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Gifts help recipients get a life experience *Tired of buying 'stuff,' shoppers seek events*

By Sandra Jones

Bored with the thought of wrapping up another crew-neck sweater, Robbie Hamill did something unusual last Christmas. She bought her son-in-law a deep-sea fishing trip.

Her husband, Tom, gave their daughter Mary a certificate for a personal training session. And daughter Jane gave Robbie a painting lesson with a professional artist.

Welcome to the 21st Century of gift giving.

Overwhelmed and overstuffed with shirts and slippers and games and gadgets, more Americans are eschewing traditional presents and giving life experiences for the holidays.

"People have so much crap in their houses that they're desperately shipping it off to storage facilities," said Karal Ann Marling, a University of Minnesota art history professor who has studied the history of Christmas and consumerism. "A lot of people would appreciate an airline ticket or dinner out

because they've just got too much stuff."

Traditional gifts are still expected to make up the bulk of the more than \$457 billion that will be spent on gifts this holiday season. Lower gas prices in recent months are expected to help lift retail sales to a modest increase of 5 percent compared to last year, according to the National Retail Federation.

The average shopper is expected to spend about \$800 on holiday presents this year with gift cards, cashmere sweaters, iPod accessories, sterling silver jewelry, video games and video game players among the most popular gifts.

It's also expected to be one of the most competitive holiday shopping seasons in recent memory. Not wanting to miss a beat as it did last year when it didn't do enough promotions right after Thanksgiving, Wal-Mart Stores Inc. began slashing prices on hundreds of products weeks before the traditional start of the season.

While shoppers are expected to be out in droves shopping for everything from new jeans to home theater systems, giving the gift of an experience may be the surprise hit this year. Though the trend that has been popular in Europe for more than a decade, it's just starting to make headway in the U.S.

Culture watchers say the bubble of Baby Boomers, already flush with things, is driving the shift as they get ready to retire and look to pare down their personal belongings. Others point to the nation's fascination with celebrities and the pervasive media coverage of their pampered lifestyles.

If George Clooney can drive his Hollywood pals around Italy's Lake Como in a sleek Riva speedboat or John Travolta can park his Boeing 707 in his back yard or Goldie Hawn can ride an elephant in India, shouldn't anyone be able to live the high life, if only for a few hours?

A handful of entrepreneurs are lining up to deliver.

In the past 18 months several firms, including Boulder, Co.-based Cloud 9 Living LLC, Fairfax, Va.-based Excitations Inc. and Chicago-based Signature Days, have set up shop as experience gift companies, finding and packaging unusual, sometimes outrageous, activities.

Sky diving, cooking classes, winemaking, glass blowing workshops, Nascar track racing, bullfighting, shark diving, flying a Russian MiG-25, and shadowing a talent agent for a day are just some of the options. The list is long and growing.

The U.S. start-ups are modeled in large measure after Britain's Red Letter Days, considered the pioneer of giving experiences as gifts.

So far, the U.S. companies have limited the cities in which they do business. The year-old Excitations, for example, debuted in Chicago in November with 80 experience gifts, including a private tour of Tempel Farms, the Lippizan horse farm in north suburban Wadsworth, and scuba dive adventure to view shipwrecks in Lake Michigan. It also operates in Washington, D.C., New York, Philadelphia and soon in San Francisco.

Cloud 9 Living, which began service in May, is in 15 cities,

including Chicago, and plans to double its presence to 30 by next year. And Signature Days, which launched in Chicago last year, offers experiences in about 50 cities.

Storefront push

U.S. firms generate most of their business through Web sites but are starting to expand into storefronts. Excitations expects to sign on with a bigger retailer in early 2007.

Signature Days is slated to begin selling gift cards this week in time for the holidays at Wal-Mart, CVS, Office Depot and several regional supermarket chains. The firm also introduced a bridal registry on its Web site earlier this month.

"A lot of people are getting into this business because there is a tremendous demand in the U.S. market," said Chris Widdess, vice president of business development at Signature Days.

The number of shoppers planning to give a life experience as a gift this holiday increased 15 percent from last year, according to NPD Group. That's the biggest jump in four years, said Marshal Cohen, chief industry analyst at the Port Washington, N.Y.-based market research firm.

Analysts say the experience

gift-giving segment is a \$50 million to \$60 million business and is growing 20 percent annually. One out of four shoppers plans to present a gift of an experience this holiday, up from 1 out of 5 shoppers at the same time last year, according to Unity Marketing's latest Gift Tracker survey.

Not surprisingly, experience gifts, which can cost hundreds to thousands of dollars, are most pervasive among luxury shoppers, Cohen said.

Neiman Marcus has been coming up with over-the-top gifts in its annual Christmas Book for 80 years, like this year's \$1.8 million Virgin Galactic charter to space or \$100,000 backyard water park.

What's different now, experts say, is that lifestyle experiences are becoming more widespread. At under \$100, a hot stone massage or drawing class is within many shoppers' budgets.

"Affluent consumers don't live that differently from everyone else," said Pamela Danziger, president of Unity Marketing, a Stevens, Pa.-based luxury market research firm. "They may have fancier spigots, but we all have toilets and sinks versus the 1800s when the rich lived way above the common people."

Memories that last

Waylon Kruch, CEO of Washington, D.C.-based Lunarline Inc., an information security company, received an acrobatic ride on a 1940s barnstorming biplane last Christmas from his business partner. The price tag: \$175. This year he's going to buy a similar experience gift for another executive at his company.

"It was the absolute best experience of my life," said Kruch, who after the ride decided to get his pilot's license. "It was the equivalent of a high-speed roller coaster. You free-fall, your stomach goes up in your head, you see the ground and then the air again. I loved it all the way through. I was just laughing the whole time."

Glenview resident Robbie Hamill had a similarly life-changing experience with the art coaching gift her daughter gave her. She studied painting as a young woman, but working as a therapist and raising a family didn't leave much time for art.

Now retired, Hamill pulled out an unfinished painting she had started 35 years ago to bring to her two-hour art lesson at Lincoln Terrace Art Studio & Gallery in Skokie. The painting depicted the hallway of the first apartment she and her husband shared and her young son peeking around the corner. Hamill finished the painting and

gave it to her now-grown son.

"A sweater wears out," she said. "An art lesson, it's renewable. I keep getting new ideas. We all have things. This was an experience."

That's not to say shoppers won't line up for electronics and toys this holiday. Thanks to plummeting prices on flat-panel plasma TVs, home theater systems are expected to be hot sellers. As for sweaters, they will still be around, too.

Americans have been buying things to give each other for Christmas since after the Civil War, said the University of Minnesota's Marling. It started with books, then moved to "gee-gaws," or trinkets that were available only at Christmas, and the trend has been building. Experiences, she said, are simply the latest expression of American consumerism.