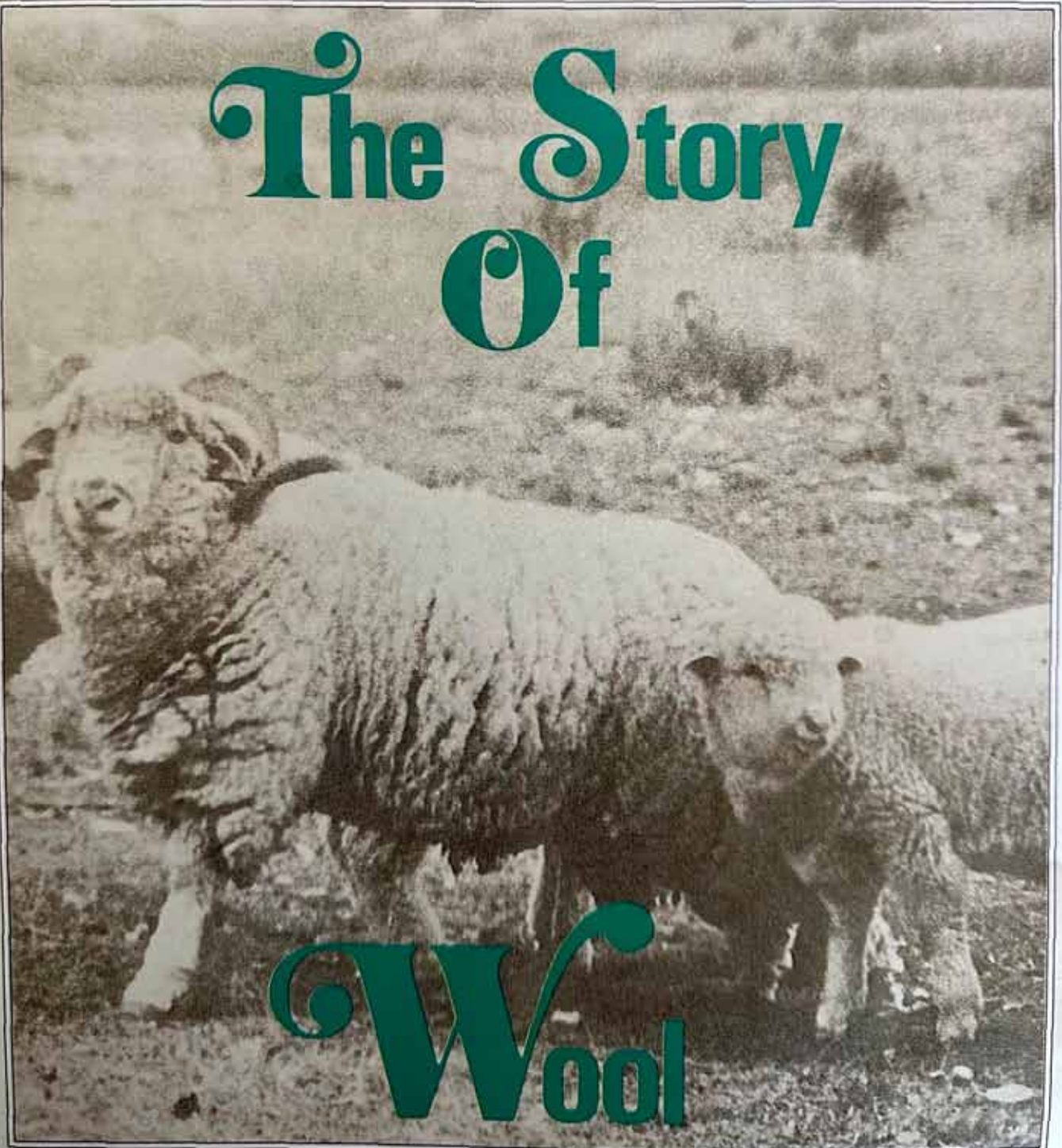


YARN MARKET NEWS

The Story Of



Wool

Classic Elite Yarns



The entire Classic Elite staff.

At the manufacturing division of Classic Elite Yarns in Lowell, Massachusetts, the day begins before sunrise when Jeannine Briere, production supervisor, opens up the mill she's worked in since she was 16. It's been 24 years, but Jeannine still arrives in time to greet "her girls," the six o'clock shift of women who set to work each morning turning bales of raw mohair and silk into thousands of pounds of brushed and looped mohair and other handknitting yarns. Once spun, the yarn is sent out on skeins for dyeing, then returned to Elite's sales division for packaging in cones, skeins, balls, and hand-twisted hanks under the Classic Elite label.

Kim Ung Long, the head of production, also keeps his staff busy from the time they arrive at seven in the morning filling the orders Pattie Connor, Gerlinde Faria, and Pauline St. Germain took the day before. These three customer service representatives keep a computerized record of yarn orders which they deliver to the shipping desk at the end of the day. The next morning, skein and cone production is scheduled to order, so customers' orders are typically turned around in 24 to 48 hours. It's a record any supplier would be

proud of, and Chief Executive Officer Pat Sullivan Chew certainly is proud: "Control of our packaging gives us the edge on keeping a careful inventory and assuring the consistent quality of every cone, skein, and hank we ship."

Classic Elite Yarns manufactures, packages, markets, and ships yarns to customers throughout the United States and Canada. In the yarn industry, it is rare to have the means to satisfy the needs of the retail shops and the small manufacturers of clothing and home furnishing fabrics, but Classic Elite successfully manages to do both. The 15 employees of the sales division attend to the company's accounts, all while pitching in to answer customers' questions on constantly humming toll-free service lines.

Classic Elite's roots go back to Ernest Chew, who began working in the mills in 1925 at the age of 13. All but born into the textile trade, Chew's parents came from the same small town of Bradford, England, but met only after immigrating to America and finding work at the same textile mill.

After working for 20 years for a large textile company



Elite's second and fourth generation: Pat Chew and her granddaughter, Caitlin Brooke.

in Rhode Island, Ernest Chew was offered a partnership as resident manager of Warley Worsted Mills (predecessor of Classic Elite's manufacturing division, Lowell Worsted Mills). Unsatisfied with the mill's margin as a commissioned spinner, Chew determined that the way to increase profits was to produce a yarn no one could duplicate. So he set about adapting the existing machinery to its new purpose: a fine novelty product—brushed mohair.

Ernest Chew painstakingly designed and built brush machines to convert Warley to a specialty shop. He resisted patenting his inventions to protect them from imitators, passing up more than one chance for royalties to safeguard his engineering designs. Since the early 1960s, the price per pound of raw mohair has risen from 75 cents to almost nine dollars on last year's market—over 1,000 percent. Still Ernest Chew maintains that “brushed mohair is what made the name.”

In addition, Classic Elite's mill is the only spinner in the world of the heavy thick-and-thin silk yarn called *Impulse*. “We're practically one-of-a-kind in the domestic spinning industry,” says Nicholas Monsma, Lowell Worsted Mill's sales director. “Working with luxury fibers can be both a pain and a pleasure, but very few companies can make what we make.”

When Elite came into being five years ago, the mill stocked 30 colors in dyed mohair. The decision was made then to start a distribution operation to supply coned yarns to weavers and small shops around the country. In December 1982, when the president of Elite and the general manager of the mill left to form a competitive company, Pat Sullivan Chew took a semester off from her studies at Wellesley College to keep the young company on an even keel.

Despite the fact Pat had never been in business before, she jumped in with both feet. Only weeks into her

new job, she did her first trade show. The company's business increased nearly 40 percent from the year before, and Pat was hooked. She makes no bones about having had to learn a lot about textiles in a very short time and claims to thrive on competition. “Everything changes twice a year,” Pat explains, “and you have to be there—doing it better—when it does.” Pat attributes Classic Elite's growing reputation to the fact that “everyone here takes pride in the job they do and in the yarns we produce. I think the respect we have for each other shows in the way we do business. And Elite does a great business. It all depends, in the end, on good judgement.”

According to Kristin Nicholas, Elite's marketing director, “It astonishes us all that Pat, with no background in textiles, has amazingly keen instincts. She has natural business sense.”

Still in her 20s, Kristin remembers knitting at the age of four or five and sewing needlework and patterns for 4H badges. She studied fashion design and weaving in college and wrote a master's thesis on wool production from small flocks of sheep. In the course of her research, Kristin developed an abiding interest in promoting the American sheep farmer. And 6 years ago, she convinced her husband to invest in a quartet of sheep. Today, she has a respectable herd of 25 and special attachment to an Elite wool line called *Fanfare*, “the all-American

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Ernest Chew, founding father of Classic Elite Yarns

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wool that is grown, spun, and colored with pride in the U.S.A."

Although a young company, Classic Elite Yarns is steeped in tradition: the tradition of textile history and of American industry. Housed in the turn-of-the-century Hub Hosiery building in Lowell, Classic Elite is located in one of the first planned industrial communities in America.

Named for the American textile manufacturer Francis Cabot Lowell, the small farm community grew to a booming mill town early in the 19th century. By 1836, Lowell was the third largest city in Massachusetts with 7,500 workers employed by the eight major mills along the Merrimack River, Lowell's intricate canal system engineered over 150 years ago. The canal system is one of the city's distinctive features, and in 1978, Lowell's early manufacturing center was declared a national historic park and preservation district.

Today, the lion's share of Classic Elite's market is the small handknitting yarn store to whom roughly 100,000 10-skein packages of brushed and looped mohair, Merino wool, imported cotton and silks were sent in the past year. *LaGran Mohair* constitutes nearly half of Classic Elite's sales; cottons account for approximately one-third; and the remainder is in silk, wool, rayon, and natural fiber blends. The company markets 14 types of

yarn and brings out three new lines every season. When a new yarn proves itself, it is introduced the following season in additional new colors. Fifty percent of the yarn is produced by Lowell Worsted Mills. The other half is purchased domestically and abroad (from Peru, Switzerland, and France).

"There are a number of ways we promote our yarns,"



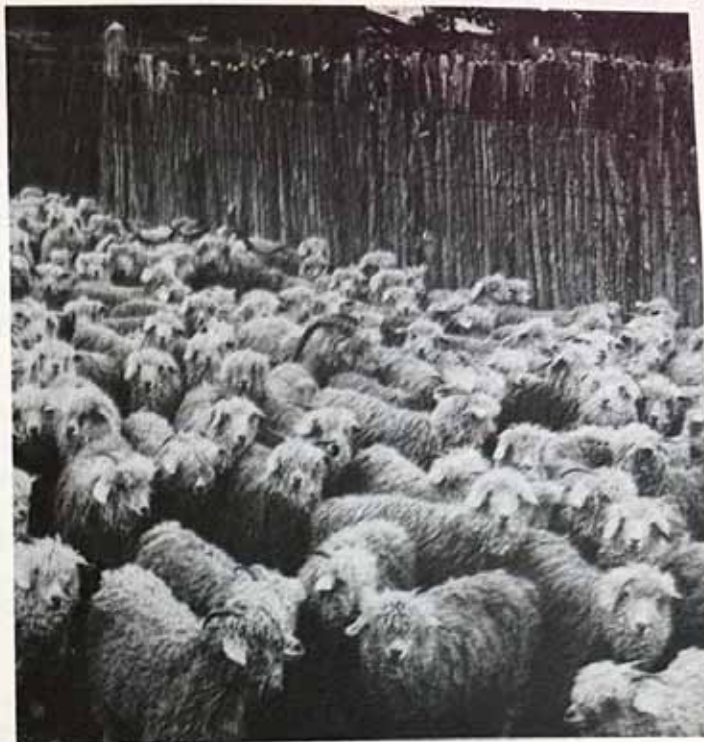
Kristin Nicholas with one member of her flock.

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explains Kristin Nicholas. "In addition to the dozen trade shows we do every season, we have 70 to 80 handknitting patterns to support the sale of our yarns. We try to add at least 12 new designs each season." As of last fall, Classic Elite had 30 patterns featured on the pages of magazines such as *Vogue Knitting*, *Woman's Day*, *McCall's Needlework and Crafts*, and *Family Circle*.

"There is one thing I'd like to leave with our customers," Kristin adds, "and that is that we're human. We're very conscientious about filling orders within a day or two, but when a shipment of Peruvian cotton is held up on the docks because of the new textile import regulations, we can pressure our freight forwarder, but there are limits! We're all people here, answering the phone, taking customers' orders, dealing with our reps in the field, tracking shipments, and tracking our own mill production. I hope our customers understand that we spin the yarn and wind it ourselves. We do so much ourselves."

But Pat and Kristin agree that Classic Elite's success can be chalked up to keeping careful track of their inventory, taking good guesses, knowing and having confidence in their sources, and—of course—having a product in which they take boundless pride. △



The source for many of Classic Elite's yarns. (Photo courtesy of the Mohair Council of America)

SUPPLIER PROFILE

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Then and now: Delta Braga, spinner, Appleton Mill, 1910 and Stephanie Brunnelle, spinner, Classic Elite Yarns, 1986.