

Margin vs mission: Allbirds sold \$100–\$110 merino-wool and tree-fiber sneakers direct, printed a carbon number on every shoe, and became a public benefit corporation → it raised ~\$303M at its 2021 IPO (≈\$4B day-one value) and peaked at \$297.8M revenue in 2022 → but it lost money every year (≈\$510M cumulative 2019–2025), gross margin slid from ~53% to 41%, and marketing ate ~30% of revenue → stores went 60 → 23 → 4 and in June 2026 the brand was sold for \$40.7M to American Exchange Group + WSG Brands, who plan wholesale and licensing, while the listed shell became Smartbird, an AI-infrastructure company (FACT SEC filings).

KEY PARTNERS

- Small group of Tier 1 factories; shoes mostly Vietnam (FACT 10-K).
- 3 distribution centers, all third-party run (FACT).
- Distributors in 90+ countries (FACT).
- Carbonfact, B Lab, Soles4Souls, Shopify (FACT).
- **\$50M credit line** — Second Avenue Capital (FACT).
- **New owners from Jun 2026** — AEG + WSG Brands (FACT / SECONDARY).

KEY ACTIVITIES

- **Materials R&D** — wool, tree fiber, sugarcane (FACT 10-K).
- Design refreshes, e.g. Wool Runner NZ, Aug 2025 (FACT).
- Carbon measuring + 50% reduction plan (FACT).
- **Brand marketing** — 'Allbirds by Nature' (FACT).
- **2024–26** — close stores, shift to distributors, sell brand (FACT).

KEY RESOURCES

- Brand, trademarks, patents, domain (FACT 10-K).
- Materials know-how; trained factories (FACT).
- PBC + B Corp score 96.5 (FACT).
- Inventory \$38.9M; cash \$26.7M end-2025 (FACT).
- 362 employees end-2025 (FACT).
- Customer lists sold with the brand (FACT 8-K).

VALUE PROPOSITIONS

- **Comfort first** — 'world's most comfortable shoe' (FACT, company claim).
- Wool Runner \$110; Tree Runner \$100 (FACT).
- Merino wool, tree fiber, sugarcane (FACT 10-K).
- Machine washable, simple design (FACT).
- **Carbon label** — Wool Runner 7.1 → 8.03 kg CO2e (SECONDARY / FACT).

CUSTOMER RELATIONSHIPS

- Direct relationship + customer data (FACT 10-K).
- **Goal** — grow 'closet share' with repeat buyers (FACT).
- PBC / B Corp as proof of mission (FACT).
- 30-day returns; buyer pays return shipping now (FACT site).
- Mobile app discontinued (FACT).

CHANNELS

- E-commerce + marketplace + stores (FACT 10-K).
- **Stores** — 60 → 23 → 4 (FACT).
- Distributors in 90+ countries (FACT).
- Select U.S. wholesale retailers (FACT).
- **AEG plan** — department + mass retail; new line fall 2027 (SECONDARY).

CUSTOMER SEGMENTS

- Urban, online-first, health-minded (FACT 10-K).
- Willing to pay a premium (FACT).
- Climate-conscious buyers (FACT).
- U.S. ≈78% of FY25 revenue (FACT; computed).
- AEG targets broader retail shoppers (SECONDARY).

COST STRUCTURE

- Cost of revenue \$89.9M = 59.0% (FACT).
- SG&A \$92.5M = 60.7% (FACT).
- Marketing \$45.2M = 29.7% (FACT).
- Operating loss –52.4% of revenue (FACT).
- Cash burn \$55.1M; cash \$14.4M by Mar 2026 (FACT).

REVENUE STREAMS

- One-time pair sales; no recurring revenue (FACT).
- U.S. \$118.6M; international \$33.8M in FY25 (FACT).
- Peak \$297.8M (2022) → \$152.5M (2025) (FACT).
- H1 2026 footwear revenue \$41.5M (FACT 10-Q).
- Brand sale \$40.7M; dividend \$0.31/share (FACT).