Home Fashions International Launching Major Outdoor Collection

<u>Vertical fabric and home fashions supplier exhibiting at Casual Market Chicago for the first time;</u> <u>unveiling massive selection of outdoor fabrics, pillows, cushions & accessories</u>

NEW YORK—Home Furnishing International is taking aim at the huge and growing casual furniture and accessories market with a colossal new collection of outdoor fabrics, decorative pillows, replacement furniture cushions, window treatments and accessories, all set to debut at the Casual Market Chicago taking place Wednesday, Sept. 16 through Saturday, Sept. 19, 2015 at the Chicago Merchandise Mart.

The company's Home Fashions International division is showing for the first time at the Casual Market Chicago, the leading trade show for outdoor furnishings, formerly known as the International Casual Furniture and Accessories Market. Home Fashions International is introducing a complete range of good, better and best solution-dyed acrylic and polyester outdoor fabrics and home fashions under the new Suntastic brand, as well as an entirely new range of yarn-dyed polyester, woven jacquards and embroidered outdoor fabrics and home fashions under its seven-year-old Veranda brand.

As a leading global fabric and home furnishings supplier with state-of-the-art manufacturing capabilities in China, Home Furnishing International is targeting the outdoor furniture and accessories market as a substantial growth opportunity. The company is spotlighting ground-breaking fabric technologies and exclusive designs in outdoor fabrics as well as finished decorative pillows, window treatments and a full line of replacement chair cushions for wicker, metal and acrylic outdoor furniture.

"We have developed a complete range of innovative outdoor fabrics, decorative pillows, replacement cushions and other soft outdoor furnishings," explains David Li, chief executive officer and president of the privately held firm, which has annual sales estimated in excess of \$200 million. "We are ready to show the outdoor retail community and patio furniture manufacturers that we offer a complete suite of solutions for them."

Home Furnishing International is taking an aggressive approach to the casual and outdoor furniture market, which is estimated to exceed \$4.4 billion at retail in 2015, according to a report by market research firm Global Industry Analysts. The vertical manufacturer is well-known for producing fashionable designs, exceptional quality, rapid delivery and superior service.

The top-of-the-line Suntastic 2000 collection (*shown at right*) to be launched in Chicago consists of 100 styles of solution-dyed acrylic fabrics, including lifestyle-oriented jacquard designs, dobby weaves, and finely-detailed embroideries. The Suntastic 2000 collection comes with a five-year limited warranty against fading or UV sun damage.



The "better" Suntastic 1000 line features 60 styles of solution-dyed polyester jacquards and dobby weaves, and is positioned as a competitive alternative to the olefin fabrics that have dominated the middle market. "The Suntastic 1000 products feature a much better hand and nicer colors than most olefin fabrics, but at similar price points," Li explains, adding that the Suntastic 1000 line carries a two-year limited warranty against fading or sun damage.



Home Furnishing International also is offering an opening price point, "good" line, of 500 UV Hour pigment-printed fabrics, (*shown at left*) a collection that includes approximately 60 styles and carries a one-year limited warranty.

Major color themes throughout the Suntastic collection include, but are not limited to: linen, kiwi, butter, orange, terra cotta, emerald, malachite, turquoise, blue, indigo, gray and red. The Suntastic line includes decorative fabrics, offered to outdoor furniture manufacturers, fabric jobbers and retailers; as well as decorative pillows, replacement furniture cushions, chair

pads and outdoor window treatments, all targeted at the retail market.

Li says the company has previewed the Suntastic line with leading retailers and received extremely positive results. "The reactions to the line from the retail community have been very exciting," he notes. "We are landing programs with major retailers across North America. As a relatively new supplier in the casual and outdoor industry, we have been very surprised and pleased at the incredible level of positive responses. We feel this reinforces our belief that if you have innovative products of great value, retailers are willing to give you the opportunity to succeed with them." Leading retailers who have tested the new line include Walmart, Lowe's, Home Depot and Big Lots; the decorative fabrics are being purchased by large outdoor furniture manufacturers as well as major fabric jobbers.

The development of new manufacturing techniques has been a key to the company's success. "This industry has been doing the same thing over and over for many years; there has been no noticeable innovation during the past decade," Li says. "Now, we are pioneering a number of exciting and innovative technologies with our products. For example, we are the first to introduce outdoor embroideries and matelassés; we are the first to develop a waterproof technology for our prints, which passed the rigorous Walmart testing process. We are the first to introduce a full line of solution-dyed polyesters.

And we are the first mill in China to offer a five-year limited warranty on our Suntastic 2000 collection."

Home Fashions International also is offering more than 100 styles of embroidered outdoor decorative pillows and accessories, in a wide variety of "al fresco" and tropical themes, including fish, coral, sailboats, beach umbrellas (*shown at right*,) floral and leaf designs, as well as colorful stripes, plaids and geometric motifs.

"HFI has been a fashion leader in designing and selling outdoor decorative pillows for the past seven years," points out Neil Zuber, executive vice president. "In addition to our leadership in developing embroidered outdoor pillows, we also have developed an innovative and pioneering collection of decorative pillows constructed of outdoor woven jacquard fabrics."



Home Fashions International has had substantial retail penetration with its embroidered outdoor decorative pillows, chair pads, replacement chair and loveseat cushions, and accessories, developing successful programs with most of America's leading retailers, including Walmart, Marmaxx, Home Goods, Kohl's, Stein Mart, Ross

Stores, Sears/Kmart, Sam's Club, JC Penney, Pier 1 Imports, Gordmans, HomeSense and many more. The company also has enjoyed a great reaction to its printed outdoor patterns.

"HFI has developed the industry's largest library of outdoor prints," Zuber explains. "We have an almost unlimited potential in the outdoor print field, and we are presently selling our outdoor prints as decorative pillows (*shown at right*,) chair pads, window treatments, and replacement cushions for all styles of lawn and garden furniture, including the single- and double-U constructions popular in wicker furniture."

Many of the outdoor prints are being offered in an expansive range of decorative accessories, including outdoor window treatments. "Our window panels add color and function to the outdoors, with solids and



prints to coordinate with patio and lanai furniture and fabrics," remarks Amy Bell, executive vice president. "Solids and simple motifs are the most popular."

Home Furnishing International expects to achieve rapid and substantial growth in the casual and outdoor category, according to Li. "We expect to see a major expansion this year and in 2016 with more national and regional retailers," he declares. "We also see a large market among the leading patio furniture manufactures and fabric jobbers, who are buying outdoor decorative fabrics from us."

Li points out that the company has made substantial investments in its manufacturing operations in China to facilitate this continued growth. The company has invested more than \$20 million to more than double its manufacturing capacity over the past three years, currently operating one million square feet of manufacturing in Rugao, China. This facility is capable of weaving, dyeing and printing about 300 million square meters of fabric a year. The company also added a complete printing and finishing operation to make the facility one of the largest vertical printing houses in the world.

"Due to our adoption of the most modern technologies, and our huge economies of scale, we can make a complete range of outdoor fabrics and finished products vertically and very competitively," Li comments. "Our finishing technology is one of the best in the industry, allowing us to make fabrics with a great hand, which is very attractive to consumers. We also are pioneers in the development of waterproof fabrics for outdoor use.

"Our vertical operation enables us to shorten and control the supply chain effectively," Li continues. "Our quality and delivery offer unsurpassed reliability, and as a result, we are able to pass the cost savings to our customers."

In addition to the new printing facilities, Home Furnishing International has invested in modern machinery for yarn-dyeing, weaving, piece-dyeing, specialty printing and a full range of finishing operations, including scouring, sanforizing, bleaching, sanding, brushing, calendering, washing, tumbling, steaming, and specialty treatments and finishes. The company also maintains a state-of-the-art, 275,000-square-foot distribution center in Gaffney, SC to service its customers throughout North and South America.

"Our large capacity and diversified manufacturing capabilities can ensure that we satisfy our clients' needs for innovation, quality control, speedy delivery and better costs," Li points out. "As a large vertical mill, we can perform better than those competitors who have to outsource with unreliable vendors.

"We develop and protect our proprietary technologies, which gives us a competitive advantage," Li explains. "For example, we are weaving and printing all of our outdoor fabrics at the Rugao plant. Previously, it was necessary for outdoor product manufacturers and importers to go to Taiwan or other countries for outdoor fabrics, and then bring them to China to complete the finished products. Now, our Rugao plant gives them the ability to source and finish everything in one location in China. This saves our customers on costs, delivery time and reduces their inventory risks. We believe this is why we are getting such a great reception to our introductions in the outdoor market, and why we feel this represents a substantial growth opportunity for us in the future."

About Home Furnishing International:

Home Furnishing International entered the U.S. home furnishings market in 1995 with the formation of American Decorative Fabrics (ADF), a major decorative fabrics supplier. The Home Fashions International (HFI) division debuted in 2001, providing bedroom ensembles and window treatments to leading retailers in virtually every major channel of distribution, including mass merchants, national chains, department stores, specialty retailers and catalogs. HFI added a decorative accessories division in 2005, expanding into decorative pillows, table linens and pet beds. The company owns their own distribution companies in Argentina, Brazil, Chile and Mexico. ADF-HFI unified its corporate identity under the Westgate brand in 2006, and added freestanding window treatments and bath fashions in 2007. The company supports its U.S. business with a 275,000-square-foot distribution center in Gaffney, SC, a major showroom in New York City, and more than 100 U.S. employees. The Chinese division employs more than 1,000 people and currently exports decorative fabrics, apparel fabrics and finished home fashions to more than 80 countries around the world.

High-resolution images available upon request.

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