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Adams-Millis, Sara Lee Merger Wins Approval of Shareholders

With a favorable vote October 25 of Adams-Millis stockholders, the merger of Adams-Millis Corporation with Sara Lee Corporation became official. The two companies had agreed in principal to the deal in July.

"I believe Adams-Millis is doing what is best in the long term for its shareholders in merging with Sara Lee," said Adams-Millis Chairman J.H. Millis Sr., who was named President of the company in 1952 and Chairman in 1961.

In his speech to shareholders Millis pointed out that the company's annual sales totaled \$12 million when he was named president. The company had sales in 1987 of \$198 million.

"But I don't associate that growth with anything I've done," Millis said. "That's a credit to all of the employees of this company. But big isn't necessarily better," he continued. "A company should be judged by the caliber of its people and its integrity, and I think we compare well."

The merger agreement calls for an exchange of .3636 shares of Sara Lee stock for each share of Adams-Millis stock.

"The merger offers Sara Lee an entry into the \$2 billion retail stock market, while also strengthening Adams-Millis' market position," said John H. Bryan Jr., Chairman and CEO of Sara Lee Corporation.

Adams-Millis controls about 14 percent of the sock market as well as three percent of the sheer hosiery market.

Adams-Millis sales for the first half of 1988 increased 6.2 percent to \$95,304,000 from \$89,710,000 although net earnings decreased from \$2,180,000 (46 cents per share) to \$1,175,000 (24 cents per share).

Adams-Millis will operate under its current management as a separate division of Sara Lee Corporation. The division will report to Joe Neely, Senior Vice President responsible for Sara Lee's personal products businesses.

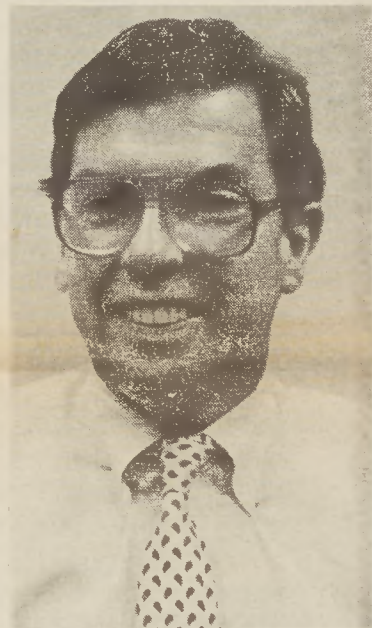
Sara Lee Corporation is an international food and consumer

packaged products company with annual sales of more than \$10 billion. Its consumer personal products operations are based in Winston-Salem and include Hanes Hosiery, Hanes

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Helen Williams



Fred Johnson

Walking Makes Williams Feel Better

Since 1984 Helen Williams has really put her best foot forward — over and over again. And she feels better for it.

Helen, who works in the Adams-Millis Sample Department, walks almost every day — to work, home from work, during lunch and maybe a few laps around the High Point Central High School track near her home.

In the past year she has walked more than 300 miles to qualify for a pair of walking shoes compliments of Adams-Millis in the company's employee walking program. Just how much more than 300 miles she's not sure.

"I didn't start keeping count of it at first," she said.

"But I've walked a lot."

She began a regular walking program in 1984 on the advice of her doctor who told her it would help overcome a blood pressure problem. Helen has followed his walking prescription faithfully.

"I feel a lot better now," she said. "It clears my lungs and arteries and it refreshes the mind too. I just enjoy everything more."

Helen said she walks at her own pace which is rather brisk — a mile in about 17 to 20 minutes.

"I don't push myself too hard but I don't let any grass grow under my feet either," said Helen who has worked with Adams-Millis for 15 years.

Since taking up the walking routine, it has become a easy task to walk downtown from her

home to do errands and to do shopping. And the 11-block walk home after work is just a pleasurable stroll — although it's a fast-paced one — that "relaxes me after work."

In the beginning, however, it

was not so simple, she noted.

"At first I tired out," Helen said. "My neighbor walked with me and she could take one step to my two. But I got used to it and now I can keep up with her."

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Fred Johnson Named VP

Fred Johnson has been named Vice President of Human Resources for Adams-Millis.

Johnson, a native of South Carolina, has served for 10 years with Hanes Hosiery in Winston-Salem in various human resources capacities. The last position he held there was Vice President of Employee Relations for L'eggs and Hanes Hosiery.

He replaces Mike Ryan, who resigned to join a hosiery consulting firm in High Point.

Johnson, a graduate of the University of South Carolina, lives in Winston-Salem with his wife, Susie, and their three children.

We are pleased to have Fred join us and we look forward to working with him," said Presi-

dent Robert M. Bundy Jr., to whom Johnson will report.

Reporting to Johnson will be Linda Leach, Salary Administrator and Administrative Personnel Manager; Bob Hoots, Corporate Director of Human Resources; Ellen Scott, Director of Health and Safety; and Elaine Teague, Director of Employee Benefits.

Piper Recounts Hosiery Industry Changes

When Jerry Piper entered the hosiery business 33 years ago, fashion in hosiery took a back seat to functionality. Today, however, that has changed drastically. Hosiery now is both fashionable and functional.

"Fashion today is not as predictable as it was when I got into this business," said Piper, Adams-Millis' new Senior Vice President of Manufacturing. "The fashion world is changing so quickly and the technology we have today allows us to make those changes."

Piper replaces Jon Wallner who retired July 31.

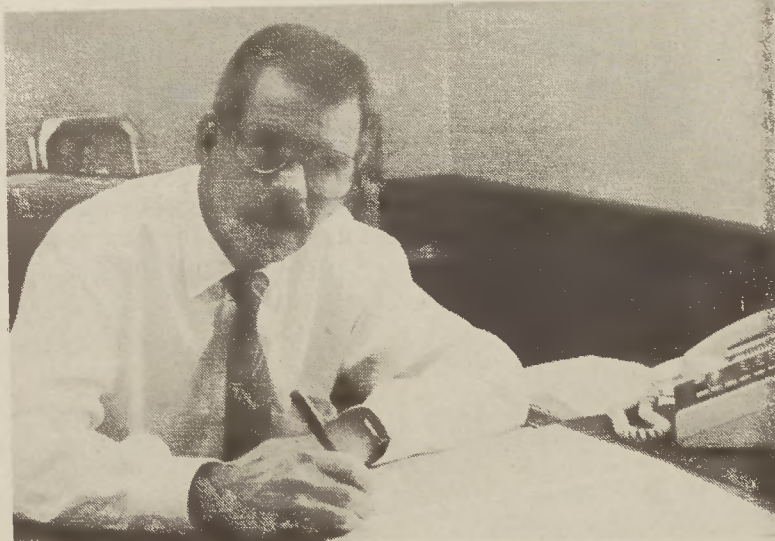
Piper is in charge of manufacturing operations and product development.

He said Adams-Millis develops two new basic lines each year. The latest line is colorful and features the "slouchy, lacy" look with plenty of texture.

Piper said color is important in all fashions now, not just in hosiery.

To produce the latest hosiery fashions, Piper works with Adams-Millis designer Wayne Duggins when a new design is completed. He then works with the company's development staff to implement the manufacturing operation to produce a prototype. The designer and the company sales people then review the prototype to determine saleability.

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Jerry Piper



United Way

Adams-Millis employees contributed or pledged more than \$57,000 to United Way campaigns this year.

Totals available indicated that \$57,099.25 has been pledged by employees.

Figures included contributions from Plants 1, 3, 4, 6, 7, 66, 70 and 75, Wrangler, Influential, Thomasville and Administrative Office.

"Again Adams-Millis employees have shown through their pledges their generosity and wil-

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