

Specialty lines offering optimism

by BRENT CHILDERS, Editor

Lean and mean.

That was the cliché borrowed by one hosiery manufacturer who described his company's 2005 profile.

It very well will prove accurate for the industry as a whole.

Lean in the sense that companies are working harder than ever to find areas to cut costs in their operational expenses. Mean in the sense that doing business in a global marketplace is more competitive than it ever has been and the days of sharing information about products and ideas are definitely numbered.

Legwear Trends in October and November spoke with more than 50 manufacturers and suppliers about the future of the industry and the role their companies will play.

Some were optimistic. Some were not.

The ones that were most optimistic were the owners and executives of companies who have had success in diversifying their product lines – whether it was using their Sangiacomos and Lonatis to produce seamless bodywear or the manufacturer producing outdoor wear socks made to repel insects.

Industry observers say that is a trend that will and must continue if American hosiery manufacturers are going to stay in business.

On the other hand, less optimism was heard from manufacturers whose profits have been tied to the mass commodity sector. As cheap foreign labor shifts manufacturing jobs overseas and retailers likewise shift their buying dollars to those low foreign bidders, many U.S. hosiery manufacturers have found it impossible to compete.

Several large manufacturers foresaw the developing trend and began shifting some or most of their manufacturing operations overseas several years ago.

In just a four-week period of calling manufacturers in October and November, Legwear Trends spoke with several North Carolina-based and Alabama-based manufacturers who were in the planning process of moving part of their operations overseas.

"We can't compete," said one western North Carolina manufacturer planning a move to Honduras.

Some have taken a different approach.

One manufacturing company

said it was tired of dancing to the Wal-Mart chant and has put in a place a 2005 business plan that will redirect the company into specialty lines – and away from being held captive to the less-and-less profitable demands of mass retailers.

That is a trend that will continue in 2005 which means product development and marketing strategies will play an ever-increasing role in hosiery companies.

As one manufacturer stated, the idea is not to wait until the consumer tells you what he or she wants, the manufacturers' research and development departments must make a product that the consumer wants before they know they want it.

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