

CASUAL OUTLOOK

Industry adapts to changing conditions

By Cinde W. Ingram

WITH UNPRECEDENTED economic changes since last September's Casual Market, the industry has adapted and changed as surely as the weather.

Preparing for recovery and making predictions about the 2010 season or beyond are tough challenges, but industry spokespeople showed

courage and weighed in with their reflections of the current season and outlooks for what's ahead.

Weak consumer confidence, tightened credit and perceived value were also on the minds of manufacturers as they made changes this year, set strategies and looked ahead.

CASUAL OUTLOOK

Pride Family Brands VP of Sales and Marketing Rory Rehmert:

THE CURRENT economic situation has affected our business in that it forced several of our larger accounts out of business thereby reducing our overall volume. The accounts that went out of business were businesses that depended on other product categories that were hard hit by the economy. Our remaining accounts illustrated that the upper-end consumer continued to spend, and we concluded the season with a slight increase within these accounts.

Our strategy remains consistent: Manufacture the very best casual furniture available, with unique designs, finishes and great values. The upper end of the market demands these attributes and we have been very successful in fulfilling their needs.

We are focusing on our manufacturing operations to ensure that we are positioned for the increase in demand that will come with the spring of 2010. Additionally, we are working with our accounts so that they can better understand and appreciate the successes that can be realized through the sales of superior products.

We are fully tooled and ready with our 2010 offering. Lead times are fairly short now and it is a good time for retailers to reset the floor and encourage consumers to get the latest and greatest products now.

Growth for the future can come from increased penetration into markets that

have limited distribution. Secondly, furniture store retailers are beginning to show renewed interest in our category. We see this as very positive in that it is a natural fit. Lastly, the design community is, and has been, a very good area for growth for our company.

Our largest opportunity is to not determine that the season is over before it truly is. We continue to see products sell well into the fall. The season does not end with Labor Day. We see a

significant number of large custom orders being generated well after Labor Day. Consumers are becoming more aware that the fall is an awesome time to enjoy their outdoor environment.

