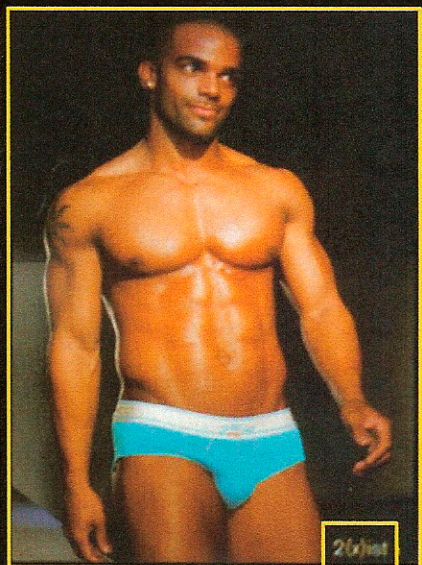


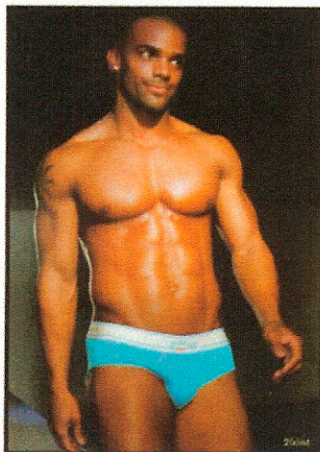
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SIDEWEAR

# THE INSIDE STORY

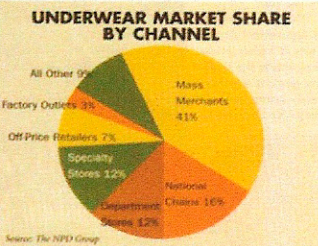
BUSINESS SUGGESTS MORE MEN MAY BE GOING "COMMANDO,"  
By KIONNA COLEMAN



such as Calvin Klein, which introduced a new cotton stretch program at \$16-\$22 retail. 2(x)ist has also been selling well (\$15-\$29 retail), one buyer commenting that mainstream customers have finally caught on to the brand because of its quality.

pounded the difficulty by dropping out of the hanging woven boxer business, which hurt sales.

The hanging boxer business continues to work for some department stores, but has become a problem for others. Those buyers who complain say with hanging boxers, the floor looks more appealing, but they don't significantly increase sales. The average retails of rack styles (\$9.99 to \$18 retail) versus packaged sets (\$10 to



**AVERAGE UNDERWEAR RETAIL PRICEPOINTS (DEPARTMENT STORES)**

Single	\$10-\$20
Package (1-3 pairs)	\$12-\$25

Source: MR Research

\$15 retail) is another issue with men (and women) looking for more value in their purchases, especially when there's not much difference between what's hanging on a rack and what's sealed in plastic.

On the other hand, some buyers have seen double-digit increases (some as high as 15 to 20 percent!) in their hanging short business. "Hanging boxers have the ability to reflect fashion trends through color and pattern," says a West coast buyer. "And that customer is younger [16 to 35], and he shops often, searching for a look rather than a brand."

With 2006 predictions at flat to down, how can stores increase underwear sales? Stores are looking for and

INSIDEWEAR

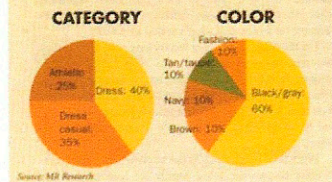
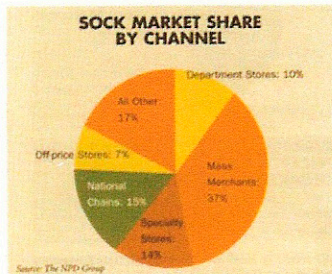
stocking items in hi-tech fabrics. 2(x)ist is introducing performance styles in Tactel® nylon and cotton micro modal for 2006. "Guys are still buying basics, but the performance fabrics are what's getting him to come into the store," says Ralph Beyda, 2(x)ist's vice president of sales.

Sex appeal also drives underwear sales, and with the popularity of low-rise denim jeans and twills, trends point toward low-rise and trunk styles continuing to help drive sales in 2006 after taking some heat away from traditional boxer brief business in 2005.

SOCKS

A sock can't be just a sock anymore—not if sock business is to prosper in 2006. Department store hosiery business in 2005 was pretty tame, as buyers across the country reported flat to miniscule single-digit increases for the year.

Consumers weren't feeling the urge to shop heavily at department stores for their sock needs, buying fewer units at higher prices. And specialty stores—once outperforming the market—hit the skids as well, declining five percent, according to NPD. Both channels are currently losing market share to mass merchants, national chains and outlets—apparently the preferred choice for



**AVERAGE LOUNGEWEAR RETAIL PRICEPOINTS (DEPARTMENT STORES)**

Tops	\$25-\$28 (OTD \$9.99-\$14.99)
Bottoms	\$25-\$29 (OTD \$9.99-\$14.99)
Robes	\$50-\$85 (OTD \$29.99-\$49.99)

Source: MR Research

men who want socks at sharper pricepoints. (Average retails for socks at department stores: \$7 to \$10 for singles and \$12 to \$22 for multipacks.)

But that doesn't mean department stores are getting lost in the socks, either. Some vendors are pushing the idea that socks are capable of being much more than foot cover. "Customers are looking for the 'what does this do for me besides being a sock' factor," says a men's underwear buyer. That's a key factor in boosting designer dress sock business, where buyers say advanced features are scarce.

Overall, dress and athletic socks briskly outperformed dress casual in 2005. Consumers are demanding more value, and it has been moisture-wicking and antimicrobial properties that have been the key ideas driving dress sock business. According to Sally Kay, president of the Hosiery Association, there has also been an increased transference of performance features from athletic to dress such as arch support. "There has also been a lot of experimentation with natural fibers—they look good, feel good and are good for you."

Buyers also thanked the bullish tailored clothing business for mowing units. And cashmere, the 'it' fabric for fall 05, had men and women musing hosiery stands, with sales in cashmere and cashmere blend hosiery picking up even before the first chill of the winter season.

"Men's socks can be seen not just as a commodity, but also as a fashion accessory and stores can do that by using displays to show customers how to wear fashion hosiery," says Kay.

LOUNGEWEAR

"A guy wouldn't buy a lounge set or bathrobe even on his worst day, even though he would like to have one—and the ones he currently owns are probably disgusting," says Steve Taglia, president of Knotte Apparel. It's fair to say that's one reason the \$7.4 million loungewear business was a depressing, declining business for much of 2005.

But buyers across the country say the biggest, ongoing challenge plaguing loungewear is its confusing identity. "The customer wants product that speaks directly to what it is—they don't want to figure it out," says a loungewear buyer.