

## From The President



I would like to speak to you over the next few issues of Amco News about the various programs and businesses we are engaged in at Sara Lee Socks. I have chosen the Hanes label for this issue since it is the largest volume segment of our operation.

The Hanes name is one of the most recognized and respected labels in the United States. Not only socks, but underwear, fleecewear and intimate apparel are sold nationwide by the largest and most respected retailers including Wal-Mart, K-Mart, Target Stores and our corporately owned Hanes L'eggs-Bali Stores.

The Hanes name has become synonymous with quality and value in all product categories. This year we will ship approximately 156 million pairs of socks under the Hanes and Hanes Her Way label. This will account for 50 percent of our total volume and according to the latest data available to us, the Hanes Brand accounts for 8.5 percent of all socks sold at retail in the United States. Our long term goal is a 25/30 percent market share, therefore, you can see the Hanes brand is a vital part of our current business and the driving force of our future sales volume.

We spend more to advertise the Hanes brand in socks than any other brand on the market. In this fiscal year, we will spend approximately \$6 million in media advertising. This aggressive advertising has made us the largest selling brand in America and the most recognized sock brand by consumers nationwide.

This year, in cooperation with our sister Hanes divisions, a new unifying theme "Wait till we get our HANES on you" will debut. Watch for this exciting new campaign on television and in magazines. It's apparent, we are extremely fortunate to have the Hanes brand to drive our business in the future.

Sara Lee management is extremely supportive of the Hanes label and they are very proud of the dedication and effort each of you put into your job performance -- not only for Hanes, but all our valued labels and programs. Together, as a team, we will achieve our goals during the '90s and build upon our leadership role in the sock industry.

*Greg Buford*

### AMCO NEWS

October 1991  
Vol. 47, No. 4

AMCO NEWS is edited and produced quarterly by Adams-Millis Corporation, 1823 Eastchester Drive, High Point, North Carolina, 27265.

Editorial contributions, comments and suggestions are always welcomed by your staff.

Linda Leach,  
Editor



## We're Making Progress



To all you fine folks at Sara Lee Socks, let me introduce myself.

I was born on a farm in Kelly and grew up in Elizabethtown. Both towns are in Bladen County which is on the Cape Fear River between Wilmington and Fayetteville. I was graduated from Elizabethtown High School and North Carolina State University.

My wife, Brenda, is a high school English teacher. My oldest daughter, Wendy, is a grammar school teacher. My son, Richard, is a graduate student at Clemson University. My youngest child, Megan, is a senior in high school.

I have worked for Sara Lee Hosiery for 23 years. Last November, I'm proud to say, I was promoted into my current position at Sara Lee Socks. I must admit, I was nervous about how I would be received here. My fears were unfounded. The reception you have extended me has been nothing short of outstanding. I feel like I am one of you and for that I am extremely grateful. Thank you!

### Progress In The Past Year

Our company has seen tremendous progress in the past year of which we can all be proud.

The Mount Airy plant is well on the way to becoming the biggest and best sports sock plant in the world.

The Drexel plant has increased output by adding knitting equipment and rearranging the plant. The dye house will be reworked this year.

The Kernersville Finishing plant has improved flow and increased production to 73,000 dozen per week. The plant's reaction time to "rush" orders is amazing.

The Kernersville Distribution Center has improved its layout and process and has shipped unbelievable quantities when called on to do so. Currently a new, even more efficient, "Boss" inventory control system is being installed.

The Kernersville Knitting plant also has improved its layout, changed knitting equipment, added automatic sewing equipment and increased production to 89,000 dozen per week -- 10 percent above budget.

The Hickory plant, too, has improved its layout, installed conveyors and increased production. It handles a wide variety of products and packaging.

The High Point Silver Knit plant has undergone major changes and growth: a new dye house, new greige storage, new boarding room, new pairing room and new knitting equipment.

The High Point Finishing plant has had to deal with many production swings, low dozens one week and high another. It has dealt with these problems very well.

The High Point Knitting plant has improved its layout, plant appearance, and product quality. The plant is preparing to receive new knitting equipment in the near future.

The High Point Maintenance & Parts shop has done a great job of increasing its production of parts and taking on major installation projects.

On the week ending August 2, we set a one week shipping record for Sara Lee Socks by shipping 790,000 dozen followed the next week with shipments of 633,000 dozen.

We had a general wage increase in July and installed a new company-wide wage structure. This new wage structure will ensure that wages are administered fairly to all employees in the years to come.

### Management Philosophy

The most important people at Sara Lee Socks are those of you who actually produce, process and ship the socks we sell. We are all in the

(Continued On Page 2)