One small town sock maker’s fight to keep jobs and make it in a different America

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FORT PAYNE, Ala. – If you go back roughly 15 years, there was a good chance the socks on your feet were made by an American worker in this mountainous pocket of northwestern Alabama. During the peak of America’s hosiery industry through the 1990s, roughly 7,800 people worked at one of 150 sock mills in Fort Payne, known as the “Sock Capital of the World.” Mills dotted Airport Road. “It was just constant traffic. I remember that as a kid, and it was great energy,” said Gina Locklear, a local entrepreneur. “It’s changed now.”

What shifted was a trade agreement with Central America signed by President George W. Bush in 2005. Lured by cheaper wages abroad, about 6,000 local mill jobs were wiped out, more than 47 percent of Fort Payne’s population of about 12,600 at the time. Countywide unemployment rose to 16.9 percent and would have been higher if it weren’t for 30-, 40-year career mill workers who just retired after jobs vanished. Entire...
shop floors were hallowed out. Modern, habitable knitting machines were fitted into these old and shipping containers. More than 50 years ago, the hosiery industry decided to make the invention of the cushion sole sock during World War II for the army – came to a halt. The trade deal and job losses happened more than a decade ago. But there’s a rawness still.

“I thought if this is happening to small town Alabama, this tiny little community, it’s happening all over the country,” Gina said. “I felt like we were alone.”

In 2008, after a real estate career cut short by the financial crisis, Gina returned to her passion for domestic manufacturing and launched her first sock brand, Zkano, available mostly online. A second brand, Little River Sock Mill, started in 2013, is available in select boutique stores including Ambiance in Alabama, Blas Boutique in Maine and New Hampshire, Planet Aazaar Company Store in Chicago and Knight in Brooklyn, New York. In November, the sock maker will open its first storefront at Gina’s mill, Emi-G Knitting, on Airport Road.

Fifteen workers produce both lines, all “Made in USA” with organic cotton from a Lubbock, Texas farmer. “I knew the folks who grow it, dye it and spin it,” she said. It’s a rare, full domestic supply chain from end-to-end.

Gina is aware her market share is small. Her socks retail for roughly $14 to $18 a single pair. Big box retailers sell entire bags of socks for that amount if not less. And some people in town describe sock makers as holdouts to a hockey past that will never return. Yet Gina persists. She’s pushing to keep manufacturing jobs and a sock-making tradition that emerged after a coal and iron ore boom in the late 1880s collapsed. Locals and Yankee investors looked around at cotton fields and thought, socks.

Emi-G Knitting is among 17 mills in DaKaib County that includes Fort Payne. The Central American Free Trade Agreement, or CAFTA, signed in 2005 shuttered many mills. The 2008 financial crisis leveled even more businesses.

As of 2016, there were 147 hosiery and sock mills remaining in the entire U.S., according to the Bureau of Labor Statistics.

Many mills pay the bills as “greige goods” manufacturers, making socks for others consumer-facing brands. But some domestic producers like Gina are driving their own destiny by focusing on a growing awareness for “Made in USA” products. Goods are usually available online, and they appeal to consumers who want and can afford something special with a backstory. But domestic producers like Emi-G Knitting are rare. About 97.2 percent of the U.S. apparel market was imported in 2016, according to the American Apparel & Footwear Association. Just reflect on what you’re wearing, right now. Is anything on your body “Made in USA?”
In July this year, President Trump showed his commitment to the "Make in America" week. But what about the folks who make the socks, shoes, and other goods that American consumers do not think twice about buying? Many of them are still trying to get back those good paying, manufacturing jobs with benefits like health care. Room for wage growth. A shot at a future.

Typical manufacturing work can earn around $9.60 an hour, less for nonsupervisory roles, according to BLS data. Cashiers, hotel desk clerks and retail sales workers make around $10-$11 an hour.

And since the recession, job gains have been concentrated in lower-wage industries and occupations. Lower-wage sectors employ 2.3 million more American workers than at the start of the recession, according to 2014 analysis from the National Employment Law Project. In contrast, there are 698,000 fewer jobs in mid-wage industries than at the recession’s start, according to the data.

U.S. manufacturing has shed nearly one-third of its jobs during the past two decades. Fort Payne sock maker Rhonda Whitmire doesn’t need data to be convinced. Just scan the slim job pickings in the local paper. “There’s just not a big job market here,” she said. Whitmire grew up around sock making. Her mother worked at the W. B. Davis Hosiery Mill, the town’s first sock mill in the early 1900s that’s now called the Big Mill. Whitmire went to work right after high school. Some 30 years later, she’s still in the hosiery business, supervising quality control at Emi-G. She previously worked for 27 years at local sock maker V.J. Prewett & Son that was acquired by Montreal-based Gildan Activewear in 2007. “We’re a small town in America. People say it’s just sock mills. It’s just socks,” Whitmire said.

“But those 'just socks' were our food, our children’s education, health care, the day-to-day living. It just hits you in your gut even today to think about those feelings. It changed the atmosphere of this community.”

Sock makers Gina Locklear and Rhonda Whitmire. Gina’s grandmother and Rhonda’s mother both worked at the Big Mill, Fort Payne’s first hosiery mill.

If you’re not from a small town, it’s easy to suggest, Well, why don’t you just move? To where the jobs are? But when an anchor manufacturer closes, a high school diploma doesn’t get you much mobility. Some 45 million American workers don’t have a post-secondary education. “Well a person could move, but when your family is here, when you have elderly parents, that’s not so easy,” Whitmire said. “So to move into...
larger cities, a lot of times small towns have to diversify and change their economy before it’s beneficial for businesses to come back.

Fort Payne, of course, was forced to diversify its economy since its peak mill years. Key employers include a Children’s Place distribution center and Ferguson Enterprises, a retail plumbing company. “The job market in this area is manufacturing plants,” Whitmire said. “There’s a side on the newspaper for jobs, but there’s just not a big job market here.”

Overall manufacturing accounts for just 9 percent of total U.S. employment, a much smaller share than 20 years ago.

The coming march of more robots

And the rise of more robots is likely to displace more low-skilled American workers. Advancing technology that’s lowering demand for low- and medium-skill workers appears to be accelerating. Labor-intensive sectors like manufacturing, retail and food service will be the most vulnerable to automation, according to a McKinsey & Company report released in June.

About 60 percent of work activities in manufacturing and transportation/warehousing lend themselves to automation, according to McKinsey’s analysis. And don’t bet on a fast-food or hotel minimum wage jobs as a backstop. The accommodation and food service industries have the highest automation potential, according to McKinsey, with existing technologies able to handle nearly three-quarters of all tasks.

Ann Simmons of Emi G’s product development team monitors a machine. Socks are knitted goods so designs are programmed and tested on knitting machines before a final sock is locked for production.

Just to take a step back, past technological advances in prior decades created new kinds of jobs as others disappeared. No economist is forecasting mass unemployment overnight. And you can’t blame robots for all lost manufacturing jobs. There are other shifts at play including globalization, offshoring and the skills gap. Researchers recently found no significant relationship between more industrial robots and overall employment. However, they did find evidence that suggests robots may reduce jobs for low-skilled workers. “We find that low-skilled workers in particular may lose out,” according to research published in June by George Graebe of Uppsala University in Sweden and Guy Michaels of the London School of Economics.

So to rework the bad news: There are fewer good paying manufacturing jobs. And in the
The American dream is built on children doing better than previous generations. But children’s prospects of earning more than their parents have dropped to 50 percent from 90 percent over the past 50 years, according to the Equality of Opportunity Project that was produced by a team of economists and sociologists. And it’s getting tougher for families in the Midwest. In a late 2016 post, economist Raj Chetty wrote the largest declines in rates of “absolute income mobility” were in the eastern Midwest including Michigan and Illinois. (“Absolute income mobility” refers to the fraction of children who earn more than their parents.)

Searching for new manufacturing jobs

Manufacturing and hospitality jobs like those in Fort Payne are still part of the U.S. economy. Manufacturing remains the primary industry in some 500 U.S. counties. But rebuilding the sector requires strategies beyond tax incentives, according to McKinsey. Big and small manufacturers need to collaborate.

“Most US manufacturing firms are small companies that need financial, technology, and advisory support,” according to McKinsey’s analysis.

Large firms can help build their own collaborative supplier networks by helping smaller firms modernize and innovate. Many economists and shop-floor managers agree jobs retraining also needs to be part of the solution. Automation will take away some labor-intensive positions. But skilled employees will need to work alongside robots. “We’re getting to the point where the [cock] seats are so much nicer on the robotic machines,” said Vance Veal, Emi-G’s plant manager.

He started in the hospitality business when he was 16, and saw automation emerge a decade ago. “You gotta develop or everything else dies. If you don’t, you get left behind,” Veal said. “The bad part is you do lose employees because they do take their jobs.” As Veal sees it, there ought to be a balance between automation and jobs. Unemployed workers can’t afford socks, no matter how cheap robots can make them. “People are getting socks at Walmart cheaper. But if you take their jobs, it don’t matter how cheap you make the socks.”

Second-generation sock maker Gina Locklear with plant manager Vance Veal.

And in case you were wondering, there is no gig economy in Fort Payne that will lead you to the Promised Land. In many small towns far from Silicon Valley or New York
City, no one is side hustling in Ubiquitous makes a move and two pieces. And Whitmire of Emi-C, "It’s a big step forward for our economy.”

So we can't relocate thousands of Americans to where the jobs are. More low-skill jobs will evaporate in the coming years. According to McKinsey’s analysis, rebuilding American manufacturing requires:

- Investment from domestic and foreign sources
- Targeted strategies to help communities left behind
- Revitalized domestic supplier base in which larger companies help themselves by helping smaller companies
- Comprehensive strategy to boost net exports that includes small businesses

All this sounds great on paper. But what does a job creation pipeline look for, say, an American textile manufacturer? Presumably some business and community leaders want to be part of rebuilding U.S. manufacturing. But what does that kind of collaboration look like?

What a backpack with advanced fibers says about future jobs

One of the first things you pick up about Yoel Fink at the Massachusetts Institute of Technology is he’s a super smart science guy. Not a fake-it-till-you-make-it kind of inventor guy. But a legit expert in materials science and electrical engineering who holds more than 50 issued U.S. patents on multi-material fibers and devices. He was an undergraduate at the Technion – Israel Institute of Technology, a research university in Haifa, Israel. He landed at MIT for his Ph.D. where he studied materials and became fascinated by fibers.

Yoel is now CEO of Advanced Functional Fabrics of America, also often known by its acronym AFFOA (af-oh-uh). Located close to the MIT campus, the nonprofit institute was created through a $300 million proposal backed by the federal and state governments, corporations and universities. The mission is creating advanced fabrics, while supporting domestic manufacturing and economic growth in the region.

(Yoel Fink, CEO Advanced Functional Fabrics of America, holds one of his backpacks made with advanced fibers. Photo by Greg Horn)

Most of us might look at a T-shirt and just see the cotton, designed to cover body parts. But Yoel’s mind sees something different. He fingers the fabric, and wonders why most fibers only are derived from a single source of material. “The interesting thing is, even though fibers are one of the most ancient forms of human expression, they haven’t changed over the course of history,” Yoel said. His mind began churning. What if you could combine several different materials into the same fiber to create new, functional fabrics?

Last month, Yoel and his team unveiled what’s likely the world’s first social, programmable backpack to 1,200 incoming students at MIT. A unique code was woven into the plaid fabric material of the special backpacks.
MIT freshmen hold up specially-made backpacks. A code was woven into the advanced fabric, produced by a century-old mill in South Carolina. Photo by MIT

Here’s how a backpack and related app work: A student links a backpack to their smartphone and downloads a related app. When another student walks past someone with another special backpack and app, your smartphone pings with bits of data about the other person. The data that’s being transmitted will vary. Whatever has been programmed into the app. Your major. Where you’re from. Hobbies. It’s a conversation starter, and a way to make connections.

“A lot of our freshmen and a lot of the people at MIT are a little bit on the introverted side,” Yoel said. “So we don’t normally just go up to someone and say, ‘Hey, where are you from?’ This really allows you to get information about a person before you even engage them,” Yoel said. But there are other potential applications beyond making friends. Imagine medicine infused in fabrics for remote soldiers without immediate access to health care. Consider fabrics that can store energy, and help regulate body temperature. “People really never went ahead and combined three different materials into the same fiber,” Yoel said. “When you do that, there’s a whole world of opportunity that opens up to you.”

It’s clear producing bulk cheap socks and T-shirts with lumpy seams is a low-wage game the U.S. will never win against overseas players like China. So if you can’t win the game, just change the game.

With advanced fibers infused with software essentially, the manufacturing value isn’t in the final assembly of a backpack or even a woven pair of socks. The potentially larger value lies in creating the intellectual property to weave new fabrics that demand higher prices by the yard — probably more than any other fabric that has been produced.

And more expensive, specialized fabrics require workers with advanced skills, who can in turn earn higher-paying manufacturing jobs. “There’s no intellectual property around assembling the packs. That is a commodity type of operation,” Yoel said. And when it’s
time to find companies to produce the fabric, one of his partners is Inman Mills, a high-tech fabric, domestic, made in South Carolina.

“We’re going to only license to companies that are prepared to manufacture in the U.S. That has been our strategy,” said Yoel of MIT.

“Intellectually property driven, value-added materials have to be manufactured in this country,” he said. The backpacks were produced by Inman Mills in South Carolina. Fink had co-invented the technology behind the bag and needed a skilled weaver with expertise in technical fibers. Fink connected with Norman Chapman, whose great grandfather James Chapman started Inman Mills in 1901. More than a century after its founding, Inman Mills employs 700 people at three plants in Spartanburg County.

“This is our future,” Chapman told Yoel. Chapman, Inman Mills president and a member of the fabric institute’s board, made a promise. “We’re going to make this happen.” Funding and partners followed including JanSport.

The backpacks are not yet commercially available. About 3,000 Drexel University students in Philadelphia also received the high-tech backpacks. And targeting first-year students is no accident. The idea is to give students something tangible that shows manufacturing can lead to a career path in tech and innovation far from Silicon Valley. Even in the deep South that’s rich with textile history.

Ask any manufacturing executive looking to fill a C-suite level job. It’s tough to find someone in their 40s or 50s because when they were in high school the North American Free Trade Agreement took effect. “We were told in the 90s with NAFTA, ‘No. You don’t want to do that [manufacturing], it’s dead,’” said Eric Spackey, CEO of Blauwater Defense, a Puerto Rican maker of U.S. military uniforms. (Spackey has a factory some 60 miles from San Juan and is reeling from Hurricane Maria. He’s also chief marketing officer for AFFOA.) “My last three VPs who retired were in their 70s,” said Spackey in an interview earlier this year. “I hired them in their 60s.”
The Big Mill where W.P. Davis was the first business mill in the 1900s. Annual payroll was $750 million, about $150 million.

Prologue: 'Dye ditch' kids and fireflies in Fort Payne

Every Monday morning, second-generation sock maker Gina packs a sandwich and drives an hour and a half to Fort Payne from Birmingham, where she lives with her husband, Al Vreeland. She stays overnight with her parents. Terry and Regina Locklear in Fort Payne because that’s where her mill is, her passion. Emi-G was founded in 1991 by Gina’s parents and named after Gina and her sister Emily. Their grandmother worked at the Big Mill that once supplied socks to the military in World War II, with more than 8 million pairs delivered to the army alone. Terry grew up in town and was a “dye ditch kid.” He played in ditches behind the Big Mill that flowed with colored water runoff from the dying process.

Emi-G Knitting was founded in 1991 by Regina and Terry Locklear, and named after Gina and her sister Emily.

On that straight as an arrow drive on S9, Gina sometimes thinks about starting a family. Yee, no? Now, when? But that would mean no more commuting and big decisions that need making. For now she keeps working, fueled by her standbys, Coffee, La Croix sparkling water. An occasional pimento cheese sandwich. Her mill’s market share might be small but she’s trying to right a wrong of evaporated small-town jobs. In many ways Gina’s journey is a story about a fight for a decent paycheck. While some high growth cities have recovered strongly since the recession, real median household incomes remain below their pre 2000 peaks in nearly two thirds of U.S. counties. And the cost of a middle-class life is only rising.

During the early mill years in the 1900s, factory workers used to walk to jobs, trying to beat the morning steam whistles. Still dark, the dawn air wet with dew, workers lighted their footpaths with hand-held lanterns. From far away they looked like dancing fireflies, swaying and descending from the mountains. To land a Fort Payne mill job that paid big city “Chattanooga wages,” as a local historian described, was a small coup. And at night after a full day’s shift, some families cranked up small knitting machines.
in kitchens to finish socks and make coffee. “This is not just about creating jobs,”
Youl reminds me. “It’s about helping the community.”

Video directed by Scott Erlekon, filmed by Tony Cruz, edited by Chris Chan Lee,
produced by Heesun Wee

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