



Trade Adjustment
Assistance Center

Hillside Building
4500 Old Vestal Road
Binghamton, New York 13903
607-729-2201

Engagement Summary

Utica Duxbak Corp.

Outdoor Sportswear Manufacturer

Production and Marketing

Background:

Utica Duxbak Corporation, founded in 1904, is primarily engaged in the manufacturing and selling of hunting, fishing and outdoor clothing. The firm sells direct to retail accounts through its own sales force and manufacturer representatives.

Annual sales and employment peaked in 1978 at \$4,425,000 and 100. However, sales and employment declined by 1980 to \$4,000,000 and 88. This decline is attributable to the importation of cheaper competitive clothing from foreign exporters and domestic manufacturers having sportswear made for them abroad.

Objective:

A review of the firm established the goals of helping the firm formulate a strategy for improving profits. The strategy was designed to reduce manufacturing costs through increased operating efficiencies; increase sales through expanding the market base and obtain a fixed asset and working capital loan to finance the increased sales derived from the marketing effort.

Components of Engagement:

A key component of this engagement was the evaluation and selection of consulting firms to reengineer the firms pant production line and develop a comprehensive marketing plan.

The reengineering work included:

1. Analyzing the various styles of pants being manufactured to determine the potential to standardize particular operations.
2. Developing an optimal pant line production layout which will optimize operators, floor space, workstations and equipment requirements.
3. Design an incentive system to yield actual average earnings sufficiently high to permit the firm to compete successfully for employees in its labor market and produce maximum productivity.
4. Develop economical and expeditious material handling procedures.

The marketing plan included:

1. Identification of new markets with a plan for penetration.
2. New product development.
3. Establishment of a profitable corporate marketing direction.
4. Image building.
5. Determination of market share available to the firm.

Summary:

As a result of the reengineering of the pant production line the firm has experienced a cost reduction of 15% in one year. As sales volume increases greater reductions are anticipated.

As a result to the comprehensive marketing plan the firm has begun to regain lost volume and attacked new markets through the establishment of factory outlet stores throughout the Northeast.

With the assistance of the New York State Trade Adjustment Assistance Center the firm obtained a direct fixed asset loan of \$157,500 and a direct working capital loan of \$740,500 from the Economic Development Administration.