



Enhancing a Woman's Body

An Interview with Maurice Reznik,
Chief Executive Officer, Maidenform Inc.

EDITORS' NOTE Maurice Reznik has held his current post and has been a member of the company's Board of Directors since July 2008. Prior to that, he was Maidenform's President since 2004. From April 1998 to May 2004, he was President of the Maidenform division of the company's predecessor company. Prior to joining Maidenform, Reznik held a series of senior positions in the intimate apparel industry, including President of Warner's Intimate Apparel Group, a division of Warnaco, Inc., from June 1994 to September 1997. Prior to that, he also held senior positions with VF Corporation and Sara Lee Corporation. Reznik received a B.A. in Economics from Queens College in New York City. He is the Founder of the For the Love of Life Foundation and a director of Movado Group Inc.



Maurice Reznik

COMPANY BRIEF With an 89-year history, Maidenform Brands, Inc. (www.maidenform.com) is a global intimate apparel company with a portfolio of established, well-known brands, top-selling products, and an iconic heritage. Maidenform designs, sources, and markets an extensive range of intimate apparel, including bras, panties, and shapewear. Maidenform sells its products under some of the most recognized brands in the intimate apparel industry, including Maidenform®, Maidenform's Charmed®, Control It!®, Fat Free Dressing®, Flexees®, Lilyette®, Luleb®, Bodymates®, Inspirations®, Self Expressions®, and Sweet Nothings®. Maidenform products are currently distributed in 64 countries and territories outside the United States.

What are Maidenform's key product segments and what is your outlook for the strength of those segments?

Bras and shapewear are our primary segments, with the balance in panties. Those are the three core businesses and we have had continued growth across all areas.

Those are each competitive segments. Is it challenging to differentiate in those spaces and how do you do that?

It's definitely challenging. You have to remain relevant. We're blessed with an incredible brand in Maidenform and unaided branded awareness that is really high – in the 80s.

But there are a lot of brands out there in different categories that have lost their relevance – there is a lot of brand awareness but no volume. We have great brands, and our whole focus is on our brand and our product.

One of the elements that differentiates Maidenform is our strong heritage and history in bras and shapewear. Many companies make this claim, but we put a very high value on commercial innovation and product innovation, and the marketplace knows us for that. Our products have a lot of high-tech applications like fusing instead of traditional stitching, but the goal is always to enhance a woman's body.

So what differentiates us is a combination of our brand and our product energy. Maidenform and Donna Karan Intimates are the two big brands we focus on.

Is the growth predominantly U.S. focused or are there stronger opportunities internationally?

We do about 90 percent of our business in the U.S. today. But international is our fastest growing channel and our mantra is "5-10-15," for 5 key initiatives, 10 percent top line branded growth, and 15 percent bottom line growth. We have significantly exceeded that over the past couple of years.

The five key initiatives we focus on are, international, because we're really underpenetrated; our business in shapewear; expanding Donna Karan/DKNY Intimates, a great American brand with great international equity; growing our business with mass retailers, like Walmart and Target; and new opportunities, like our New Jersey kiosk in Garden State Plaza. We're also launching a new junior line called Maidenform's Charmed.

How broad is the target market for you and is it a niche in certain segments?

Our focus is to have a great price/value equation for every channel of distribution.

At the base of the pyramid, we have retail in the low teens with retailers like Walmart and Target.

We have products in the mid-tier, like Kohl's, Macy's, and JCPenney, in the 20s and 30s.

And at the top of the pyramid, where we have our Donna Karan and DKNY brands, we have bras that retail in the 30s, 40s, and 70 range.

So our approach is to have a great price/value equation within all those channels. Our performance is proof there is an opportunity for us across all channels of distribution.

How do you maintain that innovative feel throughout the company and how is it key to your success?

It is ingrained in our culture. We do 100 percent sourcing, so we value product innovation, and we have a very large design team in New Jersey and New York. We have allocated more resources towards our New Jersey design team, where most of our staff is.

Additionally, we source out of Asia and so we have a major presence there. We are allocating resources to where it really makes a difference.

Culturally, most people within the organization really understand product and the importance of innovation.

We constantly collaborate with our suppliers. We have certain suppliers we use for high-tech development with whom we have special proprietary relationships.

At our New Jersey headquarters, we have very high-tech fusing equipment. So we definitely walk the talk.

We invest in people and in resources, and our team travels all over the world in search of product innovation.

Is technology primarily impacting design or also production?

Sometimes, they're one in the same, because when merchants think about a category, they also know about the latest technologies. Some of the factories we deal with have no traditional sewing machines; they have machines that put garments together with heat and sound.

Technology is also involved in how we market our product.

Do you envision those distribution channels and the platform remaining consistent?

We always want to do more. You do something great and people take notice, and they want to do it too.

So we have a very good platform to leverage what we're great at, but we have to stay focused and vigilant.

Is there a good awareness outside of New Jersey of the opportunities for business in the state and the strength of the workforce around education?

The great thing about New Jersey is we can access talent from the tri-state area, plus the cost of living is significantly lower than if we were based in New York City.

Maidenform will have been in New Jersey 90 years in 2012. So we have people working for us whose grandparents worked for us. ●