

**SECTION FIVE:  
CORPORATE PROFILES**

Gildan Activewear

Nygard International

Peerless Clothing

Hudson's Bay Company

Sears Canada

<b>Name</b>	<b>Gildan Activewear Inc.</b>
<b>Contact Info</b>	725 Montée de Liesse Montreal, Quebec H4T 1P5 Tel: (514) 735-2023 Fax: (514) 738-2269
<b>Website</b>	www.gildan.com
<b>Annual Sales</b>	\$334-million (1999) 120 million T-shirts, sweatshirts and golf shirts sold.
<b>Annual Net Profit</b>	\$24-million (1999)
<b>Markets</b>	25% of the North American all-cotton T-shirt market (second largest in wholesale T-shirt sales after Hanes division of Sara Lee Corp.)  85% of sales were in the US; 15% of sales were in Canada.
<b>CEO and Chairman</b>	Greg Chamandy
<b>CEO Compensation</b>	\$574,000 (1998)
<b>Corporate ownership</b>	Harco Holdings Ltd. owns 67.3% of the votes attached to the company's shares and is controlled by chairman Greg Chamandy and president Glenn J. Chamandy. The Fédération des Travailleurs et Travailleuses du Québec (FTQ) Solidarity Fund owns 14.5% of the company's shares.
<b>Number of employees</b>	In Quebec: 1,000 employees In Honduras: 3,500 direct employees Their contractors in the Caribbean Basin and Mexico employ approximately 2,200 employees.
<b>Union Membership</b>	300 employees (160 in Valleyfield, 140 in Montreal) at their dyeing facilities are covered by collective agreements that expire at the end of 2001. UNITE achieved certification at the Montreal sewing facility in late 1999 (350 employees). In negotiations for a first contract, the sewing workers faced threats of a plant closure. Gildan threatened to ship all their sewing jobs to low-wage countries in the Caribbean Basin.  To our knowledge, none of the workers in their Honduran factories or in their contract factories is covered by a collective agreement.

<b>Production and distribution facilities</b>	Knitting facility: Ville Saint Laurent, Quebec (93,000 sq. ft.) Construction of textile and assembly facilities in Mexico is under consideration
	Dyeing and finishing facilities: Valleyfield, Quebec (63,000 sq. ft.) Montreal, Quebec (88,000 sq.ft.)
	Cutting facility: Malone, New York (87,000 sq. ft.)
	Sewing facilities Owned: Montreal, Quebec (54,000 sq. ft.) San Pedro Sula, Honduras (43,000 sq. ft.) El Progreso, Honduras (73,000 sq. ft.) Choloma, Honduras (34,000 sq. ft.) Bridgetown, Barbados (11,000 sq. ft., starting spring 2000) Construction of textile and assembly facilities in Mexico is under consideration.  Under exclusive contract with Gildan: Mexico (1), El Salvador (2), Haiti (2), Honduras (1), Nicaragua (1)  In 1999, 87% of the company's product was sewn offshore.
	Distribution centres Ville Saint Laurent, Quebec (60,000 sq. ft.) Miami, Florida (210,000 sq. ft.)
<b>Products</b>	T-shirts (89% of sales, 1999); Sweatshirts (6% of sales, 1999); Golf shirts (5% of sales, 1999).
<b>Contracts</b>	Top customers in terms of sales (1998): Broder Bros. (26.6%), Pluma Corp. (9.6%), Alpha Shirt (7.4%)
	Mill direct customers: Nike Canada Ltd., Fortune Fashion Inc. (who make Disney T-shirts)
	Private label basis: Nike Canada Ltd., Boca/Au Coton
<b>Additional information</b>	Gildan has its own company code of conduct. Monitoring is performed by quality control personnel.

<b>Name</b>	<b>Nygard International</b>
<b>Contact Info</b>	1771 Inkster Blvd. Winnipeg, Manitoba R2X 1R3 (204) 982-5100
<b>Website</b>	<a href="http://www.nygard.com">www.nygard.com</a>
<b>Annual Sales</b>	Over \$350-million
<b>Export Markets</b>	United States, Finland, Russia and Sweden 50% of total sales in United States.
<b>CEO</b>	Peter Nygard
<b>CEO Compensation</b>	Net worth \$460-million
<b>CEO information</b>	Peter Nygard was the only apparel rep appointed to the International Trade Advisory Committee and was named the chair of the Sectorial Advisory Group on International Trade.
<b>Number of employees</b>	3,100 employees worldwide (approximately 650 in Winnipeg)
<b>Number of factories and location</b>	4 plants in Winnipeg, 1 in Steinbach (Nygard owned)  Recently sold a sixth Canadian plant in Saskatoon.  Were contracting production of Tan Jay and Alia labels to the Majilosa factory in Tehuacán, Mexico, but no longer doing so.  Contracting garment production from Grupo Pafer Huichita outside of Torreón, Coahuila, Mexico, and the International Sewing Company in Mexico City and the state of Hidalgo  New factories were to open in Mexico in spring 1999. Main plant in Guadalajara will employ 2,000 (200,000 sq ft), have ARTS3 automatic replenishment technology, and include manufacturing and distribution. Satellite sewing facilities in Jalisco and Guanajuato will employ 4,000.

<b>Number of factories and location (cont'd)</b>	<p>In 1998 announced US\$20 million investment in computerized design center in Morelos Mexico, to produce clothing for export to the US and Canada.</p> <p>Dedicated factories and joint ventures in China, Mexico and Sri Lanka, where Nygard is involved in process planning, quality control, equipment purchases and worker monitoring.</p> <p>Spot sourcing around the world for specific garment requirements</p>
<b>Suppliers</b>	Burlington Industries for feather touch@fabrics
<b>Distribution</b>	Distribution center in Gardena, California
<b>Other offices</b>	<p>Design houses in Montreal, New York, Europe and Hong Kong</p> <p>Marketing headquarters in Toronto: 1 Niagara St, M5V 1C2 (416) 598-5000</p> <p>Other offices/locations in Bahamas, California, Shanghai, Sri Lanka, Tianjin and Vancouver</p>
<b>Technological Features</b>	<p>State of the art automatic reorder system ARTS2.</p> <p>Gives a 24-hour inventory replenishment guarantee.</p>
<b>Union Membership</b>	Three Winnipeg plants are certified by UNITE.
<b>Private labels</b>	<i>Tan Jay, Alia (divisions), Bianca Nygard, Peter Nygard Signature, Nygard Collection</i>
<b>Contracts</b>	<p>Contracts with Sears Canada, the Bay, Holt Renfrew, and Ogilvy's as well as the American Dillard's, May Department Stores, the Mercantile Stores, Saks Fifth and Proffitt's.</p> <p>Also has contracts with 1000 specialty stores, and 800 soft shops.</p>
<b>Retail</b>	200 Nygard owned or franchised stores under Nygard.com Retail

<b>Name</b>	<b>Peerless Clothing</b>
<b>Contact Info</b>	8888 Boul Pie IX Montreal, QC H1Z 4J5 Tel: (514) 593-9300 Fax: (514) 593-9640
<b>Export Sales</b>	Over \$140-million in the United States
<b>Export Markets</b>	Canada, United States
<b>Number of employees</b>	2,000 in Montreal
<b>Number of factories and location</b>	Montreal facility Distribution warehouse in St. Albans, Vermont
<b>President</b>	Joel Segal
<b>Union Membership</b>	Fraternite des Travailleurs de Vetements pour Hommes This "company union" has been challenged by UNITE.
<b>Products</b>	Leading manufacturer of men's suits in North America
<b>Private labels</b>	<i>Caro Mandrone, Franco Tassi, Lorenzo Latini, Peerless Man, Kasper, Alfani, Marco Cellini, M. Cellini Uomo and Chaps and Ralph by Ralph Lauren</i>
<b>Contracts</b>	Suits are distributed through Federated Department Stores, including Macy's, Bloomingdale's, and Marshall's.
<b>Additional information</b>	In 1996, former Peerless employees filed 34 complaints with the Quebec Human Rights Commission alleging ethnic discrimination, sexual harassment and other human rights violations.

<b>Name</b>	<b>Hudson's Bay Company</b>
<b>Contact info</b>	401 Bay Street, Suite 500 Toronto, ON M5H 2Y4 Tel: 416-861-6665
<b>Website</b>	<a href="http://www.hbc.com">http://www.hbc.com</a>
<b>Annual Sales and Revenue</b>	\$7.30-million (1999)
<b>Annual Earnings</b>	\$278-million (1999)
<b>Market share</b>	38.4% of department store sales (1999)
<b>Corporate/Financial Ownership</b>	Only shareholder with over 10% of common shares: Trimark Group of Mutual Funds (11.0%)
<b>Stores and employees</b>	70,000 employees across Canada
<b>President</b>	George J. Heller (1999)
<b>Annual Compensation</b>	\$2,130,000 (1999)
<b>Voluntary code of conduct</b>	HBC Code of Vendor Conduct (from May 1998)
<b>Association Memberships</b>	Retail Council of Canada

<b>Name</b>	<b>The Bay</b>	<b>Zellers</b>
<b>Contact info</b>	401 Bay Street, Suite 500 Toronto, ON M5H 2Y4 Tel: 416-861-6665	
<b>Website</b>	<a href="http://www.hbc.com">http://www.hbc.com</a>	
<b>Annual Sales and Revenue</b>	\$2.59-billion in 1999 (up 4.4% from 1998)	\$4.60-billion in 1999 (up 2.2% from 1998)
<b>Annual Earnings</b>	\$128-million in 1999 (up 146% from 1998)	\$150-million in 1999 (up 10% from 1998)
<b>Market share</b>	13.8% of department store sales in 1999, ranked 4 <sup>th</sup> in Canada.	24.6% of department store sales in 1999, ranked 2 <sup>nd</sup> in Canada.
<b>Corporate/Financial Ownership</b>	A division of the Hudson's Bay Company	
<b>Stores and employees</b>	99 stores (1999)	328 stores (1999)
<b>President</b>	Marc Chouinard (1999)	Thomas Haig (1999)
<b>Annual Compensation</b>	\$816,000 (1999)	\$761,000 (1999)
<b>Marketing strategy</b>	"Shopping is Good"	AGreat Brands at Great Prices@ AMom's Store, Priced Right@



<p><b>Sourcing information</b></p>	<p>Data Warehouse and Inforem III softwares were being implemented in 1999 to improve supply chain management</p>	<p>Implementing Retek, a state-of-the-art merchandising platform, in 1999 to improve supply chain management.</p> <p>Production of Cherokee line contracted out to Tabah International, who have factories in Quebec, New Brunswick and cutting centres in the US, Mexico, Guatemala and the Dominican Republic</p> <p>Cherokee jeans made in Nicaragua are probably manufactured in the Las Mercedes Free Trade Zone, recently the site of union busting and mass firings.</p>
<p><b>Supplier information</b></p>		<p>After the Zellers/K-Mart merger, Zellers assured the National Apparel Bureau that it was open to using Canadian suppliers in preference to offshore facilities. Zellers has, however, put considerable effort into building a low-cost supplier network in Asia and Africa (Toronto Star, Feb. 12, 1998).</p>
<p><b>Private Labels or Exclusive Brands</b></p>	<p>Private labels have been reduced from 25 to 7.</p> <p><i>Real</i>: men's and women's garments, footwear, lingerie and home furnishings</p> <p><i>Northern Spirit</i>: casual wear</p> <p><i>Expression</i>: contemporary</p> <p><i>Principles</i>: wear-to-work</p> <p><i>Global Mind</i>: young, hot and trendy</p> <p><i>Hunt Club</i>: opening price points</p> <p><i>Governor's Table</i>: home items</p>	<p>Private label <i>Truly</i></p> <p>Exclusive 'captive' brands <i>Cherokee</i>: brand launched (1998), Cherokee store opened on Yonge St. (summer 1999) <i>Gloria Vanderbilt</i>: women's apparel launched (spring 1999) <i>Delta Burke</i> <i>Transitions</i> <i>Sportek</i></p>

<b>Name</b>	<b>Sears Canada</b>
<b>Contact info</b>	Public Affairs 222 Jarvis Street Toronto, ON M5B 2B8 (416) 941-4425 email enquiries: home@sears.ca
<b>Website</b>	<a href="http://www.sears.ca">http://www.sears.ca</a>
<b>Annual Sales and Revenue</b>	\$6.1-billion (1999)
<b>Annual Profits</b>	\$199.6-million (1999)
<b>Market share position</b>	19.2% in 1998 and 17.6% in 1997 in department store sales, ranked 3 <sup>rd</sup> in Canada both years
<b>Corporate/Financial Ownership and Relations</b>	55% owned by American Sears Roebuck and Co., but retains own policies, strategies and purchasing facilities. “Maintains full control of its sourcing activities in Canada and abroad (CAM Mar./Apr. 99)” Two of the 10 directors on Sears Canada’s Board of Directors are Sears Roebuck and Co. executive officers. Sears Roebuck and Co. charged Sears Canada \$5.4-million in 1998 for merchandise purchasing services. Sears Roebuck and Co. charged Sears Canada \$18.4-million and Sears Canada charged Sears Roebuck and Co. \$5.4-million for other reimbursements (cross-border purchases, software and support services).
<b>Stores and employees</b>	110 full-line department stores (aiming for 125 in five years), 110 local dealer stores, 25 furniture stores in 1999. 1,747 store-front catalogue sales offices in small-town Canada in 1999. Bought 19 former Eaton’s locations (and the Eaton’s name) in 1999/2000. 46,000 employees (2000)
<b>CEO</b>	Paul Walters
<b>CEO Compensation</b>	\$3.8-million (1999)
<b>Marketing outlays</b>	Ad account worth \$75-million (1999), 6 <sup>th</sup> largest in Canada

<b>Marketing strategy</b>	<p>ASofter Side of Sears@ and AMany Sides of Sears@ marketing campaigns</p> <p>Catalogues distributed to over 4.5 million households (catalogue circulation has increased by 44% since 1996).</p>
<b>Voluntary code of conduct</b>	Sears Buying Policy stipulates basic requirements and standards for domestic and foreign vendors and subcontractors
<b>Association Memberships</b>	Retail Council of Canada
<b>Sourcing information</b>	<p>ASears shops the world market to provide its customers with the best value for their dollar. The company purchases consumer goods from approximately 2,700 sources, most of which are Canadian@(1998 Annual Report)</p> <p>Amerchandise buying departments are centralized in Toronto and Montreal@(Annual Information Form, 2000)</p> <p>Buying offices in Egypt, Turkey, United Arab Emirates, China, Singapore, Italy, Hong Kong, Philippines, Korea, Thailand, Bangladesh, Guatemala, India and Tel Aviv</p>
<b>Supplier information</b>	<p>In August 1998, Sears asked for an extra 3% discount on merchandise on a retroactive basis to July 1, 1998, a move seen as an ultimatum for doing business with the company by suppliers.</p> <p>Sears website advises potential suppliers to develop contacts within their buying organization and deal directly with them.</p>
<b>Private labels</b>	<p>Have recently “dramatically expanded” private label program.</p> <p><i>Jessica</i></p> <p><i>Nevada</i></p> <p><i>R&amp;R</i></p> <p><i>2R Two Roads Design</i></p> <p><i>Court Club</i></p> <p><i>Tradition Country Collection</i></p> <p><i>Wardrobe Essentials</i></p>
<b>National brands</b>	<p><i>Alia, Tan Jay, Alfred Dunner, Santana, Hollywood, Levi’s, Ikeda, Manager, Boca, Dockers, Pierre Cardin, Cacheral, Roots</i></p>
<b>Footwear labels</b>	<p><i>Jessica, R&amp;R, Nevada, Two Roads, Classics, Diehard, Deer Stags, Office Casuals, Clazature Venturini, Arnold Palmer, Eagle Scout, Westies, Northern Steps, Collection, Protocol, Tendertoos, Sears Kids,</i></p>