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BLAIR CORP  
Form 8-K  
April 26, 2004

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 23, 2004

Blair Corporation

(Exact name of registrant as specified in its charter)

Delaware ----- (State or other Jurisdiction of incorporation)	001-00878 ----- (Commission File No.)	25-0691670 ----- (I.R.S. Employer Identification No.)
220 Hickory Street, Warren, Pennsylvania (Address of Principal executive offices)		16366-0001 (Zip Code)

Registrant's telephone number, including area code: (814) 723-3600

Not Applicable  
(Former name or former address, if changed since last report)

Blair-2  
Item 7. Financial Statements and Exhibits.

(c) Exhibits

Exhibit 99.1. Press Release.

Item 12. Results of Operations and Financial Condition.

The following information is furnished pursuant to Item 12, "Results of Operations and Financial Condition."

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On April 23, 2004 Blair Corporation issued a press release announcing its earnings for the three months ended March 31, 2004. The information contained in the press release, which is attached as Exhibit 99.1 to this Form 8-K, is incorporated herein by reference.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 23, 2004

Blair Corporation

By: John E. Zawacki

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John E. Zawacki  
President and Chief Executive Officer

By: Bryan J. Flanagan

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Bryan J. Flanagan  
Senior Vice President and Chief  
Financial Officer

### FOR IMMEDIATE RELEASE:

#### CONTACTS:

Blair Corporation

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Carl Hymans

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### BLAIR CORPORATION REPORTS FIRST QUARTER RESULTS

WARREN, Pa., (April 23, 2004) -- Blair Corporation (Amex: BL), ([www.blair.com](http://www.blair.com)), a national multi-channel direct marketer of women's and men's apparel and home products, today announced results for the first quarter ended March 31, 2004.

Net sales for the first quarter ended March 31, 2004 were \$128.6 million compared to \$137.0 million reported for the first quarter ended March 31, 2003.

Net income for the first quarter ended March 31, 2004 was \$571,000, or \$.07 per basic and diluted share, compared to net income of \$500,000, or \$.06 per basic and diluted share, reported for the first quarter last year.

Cost of goods sold as a percentage of net sales for the first quarter of 2004

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was 49.4%, which is comparable to the 49.5% for the first quarter of 2003. Advertising expenses for the quarter decreased to \$35.4 million from \$38.6 million for the comparable period last year.

General & administrative costs rose 7% or \$2.2 million and included costs associated with an engagement of McKinsey & Company, a national marketing and strategy consulting firm retained to assist Blair in conducting a comprehensive consumer, brand and strategy study aimed at enhancing shareholder value.

Blair's e-commerce channel generated \$24 million in gross sales demand in the first quarter of 2004, compared to \$18.9 million in the first quarter of 2003, an increase of 27%.

"We stated in our fourth quarter earnings announcement in February that results for the first quarter of 2004 may have been lower than the first quarter of 2003. It is important to note that our core Blair business outperformed initial expectations for the first quarter putting total Company profitability slightly ahead of last year. These favorable financial results were achieved despite the adverse impact of losses associated with the Company's Crossing Pointe business, start up costs associated with Allegheny Trail Corp., Blair's wholesale business targeting outdoor sporting goods and recreational retailers, and the re-launch of our Irvine Park catalog aimed at a younger, more affluent Menswear customer," said Bryan J. Flanagan, Senior Vice President and Chief Financial Officer.

"First quarter results also reflect the success of Blair's strategic decision to focus on more targeted mailings for greater efficiency and optimized returns. In addition, results benefited from the enhancement of Blair's automated fulfillment capabilities which continue to contribute to an overall improvement in operating efficiencies and productivity while driving a reduction in backlog," noted Mr. Flanagan.

John E. Zawacki, President and CEO said, "I am pleased with Blair's overall performance for the first quarter and the financial contribution of our core product offerings. We expect that Blair's core businesses will continue to be the primary driver of the Company's profitability and value creation. We remain confident that the near-term initiatives undertaken to improve inventory management, drive sales and enhance profitability will result in greater shareholder value."

"Blair's balance sheet remains strong, and we are expanding our customer base and enhancing our leadership position as the premier direct marketer to value-conscious consumers," concluded Mr. Zawacki.

### ABOUT BLAIR

Headquartered in Warren, Pennsylvania, Blair Corporation sells a broad range of women's and men's apparel and home products through direct mail marketing and its Web sites [www.blair.com](http://www.blair.com) and [www.crossingpointe.com](http://www.crossingpointe.com). Blair Corporation employs over 2,500 people and operates facilities and retail outlets in Northwestern Pennsylvania as well as a catalog outlet in Wilmington, Delaware. The Company, which has annual sales of more than \$580 million, is publicly traded on the American Stock Exchange (AMEX-BL).

This release contains certain statements, including without limitation, statements containing the words "believe," "plan," "expect," "anticipate," and words of similar import relating to future results of the Company (including certain projections and business trends) that are "forward-looking statements"

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as defined in the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to, changes in political and economic conditions, demand for and market acceptance of new and existing products, as well as other risks and uncertainties detailed in the most recent periodic filings of the Company with the Securities and Exchange Commission.

--Financial table follows--

BLAIR CORPORATION  
COMPARATIVE OPERATING HIGHLIGHTS  
(UNAUDITED)  
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

For the Three Months Ended March 31

	2004 ----	2003 ----
Net sales	\$128,642	\$137,014
Income before income taxes	920	794
Income taxes	349	294
Net income	571	500
Basic / diluted earnings per share	\$.07/\$.07	\$.06/\$.06
Weighted average basic shares outstanding	8,051,124	7,981,649
Weighted average diluted shares outstanding	8,112,181	8,013,070

Selected Balance Sheet Items as of March 31

	2004 ----	2003 ----
Customer accounts receivable	\$148,762	\$146,269
Inventories	\$ 79,827	\$ 77,620
Total assets	\$334,777	\$335,931
Total liabilities	\$ 65,991	\$ 78,998
Stockholders' equity	\$268,786	\$256,933
Total liabilities and stockholders' equity	\$334,777	\$335,931