

Carolina Mills Breaks Ground For A New Plant



Officials from the town of Valdese, Carolina Mills, Inc., and representatives of state and local government, broke ground in Valdese to begin the construction of a new plant which should employ 100 to 125 people.

Among those participating in the actual groundbreaking were Ed Schrum, President of Carolina Mills; Ken Isaac, Vice President of the Knit Finishing Division; Jimmy Draughn, mayor of Valdese; Jeff Morse, Valdese town manager; Martha Hemphill,

chairwoman of the Burke County Board of Commissioners; Secretary James T. Broyhill of the Department of Economic and Community Development; and state Rep. Ray Fletcher.

This plant will make a total of 14 Carolina Mills plants. The new finishing and dyeing operation should be completed in approximately 6 months, according to President Ed Schrum. The plant will be responsible for the dyeing and finishing of such products as knit wear and underwear fabrics. Cloth dyed in the

plant will be used to make garments such as golf shirts, T-shirts, jerseys and sweatshirts. The plant will be located on Lovelady Road between Valdese and Rutherfordton.

Schrum told the audience Carolina Mills had two of its own video crews filming the event to show in employee breakrooms of other company plants. "Our employees are interested in what goes on in our company," he said.

The dyeing and finishing plant in Conover will be the primary hub and

main headquarters for the new Burke County facility.

"We're going to do our part, That's the Carolina Mills way; That's the way we do things."

Ed Schrum

At a luncheon for invited guests at the Old Rock School in downtown Valdese, Schrum showed a video of various activities at Carolina Mills plants, explaining the technology displayed in each.



"We're pleased to be here," Ed Schrum told the group. "We couldn't have found a better site." " We will put up a plant that the town of Valdese will be proud of."



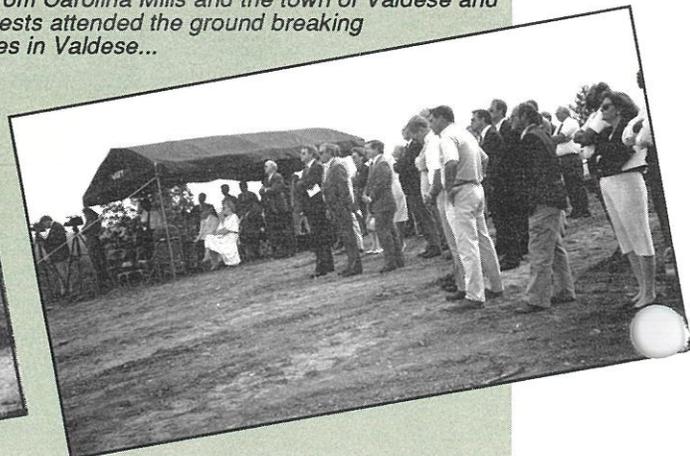
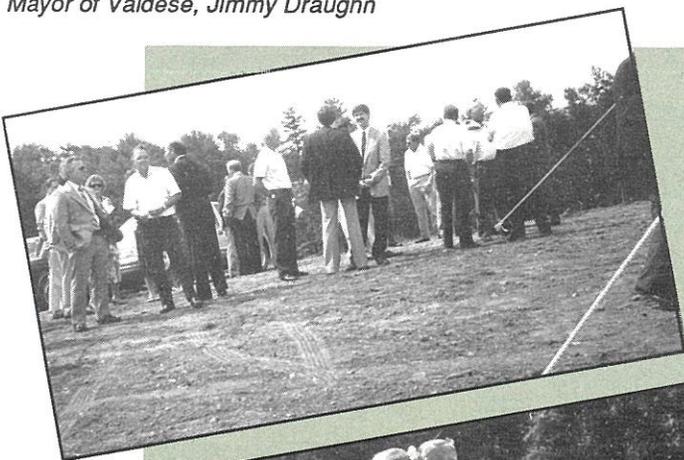
Sec. James T. Broyhill of the Dept of Economic and Community Development



Mayor of Valdese, Jimmy Draughn



Officials from Carolina Mills and the town of Valdese and invited guests attended the ground breaking ceremonies in Valdese...





National Hosiery Month

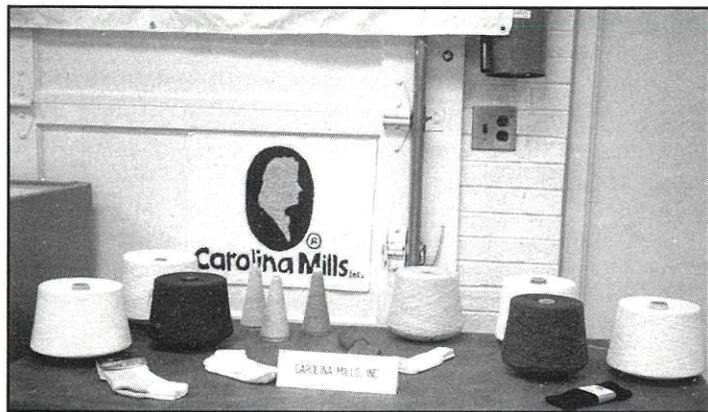
During the month of August, Carolina Mills along with other hosiery yarn producers participated in a display at CVCC (Catawba Valley Community College). The display was sponsored by the Catawba Valley Hosiery Association. The purpose of the display was to recognize August as National Hosiery Month. Pictured is Carolina Mills display.

The hosiery industry is a very important part of Carolina Maiden. Carolina Maiden sells directly to hosiery manufacturers and package dye-houses who in turn sell to hosiery manufacturers.

Carolina Maiden is an active sponsor of the

Catawba Valley Hosiery Association and the National Association of Hosiery Manufacturers. Both organizations work to promote hosiery and good working conditions. They also are active in supplying yarn and supporting hosiery manufacturers making them more competitive in the industry.

The hosiery industry as a whole has become more sophisticated over the years. The quality checks, quality demands, and quality requirements make it necessary to use multi-feed, high speed machines. The industry has progressed from the basic blue, black, and brown socks to neon colors and athletic endorsements.



Carolina Mills Display at CVCC

CAROWINDS '90

Crafted With Pride Days

October 6 & 7

Crafted With Pride Days will be held at Carowinds on October 6 and 7. During this weekend, all textile related companies and their employees are invited to enjoy a day of fun at Carowinds at a substantial discount while observing National Textile Week.

During Crafted With Pride Days, Carowinds will be giving handouts saluting the textile industry and announcing their sponsorship of the annual event.

Tickets for Crafted With Pride Days will be available at the Main Office and through your Personnel

Administrators. These tickets will not be available at Carowinds admission gates. Prices for the tickets will be: \$10.00 for Adult (ages 7 - 59) and \$9.00 for Children (ages 4 - 6 and 60 years and older). Children three years and under are admitted FREE.

When you purchase your tickets ask for a FREE parking pass. You will receive a sticker which supports products "Made in the USA" or "Crafted With Pride". To receive FREE parking at Carowinds you simply display the sticker in your car window.

Video Catalogues Available

You can now see CM Furniture on video tape. Three different videos are available to be checked out:

1. The cherry groups
2. The oak groups
3. The pine and entertainment groups

The videos are narrated and set to music. The tapes are located in the Human Resource Department in the Main Office. If you would like to check out a video to take home to view, ask your Personnel Administrator, and he can get the tapes for you.



Steve Dobbins Elected 2nd Vice President Of STA



Steve Dobbins

At the 82nd Annual Meeting of the STA (Southern Textile Association), Steve Dobbins was elected as the 2nd Vice President. STA is an organization designed for company representatives to exchange ideas on manufacturing technology. STA is composed of manufacturing companies and associate members such as machinery, fiber and chemical producers. There are three divisions within the organization: Piedmont, North Carolina-Virginia, and South Carolina.

Steve Dobbins is the Vice President of Sales Yarn Manufacturing and Assistant Secretary for Carolina Mills. Steve has

been with Carolina Mills and involved in STA since 1977. During his years with STA, Steve held the position of Secretary for the Piedmont Division and is a member of the Board of Governors. As 2nd Vice President, Steve will be responsible for recruiting and maintaining membership in STA. He will also assist in the association planning.

Carolina Mills has been a long-time supporter of STA. Steve's name will be added to the list of names such as J. W. Inscoe, Ed Schrum and Jerry Harbinson who all held top positions in the organization.

Employees On The Move

New Employees



John Wells

John Wells recently joined CM Furniture as President of the company. He is a graduate of N.C. State University with a B.S. Degree in Furniture Manufacturing and Management. He also studied architecture for three years at the N.C. State School of Design.

John began his career in furniture with Globe Furniture as a management trainee and then became assistant to the President. He later joined Drexel Furniture Company and served as Assistant Director of Manufacturing with total responsibility for the two Drexel upholstery plants. John then became Executive Vice President of Gilliam Furniture Company. Once Gilliam Furniture was purchased by Thomasville Industries, he was named

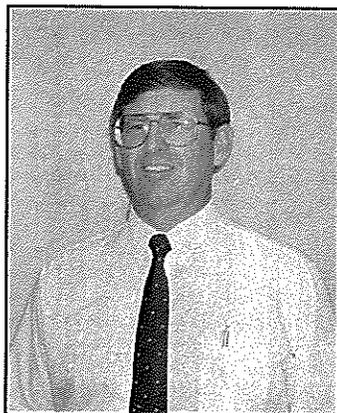
President of Thomasville Upholstery, Inc.

John is a native of Cleveland County and he and his wife Pearl reside in Statesville. They have two daughters and three grandchildren. They are members of Broad Street Methodist Church in Statesville.



Laura Witherspoon

Laura has joined the Carolina Mills Credit Department in Maiden as Credit Assistant. She is a 1989 graduate of UNC-Charlotte with a B.A. Degree in Business with a concentration in management. Laura came to Carolina Mills from Hickory Orthopedic Center. Outside of work, she enjoys swimming, snow skiing, tennis, and coin collecting. Laura lives in Hickory and attends First Baptist Church.



Dewayne Moore

Dewayne Moore is the new Personnel Administrator at Plant Nos. 5 & 6 in Lincolnton. Before joining Carolina Mills, Dewayne worked for the Employment Security Commission and taught school. He graduated from N.C. State University with a B.S. Degree in Textile Chemistry and also received a masters degree in teaching at Andrews University in Michigan. Outside of work, Dewayne enjoys reading, playing golf, and basketball. Dewayne, his wife Jill, and three daughters, Celeste age 7, Jenni and Janelle age 3 live in Charlotte.

Promotions



Lori Beasley

Lori Beasley has been promoted to Assistant Personnel Administrator at Plant No. 4 in Newton. Lori has been employed with Carolina Mills since 1986. She is a graduate of Lenior Rhyne College with a B.A. Degree in Business Administration. Lori and her husband Steven reside in Hickory with their daughter Stacy who is 16 months old. Lori enjoys golf and snow skiing during her spare time.



(l-r) Wendy Minton , Jim Speaks, both from Plant No. 12

Creative Minds

The Arts and Science Museum in Statesville sponsored an exhibit "Art from the Workplace", showing the creativity of employees using by-products from their employer to make some form of art or product. Pictured from Plant No. 12 are Wendy Minton displaying her quilt made from scrap pieces of fabric, and Jim Speaks holding his fuzzy cat made from waste yarn cut-off the bobbin and glued to cardboard.

Play Ball

Irene Turner, the most senior employee at the Carolina Mills Ranlo plants was chosen to throw out the first pitch at the "Textile Olympic's Day at the Park". The event was held at Sims Legion Park in Gastonia at the Gastonia Ranger vs. Greensboro Hornets baseball game.

Irene has worked at the Ranlo location since 1943. Of all the companies submitting employees in the textile olympics, Irene was the 3rd most senior.

Irene Turner Plant No. 22





Credit Union News



A State Examination was completed for Carolina Mills Employees Credit Union as of 7/31/90. Following is a mini-report comparing figures for different periods:

	EXAM AS OF <u>10/31/88</u>	EXAM AS OF <u>06/30/89</u>	EXAM AS OF <u>07/31/90</u>
ASSETS:			
Cash & Investments	\$ 342,504	\$ 404,751	\$ 340,915
Net Loans	5,654,114	5,942,656	7,567,880
Other Assets	<u>82,108</u>	<u>81,151</u>	<u>75,536</u>
TOTAL ASSETS	6,078,726	6,428,558	7,984,331
	=====	=====	=====
LIABILITIES & CAPITAL:			
Liabilities	\$ 137,887	\$ 6,781	\$ 155,256
Shares	5,223,982	5,568,573	6,729,203
Capital	<u>716,857</u>	<u>853,204</u>	<u>1,099,872</u>
TOTAL LIABILITIES & CAPITAL	\$6,078,726	\$ 6,428,558	\$ 7,984,331
	=====	=====	=====
Increase in Assets	\$1,115,797 17.99%	\$ 349,832 8.63%	\$ 1,555,773 22.34%
Increase in Loans	1,357,778 25.28%	288,542 7.65%	1,625,224 25.24%
Increase in Savings	809,067 14.66%	344,591 9.89%	1,160,630 19.24%
Number of Months in Exam	15	8	13

	YEAR ENDING <u>12/31/88</u>	YEAR ENDING <u>12/31/89</u>	YEAR TO DATE <u>07/31/90</u>
TOTAL OPERATING INCOME	\$676,851	\$805,352	\$583,063
TOTAL EXPENSES	<u>507,748</u>	<u>604,088</u>	<u>426,134</u>
NET INCOME	169,103	201,264	156,929
Total Expenses to Total Income	75.02%	75.01%	73.09%
Dividend/Interest Expense/Total Income	54.88%	57.30%	55.36%
Net Gain to Total Income	19.98%	19.99%	23.24%
Dividend Rates Paid	5.00-8.00%	6.00-9.00%	6.00-9.00%



<u>COMPARISONS TO PEER GROUPS</u>	<u>CREDIT UNION</u>	<u>PEER GROUPS</u>
Capital to Total Assets	13.93%	8.76% (Indicates Financial Strength)
Solvency Evaluation	116.34%	110.10% (Relative Worth of a Dollar)
Delinquent Loans to Total Loans	0.77%	2.56% (Low Delinquency)
Net Charge Offs to Average Loans	0.00%	0.65% (Good Loan Policies)
Gross Income to Average Assets	13.17%	10.90% (We have higher Income)
Cost of Funds to Average Assets	7.29%	5.70% (We pay higher dividends)
Operating Expenses to Average Assets	2.16%	3.62%(We have lower expenses)
Net Income to Average Assets	3.55%	1.03%(We are above average)
Total Loans to Total Assets	94.94%	70.90%(Large Loan Demand)
Market Growth (Share Growth)	19.49%	8.50% (More than double Peer Groups)
Equity Growth	29.79%	15.30% (Positive Growth)
Loan Growth	20.33%	12.70%(Large Loan Demand)
Asset Growth	18.86%	8.20% (Double Peer Groups)

Average Savings Per Member	\$ 2,724
Average Size Loan Outstanding	\$ 7,006
Book Value per Savings Dollar	\$ 1.16
Par Value of Share	\$ 5.00

According to the Exam, the financial performance of the credit union is excellent. We are very profitable with the ability to maintain positive earnings. We have sound Assets and a very strong Capital position with the ability to withstand any potential losses. Share growth is an indicator of the credit union's services and dividend practices.

We have been able to maintain our good dividend rates as follows:

Less \$1,000	6%
\$1,000 - \$1,999.99	7%
\$2,000 - \$4,999.99	8%
\$5,000 & Up	9%

You can have a payroll deduction for savings OR deposit cash.

EACH MEMBER OF YOUR FAMILY CAN BE A MEMBER OF THE CREDIT UNION.

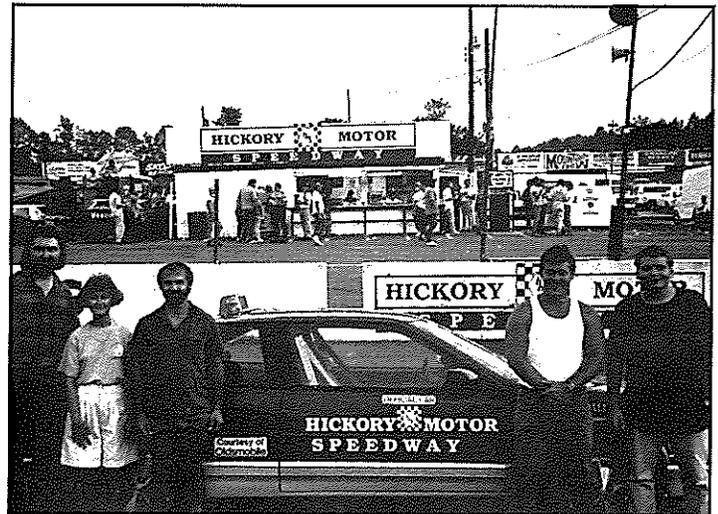


“Fun Was Had By All At The Hickory Motor Speedway”

August 4, was Carolina Mills Employee Appreciation Night at the Hickory Motor Speedway. Carolina Mills gave each employee four tickets so their entire family could share in the speedway excitement. Everyone who attended the speedway enjoyed six races ranging from a 10-lap Carolina Mini Series to a 50-lap Galaxy Late Model Stock Car feature. There were 4,462 Carolina Mills ticket holders present, an 18 percent increase from 1989.

Not only did the employees get to enjoy amateur racing at its best, but they also had an opportunity to win door prizes. At the end of the night, names were drawn and Carolina Mills canvass tote bags and t-shirts were given to the lucky winners.

Five Carolina Mills employees were chosen to ride in the 1990 2-door Chevrolet pace car for five of the six races. The employees were able to remain in the pace car down in the pits throughout the course of the race to feel the excitement as the drivers and crew-members do. The five pace car riders are pictured and the information that was used to introduce them at the speedway is included. The remaining pictures are Carolina Mills employees and their families as they enjoy a night at the races!



1990 Pace Car Riders: Jeff Roberts, Plant No. 21; Juanita Davis, Plant No. 8; J. R. Morrison, Plant No. 24; Barney Dale Powell, Plant No. 5; Jerry Thomas, Plant No. 2 were selected to ride in the pace car during Carolina Mills Employee Appreciation Night at the Hickory Motor Speedway.

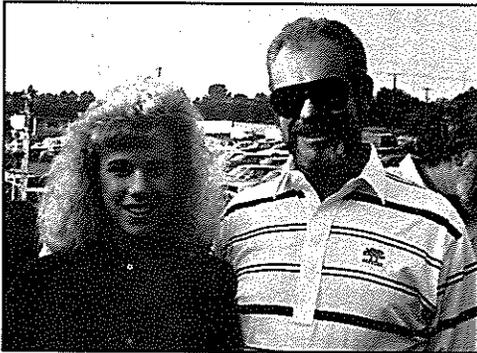
Jeff Roberts: Jeff is a Schlafhorst Winder Technician at Plant No. 21 in Ranlo. He has been with Carolina Mills for 2 years. Jeff attends North Carolina Vocational Textile School in Belmont and he was a marshall at the June 1990 graduation. Jeff and his wife Cindy live in Iron Station with their 2 year old daughter Stephanie.

Juanita Davis: Juanita works at Plant No. 8 in Maiden as a Winder Tender. She came to work for Carolina Mills in 1974. Juanita and her husband Leon live in Lincolnton.

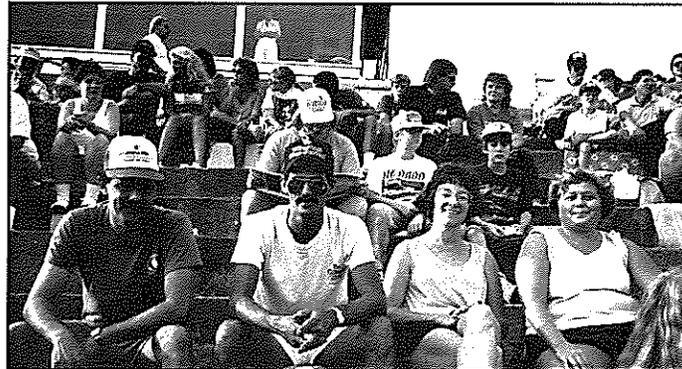
J. R. Morrison: J. R. is a warehouseman at Plant No. 24 in Ranlo. Before joining, Plant No. 24, he worked at Plant No. 6 for 18 1/2 years. J. R. enjoys bowling, fishing, and keeping up with stock car racing. He is very excited about having had the opportunity to ride in the pace car and attend a race sponsored by Carolina Mills.

Barney Dale Powell: Barney came to work for Carolina Mills, Plant No. 5 in Lincolnton in 1977. After working his way from Card Tender to Draw Tender then to Foreman and attending North Carolina Vocational Textile School at Belmont, Barney is now a supervisor on the third shift.

Jerry Thomas: Jerry has been with Carolina Mills for one year. He works at Plant No. 2 in Newton as a Can Hauler. Jerry said that riding in the pace car was exciting and he was able to ride in the pace car because he was in the right place at the right time.



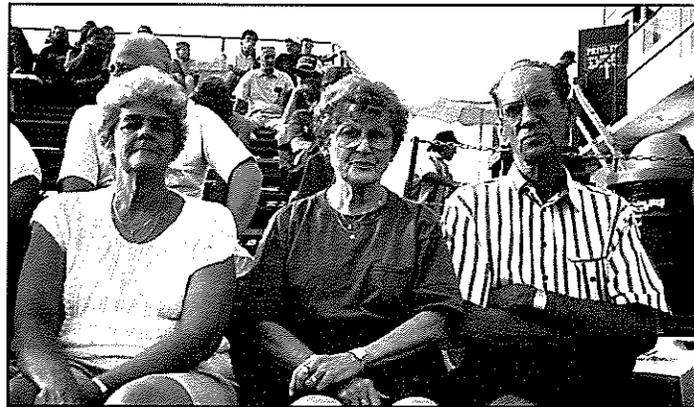
(l-r) Kelly Midgett; and Marcus Midgett, Data Processing Department



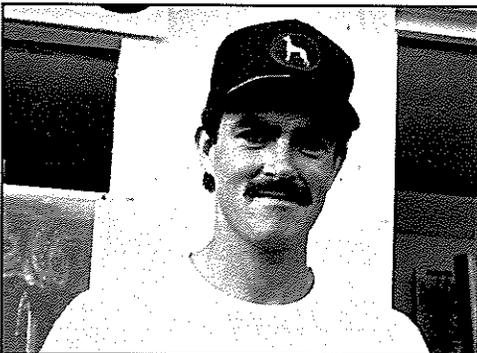
(l-r) James Simmons; Randy Goins; Shelia Simmons, Plant No. 5; Wanda Goins, Plant No. 8



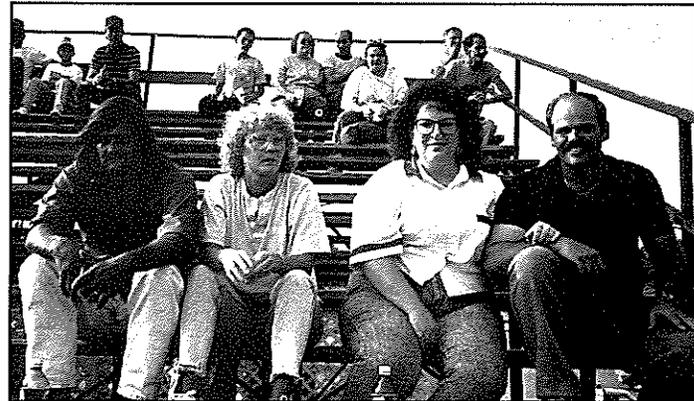
(l-r) Michele Long, Cost Department; and Joe Long



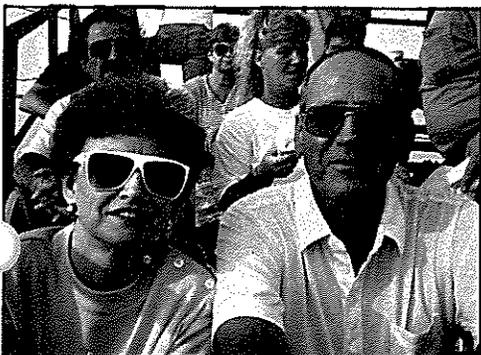
(l-r) Annette Chapman, Plant No. 14; Ann Sherrill; and Clinton Sherrill, Plant No. 14



Edward Morgan, Trucking Department



(l-r) Larry Reynolds; Debbie Reynolds; Tina Reynolds; and W. L. Reynolds, Plant No. 8



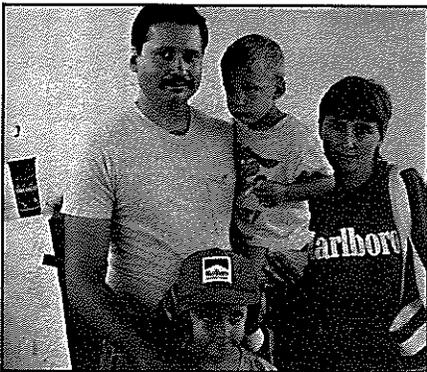
(l-r) Dot Feimster, Credit Union; and Emmett Feimster



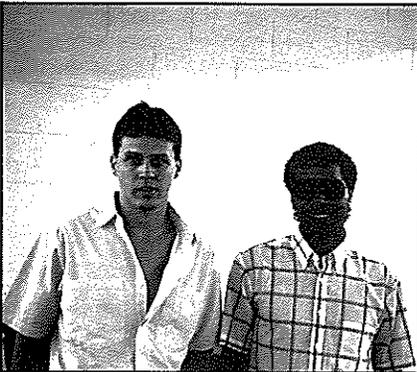
(l-r) James Johnson, Plant No. 6; Lori Johnson and Donnie Johnson, Plant No. 1



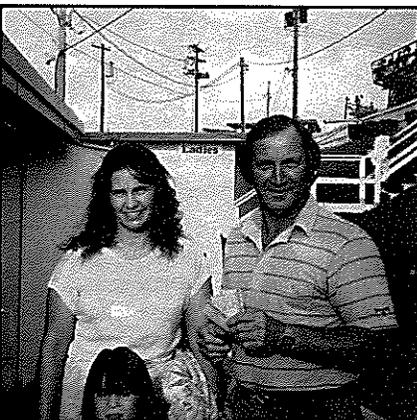
(l-r) Ed Kanupp; Thad Kanupp; and Ann Kanupp, Purchasing Department



(l-r) Jerry Frye, Plant No. 4; Justin Frye (front); Christopher Frye; and Sherry Frye



(l-r) Greg Sigmon, Plant No. 5; and Hubert Hooper, Plant No. 5



(l-r) Ruth Watson; Earl Watson, Plant No. 14; and Crystal Watson



Back (l-r) Cathy and Jimmy Lackey
Front (l-r) David Poole, Plant No. 4; and Jody Poole



Back (l-r) Richard Kirkland; Loyd Thomas, Plant No. 3; Rosey Thomas, Plant No. 1; and Mary Kirkland
Front (l-r) Will Thomas; and Loyd E. Thomas

BloodHound Visits Plant Nos. 3 & 4

The Red Cross BloodHound visited Plant Nos. 3 & 4 in Newton during the month of July. There were 66 participants with 51 pints of blood donated. Nine were first-time donors.



Paul Davis(left front), Jesse Hamlett(left back), Joyce Taylor(right front), Plant No. 3; and Tim Grindstaff (right back), Plant No. 4.



Health, Fitness, & Safety

Walk For Your Heart

Perhaps the best cardiovascular conditioner for people of all ages and physical conditions is walking. A good pair of walking shoes is the only equipment you'll need to purchase, and you don't have to join a gym, take a class, or buy fancy exercise clothes in order to do it. So, give your heart and your health a boost - take a walk a day, the heart-healthy way.

Getting ready. . .

Since shoes are your only equipment, it pays to invest in the right kind. Walking shoes should have a snug, well-cushioned heel and firm arch support. Make sure that you have adequate toe room, and that the sole of the shoe is flexible and slip-resistant.

Stepping out . . .

Before you begin your walk, do some gentle stretches to loosen and warm up tight muscles. Start slowly, about 105 steps per minute - and gradually work up to 114

steps per minute for about 20-30 minutes. Then, begin to lower your pace back to 105 steps per minute as you begin your "cool down." Continue at the slower pace for about five more minutes.

Stepping up . . .

After a few weeks, you will probably be able to increase your pace. Begin by walking at about 110 steps per minute for a five minute period. Gradually work up to about 130 steps per minute. If that pace feels comfortable, continue at the increased pace for 20-30 minutes before returning to your slower "cool down" pace.

Enjoy!

Besides conditioning your heart, your daily walk can be an excellent time to listen to music or language tapes on a portable cassette player. It's also convenient to walk with a friend or loved one and spend some uninterrupted "together" time. Whether you do it alone, or with a companion, walking can be wonderful for your heart and soul!

CPR Training

Employees at Plant Nos. 21 and 22 in Ranlo completed a 8 hour Cardiopulmonary Resuscitation (CPR) course in July. The course is designed for foremen and supervisors to become certified in CPR and be able to respond properly if a situation occurred where CPR is needed. Pictured are those employees that participated in the course taught by two of the company nurses, Carol Wilson, Plant No. 1, Plant No. 8, and the Main Office; and Betty Pruette, Plant No. 3.



CPR course in Ranlo

(l - r) Front: Tony Carpenter, Tony Hensley, Wayne Conner, and Joe Heavener
Middle: Robert Woodruff, Carol Wilson, Deloris Landis, Betty Pruette
Back: Kenneth Jackson, Freddy Butler, Ken McDonald, Rufus Campbell, Khal Shreitah, and Ronnie Bean

The little girl wondered why her dad kept bringing work home from the office. "Because I just can't get it all finished during the day," he said. "Then why," she said sympathetically, "don't they put you in a slower group?"



The United Way

People Helping People

Carolina Mills is a proud supporter of the United Way and the idea of people helping people. Carolina Mills will kick off their 1990-1991 United Way campaign during the month of September.

During the campaign, every plant will attempt to gain 100% payroll deduction participation. The company over the years has had good participation from the employees.

During mid-September, the Personnel Administrators from each plant will be talking to all their employees about their contribution.

Employees that are currently participating through payroll deduction will receive a letter of appreciation and a Carolina Mills pen. All new participants in the campaign will receive a Carolina Mills pen when they sign the pledge card.

The money donated to United Way goes to support many organizations and individuals within the community. Several of the organizations are drug and alcohol treatments, homeless shelters, the Meals on Wheels Program, and other human-care services.

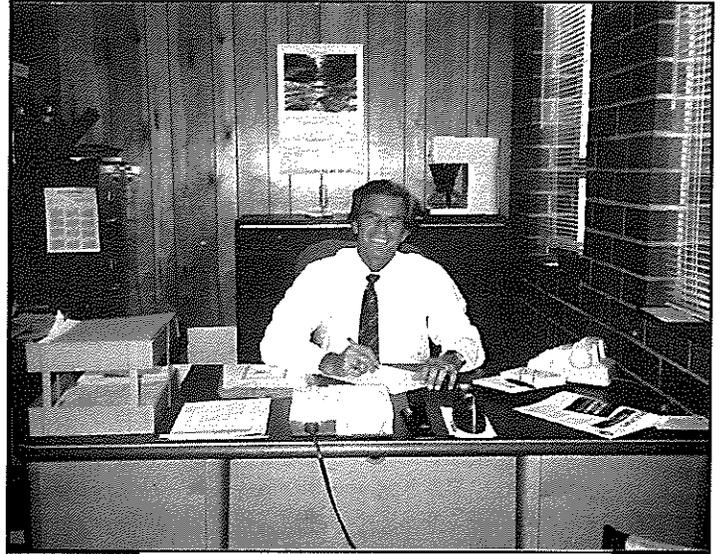
The United Fund and Carolina Mills flower fund work together. Money

from the fund is used to send flowers to hospitalized employees and for funerals of employees, employee's father, mother, husband, wife, child or other relative living in the same home with the employee. Any funds not used for flowers during the year are turned over to the United Fund.

To assist with the United Way campaign in Gaston County, Berry Cauble, Personnel Administrator, Plant No. 24 in Ranlo has graciously accepted the challenge to be a volunteer for the 1991 Textile Group Campaign. Berry will be responsible for contacting corporate chairpersons and arranging dates and times for their companies campaign. He will also supply each company with the necessary materials to conduct a successful campaign. The textile group's goal is to raise 25 percent of the total United Way goal.

From year to year there is always more we can do to help the United Way. The United Way logo is an important symbol to remember. The rainbow protects while the hand carries us in times of need.

Let's all bring out the best in ourselves, and give to the United Way so people can continue to help people.



Berry Cauble
Volunteer for Gaston County 1991 Textile Group Campaign

“Each of us should consider ourselves fortunate to be able to give of our time and pledge our money to the good of the community we live in.”

Berry Cauble



United Way



Textile Industry

Bicentennial Update

Textiles: America's First Industry

This year the U.S. textile industry celebrates its bicentennial, paying tribute to a long record of economic and social contributions to this country.

Members of Congress have introduced a resolution to recognize the bicentennial, calling on the president to encourage U.S. citizens to take note of the textile industry's past and present accomplishments.

In 1790, the United States was a young nation, still struggling to become an established country. But that was soon to change with the birth of the U.S. textile industry and manufacturing, arming the country with a strong economic base that has endured ever since.

An English textile mechanic named Samuel Slater had a great influence on the beginning of industrial progress in the United States. He arrived in America 200 years ago this year, having been trained in the steps of Richard Arkwright. Arkwright was responsible in 1771 for the first production of all-cotton fabric in England.

Competition in textiles at the time was so intense that skilled workers in the industry were not allowed to leave England. But Slater

left anyway, only after learning the details of textile machinery and methods for spinning cotton into yarn for weaving.

Moses Brown, owner and manager of several manufacturing and trading enterprises, hired Slater in hopes of making a success of mechanized yarn production. Slater started his operations on the Blackstone River in Rhode Island, building the first U.S. spinning factory, which earned him the title of the father of American manufacturing.

Slater was not the only one in the United States who was experimenting with textile machinery and production. Before he left England, small mills in this country were using hand-operated jenny technology. But with the help of skilled workers in the Pawtucket Fall, R.I., area, Slater built and operated water-powered textile machinery, which greatly enhanced production.

In December 1790, a work force of nine began spinning cotton with Slater's machinery. Three years later, the Slater Mill was built and became the first English-type cotton-spinning mill on this continent.

A series of inventions helped to advance the U.S. textile manufacturing industry even further. In 1793, Eli Whitney perfected the cotton gin, which

cleaned as much cotton each day as it had taken 50 people to do in the past.

Francis C. Lowell of Boston visited England in 1811 and observed the power-loom industry. Two years later in Massachusetts, he began manufacturing cotton goods by power looms for the first time in America. His mill became the first in which all operations — from cotton bale to finished cloth — were not only mechanized but carried out under one roof.

Textile manufacturing had become a large-scale industry.

Cotton good companies began to spring up in this country. Ring spinning, the first great American invention in the textile industry, was perfected in 1828 by James Thorpe.

Textile mills in northern New England attract young women, who work a few years while staying in boarding houses and saving their wages. Women workers in Lowell, Mass., became famous for publishing a book of poetry and literature in 1840.

In 1846 Isaac Singer designed a sewing machine more sophisticated than earlier models. His machine, when mass produced, led to the textile industry's biggest offspring, the apparel industry.

By 1847 more people in the United States worked in textile plants than any other industry.

The first synthetic dye entered the picture in 1856, when it was accidentally discovered in a solution of coal tar. Before that time, fabric dyes had been obtained from such sources

as shellfish, insects, plants, and wood. Today, more than 1,500 dyes are produced in the United States.

In the mid-19th century, cylinder printing with power machines was introduced, along with the manufacturing of coarser ginghams and some bleaching, dyeing and finishings.

By the 1870s, textile manufacturing began to become established in the South and continued to gain strength there.

The first rayon plant opened in the United States in 1910, signaling the beginning of the development of man-made fibers. The textile industry grew and developed rapidly because of this new resource.

A variety of new products in the textile industry has been invented in this century, including nylon in 1931, acrylic in 1950 and polyester, today's most widely used synthetic fiber, in 1953.

Air-jet spinning, a much faster method than ring spinning, was introduced in 1981.

The U.S. textile industry has come a long way since Slater's time. Today more than 700,000 people work in the industry, which has been rated the most productive and efficient in the world. This high-tech, modern manufacturing segment is largely automated and computer-driven with a wide range of state-of-the-art equipment.





Textile Legislation Update

Washington Rally

In just a few weeks the House of Representatives will vote on the Textile Bill. This is the best chance we have ever had of making the textile legislation the law of the land. What can we do to make the most of this golden opportunity?

A major focus will be a rally at the Capitol on September 12. Over 2000 textile employees are expected to attend. The rally will feature the unfurling of a giant, cloth banner containing the signatures of hundreds of thousands of industry workers supporting the textile bill.

The week of lobbying and the rally are intended to re-ignite interest in the legislation following the August recess and show that the textile bill is truly a national bill. The rally is designed to illustrate the commitment of the industry, build support in Congress and urge President Bush to sign the bill.

Washington Here We Come

Dan Blair, Personnel Administrator at Plant Nos. 21&22 and Larry Mosteller, Personnel Administrator at Plant No. 3 are the coordinators for Carolina Mills participation in the Washington rally in support of the textile bill.

Ninety-two Carolina Mills employees, representing each plant, will board buses on September 11, Washington, DC bound. They will spend the night outside of the capitol city and participate in the lobbying effort on September 12.

Each plant will be responsible for having a 6-foot banner signed with all the employees of that plant signatures. The banners will be sewed together which will make a 90-foot banner. Our employees will display the banner on capitol hill on the 12th. After the rally, our banner, along with all the others will be presented to members of the House.

The "Washington group" will return home after the rally.

Why Does America Need The Textile Bill?

The US textile industry is being forced to compete on an unlevel playing field. Consider:

In a little less than a decade, imports of apparel and apparel fabrics to the U.S. have risen from a 28% market share to 60%.

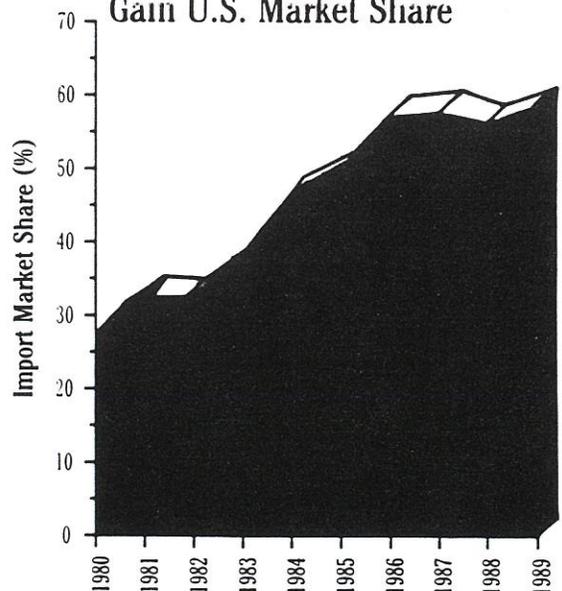
In 1980, imported textiles and apparel were responsible for \$4.7 billion of our overall merchandise trade deficit; by 1989, that amount had increased more than five-fold, reaching a

staggering \$26.5 billion, more than a quarter of the deficit itself!

Many of the countries that export textiles and apparel to the US engage in currency manipulation, operate factories under inhumane working conditions, with no decent wages for their workers and with no environmental concern. Some even use captive and forced labor. The American textile and apparel industry cannot possibly compete against this unfair and inequitable situation.

Yet even in the face of the startling facts, the Textile, Apparel and Footwear Trade Act of 1990

Imported Apparel and Apparel Fabrics
Gain U.S. Market Share





guarantees unrestricted trade with Canada and Israel, and **guarantees** that Caribbean Basin imports will never be cut back. What the bill does is establish quotas for imported textiles and apparel, based on last year's record-high import levels, with built-in increases consistent with the historical growth of our domestic market. By doing this, the bill gives the industry's 2 million workers a better chance to compete against the unlevel playing field of international textile and apparel trade.

Congress: The choice is yours. Don't let one of America's most important manufacturing industries be driven into oblivion. Vote for the Textile, Apparel and Footwear Trade Act of 1990.

How It Works -

The Textile, Apparel and Footwear Trade Act of 1990

Establishes global import quotas for each category of textile and textile products, based on the level of imports in that category for the previous year.

Each quota would grow by one percent each year, which is consistent

with the historic growth of the domestic market.

There would be no rollback of trade.

Non-rubber footwear from all sources would be limited to the level of imports in 1989.

Canada and Israel, with which the United States has free trade agreements, would be exempted from the global quota, and Caribbean Basin imports could not be

to require reasonable spacing of imports during the year.

As a boost to U.S. agriculture exports, the Commerce secretary would be instructed to give priority in the quota allocation to countries that increased their commercial purchases of U.S. agricultural products in the previous year.

must be staged equally over five years.

The legislation is consistent with article XIX since it includes a congressional finding of injury to the domestic industry, global quotas and authorization to negotiate compensation.



reduced below current levels. Caribbean quotas could actually increase.

The Secretary of Commerce would set regulations to implement the quotas, including rules

The President would be authorized to negotiate reductions in U.S. tariffs on textile, apparel and non-rubber footwear imports as compensation for those countries adversely affected; these tariff cuts can be up to 10 percent and



Carolina Mills

Employee Discounts

Carolina Mills Ballcaps
 Green and White..... \$ 2.75
 Green Corduroy..... \$ 5.00

Carolina Mills Beverage Bags\$ 5.00

Carolina Mills Books
 Cookbook.....\$ 5.00
 Christmas Cookbook..... \$ 5.00

Carolina Mills Windshield Covers\$ 4.00

Carolina Mills Key Chains
 Key Chain.....\$ 4.00

United Artists Theaters (Crown Cinemas)
 Movie makers have placed restrictions on the purchase and use of discount tickets on all newly-released movies. Therefore, Carolina Mills will no longer have tickets for the United Artists Theaters located in Hickory, NC.



Adult tickets.....\$16.10
 Students.....\$11.50
 Children under 11.....FREE



7 to 59 years.....\$13.95
 4 to 6 years.....\$ 9.00
 over 60 years.....\$ 9.00
 Children 3 and under.....FREE



CHIMNEY ROCK PARK

Adults.....\$ 5.00
 6 to 15 years.....\$ 3.00
 under 6 years.....FREE



\$2.00 Discount Off Admission Ticket



Adult tickets..... \$8.00
 Children.....\$6.00
 (Ages 4 -12 and 60 and over)
 Under 4.....FREE

Announcements

For Sale

The birthday gifts are so popular, that they are placed on sale after the new birthday gifts for the year are distributed. Because the gifts are made available primarily to Carolina Mills employees, they are sold at a lower price than Carolina Mills actually paid for the gift.

The insulated beverage bag, the 1989-1990 birthday gifts are now for sale. The cost is \$5.00. Contact your Personnel Administrator or Ailene Bradley at the Main Office if you would like to purchase the beverage bag.

Items will be available as long as we have them in inventory.

Reminder

From now until the end of the Maiden football season, each employee will have an opportunity to win two free game passes and a parking pass to each home game. The deadline to submit your name is the Friday before the home game and the winners will be drawn on the following Monday. Be sure to sign up!

Carolina Mills Inc.

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