Good morning, and thank you for joining us today. I'm Michael Spillane, President of Categories and Product here. And it's great to welcome you to NIKE World Headquarters during such an amazing time for sport.

As the college football and the NFL seasons are heating up, the Premier League and the Champions Leagues are underway in Global Football. The NBA just kicked off, powered by the great new NIKE gear. And of course, the World Series just began last night. Unfortunately, the Red Sox aren't in it, but fortunately, neither are the Yankees.

So it's a great time to be in sport as well. And more than ever, sport is shaping our culture. And no company is better positioned to capitalize on that opportunity than NIKE. We run a really powerful portfolio. And as Trevor said, we're really focused. We're focused on 7 priority categories and the Jordan Brand. No one else in our industry has the portfolio as broad or as deep as NIKE. And our portfolio is what makes us a truly global brand, allowing us to serve consumers however they engage in sport in their lives.
As you know, we're now focused on 4 geographies: North America, EMEA, Asia Pacific, Latin America and my former home, Greater China. Our international business is now over 55% of our revenue. And we see great opportunity not only in the developed markets, but the developing markets. You'll hear more about that from Elliott.

Powering our portfolio is best-in-class footwear, apparel, and equipment. We make the best, most innovative product in the world at every price point we compete in. We build platforms within and across categories and anchored in pinnacle innovation, and we always hit key price points with distinct choices for different consumers from performance to lifestyle. You'll see examples of this when Jayme and Tom walk you through the product room.

We deepen consumer relationships by dimensionalizing platforms across women's, men's and young athletes at an unparalleled global scale. We know athletes, and in particular, we know women athletes. Women's is no longer just an opportunity. It's driving growth, and it's consistently outpaced men's here at NIKE. Supercharging this portfolio is our unmatched scale, which amplifies everything that we do.
When we talk about scale, here are some examples of what I mean. We're the world's largest footwear brand at $21 billion. We're also the largest athletic apparel brand at $9.6 billion. And in footwear, we hold the #1 market share in all markets and all major categories. So why does that matter? Because we have a proven track record of growing platforms like React into billion dollar businesses. And it means we can amplify our brand message into a global conversation.

So here is the bottom line. We're really big, but we're going to get much bigger, because we're getting much better. And now, across all these dimensions, we're adding speed to dramatically reduce the time it takes to get to market. We're creating the space to be fast by being great editors.

Starting this January, we're putting 25% fewer styles into the marketplace. Editing down to fewer styles creates the space to amplify. Amplifying means more choices of the products that consumers already love. This strategy comes to life through our power franchises, our most premium products that define our brand right now and in the future with defined expectations for sell-through and consumer perception.
Editing out the noise amplifies our greatest strengths. And as you’ll see later from Tom and Jayme, our innovation pipeline has never been more promising. Our best-in-class design team is also further accelerating our speed, armed with the latest technology, allowing us to bring innovation to consumers faster than ever. Digital tools grounded in computational design are shortening the lead time to commercialized innovation and creating the new NIKE aesthetic signatures in both apparel and footwear with more control, higher resolution, and unlimited imagination.

In apparel, the FE/NOM bra is a great example of the capabilities that we're unlocking. Leveraging Flyknit technology, we digitally engineered every stitch for performance benefits. Engineers and designers put in over 600 hours of rigorous biometric testing, including motion capture and atlas maps, which translated that into 2 single-layer fabric panels that optimize for both encapsulation and compression. The result is a bra that's 30% lighter than any other bra in NIKE history and still delivers maximum support and style.

On the footwear side, we use digital design tools to create the Epic React, one of the cornerstones of our running revolution launching this spring. React delivers a better combination of energy return and
durability than anything else in the marketplace. React was digitally fine-tuned through thousands of iterations using Gigabytes of proprietary athletic data to create an entirely new platform. And we did this in a 1/3 less time. It all comes together through what we call Quantum Craft.

So let's take it closer look at what that means.

[Video In Room]

So, pretty amazing. Quantum Craft is really about unlocking innovation, new anesthetics and, above all, speed. And there's no better way – no better example of how we’re accelerating speed than our Express Lane. Express Lane is where we are building the muscle to maximize consumer demand in real-time through 3 capabilities.

The first is Create. Delivering new products and moving from design to shelf in less than 6 months. Express Lane's second capability is Update. Through Update, we're adding and amplifying dimensions of our product line through new materials, colors, prints on popular existing models and styles based on real-time consumer insights, shrinking the process down to less than 90 days. And the final capability is Fulfill, which is about being in stock on the product that our consumers love when they want it, whether it's the ability to scale new innovations faster or always being in stock on our favorites, we're accelerating this model to be as fast as 2 days.
Express Lane comes to life with teams embedded in the geographies, providing real-time insights from consumers and athletes in New York, London and Shanghai, fueled by continuous preseason and in-season insights, cross-functional teams make decisions acting as one. They create, they update and they fulfill; and this is how we do business now.

Here's all that all leads to disruption at scale. This is the new Shox. It's a great example of how Express Lane can transform our ability to respond to consumer insights faster than ever. We know the consumers today are looking for high-energy return and in style together. So we're bringing back the Shox, a model with unmatched propulsive feel and a striking aesthetic. Launching in the holiday season, Shox -- the new Shox shows the power of our edit to amplify strategy as one model, one consistent feel amplified across 11 distinct characters and 25 colorways. As you can see on the screen behind me, each Shox colorway reflects a different unique inspiration. At one end of the spectrum, you're going to have pure performance, and at the other, amplified style. No matter what the situation, Shox is engineered for the exact specifications of the athlete from the track to the street and everywhere in between.
Perhaps even more impressive is how Express Lane brought this Shox imagine to life. We used 3D modeling to rapidly visualize and design the product in just a few weeks. We went from design, to prototyping, to manufacturing, to delivery in less than 6 months, and now we’re doing it at scale. This is what disruption looks like. We’ve got a great consumer insight telling us what they wanted, propulsion with style. We reimagined the concept and moved it from idea to shelf in just 6 months. And now we’re scaling speed across our portfolio.
First, the complete value chain will start soon to be all digital, starting with design and development. In footwear, for example, we're deploying digital across every aspect of the business. It's giving us the ability to instantly visualize the future of our top franchises, such as the Air Force 1. And in apparel, these types of capabilities allowed us to create the lightest, highest performance uniforms the NBA has ever seen and scale from licensed to branded to performance to style faster. Similar to how we amplified the NFL, our investment in new capabilities is just one of the many ways we're elevating the NBA partnership. Powered by one of the fastest-growing sports in the world, we'll grow the NBA apparel opportunity on a global scale.
In addition, we're investing in rapid prototyping to accelerate one of the most time-intensive parts of the product creation process, the design and development stage. We can now produce more than twice as many high-quality prototypes with -- than traditional creation. Our goal is to rapid prototype 100% of the new innovations right here in Portland, Oregon.

So while you're waiting for your prototype, you can go out, grab a kale salad, maybe a bacon donut, a local craft beer. And when you come back, you have your shoe. At the same time, digital rapid prototyping enabling a multi-track game plan for everything we make, cutting our average product time from -- almost in half. Some of our best-selling items like T shirts were speeding from 90 weeks to 90 days.
So here is what speed gets us. Getting closer to the consumer allows us to generate a more reliable demand signal, which has 2 major benefits. It leads to better full-price sell-through, which leads to fewer markdowns, returns and higher gross margins as well as optimized inventory. All this adds up to consistent quality, long-term growth. The difference between getting the demand signal right versus wrong, as you know, can be hundreds and millions of dollars in revenue and significant margin upside. So let me highlight 2 examples of how we're delivering innovation and newness across the portfolio.

For the first example, I want to come back to React. Launching this spring, Epic React sits at the heart of our running revolution. The best innovations come from listening to the voice of the athlete. And when athletes were asked what they wanted improved in footwear, their answer was really simple: Everything. They want long-lasting softer cushioning with even better energy return. And they need shoes to be lightweight. A tall order, but our design teams were up to the challenge. And the Epic React is their answer. We've tested it with runners of all ability levels, logging more than 17,000 miles in the lab and on the track. And from both elite and everyday runners, the response is equally powerful. The Epic React feels like instant go.
So next, I want to spend on our most iconic platform, Air. New technologies are pushing the limits of Nike Air. And the consumer demand is growing right along with it. We anticipate growing the entire Air business by several billion dollars over the next couple of years. Our pipeline is strong with new innovations like VaporMax, Air 270, along the unmatched breadth and the heritage offerings like Air Max 97. We're also seeding and scaling faster than ever before. For the VaporMax, we're launching seasonal refreshes with new Flyknit uppers for the -- in the next 2 years. And we've already accelerated the next version forward by a full year. Increasingly, you'll see our product brought to life through Nike.com.

Nike.com not only serves as a source of revenue for us, but it's a place to drive deep consumer connections. It also acts as a seasonless testing ground to get the right products in front of the consumer. In a seasonless model, you're no longer waiting to get to market. You're there instantly and on demand. It's part of our shift away from the outdated futures model, pivoting to real-time sell-through with the added benefit of bypassing conventional market gates, allowing us to scale faster. And later today, Adam and Heidi will explain to you how we're transforming that seasonless model into powerful membership experiences.

So when we talk about the power of our portfolio, it means our growth isn't reliant on just one platform or one sport or one trend. It's our scale and diversity that sets us apart. And that's why we'll be driving sustainable long-term growth with incredible balance across performance and lifestyle, with a sharp focus on editing and amplifying the products people love most like our Power Franchises. And across all dimensions, we're adding speed powered by digital. Now the only way this works is complete coordination from consumers’ signal to the final shipment. And so to discuss that further, here's our Chief Operating Officer, Eric Sprunk. Thank you.