



THE MARKET

Look into any closet or drawer in America. Chances are that you'll find something with the *Hanes* label. Since producing its first union suit in 1901, *Hanes* has grown from a basic line of men's underwear to the leader in men's, women's, and children's clothing, including socks, shoes, underwear, and casual apparel. Today, *Hanes* is the number-one brand of apparel in America.

Established as a quality brand that meant both comfort and value, the *Hanes* brand heritage drove its growth from a regional brand to the powerhouse it is today. As the retail landscape evolved over the decades, *Hanes* evolved to meet the changing needs of consumers. Initially sold through distributors to department stores nationwide, *Hanes* is now the number-one brand at large mass retailers, who since the early 1990s sell more basic apparel — underwear, socks, and casual clothing — than any other retail channel. Today, more than 40 percent of all apparel sold in the United States is purchased at mass retailers.

ACHIEVEMENTS

Across every segment, from casual apparel and underwear to intimate apparel and socks, *Hanes* and *Hanes Her Way* lead almost every consumer survey in brand recognition and reputation. Every year, retailers from across the country recognize *Hanes* and *Hanes Her Way* for their contributions to the business landscape through Vendor of the Year and Vendor of the Quarter awards. Virtually every year since it has been given, *Hanes* and *Hanes Her Way* also have won the prestigious SPARC Award (Supplier Performance Award by Retail Category), a national program organized by *DSN Retailing Today* magazine.

Hanes and *Hanes Her Way* have been consistently rated the number-one men's and women's apparel brand in a biennial survey by *DSN Retailing Today* magazine. *Hanes Her Way* also has been recognized for many years in a biennial survey conducted by Fairchild Publications on



String Bikini | Quilt Squares Print

brand awareness called the Fairchild 100. In the most recent survey, *Hanes Her Way* ranked fourth among all women's fashion brands. But perhaps the most meaningful tribute to the brand were the results of a recent survey by NPD Group Inc., rating *Hanes/Hanes Her Way* as the most comfortable and best-fitting brand in America.

HISTORY

In 1901, Pleasant (P. H.) Hanes formed the P. H. Hanes Knitting Company to produce underwear for men. As an extension of the one-piece wool underwear that was the standard, Hanes introduced two-piece underwear, a radical departure from the traditional style for that time. The same year, brother J. Wesley Hanes

point on, and the portfolio of *Hanes* knit products like underwear, socks, and T-shirts began to emerge.

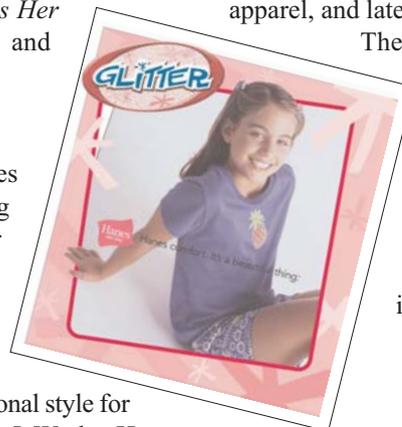
In 1986, *Hanes* introduced the *Hanes Her Way* brand for women and girls, launching with women's panties, expanding into other intimate apparel, and later adding casualwear and socks.

The *Hanes Her Way* identity was closely tied to its successful *Hanes* heritage through advertising and packaging.

THE PRODUCT

Hanes has an extensive line of product for the whole family including:

- Underwear
- Intimate Apparel
- Casualwear
- Socks

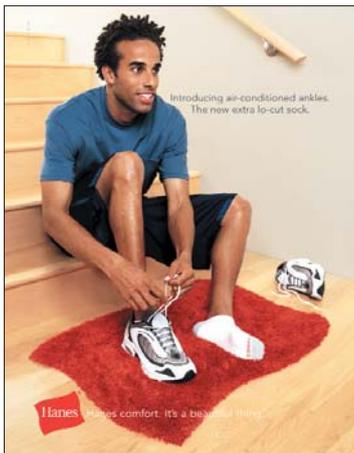




- Babywear
- Sleepwear
- Casual Shoes
- Sheets and Towels

RECENT DEVELOPMENTS

With the turn of the new millennium, *Hanes* and *Hanes Her Way* have evolved as leaders in clothing for the entire family that is comfortable, stylish, and innovative. Products like underwear and T-shirts that originated in knit cotton fabrications have been updated with the latest in textile technology, including stretch fabrications and microfibers. *Hanes* has parlayed these advances into a steady stream of breakthrough products, including the new *Hanes* Tagless T-shirts, Stay-Clean® shoes, Body Creations™ intimate apparel, and ComfortSoft® jersey and fleece collections.



With *Hanes* and *Hanes Her Way*, comfort has never felt so good or looked so stylish.

PROMOTION

During the past 20 years, *Hanes* has created some of the most memorable commercials of our time. From the 1980s, consumers remember with fondness the *Hanes* advertising campaigns featuring the hard-nosed Inspector 12 with her trademark, “They don’t say *Hanes* until I say they say *Hanes*.” During those same years, *Hanes* also created the After the Game series, featuring athletes such as Boomer Esiason, Lyle Alzado, Steve Largent, and Mike Ditka, while *Hanes Her Way* brought forward a more feminine side with commercials featuring Carol Alt and Phylicia Rashad. Heading into the 1990s, *Hanes* introduced new commercials featuring sports greats Joe Montana and Michael Jordan as well as a new campaign, “Just Wait’ll We Get Our *Hanes* on You,” which ran for eight years.

In 1999, *Hanes* introduced an overarching campaign for all of the *Hanes* products called “Be You.” The campaign featured everyday people as well as celebrities in a variety of playful vignettes emphasizing the importance of being comfortable and being ourselves. Energizing music by Perry Como, Muddy Waters, and Cheryl Lynn set an upbeat tone for a very contemporary campaign.

Throughout the 1990s and into the new millennium, *Hanes* created numerous commercials with Michael Jordan featuring the newest collections of men’s underwear from briefs to boxers and, more recently, boxer briefs. In 2002, one of the newest *Hanes* commercials — featuring Michael Jordan in a locker room pulling

out the latest styles of *Hanes* boxers and boxer briefs from his gym bag — was rated one of the 10 best commercials of the year.

To introduce the new *Hanes* Tagless T-shirt in the fall of 2002, *Hanes* “retired the tag” in parties across the country with celebrities such as Dick Clark, Mr. T, Yogi Berra, and Alex Rodriguez, and unveiled its first billboard in New York’s famed Times Square. *Hanes* also introduced the tagless T-shirt with advertising in which Michael Jordan urged men across the country to “go tagless.” A second tagless T-shirt commercial featuring Michael Jordan and

the comfortable style of *Hanes* with real, engaging people in simple, fun scenes that are easy to relate to. The campaign is set to uplifting music with lyrics stating that *Hanes* is “a beautiful thing.”

BRAND VALUES

Today more than ever, the core values of *Hanes* — comfort, quality, and value — are resonating with consumers who describe the brand as “for everyone,” “stylish,” “real,” and “honest.”

THINGS YOU DIDN’T KNOW ABOUT HANES

- *Hanes* celebrated the making of its one billionth *Hanes Beefy T* in 2001.
- If all the boxes of underwear *Hanes* ships in one year were put on a football field (to cover the entire field), the boxes would be as high as a 20-story building.
- There is approximately 3 ½ miles of yarn in a *Hanes* T-shirt.
- *Hanes* sells enough Women’s casualwear shirts in one year that — when folded and stacked — would be as tall as 96 Empire State Buildings.

