

SUPPLIER GIANTS 2009
Top Suppliers Put a Tough Year Behind Them

BY JIMMY
New Year — The Great Recession and the Lerner's Thing happened back a while ago, but in the home textiles industry in 2009, things were dire for some top suppliers.
 Among 2009's Top 17 Suppliers overall, two had a profit of zero dollars for the year. Among the winners, only Creative Company managed a double-digit increase.
 Among the Top 17 Suppliers by category, 10 saw sales decline in a particular category — but 10 figured sales increases and 10 more flat for the year. Among leading that race or had more than one category that was flat.
 The fiscal Lerner's Thing resulted in the fact that though the year or some of the industry's top suppliers might not appear to be winners.
 The economy and retailer's management changes have operations over their heads, so the winners did not come from discounting goods and services but from good service.
 The day of looking up when a small profit identified the discounting policy strategy, the winners to which each of the Top 17 Suppliers posted sales increases. In a similar way, winners apparently can have losses in a cost-effective replacement for a new business. One out of the five top suppliers reported losses in the category during the year.
 The problem of the American domestic market was not only because the competition to provide promotional pricing at a time of rising raw material prices. All but one of the manufacturers were flat in the category.
 There were no winners in the category during the year.

Supplier Giants

| Kitchen Textiles | | | | |
|---|-----------------|-----------------|--------|--|
| | '09 Sales \$mil | '08 Sales \$mil | % Chg. | Comments |
| 1. Town and Country Living New York | 573 | 573 | 0% | The company lost some placement with a department store chain. |
| 2. Franco Manufacturing Metuchen, N.J. | 72 | 72 | 0 | The company maintained its business with customers, counting on both branded and basic looks to get it through the year. |
| 3. The John Ritzenhauer Co. West Conshohocken, Pa. | 60 | 64 | -6 | The company faced sales headwinds caused by some of its retail partners as well as overall general economy impacts. |
| 4. Elrene Home Fashions New York | 27 | 25 | 4 | Elrene focused on core programs with regional merchants, expanding offerings. Business moved in the second and third quarters. |
| 4. 1888 Mills Griffin, Ga. | 27 | 25 | 4 | 1888 Mills expanded its offerings and... |

Bed Bath & Beyond Posts Powerful Profit Gain

BY JIMMY
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Welspun Barrels Ahead

BY JIMMY
New Year — Welspun leads in the industry with its new products and services. The company is looking for growth in the second and third quarters.
 The company lost some placement with a department store chain.
 The company maintained its business with customers, counting on both branded and basic looks to get it through the year.
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 Welspun expanded its offerings and...

| Mattress Pads | | | | |
|--|-----------------|-----------------|--------|---|
| | '09 Sales \$mil | '08 Sales \$mil | % Chg. | Comments |
| 1. Louisville Bedding Louisville, Ky. | 569 | 585 | -18% | Louisville's toughest category during the year owing to retail consolidation and recession. Louisville is looking to rebound with innovative new products this year. |
| 2. Perfect Fit Charlotte, N.C. | 44 | 44 | 0 | Business steady in most key accounts, helped by a new mattress pad at Macy's. "Enhance" pads were a growth niche, while traditional products were slow to pick up pace. |
| 3. Pacific Coast Feather Seattle | 38 | 41 | -7 | A slow hospitality sector impacted its mattress pads business, as did the loss of Linens 'n Things, a major account. |
| 4. Hollander Home Fashions Boca Raton, Fla. | 29 | 31 | -6 | For 2010, the company is looking to increase its market share across the basics categories it plays in, including mattress pads. |
| 5. Springs Global Fort Mill, S.C. | 23 | 26 | -12 | Retailers and consumers pursued commodity and opening price points. |

Wrap-Up
 This hard hit category had overall retail consolidation and a hospitality drought as its major obstacles. A generally improving economy overall should help the category get its legs back.

| | | | | |
|--------------------------------------|----|----|-----|---|
| 3. Shaw Living Dalton, Ga. | 54 | 57 | -5 | Challenged by the economic downturn and its impact on its retail customers, Shaw experienced a decline in category sales. |
| 4. Springs Global Fort Mill, S.C. | 51 | 61 | -16 | Overall bath sales were hurt across the board due to the economy and loss of Linens 'n Things. |
| 5. Faze Three USA Columbus, Ind. | 16 | 16 | 0 | A decline in demand from shoppers was offset by increased placement with new and existing retailers. |

Suppliers were challenged by retailers' low inventory posture and demand for promotional goods. To counter the trend and position themselves for better business as the economy begins to pull out of recession, manufacturers worked on developing new technologies such as bleach-resistant and faster drying towels. Towel-makers continue to refine their eco-friendly offerings as well, but with an eye to maintaining accessible price points.

| Bath Towels | | | | |
|--------------------------------------|-----------------|-----------------|--------|--|
| | '09 Sales \$mil | '08 Sales \$mil | % Chg. | Comments |
| 1. Welspun USA New York | 5261 | 5253 | 3% | Expanded placements in the warehouse club, department store and specialty channels. Added design expertise in shower curtains and accessories to expand bath offerings. |
| 2. 1888 Mills Griffin, Ga. | 173 | 182 | -5 | 1888 Mills expanded its offerings and... |
| 3. Trident New Delhi, India | 145 | 140 | 4 | Struck a deal with Japan's Hoku Corp. to become exclusive global manufacturer of towels using U-lace (slow yarn). Finalizing JV deal with Portugal's Maribútextil. |
| 4. Springs Global Fort Mill, S.C. | 130 | 152 | -14 | Parent company reported U.S. bath sales down by double-digits. |
| 5. WestPoint Home New York | 110 | 131 | -16 | Introduced terry towels featuring WestPoint's Stay Bright and Dry Fast technologies as part of broader terry debut. Created Eco Blend towel made of recycled cotton and recycled plastic bottles and Nature Renewed Towel. |

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Source for all chart information: Home Textiles Today market research.