

FOX RIVER MILLS PARTNERS WITH CIRAS TO DEVELOP A TCO MODEL

ABOUT FOX RIVER MILLS INC. Fox River is a leading U.S. manufacturer of outdoor, sport and lifestyle performance socks since 1900. Fox River is privately owned and operates a hosiery mill in Osage, Iowa, employing 200. Fox River has been knitting socks in the USA since 1900 utilizing US and Imported yarns. Fox River is committed to growing US textile manufacturing using modern technology that supports responsible, sustainable practices.

THE CHALLENGE. Sales were negatively impacted due to the COVID pandemic and leadership requested assistance developing a total cost of ownership (TCO) model specific to their business that would help support their efforts to grow revenue. Specific efforts were aimed at showing the value of domestic, more reliable supply chains with shorter lead times.

MEP CENTER'S ROLE. CIRAS, part of the MEP National Network™, held a series of online meetings with the client to gather product, freight, and competitor profiles and model assumptions and develop client specific TCO tool. This tool was then used to generate additional sales showing clients how sourcing US and Iowa-made provides the lowest total cost and risk (though maybe not the lowest unit price). CIRAS then continued to support the client by working alongside them during the pilot with a selected customer.

"The CIRAS team was instrumental in the design and execution of the advanced TCO model. At Fox River Mills, we converted our vertical manufacturing model to a responsive digital to production model starting in 2018. Now that we have been fully executed on this model for more than 2 years, we are finding that retail buying teams appreciate tools to help decide on the most cost effective sourcing strategies. The model that was built by the CIRAS team allows for clear buying decisions to be made based on TCO. Now the buying teams can quickly see the true costs of buying cheaper goods with longer supply chains versus spending more up front to avoid lost sales and markdown expenses at retail."

-Brad Ballentine, CEO

RESULTS



MEP grant, COVID Cares



9 jobs created



\$1,500,000 in increased sales



\$400,000 invested in plant equipment, information systems, workforce



Reduced textile waste

CONTACT US



Iowa State University
1805 Collaboration Place,
Suite 2300
Ames, IA 50010



(515)294-3420



www.ciras.iastate.edu

