

Edgar Filing: BLAIR CORP - Form 8-K

BLAIR CORP
Form 8-K
July 23, 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): July 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.

Edgar Filing: BLAIR CORP - Form 8-K

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

On July 23, 2004 Blair Corporation issued a press release announcing its earnings for the three months and the six months ended June 30, 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: July 23, 2004

Blair Corporation

By: John E. Zawacki

John E. Zawacki
President and Chief Executive Officer

By: Bryan J. Flanagan

Bryan J. Flanagan
Senior Vice President and Chief
Financial Officer

Blair-3

FOR IMMEDIATE RELEASE:

CONTACTS:

Blair Corporation

Bryan Flanagan, SVP/Chief Financial Officer

Thomas McKeever, SVP/Operations & Administration

814-723-3600 carlh@schwartz.com

Carl Hymans

G.S. Schwartz & Co

212-725-4500

BLAIR CORPORATION REPORTS SECOND QUARTER RESULTS

WARREN, Pa., (July 23, 2004) -- Blair Corporation (Amex: BL), (), a national multi-channel direct marketer of women's and men's apparel and home products, today announced results for the second quarter and six months ended June 30, 2004.

Edgar Filing: BLAIR CORP - Form 8-K

Net sales for the second quarter ended June 30, 2004 were \$127.0 million compared to \$154.3 million reported for the second quarter ended June 30, 2003.

Net income for the second quarter ended June 30, 2004 was \$5.0 million, or \$0.62 per basic and \$0.61 per diluted share, compared to \$4.1 million, or \$0.51 per basic and diluted share, reported for the second quarter last year.

Net sales for the six months ended June 30, 2004 were \$255.6 million, compared to \$291.4 million reported for the first six months ended June 30, 2003.

Net income for the six months ended June 30, 2004 was \$5.6 million, or \$0.69 per basic and diluted share, compared to \$4.6 million, or \$0.57 per basic and diluted share, reported for the six months last year.

The planned elimination of unprofitable circular mailings and a reduction in Crossing Pointe mailings resulted in a decrease in sales for the second quarter of 2004. Blair expects to discontinue circulation of its 4-year-old Crossing Pointe catalog title in early 2005. The increase in net income for the quarter reflects enhanced efficiencies of core operations and Blair's focus on profitability and enhancing shareholder value.

Cost of goods sold as a percentage of net sales for the second quarter of 2004 was 45.9% compared to 47.1% for the second quarter of 2003, reflecting reduced customer returns, and successful efforts to lower overall shipping and liquidation costs.

Blair's e-commerce channel generated \$45.6 million in gross sales demand in the first six months of 2004, compared to \$41.7 million in the first six months of 2003.

Blair-4

"Second quarter results reflect Blair's successful efforts to focus on profitability and cost efficiencies which were achieved through our enhanced fulfillment operation and focused advertising initiatives. As a result, Blair was able to realize higher margins in per customer sales and reduce overall shipping costs for the quarter," said Bryan J. Flanagan, Senior Vice President and Chief Financial Officer.

"Our core customers have consistently remained the cornerstone of Blair's historic success and we will continue to focus on meeting their specific needs as part of our long-term plan to increase profitability," concluded Mr. Flanagan.

John E. Zawacki, President and CEO said, "I am pleased that our initiatives to improve profitability have contributed to Blair's overall performance for the second quarter and reaffirm our long-term strategy to focus our product offerings to our core customers."

"Blair's balance sheet remains strong, and 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 our efforts to enhance profitability will result in greater shareholder value," 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

Edgar Filing: BLAIR CORP - Form 8-K

its Web sites www.blair.com and 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 \$500 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" 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-5

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

	For the Three Months Ended June 30	
	2004	2003
	-----	-----
Net sales	\$126,993	\$ 154,345
Income before income taxes	8,087	6,633
Income taxes	3,076	2,532
Net income	5,011	4,101
Basic / diluted earnings per share	\$0.62 / \$0.61	\$0.51 / \$0.51
Weighted average basic shares outstanding	8,092,034	8,056,104
Weighted average diluted shares outstanding	8,166,940	8,079,211

	For the Six Months Ended June 30	
	2004	2003
	-----	-----
Net sales	\$255,635	\$291,358
Income before income taxes	9,007	7,427
Income taxes	3,425	2,826
Net income	5,582	4,601
Basic / diluted earnings per share	\$0.69 / \$0.69	\$0.57 / \$ 0.57
Weighted average basic shares outstanding	8,071,579	8,050,201
Weighted average diluted shares outstanding	8,139,561	8,077,447

Edgar Filing: BLAIR CORP - Form 8-K

SELECTED BALANCE SHEET ITEMS AS OF JUNE 30

	2004 ----	2003 ----
Customer accounts receivable	\$146,289	\$146,702
Inventories	\$ 76,136	\$ 64,208
Total assets	\$339,298	\$327,022
Total liabilities	\$ 64,872	\$ 66,936
Stockholders' equity	\$274,426	\$260,086
Total liabilities and stockholders' equity	\$339,298	\$327,022