

**Dr. Thomas J. Malone
National Textile Center
Extemporaneous Remarks
(transcribed from tape)
February 10, 2002**

Good afternoon!

It is a distinct pleasure to have the opportunity to address you, the National Textile Center, on this anniversary of our 10th year of successful operation and contribution to the United States Fiber, Textile, Fabricated Products and Retail Complex. When we started this collaboration 10 years ago I was very excited about being part of it. We established a goal that it would become a role model consortium of university, industry and government working together on behalf of a total vertical industry. I believe that goal was a good one, and I believe it has proved to be an absolute role model that I don't yet see a comparable one in other industry.

Joe Cunning, what a find! When we started looking for a Director and I was introduced to Joe, along with others that were helping to find our industry Director---which was a decision we made with the universities---we were fortunate enough to be told that Joe was the guy. I think all of you know by now, we couldn't have picked a better one. These 10 years of bringing together industry, universities and government, has been an extraordinary example of terrific leadership by a person that understood all aspects of industry and academic research and had great love, interest, and knowledge of what made things like that work. I want to

ask you to join me in giving him a round of applause.

Change—It is always an honor for anyone to have the opportunity to address a gathering of such keen minds and people from such respected research universities and representatives of the most rapidly changing industrial complex that I know of in the world---the textile complex---the vertical textile complex. However, rapidly changing is a double-edged sword in this case. In the past decade we have seen advances in our materials, technologies and manufacturing systems that could best be described at that time as pipe dreams—things that were impossible. That was the way we were trying to look to the future when we developed the Mission Statement in 1992 for the National Textile Center. Rapidly changing in this context is a much-desired outcome. It improves our products, it assures our process reliabilities, and strengthens our individual and collective ability to compete in the global marketplace---that was our goal. The flip side of rapidly changing is not so bright. What we have seen is accelerated job loss and erosion of our manufacturing base that continues in spite of the developments that are intended to make us stronger. With the science that we have been developing, rapidly changing becomes woefully inadequate to describe our industrial landscape and the hemorrhage of jobs in companies lost. Lost to what, I believe, in many cases are very unfair trade practices. Trade practices that are increasing rapidly as a result of the trade strategy supported by our government. Also, I believe in large part because of lack of information, lack of facts and data, lack of understanding provided by us--the leaders of the industry. I believe we have to accept a very significant part of the difficult times we are finding.

What I want to talk about now is the National Textile Center, a very positive force in the textile industry during the past decade of enormous change and challenges. Why! I am not here to teach. I am here to share. I am here to share with you facts and data. Facts and data that I believe have, in many cases, not been known. They have not been put together. They have not been diagnosed and as a result we have had an incredible lack of cohesive strategy based on facts and data that could pull this very, very large and important textile industry together. When we started the National Textile Center, the textile industry complex was the second largest industry in America--the second largest in 1992. There was only one industry that generated more Gross Domestic Product than our industry--the Electronics Industry. We generated in 1992 more GDP than the automotive Industry in America, the paper industry, or the steel industry by a long shot. We were a huge and a large and important industry. We employed one out every ten industrial workers in America. Ten short years ago---we had a bright future. We said we were forming NTC because we thought it could make a difference. We had a very strong and powerful industry and we had a bright future and NTC could make it brighter. It could make a difference. We established a Vision Statement that was pretty lofty---maybe you would say a little academic---to be the agent of leading change in the industry's vision and education for global competitiveness. We were certainly concerned about it. To enhance the knowledge base that drives U.S. industry competitiveness. We said U. S. industry competitiveness because we believe the things that we drove and the science that we drove would help all manufacturing in America. Not just textiles. I believe that is still the case. There are very few

industries in America, that isn't touched by textiles. Our goals---three legs to the stool—Research, Education and Partnerships. Those three legs--I don't think I need to explain them. I think virtually every one of you have been involved in it and know it.

I have tried to do an awful lot of research about the facts and data of this industry. I am not an academician. I am not a statistician. I am not an expert. But I succeed and fail, and our company does, and our industry does, and our nation does, by understanding what the facts and data are so we can decide what to do. So you have a chance to succeed. It takes Research and Development to do that. That's research of facts and data. You have to educate people. We have not done a very good job of that, because first of all we have not done a good job of getting the facts and data. It is pretty hard to educate people when you don't have the facts and data. In the absence of that, many, many people in different segments of our complex, segmented industry had different little pieces of facts and data that they thought was the right answer for them and we have had enormous suboptimization of our industry from a standpoint of competitiveness and a standpoint of communicating our story to the leadership of American. We have failed to effectively communicate our importance, our vulnerability and what we had to do to survive and excel. And yes, that brings the third leg---partnerships. None of us can do it alone. Nobody can do it alone. And if we can't bring ourselves together through understanding of facts and data and educating each other, partnerships will not prosper.

Our NTC organization, you are familiar with---I just wanted to put it again in front of us. A joint consortium of industry, government and university--

-but really of industry and university funded by the government---has been a model. Tremendous involvement, 31 different Technical Advisory Committee and Oversight committee members from industry, 21 different states and countries represented by the investigators. Tremendous involvement. The National Textile Center is growing. It is growing in the number of universities involved and it is growing in its funding. I will click through these next slides just to have in front of you what has been happening—what you have helped make happen in the last ten years. You can see for the first five years we remained at the original four universities and began to expand. It is now to eight. Eighty-three million dollars of funding in this ten-year period of time and the last two years have been the largest of all. There has been support by our government in funding to drive this role model consortium. One hundred and eighty-three projects have been initiated, recommended by universities, faculty and students and approved by the Technical Advisory Committee and the Oversight Committee. It continued to grow. One hundred and nine of those projects completed, fourteen cancelled. I can remember the first one we cancelled was a shock. For a group of industry leaders to decide that we were going to cancel projects that were funded to do academic research was a pretty foreign thing when we first started. It was pretty traumatic for that first team that got cancelled, but I can remember one of the members of the team coming to me after it was done and saying, “ We got our project cancelled, but I can tell you one thing, we will have a new one next year.” That was exactly what we were looking for. That team came back very strongly the next year with a proposed research project. Three hundred and sixty-two investigators in the ten year period of time, 935 students, a lot of education and support of leaders and

contributors to our industry. This gives you a summary of the projects, investigators and students and you can see the four universities that started have predominated because they have had the opportunity to do so; but you see the other four new ones coming on very actively now.

Intellectual Property—output of science research, 1600+ publications, 19 patents and applications. Collaborations---over 3700 with industry, 10 transfer programs with industry and five startup companies. It is making a difference. Here is a summary of all the things that have been done and finally there is the overall Intellectual Property collaboration and tech transfer over 6,000 in the 10-year period of time, and over 61% of those activities is involved directly with industry.

Now, what has happened during the same period of time to our country in manufacturing! It is pretty hard to visualize the big textile industry thriving if we are sick in our overall manufacturing base. I am not going to give lectures. I am just going to give you a few facts and data. One of the measures of competitiveness of our nation's manufacturing is the Balance of Trade of Goods. Here it is, when we formed The National Textile Center we thought it was horrible that the Balance of Trade was \$96 billion negative and that the textile industry was about \$37 billion at that time. Somewhere around that if my memory is right. We just couldn't conceive that we would continue that---and it looks like maybe we had gained quite a bit here, but you can see what has happened since then---and the last two years have been over \$400 billion. It has gotten so big now and you hardly ever see it in the paper. When it hit \$100 billion, it was the headlines in the paper. When it hit \$400 billion, it was

a little article on the fourth page. It is like it is not important.

Lester Thurow, the Dean of the Business School at MIT, wrote the book, The Future of Capitalism. I will never forget reading his book and picking up on this one point:

“If there is one rule of international economics, it is that no country can run a large trade deficit forever. Trade deficits need to be financed, and it is simply impossible to borrow enough to keep up with the compound interest. Yet all the world trade, especially that on the Pacific Rim, depends upon most of this world being able to run trade surpluses with the United States that will allow them to pay for their trade deficits with Japan. When the lending to America stops, and it will stop, what happens to current world trade flows?”

It is a very, very provocative statement, one that he repeated when I, and 32 of our industry leaders had dinner with him at the Milliken Guest House in Spartanburg, South Carolina, in 1993. He repeated that statement and said, “Nobody feels it today, so it doesn’t get their attention.” He said we will have to wait until the crisis comes before anybody will listen to this. Maybe we are getting close.

What’s happened to jobs? Here’s what has happened to jobs. In all manufacturing we have gone from 19 million to 18 million, this year 1.3 million manufacturing jobs lost in this nation---7% of the entire workforce lost in this country this year. A lot of people say, well that’s the way it is, it’s just a little downturn. That’s the number of jobs in manufacturing we

had in 1963---17 million. In 1963 we had 17 million jobs. Down to 17 million----down 1.3 million in one year. You have seen the Balance of Trade. I have some handouts, if you are interested, in the back of room on the table as you go out, that show the Balance of Trade today. Textile and oil don't dominate any more. They dominated in 1992 when we were at 90 billion dollars. Today, it's computers and electronics and automobiles and automobile components and other very, very sophisticated high technology products. The things that America has declared as our high-tech future. Balance of Trade of high-tech products has exploded. Textiles is now trailing those areas! Yes, our industry is being destroyed but it is not by itself. As we look at the data, I want you to just think about it for a little bit, the textile industry has been a leader, it's a leader in downturns in the economy, during a cycle down. It is a leader in coming out of it---and I am afraid it is a leader of what's happening to all manufacturing with the trade policies of America.

Here's what Alan Greenspan said in the Washington Post in 1999:

"I regret that trade policy has been inextricably linked with job creation. We try to promote free trade on the mistaken ground that it will create jobs. [But] it is difficult to find credible evidence that trade has impacted the level of total employment in this country over the long run."

Nobody seems to pay any attention to that and he is in a very, very sensitive spot. I think it is extraordinary that he made that statement

but nobody has chosen to do much with it.

What has happened to textiles during that same decade. It is a smaller scale but it looks about like all manufacturing. Here is our textile trade and here is where we were in 1992. It was about 27 billion. I said it was 37 billion. Now it is 61 billion. You can see where the date starts. Both were going up steadily until this point. This is when NAFTA was passed. This is what has happened to our industry. Now it is finally dropping off the cliff and you can see what has happened to all manufacturing---it is trailing. This is a chart you will not find anywhere in the industry because nobody publishes it. We have been keeping this data in our company for a long time, using various inputs of data because our own industry chose not to keep this data---it tells the whole story. I'm afraid that's why we don't see it. We don't like bad news. Look what's happened to the total market, this is all in Billions of Square Meter Equivalent and I am going to point out just the two points you should look at on this. I will revisit it a little later. Look at what has happened to our industry in the last 20 years. The growth of our market has been 16 billion square meter equivalent starting at about 25B. Now most companies believe that what you do is invest in a growth industry. Well, let me tell you, if somebody looked at an industry and thought it was going to grow at that kind of rate they would say that is the growth industry of all growth industries. Unfortunately that was the growth of our market, but what happened to imports. As the market grew 16 billion, imports grew 19 billion, so it took all the growth and 3 billion more since 1981 and as a result 3 billion down since 1981. I also want you to note that this production was going up, up, up, up the five years

before NAFTA, a very significant growth. We grew in domestic production in this industry, textiles, 3 billion yards from 1981 to 1994 and we lost 6 billion since NAFTA. Now if somebody says NAFTA has not affected this industry negatively---and I still see it in the papers---I wonder how anybody could possibly, with a straight face and with any conscience, say that NAFTA has not injured this industry. That's what happened. You saw imports growing but it was almost flat for almost eight or ten years before NAFTA---and look what happened after NAFTA. It has come down and there is the Asian devaluation and the CBI and you will see we lost 6 billion since we started down the infamous journey that our own industry was divided on. Our own industry took different sides of this argument and even today you read in the newspaper different people in this industry making different claims about whether it helped or hurt. I am going to deal with the right side of this chart on another chart in a few minutes.

What has happened to jobs as a result? This is the entire apparel, fabricated products and textile industry. This is not just apparel. This is also other products, and only half of those imports is finished apparel. Everybody thinks it is all finished apparel. Only 50% of it is finished apparel. These are the jobs in the total industry and you can see we were about constant holding our own in jobs prior to 1994---but since 1994 it has been one steady step down. This past year 13% of the workers in the industry disappeared in this one year. And yes, you saw 567 thousand total jobs lost in 6 years. You hear the steel industry talking about jobs and the total steel industry doesn't have but 70,000 jobs. But it is the headlines in the paper. We must save our steel industry---570 thousand

jobs in the textile industry. We should save our steel industry. It is absolutely critical. But their job argument pales by comparison with our industry. Here is the apparel part of fabricated products, down 13%, down 370 thousand jobs. Textile jobs actually went up in the five years before NAFTA and that's what has happened since---197 thousand lost or 30%, one out of every three textile jobs has disappeared since NAFTA. Just in the last ten days some leaders of our own industry have said, NAFTA was good for our industry. It is pretty, pretty amazing to me. The textile industry lost 13% this year, same as apparel. We are losing textiles just as fast as we are losing the fabricated products jobs.

Plant closings, nearly four times as many textile plant closings this year as the average for the last five years. Two hundred and six plants closed in 2001 and they are closed for good. I have been to see some of those plants and some of them have already been sold. The buildings are going to be torn down to sell the land for real estate. The plants have been emptied of the equipment---much of the equipment is two to three or four years old. That is being taken out at 10 cents on the dollar and shipped to other parts of the world to make textiles to ship back to us. I don't call that winning!

Here is a chart that Kurt Salmon Associates put together. I should have had one more year on it—but it is shown in five-year increments. In 1994, the year before NAFTA, most people don't even realize 46% of all the apparel was still being made for markets in America, 46% in 1994. Hardly anyone knows that. In one year it dropped to 38%. In 2000 down to 10%, and it is under 10% now. It was supposed to be the salvation for our

industry. Here is the Caribbean---that was already 13% of our market in 1994, Mexico was 5%. Yes, we clearly moved America apparel making to Mexico and the Caribbean. But who got all the growth--not Mexico and the Caribbean---the Rest of the World did! That is exactly what Kurt Salmon told us was going to happen. I was in a meeting where they told us that. But we had other people in our industry telling us it was a bunch of bunk—tremendous, tremendous conflicting data. It was obvious that the majority of the people chose to see the rosy picture instead of what was really happening. And that is where we find ourselves today. You can see in 2010 it will be 60% non-U.S. as we make only 4% of our apparel in trousers.

What about the fabric! Well, we were going to move our apparel making to Mexico and we were going to move it to the Caribbean---but it will be our USA made fabric. Kurt Salmon told us that would not be the case but the industry chose not to listen. We chose not to listen and what has happened? We were told, "There will be massive investment in Mexico and it will be followed by a few years before the apparel that is moved will have the fabric made there." That is what has happened and this is data that was presented to us in Spartanburg at Milliken's annual Supplier Awards event where we recognize and award our top 100 suppliers. He gave us this updated data that I share with you now. It is incredible, the supplier leaders of the industry were there and they were shocked to see these numbers. We have actually already turned down, and you can see all this top part is all non-U.S. fabric. It is rapidly replacing USA fabric--- and Kurt Salmon predicted that this will drop precipitously from this point forward. Much of the fabric in Mexican apparel is not made in the USA!

How about the Caribbean? Same play, Act II. With the same time delays and all the increases, our apparel making was moving to that part of the world and short term we continued to ship our fabric from America. It tops out in 2002 and 2003 and starts back down. I didn't have the chart that made the projection---but the reason is that the top part is now dramatically growing in non-USA fabric. The numbers that were being reported in America that said all of this fabric was American fabric, was very, very erroneous. The only source of data was the U.S. Census Bureau data that only captured if it was cut in the USA. If it was cut in the USA, it was reported as USA fabric. Hard to believe a very sophisticated industry could do that and have that kind of misleading data. It is a fact and when we finally got to the bottom of it we found that 6 billion yards of fabric was coming into the USA and much of it being cut and called USA fabric as it went to the Caribbean and Mexico. Shocking lack of facts and data. And yes, despite the CBI parity, this past year our exports of fabric to the Caribbean and Mexico went down. Yet you are still reading in the paper that the Caribbean initiative is our savior. It went down 8% this past year.

What has happened to Asia? Exactly what Kurt Salmon said would happen. They told us this 5 years ago, 4 years ago, 3 years ago, and 2 years ago, Sixteen billion yards now made in Asia. An increase of 69%, just since 1996---69% increase when we have passed all the legislation that was supposed to save us but ending up opening ourselves, and our soft underbelly, to trade practices that we really can't control once it is outside our borders.

Pakistan---2.1 billion SME, China 2.1 billion SME. Who would have ever thought that Pakistan would have shipped as much apparel to the U. S. as China at this point in time---and incidentally they are deciding right now in Washington whether they should give more. There has been an enormous increase in Pakistan shipments to the European Union this year. It is an incredibly important thing for us to worry about the Rest of the World; but if we trade away our own industry and our own strength how can we defend them and support them. It is a fundamental issue that we as a nation have to struggle with. I don't have the answers.

I told you we would see this chart one more time. The reason I wanted to show it was just for the last 10 years. I wanted to show you a little more detail of what has happened since NAFTA. Our market since 1994 has gone up 3.4 billion square meter equivalents. It has continued to grow. But imports grew 9.8 square meter equivalents since NAFTA was passed. That wasn't supposed to happen, and as a result U. S. production went down 6 billion SME. That is so close to what Kurt Salmon showed us as an industry would happen but others in the industry disputed them. It is a shocking number. This year is a downturn. The whole industry market is down 1.2 billion SME in 2001. Imports didn't go down at all. The whole 1.2 billion was a loss to domestic production. We lost every yard of our cycle down, all went outside the USA---100% of it. That is why we have had so many plant closings---and so goes manufacturing, so goes profits. That (chart) is what has happened to profits, as Asian currency is being devalued, and continues to be devalued. It has literally destroyed the competitiveness in our industry and it shows the industry lost money in

2000. It shows here projected 2001 profits. The facts are it is a little bit of shades of Enron I'm afraid, because what has happened when you see all the below the line write offs of the textile industry which is over two billion dollars this year---the whole industry will lose money for the second year in a row. It is a devastating financial picture and that is why you see doors locked by the banks without any notice.

Roger Milliken said repeatedly:

“Our manufacturing base is being eroded as dollars are diverted from wealth creation to wealth consumption. If economic history has any lesson for us, it is that a nation's well-being is determined by what it produces, not by how much it consumes.”

What do we need to do to have a healthy industry as we go into the future? I certainly do not have a magic answer but I am going to at least share with you what I believe or have been told. Some very, very bright people are telling us---and have been telling us---and we have refused to listen. We haven't had one voice and the voices that are turning out to be right---maybe it is time that they are heard. They have told us these things before and we didn't listen. We asked Fernando Silva of Kurt Salmon to come again three weeks ago to Spartanburg and to address very specifically--not to tell us just the facts and data---tell us specifically what we need to do in this industry. It is still a very large and important industry and there is going to be great opportunity in the future.

He told us four things. After he gave us a lot of facts and data, he then gave us these 4 things. The first thing dealt with something Kurt Salmon does not normally deal with. Kurt Salmon has always said we will not engage in politics and we will not engage in trade law. I said, "that's fine, you better be prepared to move all your business to Asia because you are not going to have any textile clients in the USA. Maybe you should think about whether it is important to have manufacturing in this nation---if you think so, share with us what we ought to do. He put this first. He made the point that if we as a collective industry don't tell our story, we are going out of business. The industry is on its knees. The industry cannot afford, in the disarray it finds itself, for additional free trade initiatives that appear to be devastating, way beyond what anyone predicted. He also showed us examples of what has happened. He showed that NAFTA has led to overcapacity in Mexico that has made denim go from \$3.40 per yard to \$1.80. If any of you are in the denim business you know that is the case. That's what happened with overcapacity.

He said in regard to the Caribbean Basin---yes we eliminated 6-12% duty-- -but the Asians devalued their currency and it didn't slow them down a bit. It just speeded them up. It made it easier for them to import to us--- pay duty on fabric to the USA, cut in the USA, ship to CBI or Mexico to sew and ship it back to the USA and still be cheaper. We have just made it easier for them.

The African Growth Initiative---38% growth this year. US Jordan Free

Trade--- 600% this year. He said, "We cannot stand anymore of it." The industry cannot absorb it. He said, look at the proposals that are on the table right now---because the conclusion has been reached in Washington that the textile industry has no voice. The textile industry is totally impotent and we might as well go for it all right now. It has happened. It is happening everywhere to various degrees.

I took this slide from Andy Warlick, CEO of Parkdale Mills, who spoke to the Southern Textile Association in January. He wrote down the things that he thought we had to do that deal with the same issues. If we don't make our case that we are absolutely vulnerable and being destroyed with currency valuations and violations of the agreements that we have, we won't survive. That was his message.

The second issue that KSA said---was that we must prevail in the CBI in the interpretation that dyeing and finishing must be done in the United States. There are many people in our industry---including some leaders of our associations--- who have been quoted as saying this is ridiculous. There is no dye and finishing investments going to be there. They said the same thing about NAFTA---but it did. The point was that KSA has said you are going to see the most massive investment in dyeing and finishing in the Caribbean you can imagine if it is not stopped. Promises were made to the textile caucus for the Fast Track consideration to do nine things to help this industry. These were promises made that were published by the Northern Textile Association in recent days---and they are very, very important ones. The most important one of all to me at the moment is right there, dyeing and finishing, because the decision is

going to be made momentarily. A lot of them may be more important longer term. That one deals with the whole issue of dyeing and printing and finishing in this country that delivers 70% of the added value of textile makers in this country---70% of making textiles---the value added is in dyeing and finishing. How much of the innovation is in dyeing and finishing. You have been working on science and innovation. Where is the real opportunity to fundamentally make major and exciting breakthroughs that bring exciting new products to our markets--dyeing and finishing. If we trade it away we trade away an enormous part of our future. They have committed to doing this. Three Congressmen met with the President, I was told, last Thursday and went down these nine things again and they reconfirmed that they would keep their promises to the industry to fulfill these nine things---and very specifically this one as well. Time will tell. We are very cautiously optimistic. We have been delivered promises in the past that didn't come to be.

The third thing is competitiveness of U.S. fiber, both cotton and synthetic fibers. There were 25 people in our room that were synthetic fiber producers and 10 cotton producers that heard this message. It was kind of a shock. What it shows is---here has been the price of synthetic fiber coming to American with the devalued currencies that are happening. This is terrible. This goes back several years---32% higher synthetic/polyester prices than the Asian prices--32%. A piece of woven greige fabric, 70% of the cost is the fiber. A finished fabric is 40% fiber cost. Can you compete when your raw material is 32% more expensive?

How about cotton? This was a shock to everyone including the cotton

people in the room. Their estimate was that our effective price this past year in the U.S. was 58 cents and the rest of the world was 43. That is what we ended up paying on the average vs. outside the U.S.---a 700 million dollar penalty on something that represents 40-70% of our cost. You can't compete that way.

The fourth thing was very important particularly for the National Textile Center---the focus on differentiated products and short lead time. This is the core area that the National Textile Center can and should address and has been in a large way. It requires strategic supplier and customer relationships to drive such innovation---and we must drive our supply chain. There has been some fantastic work done with the National Textile Center in Supply Chain management that is finally coming to fruition. It is a critical issue. That is the same thing that gets shown in larger scale again because I think that it is a core issue for all of us.

Roger Milliken, again in his speech---these two quotes I have taken from him was when he was inducted, along with Samuel Slater as one of the first two in the Textile Hall of Fame. He gave a speech that he put enormous thought and time into preparation. He worked on it for weeks and weeks. I have never seen him work on anything harder in my life of being at his elbow for 30 years. He really worked on that message. Copies of his speech are available on the back table if you wish to have it. I picked up two of the quotes and this is the last major quote he made:

" Now as our country stands alone as the world's last remaining super power, we in textiles and almost all of

U.S. manufacturing find ourselves at risk of losing what our forefathers fought so hard to create. This is neither necessary nor wise."

He didn't give any answers and I am not giving any answers. All he was trying to do was ask the question and try to encourage us all to look objectively at the facts and think about the implications. That is, if our nation loses our fundamental manufacturing base---and his speech tells it far better than I do---history says that it is a very, very dark future if it happens.

I close now by asking again, why is NTC important for America. I said, because it can make a difference. I believe it can make a difference but I think it has to make a real difference. We survive each year. We get the funding year after year and you saw we have been able to get it increased. It is a struggle every year but we seem to get through it because some people care. I think one of the things is that industry cares and academia cares. I think we all care and we all want to do what is right. I don't know what is right---and maybe you don't either---but I can tell you, if we don't become students of our own industry and try to understand what is driving our industry and what is driving all of industry--which I believe is the fundamental drive of American strength, we are not going to have the future we could have. I think we have to focus on making our research as useful as possible, not just for academic interest--so that it can make a real difference in our future.

This is a specific challenge that I would like to give us collectively. That

we do think about how we as a body of very, very bright, intelligent leaders of science and technology, leading universities, leaders in our industry, communicate the importance of manufacturing in this country. Maybe we have to become students of that first. Maybe we don't really know. Maybe we haven't studied enough to understand what has happened. That is what Roger Milliken tried to capture in his speech. I hope you will read it. The textile industry is incredibly important and value adding through innovation is the only way we can have a healthy viable industry. We will not be a healthy viable industry just making commodity products that can be made around the world with countries that don't compete the way we do. So my specific challenge is to focus on innovation as you have, technology and product and drive lead time with a passion. Speed! Speed! Speed! That is our differential advantage. With vision, commitment and passion we can win. We are going to win together! We are not going to win separately. You have heard that famous saying--I won't repeat it! And if the industry wins I believe the National Textile Center wins.