BE AN ATHLETE TO WORK HERE, BUT YOU NEED TO KNOW HOW TO COMPETE, AND YOU HAVE TO HATE TO LOSE."**

The workspace for many of the teammates, as Under Armour calls its employees, is a maze of cubicles and seemingly never-ending racks of clothing and shoes. There are several open spaces on most of the floors, which have high ceilings and an industrial feel. Many people have sports memorabilia surrounding their desks—a South Carolina football helmet, a University of Utah jersey.

"We don't have favorite teams," Mirchin says. "If they're not an Under Armour team, they don't exist."

As Plank's alma mater and the company's home state flagship school, the University of Maryland is perhaps Under Armour's most visible client. (There's a 55-yard replica of its football field on the Tide Point campus.) In 2011, the company responded to the school's request to generate some excitement around the football program, redesigning the team's uniforms using the colorful state flag as inspiration. When the primetime national television audience got its first glimpse during the opening game, reaction was decidedly mixed.

"OH GOSH. Maryland uniforms. #Ewwwww!" LeBron James declared on Twitter, where the uniforms were the top trending topic.

"We loved the fact that it generated such buzz," Mirchin says. "Some of it was nega-



**CLOCKWISE FROM LEFT:** A MORNING CLASS ON THE PROMENADE; CUBICLES; THE PRODUCT-TESTING AREA NEXT TO THE INNOVATION LAB; THE ARMOUR39 WORKOUT-MONITORING SYSTEM; ITEMS FOR SALE AT THE HARBOR EAST BRAND HOUSE; A BOOT-CAMP CLASS AT THE COMBINE TRAINING CENTER; SCENES FROM THE CAFETERIA.

tive, a lot of it was positive, but once you get that conversation started, people can have their opinions. We loved it, we thought it accomplished the goal.”

Under Armour employees don’t dress quite so flashy. They can wear jeans, T-shirts, really anything they want (though you’d be hard-pressed to find a Nike swoosh). Employees get a 50-percent discount on Under Armour merchandise.

Each person who passes in the hall is somehow better looking than the last, and most appear to be in top shape. When a new employee is hired, they receive \$50 a month toward a personal or group training session. It’s up to the person whether

or not to use the service, but a commitment to physical fitness is strongly encouraged, if not expected.

The Under Armour Combine Training Center is a gym housed in the Tide Building next door. It’s a state-of-the-art 10,000-square-foot facility that is open to the general public and UA employees at a discounted rate. It hosts group fitness classes and competitions, and generally is packed in the early mornings and after work.

“We try to encourage an active lifestyle because it’s representative of who we are as a brand,” Mirchin says. “You don’t necessarily need to be an athlete to work here, but you need to know how to compete, and you have to hate to lose.”

The campus essentially is divided by railroad tracks, on which several freight trains pass through weekly. CSX sends an e-mail to employees alerting them to a forthcoming train, which can take up to 45 minutes

to chug by. Expansion plans call for a pedestrian overpass (which will be 100 yards, the idea being for employees to sprint across it) to connect the waterfront portion of the campus to the other side, which houses the showrooms, cafeteria, and innovation lab.

**CONSIDERING ALL THE EXERCISING** they do, it’s no surprise that Under Armour employees crave calories. Many fuel up at the Humble & Hungry Café, the company’s beloved eatery that serves everything from sandwiches to sushi.

Each menu item is marked with a color-coded dot. Green denotes healthy options, like a grilled salmon sandwich (\$5.50) or a turkey burger (\$6, with one side). Yellow choices like the Philadelphia roll (\$5) or bison burger (\$7.50) are iffier, and red, plastered like a scarlet letter next to items like mac and cheese and fries (\$1 each), are flat-out fattening.

| CONTINUED ON PAGE 244

## Shining Armour

CONTINUED FROM PAGE 177



“You can still have them if you’re having a bad day,” Mirchin jokes.

The large bay windows open when the weather is nice, and games involving Under Armour teams are shown on the big screens. Coffee, tea, and fountain sodas are free if employees use their own cups.

In another part of the Cheer Building, there’s a basketball court that hosts pick-up games and tournaments. Hours had to be cut back when the noise from hypercompetitive games got too disruptive.

Large showrooms allow the company snazzy venues in which to host clients. Each one is dedicated to a specific market. For example, there is quickly growing women’s apparel, which Mirchin says is 30 percent of Under Armour’s business today but soon will be half, and Next, the company’s name for its children’s line. Each showroom is named—Dedication, Commitment, Inspiration, Vision, Pride.

“We try to brand everything,” Mirchin says. “People ask me all the time what makes Under Armour different than our competitors, because there are a lot of things we don’t have patents on. Anybody can buy the same fabrics. It’s the people, it’s the culture, and it’s the brand. When people buy Under Armour, they feel like it protects them and makes them perform better.”

Much of what they’re purchasing is born in the adjacent innovation lab. A top-secret facility to which only about 1 percent of the company’s 6,000 worldwide employees have unfettered access, it’s headed by Kevin Haley, an easy-going, deep-thinking former collegiate track athlete and Under Armour’s first general counsel.

“Everything you could possibly want to do to a piece of fabric, material, or textile, we do here,” says Haley, 44, senior vice president of innovation. “It’s not enough just to make it look cool. We’ve got to make sure it works.”

“Make All Athletes Better” declares a metal sign above the 007-like entrance to the lab. A vascular scanner matches an employee’s ID badge to the vein pattern on the back of their hand before the door automatically opens.

Inside is a soaring, bright, multi-story open space, with work stations on the second level. The lab contains technology ranging from cutting edge—an environmental chamber that allows testing of apparel in precise heat, cold, and humidity—to a boring, everyday washing machine.

Products must pass durability, abrasion resistance, and flexibility tests before they are green lit. Haley occasionally refers to the lab as the “proving grounds.”

“Sometimes you’ll get something to work, but then you’ve got to get it through the washer and dryer,” he says. “It’s not too sexy, but it’s one of the most challenging things we do.”

“THERE ARE MANY THINGS  
WE DON'T HAVE PATENTS  
ON. ANYBODY CAN BUY  
THE FABRICS. [BUT] WHEN  
PEOPLE BUY UNDER  
ARMOUR, THEY FEEL LIKE  
IT PROTECTS THEM.”

The company’s latest innovation is Armour39, a workout-monitoring system that measures, tracks, and analyzes every move an athlete makes though a module on a chest strap and an iPhone app. Today, engineer Mark Oleson is testing it in the curtained-off variable-free workout center on the lab floor.

Wearing shorts and a white Under Armour HeatGear Prototype shirt, Oleson, 39, has been tracking his WILLpower, a single number calculated using data collected from the device during a workout. After some intense full-body exercise on the rowing machine, he does 30-pound curls and 60-pound shoulder presses before de-

claring that he has the best job in America.

“I’m getting paid to work out,” says Under Armour’s director of product and innovation. He’s got the sweat to prove it.

Aside from the maddening “thinking outside the box,” “work hard and play hard” might be the most overused, hokey cliché in all of business.

At Under Armour, it actually fits.

In between the yoga classes, basketball games, and cross-training, Under Armour teammates are expected to complete exemplary work. A whole lot of it.

“It’s definitely not a nine-to-five culture,” Mirchin says. “When you’re growing at the rate we are, a lot of times people are doing more than one job while you’re looking to hire more people. I would say people here tend to stay later.”

That’s rubbed some former employees the wrong way. One person who recently left the company after two years said they averaged 65- to 70-hour workweeks.

“We all drank the Kool-Aid,” the former employee says. “They promote a work-life balance with the gym, the food, lots of fun activities. But most nights I wouldn’t get home until 10, after my daughter was already in bed. When you sign up for Under Armour, you know that they expect you to put them first.”

Plank is very specific about the type of employee the company seeks to hire.

“You’re always looking for leadership,” he says. “I want people who are going, ‘I was a lacrosse player and my fifth metatarsal was always bothering me by the end of a game. How can I make a shoe that makes that better?’ Everyone’s a salesperson for our company. The environment we’ve created here, you’re treated like an adult, and we expect you to bring a great attitude.”

**WHEN TERRY HICKEY MOVED** to Locust Point six years ago, many of his neighbors weren’t even aware Under Armour was headquartered in Tide Point. By 2011, however, the company was seeking approval from the Locust Point Civic Association for its expansion plan that included more office space, parking, and a retail outlet.

“From the beginning, Under Armour was very smart,” says Hickey, now the civic association’s president. “They avoided the we’ll-do-this-with-or-without-you approach. I was on the board when this started, and I can tell you, support certainly wasn’t unani-

mous. There were folks who were taken with Under Armour—its jobs, its prestige. On the other hand, there were people who think any big company is bad. The folks in the middle realized that we needed to work with them to get a good outcome.”

The company committed more than \$200,000 to the civic association for improvements to Latrobe Park, an area rec center, and street-scaping along Fort Avenue. In January 2012, more than 100 members of the association unanimously voted to support the PUD (Planned Unit Development) amendments and a separate agreement with Under Armour to make its neighborhood investments.

Later that year, the city approved \$35 million in Tax Increment Financing for infrastructure upgrades in the area. It will potentially issue bonds to pay for street and promenade improvements and new athletic fields for the company and the public. The debt will be repaid by property taxes generated by the company.

“They’ve done their best to be active community partners and work with the neighborhood on issues,” said Baltimore City Councilman William Cole, who represents the area. “It never hurts to have one of these strong companies with ambitious plans wanting to expand in your city because they’re bringing in a lot of people to work here. That helps sustain our tax base.”

Under Armour funnels about \$55 million into the state and city coffers, based in part on its property taxes, taxes paid by its employees, and tax revenue from its stores, according to a study by Daraius Irani, executive director of the Regional Economic Studies Institute at Towson University.

That’s a significant figure for a cash-strapped city. Add the company’s philanthropic exploits—its goal is to spend \$10 million over the next five years on athletic and academic improvements to local schools (a new football field and 65 computers at Dunbar High came first) as part of its WIN Baltimore initiative, according to Mirchin—and it’s easy to see why its neighbors are willing to stomach increased traffic or tight parking.

“They send somebody to pretty much every one of our monthly community meetings,” Hickey says. “In that way, I think they’ve been a model. When construction on the campus really starts in earnest, and if they have plans to expand

outside their campus in the future, there are going to be some tough conversations and some people leveraged against it, but I think they’re smartly building a relationship with the neighborhood.”

**AMONG THE MOST CONTENTIOUS** issues in Under Armour’s expansion negotiations with the Locust Point Civic Association was its plan to build a retail store on its campus. The company quickly shelved that idea, deciding instead to open its “Brand House” in the Legg Mason building in Harbor East.

**“IF THEY HAVE PLANS TO  
EXPAND OUTSIDE THEIR  
CAMPUS IN THE FUTURE,  
THERE ARE GOING TO BE  
TOUGH CONVERSATIONS  
AND SOME PEOPLE LEVER-  
AGED AGAINST IT.”**

“We’re a global company, and we’re opening offices all around the world, but we are proud that Baltimore is our home,” says Henry Stafford, senior vice president for apparel, outdoors, and accessories. “We want people to know what we’re capable of, so we’re bringing our best and brightest products to Baltimore.”

The 6,100-square-foot store has been open since February. Among its most popular sellers are T-shirts that tap into Baltimoreans’ provincial love for their neighborhoods. One features a UA logo smacked on the side of a flamingo, above the word “Hampden.” In keeping with its flair for the dramatic, there’s a four-sided Jumbo-Tron suspended from the ceiling and a 750-pound carved wooden UA logo hanging on the back wall.

The company plans to open another, similar store later this year and more in 2014. Where, it’s not saying.

“Whether we open in Baltimore or New

York City or Chicago or Shanghai, we’re from there,” Stafford says. “There’s an element of that hometown pride, that underdog, in every city. We’re the next great brand, but we’re always going to be an underdog. We’re always going to scrap and fight.”

Before it opened, more than 300 people interviewed for the initial 25 store associate positions that Under Armour calls “specialists.”

“I think all things aside, its impact is bigger than its numbers, because it’s everywhere,” Irani says of the company. “The Under Armour brand is becoming ubiquitous.”

In many ways, however, it’s still a piranha when compared to the great white shark that is Nike. In April, Under Armour reported a 23-percent increase in first-quarter sales, to \$472 million. Still, its \$2 billion in sales last year was less than one tenth of Nike’s, according to *Sports Illustrated*.

“We know who they are, we know what they do, but we play our own game, and we think we can continue to grow,” Mirchin says. “We just said publicly that the next three years we’re going to double to \$4 billion, and, if you start worrying about what other people are doing, it’s very difficult to achieve that.”

But Under Armour has certainly made its mark here. At night, a reflection from the illuminated freestanding UA sign outside the Harbor East store shimmers off the water. Light from the Under Armour complex sign, as Tide Point now officially is known, shines from the other side of the harbor.

Baltimore’s been branded a company town.

“The big, long-term vision is that some 22-year-old graduating from college is going to say, ‘I applied to get a job at Under Armour,’” Plank says. “I’ve got a [slim] shot, because it’s the greatest place in the world to work, but regardless, I’m going to move to Baltimore, Maryland, because it’s the coolest city in the world.” ■

**MIKE UNGER** is a *Baltimore* contributing writer.

**VISIT THE ARCHIVES**

[baltimoremagazine.net/archives](http://baltimoremagazine.net/archives)

**Ponying Up**, May 2011

*We profile Kevin Plank’s passion for horse racing.*

**Test Run**, November 2011

*We take a look inside Under Armour’s innovation lab.*