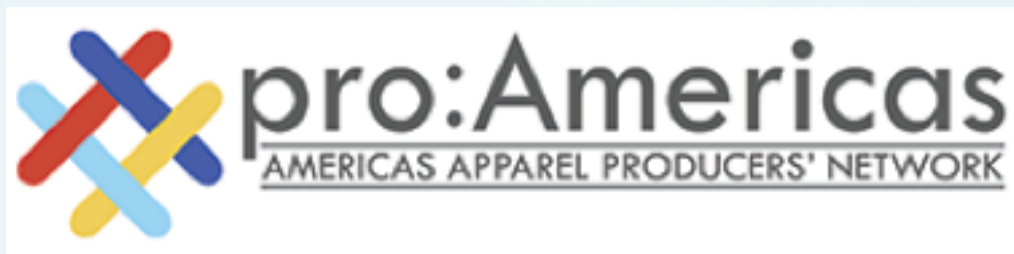


The Supply Chain as an Enabler in Today's Omni-Channel World



May 8, 2017
Miami

Ron Roach
Contempora Fabrics

Contempora - The Year is 1999

- We are producing over 23,000,000 lbs of knit fabric a year internally.
- 60% contract knitting, 30% greige goods sales, 10% finished fabric sales.
- Almost 100% of our business is being shipped ultimately to manufacturers in the U.S.
- 85% of our production is being used in various womenswear categories.
- Fiber makeup is 40% polyester, 40% cotton, and 20% acetate.

Contemporaria - The Year is 1999

- After our third year in a row with substantial growth and profits we pay off the ESOP loan.
- The thought at the time is this will never go away.
- We have most customers on allocation...Every Monday we would tell them how much they would get the next week.
- Fabric lead times really did not matter.
- Fabric development and samples

Contempora - 1999 Strategy

- Need to get closer to the end user which for us at that time was the manufacturer
- Also begin to work to develop relationships with brands and retailer.
- Imports were beginning to flood the market so we needed to try and eliminate the middleman....which for 60% of our business was our customer.
- New equipment purchasesPlan in place to spend several million on new equipment.

Today is Monday, May 8, 2017

Ron Roach
Contempora Fabrics

Contempora -2017

- Production levels are back very close to 1999 levels.
- March of 2017 highest production month since 1999.
- Makeup of our business is now 70% finished fabric, 20% grege goods sales, and 10% contract knitting.
- 85% of all fabric shipping to CAFTA region or Mexico
- 75% of business is team sports and performance
- 70% polyester and 30% cotton

Contempora -2017

- Fabric lead times are everything.
- Stocking over 2,000,000 lbs of yarn in the warehouse to have available when needed
- Stocking greige goods in various locations to reduce lead times

Contempora -2017

Greatest challenges

- Labor market
- Keeping up with all technology changes....This will be one of our biggest expenditures in the coming years.
- Unpredictability of the market...No forecasts...But still need the speed of delivery.
- How do we continue to drive innovation ?
- Based on Denise's presentation trying to figure out who we really are and what we want to be .
- How do we continue to help educate our customers ?

Contempora -2017 Strategies

- Work with area universities to bring in interns for help in sales and management training.
- Continue to upgrade equipment.
- Programs to help educate our customers
- Work on strategic partnerships with others including competitors.
- How to bring innovation to the market more timely and regularly.