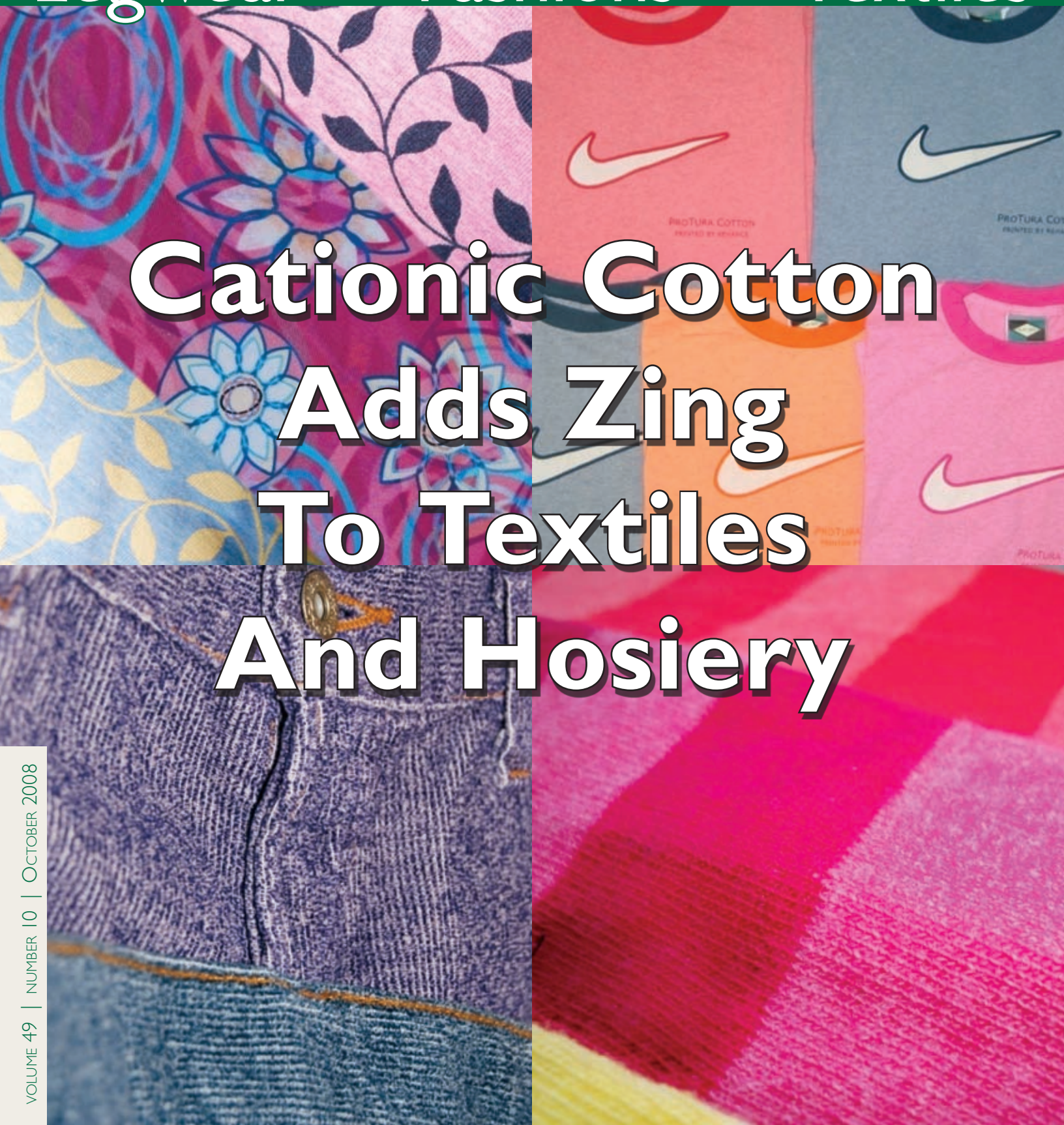
TRENDS

Legwear Fashions Textiles



Cationic Cotton Adds Zing To Textiles And Hosiery

VOLUME 49 | NUMBER 10 | OCTOBER 2008

INVISTA™

INTRODUCING

COOLMAX™ ECOTECH™

FIBER

Made from recycled resources, new COOLMAX™ EcoTech™ fiber provides all the quick-dry benefits and comfort of the original classic COOLMAX® fabric. This revolutionary new fabric provides the same wicking technology that keeps moisture away from active feet.

To learn more about COOLMAX,® contact John Haigh at john.r.haigh@invista.com or 336-538-0333.

COOLMAXFABRIC.COM

Made from recycled resources

COOLMAX EcoTech™

COOLMAX™ EcoTech™ fabric is a trademark of INVISTA. ©2008 INVISTA.

TRENDS

Legwear Fashions Textiles

The only monthly publication that offers News About The Industry, From The Industry, For The Industry.

inside

4	**Legislative Column – Paul Fogleman**
6	**With Women's Touch, ILG Gets New Focus on Growth**
8	**CloverTex Speciality Yarn Producer Teams With HTC For Innovation**
10	**Decline In Cargo Containers Sets New Trend, NRF Reports**
11	**At Retail October**
14	**Industry Briefs**

The ONLY monthly magazine dedicated to the hosiery industry

PUBLISHER & EDITOR..... Paul Fogleman
ASSISTANT EDITOR..... Charlene H. Carpenter
ART DIRECTOR..... J. Johnson
SALES & MARKETING..... Denise Hatcher

Inform Inc.

P.O. Box 1708, Hickory, NC 28603
Tel.: 828.322.7766 • Fax: 828.322.4868

advertisers in this issue

We appreciate *TRENDS – Legwear | Fashions | Textiles* advertisers and encourage you to consider them when selecting a product or service.

COOLMAX™ EcoTech™	2	Delmark	13
SmartSilver™	5	Jones Textile Company	13
Carolina Mills, Inc.*	11	Roselon Industries	13
Glenn Mauser Co., Inc.*	11	Buhler Quality Yarns	13
CEMS – Hosiery Technology Center*	12	Fiber & Yarn Products Inc. *	16

To Advertise in TRENDS – Legwear | Fashions | Textiles
please call: Charlene Carpenter or Denise Hatcher at 828.322.7766

*Advertisement concept and design by the TRENDS creative team.
Like what you see? We offer reasonable design and advertising packages.

legislative *column*

by **PAUL FOGLEMAN,** Director, Hosiery Governmental Affairs Council

The last time a presidential candidate carried North Carolina was 1976 when Tarheel voters embraced another southerner – Jimmy Carter. Now, 32 years later, North Carolina is poised to move into the blue column. Sen. Barack Obama has been leading Sen. John McCain in polls 48 to 43 percent.

The Civitas Poll run by the conservative John Locke Foundation has confirmed Obama's lead. The poll also has the U.S. Senate race between incumbent Elizabeth Dole and State Sen. Kay Hagen a virtual tie: 45-43 percent respectively. Other polls have Hagan ahead by 3 percentage points.

With the current economic climate it seems unlikely the Legislature in North Carolina will change. Democrats could well gain in the Alabama legislature where the hosiery industry is still important. Look for significant budget cuts as declining tax revenues have an impact. When House members and senators return to the capitols early next year they will be in a somber environment.

••••

The governor race in North Carolina has been a neck-in-neck affair. Lt. Gov. Beverly Perdue, Democrat, has been unable to ride the Obama tide. Charlotte Mayor Pat McCrory has tried to link Perdue to former Speaker Jim Black, the lottery, and "the corrupt leadership" leadership in the General Assembly which passed tax increases.

McCrory has worked to overcome the "Charlotte curse" and has gained some momentum in Perdue's strong areas in eastern part of the state. Polls show either candidate can be ahead in the polls by one or two percentage from week-to-week. Political observers believe Perdue has ammunition to pull ahead in the final days, hitting McCrory for his support of vouchers for private schools and his criticism of community colleges.

••••

Two Republican U.S. House members reversed course and voted for the $700 billion bailout of the financial industry when it came up for a second vote. Rep. Sue Myrick and Rep. Howard Coble followed the GOP leadership in Congress and supported the appropriation. U.S. Senator Dole opposed the bailout as did most of the other Republicans from North Carolina.

••••

Rep. Patrick McHenry represents the strong Republican 10th District which includes the Catawba Valley area, and Cleveland and Rutherford Counties along with three mountain counties. He has been a loyal foot soldier for the House GOP leadership and was a protégé of House Majority Leader Tom DeLay.

Now McHenry is in a competitive race that could see the first Democrat in 46 years take the district seat. Daniel Johnson, a young attorney and military hero who lost two legs saving another Navy ensign, has raised more money than McHenry and has waged an aggressive television campaign. McHenry is depending on the turnout of conservative evangelicals who are energized by Gov. Sarah Palin, GOP vice president candidate. McHenry has loaned his campaign $175,000.

McHenry is in a competitive race that could see the first Democrat in 46 years take the district seat.

I LIVE ON THE EDGE.

I prefer **vertical** to horizontal. I define getting to the **top** a little differently than most. My lifestyle is **INTENSE** and I don't make **compromises.**

SmartSilver™.
No compromises.

More than just an odor fighting antimicrobial, SmartSilver nanotechnology works—permanently—with both natural and synthetic fabrics without inhibiting other performance features or diminishing a garment's comfort. It's what makes state-of-the-art apparel edgy.

For more information on SmartSilver, please call us at 1.866.584.6235 or visit us online at www.smartsilveronline.com.

SMART SILVER

With Women's Touch,
ILG Gets New Focus on Growth

Denise Yow (left) is working with Kathy Willis to grow business at International Legwear Group where Willis recently took the office of president and chief operating officer.

By Paul Fogleman, Trends Publisher

Two women with determination and extensive experience in the hosiery industry are changing the dynamics at International Legwear Group (ILG).

Since taking over the office of president and chief operating officer, Kathy Willis has worked to give the company a new focus: where and how it is to grow. Add to this focus strategies for profitability – putting overhead in line with the revenue base.

Working with Willis on revenue growth is Denise Yow, who has maintained a high profile as a designer and product development professional. She joined ILG in August as vice president of merchandising and is pushing new opportunities with the company's brands, notably Peds and Dickies.

Willis envisions growth with mid-tier retailers such as J.C. Penney and Kohl's.

Success with Walgreens has prompted a goal to move aggressively into food and drug retailers.

Willis and Yow believe they have the resources to make ILG "an icon in the hosiery industry."'We've been through the tough times," Willis acknowledges. "It has made us stronger."

Yow says the reality of ILG is different from the perception. "The company has some of the most spirited and creative people I've ever worked with in hosiery," she insists. She also observes that the resources and support given to the sales force are exceptional and will position ILG for growth.

While Yow is focused on growing the current customer base, Willis pays attention to having a cost-effective presence, especially with manufacturing operations in Mexico which currently are shipping 50,000 to 60,000 dozens each week. And while ILG continues to buy from companies in Asia, Willis sees this program shrinking.

The cost of freight and the quality issues make it difficult to be competitive and do business with Asian sources, Willis says. She also observes that turnaround time from Asia is 90 to 120 days compared with two weeks to 30 days for shipments from Mexico.

Kathy Willis

Denise Yow

"The difference has a big impact on our cost for inventories," she asserts. Most hosiery manufacturing will return to the Western hemisphere, she predicts, but that does not necessarily mean to the United States.

ILG still employs some 150 people in the Hickory headquarters operations. In addition to the sales, marketing, accounting and management personnel, the payroll includes employees in distribution and rework positions. Knitting technicians from Hickory work in the Mexican operations on two-weeks cycles, assuring the quality and flow of goods.

The strategic plan for ILG includes private label business and new brands. Willis and Yow report the company will look for new licensing opportunities, including an athletic brand.

As a strategy to strengthen its services to retailers, ILG recently acquired the online John Galt forecasting system which tracks shipments and POS turns at retail.

So certain are Willis and Yow of ILG's opportunities that they envision a role as a major vendor to U.S. retailers within the next three years. "I want us to be an icon for the industry," Willis concludes.

CloverTex Speciality Yarn Producer Teams With HTC For Innovation

PROTURA MARKETING – Working on the implications and opportunities for ProTura yarn in the hosiery industry are, from left: Tony Leonard, MFI Technologies; Dan St. Louis, director, Hosiery Technology Center; Tom McCall, new business director for CloverTex; and Steve Karriker, head of the dyeing program for the hosiery center.

As textiles and hosiery manufacturers look for methods and processes to reduce costs, now comes cationic cotton. And with it are earth-friendly dye processes and major inroads in fashion and design.

Protura™ cotton is a cationic fiber which has a positively charged ion as a result of an electrolyzed process. As a result, it can offer any number of options in the direct dyeing process: for garment dyeing, continuous, pad batch, jet and package dyeing, and digital printing.

Big feature: no salt or alkali is required for dyeing. ProTura, a product of CloverTex LLC, also has dye cycles that are 50 percent shorter than conventional reactive dye times for cotton which reduces energy and increases throughput in the dyehouse. The other big feature is better quality dyeing results. You are now able to get 3.5 to 4 ratings for colorfastness on the AATCC 2A wash test using less expensive direct dyes instead of fiber reactive dyes. These results have been proven by the HTC testing lab.

Dan St. Louis, manager of the Hosiery Technology Center and the Center for Emerging Manufacturing Solutions (CEMS), says the cationic cotton fiber marketed as ProTura offers extensive opportunities for manufacturers of apparel and socks. "It fits right into the trend for sustainable manufacturing," he observes.

Steve Karriker of the HTC, Tony Leonard of MFI Technologies and Nelson Houser of Burlington Chemical have been working with CloverTex over the past eight months to refine the dyeing method to dye both cotton and nylon with direct dyes in less than 1.5 hours and to get a 3 or better score on the 2A wash test for colorfastness. The cotton dyed in the bath in 30 minutes or less but the trick was to get the nylon to dye quickly and be colorfast.

Originally, ProTura was introduced to give customers more color flexibility. Leading apparel producers found ProTura and its blends gave them the capabilities to bring breakthrough items to customers, especially in various color shades and combinations. As a cationic product, ProTura can be blended with other cotton with the Protura cotton dyeing and the regular cotton not dyeing in the same sock. This would allow 1 Protura fiber to be used for any single colored logo yarn for a cotton sock.

The results of using ProTura for printed and garment dyed selections has caught the attention of major U.S. brand marketers such as Nike and American Apparel. The process also has produced new color formations for denim, oxford shirts, and corduroy. Digital printing results have opened new doors for woven textiles companies.

Socks directly dyed can give the same appearance of pre-dyed yarns, according to the executives working with the program. "We're making black socks as green as we can make it," asserts Tom McCall, new business director for CloverTex, referring to the environmental benefits of direct dye and cleaner waste water. The stated goal is to produce a black sock in 90 minutes.

Other objectives include making cotton khaki pants with worsted looks or fancy wovens that look like yarn dyed fabrics. Another R&D project involves digital printed heather knits.

By reducing the lead times, manufacturers can reduce inventories and SKUs, the proponents insist. The flexibility also gives new creative energy to designers, they note.

Tony Leonard, president of MFI Technology, serves as an industry dye consultant working with CloverTex.

Decline In Cargo Containers Sets New Trend, NRF Reports

The slowing economy has resulted in major declines at major retail container ports and some supply chain companies see long-term consequences.

Cargo volume in 2008 is expected to decline by 6.8 percent, according to the National Retail Federation. The NRF says merchants are working to manage inventories in response to the nation's economic doldrums.

Another trend is a play, manufacturing vendors to retailers say. The cost of transportation has made imports less competitive. Hosiery and textiles manufacturing companies are developing long-range plans to growth operations in Mexico and Central America, especially Honduras.

Volume is projected to total 15.43 million Twenty-foot Equivalent Units this year, compared with 16.5 million TEU in 2007. The total would b e the lowest since 2005.

"This has clearly been a difficult year and we still have a challenging holiday season ahead of us," NRF Vice President for Supply Chain and Customs Policy Jonathan Gold said. "Retailers are careful to import only as much merchandise as they think they can sell," he added.

U.S. ports handled 1.37 million TEU in August – up 4 percent from July. But the volume was down almost 6 percent from August 2007. October is forecast to be down from the same month a year ago. This is the peak month of the year as far as holiday merchandise is involved.

The ports of Los Angeles and Long Beach, CA, where Asian-made merchandise arrives are dealing with another issue: regulations that require trucking companies doing business there to obtain a special concession license, effective Oct. 1.

Implementation of the Clean Trucks Program at LA and Long Beach ports are causing concerns. Weak import demand has relieved pressure on the ports capacity, but doubts remain about whether enough trucks will be available, NRF says.

The National Retail Federation is the world's largest retail trade association, with membership that comprises all retail formats and channels of distribution. NRF represents an industry with 1.6 million retail establishments that employ 24 million people – about 20 percent of all American employees. T

At Retail

Dick's Sporting Goods Announces New President

Dick's Sporting Goods has announced Joseph M. Schmidt, 49, will assume the office of president of the national specialty chain.

Schmidt has served as executive vice president of operations and chief operating officer since February. He will become president in February 2009. Before becoming chief operating officer, Schmidt served as vice president of store operations.

The retailer operates 350 Dick's Sporting Goods stores in 38 states, 80 Golf Galaxy Stores in 30 states, and 15 Chick's Sporting Goods stores in southern California.

Walmart Puts Focus On Private Label Growth

Walmart Stores, in a reverse course of direction, has taken steps to ramp up its private label business. Observers say it is a move that could present a "substantial new challenge" to marketers who rely on the world's biggest retailer as the economy slides deeper into recession.

Walmart revealed it is searching for a new package goods marketing specialist to serve as director –portfolio strategy, private brands. This director will report to Andy Ruben, vice president for private brands. He previously served as vice president for sustainability.

Observers said ramping up the private-label team signals a significant direction shift for Walmart which has de-emphasized private label over the past 20 months to focus on national brands.

JC Penney To Launch 'California Cool' Apparel

JC Penney has announced it will introduce an exclusive, moderately priced women's apparel line designed by Allen B. Schwartz, California-based creator of high-end ABS line.

The new line, named ALLEN B., will be rolled out in 600 of Penney's 1,083 stores in spring. Penney spokesmen said the line will be a "California cool" aesthetic. Prices will be among Penney's most expensive, with dresses ranging from $70 to $80 and T-shirts for about $30.

Penney's hopes the line will provide a sales boost by appealing to fashion-forward shoppers, especially those in their 20s and 30s who are trimming their expenses. Earlier the retailer announced that designer Charlotte Ronson will bring a new contemporary line named "I Heart."

Carolina Mills Inc.

For over 78 years, the most diverse specialty and innovative yarns to domestic and global markets.

- Comfortrel®
- CoolMax®
- EcoSpun Green®
- EcoSpun Tetra®
- HydroPur®
- HydroTec®
- Sensura®

heathered blends, wool blends, other speciality fibers

Khal Shreitah • 828-428-6283
kshreitah@carolinamills.com
Tom Childers • 828-428-6241
tchilders@carolinamills.com
www.carolinamills.com

Celebrating 25 Years
Custom Plastic Solutions & Recycling

We thank our many customers – past, present and future.

Warehoused inventory. High quality parts. Competitively priced. Sustainable practices. Quick turnaround on custom solutions. We go the distance for your business.

Glenn Mauser Co., Inc.
(828) 464-8996
Fax orders to (828) 466-3550
sales@glennmauser.com
glennmauser@glennmauser.com
www.glennmauser.com

Society of Plastic Engineers Senior Member - 33 years

THE WORLD IS GETTING SMALLER.

OUR DEMANDS ARE GETTING BIGGER.

MILES ARE NOW MINUTES.

Markets that used to be weeks away are now serviced in a matter of hours. The world is smaller. But thanks to instant communications global markets are available to businesses of all sizes. Companies that introduce new hosiery, socks, apparel, and yarns are growing, thanks to innovation.

The Hosiery Technology Center at the new Center for Emerging Manufacturing Solutions (CEMS) is supporting companies with research and development, testing and sourcing, marketing and sales. From production to retailing, the center is engaged in supply chain services. That includes training and lean manufacturing strategies.

The path to a successful future depends on open-minded management. We're here to help management open new doors in a *smaller world.*

CEMS
Center for Emerging Manufacturing Solutions
Testing • Product Development • Market Innovations • Research • Lean Manufacturing

Dan St. Louis, Director • Catawba Valley Community College
Hwy 70 SE, Hickory, NC 28602 • (828) 327-7000 Ext. 4292
email: sockman@legsource.com • website: www.legsource.com

HTC
Your Resource For Success

Fort Payne Hosiery Cutbacks Announced

FORT PAYNE AL – The economic downturn has resulted in major cuts in production and payrolls within the Fort Payne hosiery industry.

Cooper Hosiery Mills reported layoffs for 260 employees or one-fourth its total workforce. Ben Mar Hosiery said it will terminate 45 of its 120 jobs.

Gildan-Prewett has cut its workweek to four days, it was reported.

Fort Payne, which once touted itself as the "Socks Capitol of the World," has seen dramatic shrinkage in hosiery workforce. In 2005 some 6,000 people were employed in over 100 hosiery mills. Currently it is estimated some 3,200 are employed in hosiery manufacturing and distribution.

QUALITY AND SERVICE FOR 60 YEARS

DEL- MARK

DRY HEAT TRANSFERS
SCREEN PRINTED TRANSFERS
TAGLESS LABELING

P.O. BOX 1988 HICKORY, NC 28603

828-322-6180 (P) delmark@charter.net
828-322-6183 (F) www.delmarktransfers.com

Jones Textile Co. INCORPORATED

PO BOX 19082
CHARLOTTE, NC 28219

PH. (800) 280-0474, (704) 357-1773
FAX (704) 357-8320

- NATURAL AND DYED STRETCH NYLON
- SEAMING THREADS
- NATURAL AND DYED POLYESTER YARNS

Serving The Hosiery Industry Since 1947

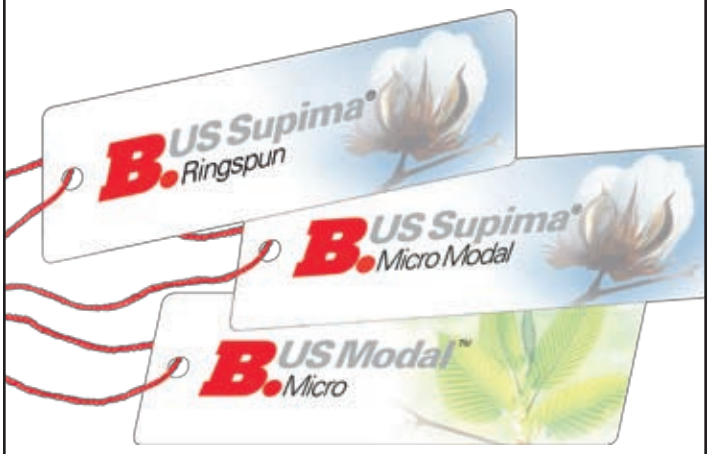
ROSELON INDUSTRIES INC.

Textured Yarns and Threads for Hosiery, Dyed/Natural Crimped, KdK, Stretch Nylon, Polyester and Olefin

Phone: 336-629-9174
FAX: 215-536-7284

18 South 5th Street
Quakertown, PA 18951

Quality in every single fiber.



Supima

US Supima Ringspun Our yarn spun from finest, extra long staple Supima®-cotton allows for an outstanding fabric appearance, softness, drape and color brilliance. Top yarn quality will guarantee an excellent performance in subsequent processing.

SUPIMA® BLENDS

US Supima Micro Modal Silky sheen, softness, high water absorbency and breath-ability are typical characteristics of our luxurious blend. In perfect combination, combed Supima®-cotton and Lenzing Micro Modal create an exceptional look and comfort.

MicroModal

US Modal Micro An incredible softness with a cool hand feel, the ability for deep color intake and an outstanding drapeabiltiy are characteristics that make textiles from this yarn an incomparable experience. Micro Modal, a cellulose fiber formed from beech wood, is very gentle and soothing to the skin.

B. Buhler Quality Yarns Corp.

Buhler Quality Yarns Corp.
1881 Athens Hwy/PO BOX 506, Jefferson, GA 30549, USA
Phone: (706) 367 9834 • Fax: (706) 367 9837
sales@buhleryarns.com • www.buhleryarns.com

Industry Briefs

Spectrum Yarns Blames Credit Issues On Closings

Spectrum Yarns blamed problems finding credit with the shutdown of plants in Marion and Kings Mountain NC and the layoffs of 200 employees.

Spectrum President Douglas Blanchard said the company was turned down by a North Carolina bank, a New York finance company, and several private lenders before shutting down operations the first week in October. Other textiles companies rejected a partnership, he said in a letter to N.C. Commerce Secretary Jim Fain.

"Because all of these efforts to obtain additional funding have failed, Spectrum has no cash available to fund operations," he said.

Hubert Johnson, manager of the Kings Mountain plant, said that without money to make payroll or buy dyes and yarn, the company was out of choices. "The banking subprime crunch really crucified us," Johnson acknowledged.

Wellman Exits Fiber Business In September

Wellman Inc. has announced that as part of its reorganization plan it will close down operations at Fort Mill SC and exit the polyester staple fiber and engineering resins business.

The announcement said the company will consolidate PET resin production at its Pearl River, Mississippi facilities.

Mark Ruday, Wellman CEO, said "While it is always difficult to restructure operations, we believe these actions will maximize value for our stakeholders and position Wellman for future growth."

Return Of Rail Service For Gaston Textile Mills

An effort to restore railroad service for a Gaston County, NC textiles corridor is being speared by a well-known textiles promoter.

Bill Gray, former sales representative for Murata Inc. and a longtime supporter of the Textiles Technology Center, is heading up Carolina Central Railroad, a group that is looking to restore service in the corridor between Mt. Holly, Belmont and Gastonia.

The organization believes restoration of rail service would improve competitiveness for Gaston textile firms on both inbound raw materials and shipping of finished products through Wilmington and Charleston ports.

TRENDS

Legwear Fashions Textiles

November 2008

TECHNOLOGY CENTERS AND THEIR MISSIONS: The technology centers in Hickory, Asheboro and Belmont, North Carolina, have adjusted to the changing needs of their clients – the manufacturers. Research and development and prototyping of new products remain priorities, along with market support. Roles also have encompassed other industries that interface with textiles and hosiery.

December 2008

NEW LEADERSHIP: The 2008 elections have brought changes to U.S. government and the halls in state legislatures. We will profile some of the new faces and offer some insight into the issues they will embrace that could affect manufacturers. Universal health insurance could be one. More doors open for organized labor could be another.

2009 Editorial Calendar

JANUARY

Brave New World For U.S. Producers. What's on the horizon for the supply chain. How manufacturers are capitalizing on innovations from fiber and yarn producers. Opportunities in retail as consumers evaluate green preferences.

FEBRUARY

Spring fashions. Colors and trends in product design. Pre-MAGIC coverage. Highlights of Outdoor Retailer Winter Market for manufacturers of sports socks and seamless apparel.

MARCH

The sustainability movement gains momentum. Organic fibers and yarn blends and how manufacturers are promoting recycled materials. What are retailers looking for in earth-friendly products?

APRIL

Nanotechnology is making inroads in hosiery and apparel manufacturing, especially healthcare products. We look at opportunities and research and development in this arena. Marketing around Earth Month is analyzed. Hosiery and Textiles Day at the North Carolina legislature is in focus.

MAY

Preview of fall fashion trends. Retailers and manufacturers are asked to look ahead.

JUNE

Sporting socks and apparel are a mainstay for U.S. manufacturers. With the Outdoor Retailer Show on the horizon, we look at trends.

JULY

Government contracts for the U.S. military have been important and the U.S. wants more companies to bid on contracts. The opportunities and the hurdles for domestic manufacturers will be cited. An update on the Berry Amendment that is supposed to give preferences to U.S. producers.

AUGUST

Marketing trends for textiles and hosiery supply chain. This entails steps to improve efficiency and deliveries and promoting new technologies in yarns and fibers.

SEPTEMBER

Coverage of the biannual MAGIC Show. Hosiery and Textile Technology Centers will analyze R&D activities. Yarn and fibers companies will be invited to report on developments adding value to their products. Holiday promotions will be evaluated.

OCTOBER

Ten months after a new administration takes over in Washington, we report on shifts in globalization. Is China still dominating global manufacturing or is the shift to the Caribbean and South America gaining traction. How is the supply chain responding?

NOVEMBER

Women hosiery fashions – sheer and socks – continue to be important to domestic manufacturing. How has technology changed this segment?

DECEMBER

Healthcare products represent the fastest growing segment in some textiles and hosiery companies. The aging of America's population and more sophisticated healthcare services are fueling this trend. The technology centers are helping companies integrate technologies into this market.

For advertising or editorial copy, contact: Inform Inc., (828) 322-7766

F&YP INC.

The environment can be a harsh and unforgiving place. Metal based anti-microbial yarns should be an essential part of your protective gear.

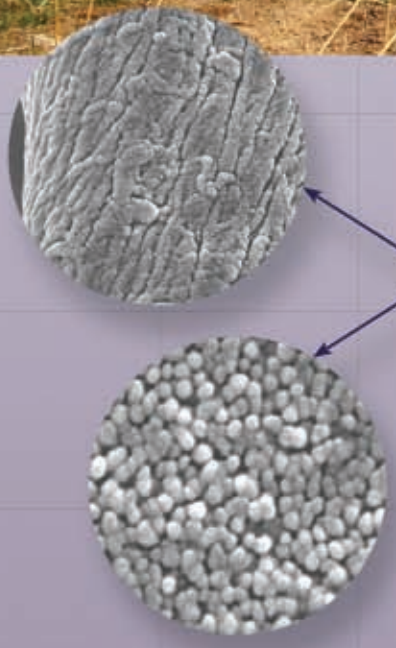
Fiber & Yarn Products Inc.

New exclusively from F&YP

FYnesse™ AMX

Superior Anti-Microbial Yarns

- Metallic plated yarns
- Effectively protects the fiber from bacteria and fungi that can cause odor
- Colorless and dyeable
- Durable to 50+ washings
- Available on numerous polymer substrates
- Available on natural fibers
- Nanoscale alloys with unique yarn specific binders
- Silver or copper or combinations



Scanning Electron Microscope images of plated fiber at x10,000 and x30,000 magnification

For immediate quote and samples, call:

Lee Gordon
(336) 339-8561
leegordon@fiberandyarn.com

Customer Service
(800) 648-2425
www.fiberandyarn.com