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CORPORATE PARTICIPANTS

Sean D. Goodman *Unifi, Inc. - CFO and VP*

Thomas H. Caudle *Unifi, Inc. - Principal Executive Officer, President and Director*

CONFERENCE CALL PARTICIPANTS

Christopher McGinnis *Sidoti & Company, LLC - Research Analyst*

Marco Andres Rodriguez *Stonegate Capital Markets, Inc., Research Division - Director of Research and Senior Research Analyst*

PRESENTATION

Operator

Good morning, everyone. On the call today is Tom Caudle, President; and Sean Goodman, Vice President and Chief Financial Officer.

During this call, management will be referencing a webcast presentation that can be found at unifi.com. The presentation can be accessed by clicking the third quarter conference call link found on the Unifi homepage. Management advises you that certain statements included on today's call will be forward-looking statements within the meaning of the federal security laws. Management cautions that these statements are based on current expectations, estimates and/or projections about the market in which the company operates. These statements are not guarantees of future performance and involve certain risks that are difficult to predict. Actual outcomes and results may differ materially from what is expressed, forecasted or implied by these statements. You are directed to this disclosure filed with the SEC in the company's Form 10-Q's and Form 10-K's regarding various factors that may impact these results.

Also, please be advised that certain non-GAAP financial measures, such as Adjusted EBITDA, Adjusted Working Capital, Adjusted Net Income and Adjusted EPS, will be discussed on the call, and non-GAAP reconciliations can be found in the schedules to the webcast presentation. I will now turn the call over to Tom Caudle.

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

Thanks, operator, and good morning, everyone. Thank you for joining us today.

I will begin today's call with an operational and strategic overview before turning the call over to Sean, who would take us through the financial details for the third quarter and first 9 months of fiscal 2017.

Our financial results reflect continued success and strong execution against our global strategy to provide high-quality, innovative and sustainable products to our customers around the world. This strategy has not only enhanced our ability to serve our customers, but also to provide us with valuable business diversification.

During the quarter and fiscal year-to-date, excellent results from our international operations in both Asia and Brazil have helped to offset persistent, difficult domestic market conditions. Volume and profit growth remained very strong during the third quarter in China, where our PVA business continues to grow in both filament yarn and staple fiber, as our customers benefit from the differentiation and integrity that our REPREVE and PVA products bring to their portfolio. In addition, we are gaining traction across a number of growth opportunities in Sri Lanka and Vietnam as we continue working with key global brands and retail partners to develop and implement PVA programs that will drive value throughout the supply chain.

In Brazil, our third quarter results reflect the continuation of strong performance achieved throughout calendar 2016. Our team in Brazil continues to successfully capitalize on expansion of the synthetic fiber market and growing demand for PVA products, despite a volatile economic and political operating environment.

In summary, we are again very pleased with our strong international momentum and financial performance and view the International Segment as an important component of our long-term future growth. As for our U.S. regional business, consistent with recent comments from many domestic retailers, the difficult apparel environment in calendar 2016 has extended into the first quarter of calendar year 2017, pressuring our results. Inventory levels remain elevated, and brands and retailers remain cautious with orders. Leaders in the apparel industry have marked 2016 as one of the most challenging years and have responded with store closures and other business transformations.

Looking at specific domestic market sectors, we have experienced some headwinds throughout the first 9 months of our fiscal year, including:

nylon ladies hosiery has been weak on account of consumer preferences, and the intimate sector continues to struggle.

Polyester bottom weight garment volumes are down, especially in uniforms for military and work wear applications, and

low-priced imports continue to challenge the commodity end of our portfolio.

Combining these factors with the difficult raw material environment, in which virgin polyester cost have increased around 20% over the past 12 months, the domestic polyester market remains challenging.

In this environment, we believe that it is increasingly important to focus on product innovation and differentiation to provide value to our customers. Bright spots for the domestic market include: automotive sales, where we have seen increased adoption of REPREVE for interiors and REPREVE chip and flake products that are sold into nontraditional markets for us, including non-wovens in customer packaging.

Expanding on our product and market development activities, we've begun production of specialized performance fibers in partnership with Eastman Chemical Company. This is an extraordinary partnership with the leading chemical technology company that exhibits Unifi's renowned complex manufacturing capabilities and culture of innovation. From a financial perspective, this project will provide a modest contribution to our top and bottom line growth. However, we look forward to increasing benefits as the volumes ramp up over time.

Our new Bottle Processing Center recently received a Letter of No Objection from the Food and Drug Administration, allowing Unifi to sell bottle flake in the food packaging industry. This provides an additional potential revenue source as we balance internal consumption and external sales of bottle flake. Our Bottle Processing Center has now been in operation for just over 6 months. While we are extremely pleased with the quality and performance characteristics of the output, the ramp-up period has taken a little longer than initially expected. This means that we have continued to encourage the modest start-up related losses in quarter 3 of fiscal 2017. That said, we expect to approach breakeven in quarter 4 with steady-state operations beginning by the second quarter of fiscal 2018. To date, our facility has processed almost 1 billion bottles and we expect to reach a run-rate of around 42 million bottles per week. We are maintaining our expectations that this project would generate an EBITDA payback in less than 5 years.

Turning to marketing initiatives. Our national REPREVE #TurnItGreen mobile tour continues. Here, we use a custom design, interactive trailer to engage consumers on the importance of recycling and highlight the high-quality REPREVE-based products made by many well-known brands. In the next few months, the tour is scheduled to travel to 30 live sporting and music events across the U.S. as well as the corporate headquarters of Ford, Nike, Volcom, Fossil, Valley Forge and more. We've aligned our sports teams partnerships with the key geographical markets for our brands and retail partners, including California, Massachusetts, Michigan, Minnesota, New Jersey, Oregon and Texas. Our multiple touch points continue to result in increased brand engagement and new REPREVE fans.

A great example is: the New Era Cap Co. recently launched the first official NBA headwear made with REPREVE, incorporating 4 recycled bottles per cap. This product is currently exclusive to the Portland Trail Blazers making a presence at NBA Green Week. Additionally, we continue to see REPREVE and SORBTEK garner greater interest and adoption in the denim category where brands such as Express, Abercrombie & Fitch, Arizona Jeans, St. John's Bay, American Eagle Outfitters, Levi's, Stio and more. We remained excited about the expansion of REPREVE and the value it brings to our customers and our results.

Looking outside of our synthetic fiber business, I would like to reaffirm our confidence in Parkdale America. The last few quarters have been challenging for Parkdale America for many of the same reasons as have impacted our domestic business. However, we continue to believe that Parkdale America is run by a strong management team that has invested properly in its assets, has a strong reputation with its customers, and subsequently is well positioned to capitalize on the market recovery. We remain confident in our investment that has had a multi-year history of delivering attractive returns.

I'd like now to turn the call over to Sean, to review our financial results.

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

Thank you, Tom, and good morning, everyone.

For the third quarter, we are reporting net income of $9.2 million and basic earnings per share of $0.50, compared to net income of $9.7 million and basic earnings per share of $0.54 in Q3 of fiscal 2016. In comparing the results for Q3 of fiscal 2017 to the prior year period, I'd like to point out 4 specific items. These are shown in the bridge that we have prepared on Page 3 of our presentation.

First, net income for the third quarter of fiscal 2016 included an expense of around $250,000, associated with key employee transition costs. Second, in Q3 of this fiscal year, we have comparatively weaker performance from Parkdale America of approximately $1.5 million. Third, we had a favorable tax impact in this quarter related to refining certain estimates for approximately $1.2 million. And finally, strengthening of the Brazilian real drove foreign currency benefits of approximately $1.4 million this quarter. Adjusting for these 4 items, net income for Q3 is approximately $1.8 million less than the prior year period.

Slide 4 of the presentation shows a similar analysis for the year-to-date results. For the first 9 months of fiscal 2017, we are reporting net income of $23.2 million and basic earnings per share of $1.28, compared to net income of $24.2 million and basic earnings per share of $1.35 in the prior year period. Specific items to note are: key employee transition costs incurred in fiscal 2016, loss on sale of Repreve Renewables that occurred in Q2 of fiscal 2017, Parkdale America's performance, startup costs associated with the Bottle Processing facility this year, favorable tax impacts, and foreign exchange benefits associated with strengthening of the Brazilian real. Adjusting for these items, net income for the year-to-date period is approximately $1 million more than the prior year period.

A few comments regarding our tax rate. Our GAAP effective tax rate in Q3 is 8% and for the 9 month period, it is 22%. These lower than expected tax rates are associated with 3 items.

First, the relative outperformance of our International Segment has positively impacted the overall tax rate. Second, as noted a few moments ago, we recorded a tax benefit of approximately $1.2 million in Q3 associated with refined estimates. And third, consistent with our increased emphasis on product innovation and associated research and development, we have benefited from an increase in research and development tax credits. Now assuming a constant business mix, continued investments in R&D and no changes to existing tax legislation, our sustainable tax rate should be in the mid-20 percent range.

Turning to Slide 5 of the presentation, we can see the drivers of this quarter's performance. I remind you that the discussion here focuses on our core segments which exclude ancillary operations. You can refer to Slide 12 for the consolidated metrics.

Total revenue of $160 million was consistent with the third quarter of fiscal 2016. Consolidated sales volume, as measured by pounds of products sold, increased by 8%. This was offset by a corresponding decrease in the average selling price per pound. The overall decrease in average selling price is largely attributable to changes in our product mix with the higher selling price segments, for example nylon underperforming. As Tom noted, our International business with sales growth of more than 30%, was offset by the soft domestic results.

Looking at total gross profit, overall gross profit declined by $2.4 million or 10% due to lower gross margin rates in the domestic Polyester and Nylon Segments. This was partially offset by higher margins achieved in the International division.

Now looking at the individual segments and starting with Polyester. The decline in average selling price for Polyester was largely attributable to product mix. Specifically, we experienced volume declines of around 5% in the textured yarn business associated with the market conditions that Tom discussed in his remarks. However, this volume decline was more than offset by continued interest in associated volume growth in our recycled Polyester Chip and POY products. Both of these products are relatively early in the value chain and therefore carry a lower average sales price per pound than textured yarn products. This impacted our mix leading to overall decrease in the average selling price for the Polyester Segment. The significant margin rate decline in the Polyester Segment was primarily due to higher raw material prices. In Q3 of fiscal 2017, our virgin polyester raw materials were approximately 20% more expensive than in the prior year fiscal third quarter. While raw material cost changes are generally un-impactful over the medium term, there is a lag effect and this significantly impacted profitability in Q3.

In addition, as Tom discussed in his comments, we experienced some margin pressure associated with the Bottle Processing facility in Q3. The impact on gross margin was around 30 basis points. We expect to see this impact dissipate in the fourth quarter, and we should see positive contributions from this investment in fiscal 2018.

Now looking at the Nylon Segment. Nylon sales continue to be under some pressure. However, the business appears to be stabilizing with a year-over-year volume decline of just under 4% this quarter, compared to almost 20% in the first half of fiscal 2017. The average selling price decline is associated with a change in sales mix, including the transfer of PVA programs to the International Segment. The Nylon gross margin decline was associated with lower volumes impacting production efficiency, together with the changes in the product mix that include a 125 basis points impact from the transition of PVA programs to the International Segment.

The International Segment continued to perform very strongly in Q3 driven by the success of our PVA product portfolio. The average selling price increase is primarily associated with foreign currency gains in Brazil.

International gross profit grew by more than 50 percent compared to the prior year, with substantial sales growth compounded by strong a margin rate, driven by the enhanced PVA product mix. Foreign currency translation improved net sales and gross profit in the International Segment by $4.5 million and $800,000, respectively, from Q3 of fiscal 2016 to Q3 of fiscal 2017.

On Slide 6, the 9-month comparative results here show similar trends to 3 months results. Revenue declined by approximately 1% with strength in the International segment offset by relative weakness in the domestic Polyester and Nylon segments. Total gross profit increased by around 1.5% with the success of our global PVA portfolio, again partially offset by the soft domestic market conditions. The overall gross margin rate increased by 30 basis points to 14.3%. For the 9-month period, the Bottle Processing facility adversely impacted the Polyester gross margin rate by around 50 basis points and the total gross margin rate by around 20 basis points.

When looking at the performance of individual segments, it's important to remember that in fiscal 2017, certain domestic PVA programs moved from the Nylon Segment to the International Segment to meet customer specific supply chain requirements. This reflects the successful execution of our strategy of providing a consistent product wherever in the world it is required. These sales are not lost, they simply moved from the domestic to the International business. This transition adversely impacted the Nylon Segment gross margin rate by approximately 170 basis points. For the 9-month period of fiscal 2017, foreign currency fluctuations improved net sales and gross profit in the International Segment by $7.8 million and $1.3 million, respectively. Note that overall global PVA sales remain in line with our expectation of 10% to 15% annual growth.

Turning to Slide 7, and looking at our equity affiliates. At the end of third quarter of fiscal 2017, the Company had approximately $118 million recorded for investments in unconsolidated affiliates. These investments consist of 34% ownership in Parkdale America and our 50% interest in 2 joint ventures that supply raw materials to our domestic Nylon operations. Our pretax share of Parkdale America's income for the third quarter of fiscal 2017 was $1.3 million, approximately $2.3 million less than same period last year. For the 9-month period of fiscal 2017, our pretax share of Parkdale America's results was $900,000, approximately $4.3 million less than the prior fiscal year's 9-month period.

The Nylon joint ventures experienced pretax earnings declines in both the 3-month and 9-month periods associated with high raw material costs and the soft Nylon business conditions. During the 9-month period of fiscal 2017, we received a total of $1.5 million in distributions from our equity affiliates.

On Slide 8, we review the company's balance sheet highlights. Adjusted Working Capital of $138 million was approximately $7 million above March 2016, and approximately $11 million above the level at the end of June 2016. As a percentage of annualized sales, Adjusted Working Capital was 19.7%, broadly consistent with the prior period shown. The increase in inventory from both March and June 2016 is primarily related to higher raw material costs.

Moving to net debt and total liquidity. We ended the third quarter with around $134 million of debt principal and net debt of roughly $104 million, slightly below net debt at the beginning of fiscal 2017. As of the end of the third quarter, our weighted average interest rate for outstanding indebtedness was approximately 2.6%. Total revolver availability and liquidity was $67 million and $97 million respectively.

Before turning the call back to Tom, I would like to provide an update on the raw material tariff situation in Brazil. The South American Trade Association, known as Mercosur, did not approve the reduction in POY import tariffs from 18% to 2% that we were expecting. At this stage, the tariff on imported POY raw material remains at the 18% level.

In spite of this, our business in Brazil had a highly successful quarter as we were able to largely offset higher tariffs with an improved product and pricing mix. That said, some competitive pressure is to be expected from imports given the higher raw material costs and relative strength of the Brazilian currency.

Looking at the remainder of fiscal 2017, we expect headwinds to continue into Q4 of fiscal 2017 namely: ongoing demand uncertainty in the domestic Polyester and Nylon markets, and competitive pressure in Brazil from imports and higher raw material costs. At the same time, we expect the margin pressure that we have seen in the domestic Polyester market to abate somewhat, as raw material costs stabilize.

Based on this, we continue to expect revenue, gross profit, operating income and Adjusted EBITDA for fiscal 2017 to be broadly in line with fiscal 2016. Anticipated capital project outlays for fiscal 2017 remain at around $40 million, and we expect net debt at the end of fiscal 2017 to be in line with that at the end of fiscal 2016.

I will now turn the call back over to Tom.

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

Thanks, Sean.

While we are pleased with our fiscal 2017 results to date, the domestic market remains challenging. We remain focused on our global PVA growth strategy and we feel that we are well positioned to benefit when the domestic environment rebounds, as it inevitably will.

I will now turn the call back over to the operator for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Our first question comes from the line of Chris McGinnis with Sidoti.

Christopher McGinnis - *Sidoti & Company, LLC - Research Analyst*

I guess, can we start maybe just on the Polyester side and the margin decline year-over-year? Sean, I know you broke out the impact of the recycling center. Could you maybe just walk through the other buckets in, maybe, a percentage and help us give us, maybe a little confidence in that rebound we are talking about maybe next quarter and after?

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

The key driver of the margin pressure that we had in Q4 was related to the raw material prices. As mentioned in our comments, the raw material prices were fully 20% higher this quarter than they were last year at the same time. What happened is the raw material prices increased. It takes a period of time for us to reflect that in selling price increases. The normal period of time we expect is around 90 to 120 days, just depending on the individual contracts with individual customers. What we're seeing now in Q4 is that those selling price increases are starting to take effect. They started towards the end of Q3. And so, we are looking at significantly better margins in the Polyester Segment in the Q4 period.

Christopher McGinnis - *Sidoti & Company, LLC - Research Analyst*

Great. And then, I guess, just you know you brought up the Brazilian tariffs and I think pretty strong margin profile in Q3, what sounded like would maybe a headwind. How much of the headwind are you expecting in terms of the back? I guess, maybe over the next couple of quarters, would that change and then that competitive landscape changing as well?

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

Yes, we were very pleased with the performance of Brazil this quarter. As mentioned in the previous quarter, we did expect significant pressure from the raw material price increases associated with the higher import tariffs. And the favorable performance in Brazil was associated with both the mix of products, higher PVA and value-added products, and also we were able to pass on some price increases as well. So this really helped our performance in Q3. In Q4 we expect Brazil to continue to be strong, both from a volume and margin point of view. However, we would expect a little bit of margin pressure relative to the margin percentage in Q3 associated with the increased competition from imports, primarily related to the stronger Brazilian Real and also our higher cost position. But in general, I would not expect more than about 100 to 200 basis points impact on the international division in the fourth quarter.

Christopher McGinnis - *Sidoti & Company, LLC - Research Analyst*

Okay. And out of the growth in International, I guess, the volume change. Can you maybe just break out how much was attributable to Brazil?

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

Yes. So the volume change, we had positive volume change both in Brazil and in Asia. What I would say is that the Asia volume change was higher than the Brazil volume change. We're looking at a volume change in Brazil of, roughly, in the sort of 10% to 15% range.

Christopher McGinnis - *Sidoti & Company, LLC - Research Analyst*

Okay. And can you just remind us when you lap maybe the exiting of the competitor in the marketplace, and when those comps maybe get a little bit more difficult?

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

That was about 3 quarters ago and the comps are more difficult in Q4. If you look at our Q4 comparatives, International Segment, you'll see that the comps are more difficult in the fourth quarter. So in looking at the outlook for the fourth quarter while we do expect both Asia and Brazil to continue to be strong, bear in mind that we do have significantly tougher comparatives in that fourth quarter period.

Christopher McGinnis - *Sidoti & Company, LLC - Research Analyst*

Great. And then just 2 more, I'll jump back in the queue. Just related to the CapEx program, you're almost at the end of '17. Can you maybe just walk through what you've accomplished and how much, I guess, you start to think about in 2018? Are there lingering projects where should we see a cash flow really start to come through on the company? And also, is this the peak, I guess, debt level you would expect in the company right now?

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

So Chris, Starting with the debt. We've had an average leverage ratio between 1.5x and 2x over the past few years, and I expect that to remain fairly stable around that level. Talking about the CapEx, as you rightly say, we are coming to the end of our CapEx program. The 3-year CapEx program, over that period of time we spent $150 million. I think it's very reasonable to expect in the future years, 2018 and beyond, that our average CapEx spend would be lower than the average CapEx spend over the last 3 years as we are coming towards the end of the CapEx program. We will provide an update to the market at an appropriate point in time once we finalize our CapEx plans for 2018 with more specifics on what those numbers would look like.

Operator

Our next question comes from the line of Marco Rodriguez with Stonegate Capital.

Marco Andres Rodriguez - *Stonegate Capital Markets, Inc., Research Division - Director of Research and Senior Research Analyst*

Just a couple of quick follow-ups on some of the last questions here. On the poly side on the gross margin, you obviously talked about all of the different impacts and leverage you had there on the gross margin side and your expectation that some of the pricings should be readjusted coming into Q4. Are you expecting, perhaps, does the margins there for Polyester get back up into that double-digit range where you've been in fiscal '16, or is there still some headwinds from the retail environment that might kind of keep a lid on that?

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

Marco, this is Tom. We expect our margins to improve going forward. You know in the news, we continue to see retail closings and things happening in the market, the inventory levels are not reduced at a rate that would kind of stimulate growth in the areas. We anticipate that margins will be similar going forward. But we still have some headwinds to encounter for sure.

Marco Andres Rodriguez - *Stonegate Capital Markets, Inc., Research Division - Director of Research and Senior Research Analyst*

Got you, okay. And switching gears here to the Nylon Segment. You guys have been pretty clear with the secular issues in the hosiery area, obviously some struggles in the intimates. Just trying to get a little bit better feel from you guys on your expectations of volumes for that area, for let's just call the next 1 to 2 years. I'm assuming the expectation for you guys is just a continued kind of negative volume growth on the year-over-year. Any kind of color there?

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

We still think the headwinds are challenging in the Nylon business. Sean mentioned earlier that the shrinkage seems to have subsided. We were at 4% this past quarter and compared to 20% the first half. And so, we think there is some upside there. That's going to be driven by market conditions.

Marco Andres Rodriguez - *Stonegate Capital Markets, Inc., Research Division - Director of Research and Senior Research Analyst*

Got you. And can you maybe talk a little bit about the order patterns that you're seeing across your different segments thus far into the quarter compared to last quarter?

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

Look, I would say that the order patterns and the volume levels in looking out to Q4 are very similar between Q3 and Q4. Fairly stable would be my characterization of it. The big change would be the margin benefit that we expect to see, especially in the domestic polyester business.

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

I would just add. I think we continue to be pleased with our PVA growth and we're going to stay focused on that going forward.

Marco Andres Rodriguez - *Stonegate Capital Markets, Inc., Research Division - Director of Research and Senior Research Analyst*

Got you. And just to make sure I also understood on the margin impacts on the poly side, I mean, presumably, your PVA is obviously doing very well. You mentioned the growth in the 10% to 15% rate. I'm assuming that's a slightly higher or a better margin profile than your average poly product. But if I heard you and understood you correctly, the pricing and mix declines you've seen is primarily just the raw material. Am I understanding everything correctly or is there something else I'm missing?

Sean D. Goodman - *Unifi, Inc. - CFO and VP*

No, that's it, that's exactly correct, Marco. It's the raw material. And really what it is, is the raw material going up with the price increase lagging the increase in raw material cost. Long term, long term meaning more than 90 days, but after a period of 90 days or so, it corrects such that you get back to a more normal level of margin. But in the short-term within the quarter, one has this margin pressure associated with the difference between the raw material cost and the selling prices.

Marco Andres Rodriguez - *Stonegate Capital Markets, Inc., Research Division - Director of Research and Senior Research Analyst*

Got you. And last quick question, I'll jump back in the queue. I'm just wondering if maybe you could talk a little bit more about the movement you guys have made recently with bottle flakes into the food packaging business. Can you maybe talk about just kind of market sizes, growth rates, competitors out there?

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

Marco, as we've said earlier, this is a new business going into packaging. I don't know that we have a lot of information specific about the overall market size of some of these new markets that we're trying to enter into today. I think as this thing evolves, we'll be able to talk more about the markets and sales, and how we will be able to penetrate those markets going forward based on the flake and the quality of the product that we're taking to the market versus our competition.

Operator

And we have a follow-up from the line of Chris McGinnis.

Christopher McGinnis - *Sidoti & Company, LLC - Research Analyst*

I guess just a follow-up on Marco's question. In terms of bigger picture, longer term when you think about REPREVE and kind of what that brings to the market, you know, is there an opportunity maybe on the branding side of it? And maybe if could just talk about the opportunities with that REPREVE brand and maybe what inning do you think REPREVE is within the marketplace. It still seems like it's early adoption and maybe the opportunity you feel longer-term.

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

Chris, I think we agree with your observation that it is in its early stages from an adoption standpoint. And we think there's a lot of potential going forward with other brands, other retailers in expanding on our REPREVE offering in the marketplace. It is on a global platform, so we continue to grow almost all in PVA and REPREVE, so we're very excited about the future and what it holds for REPREVE. From a branding perspective, we continue to evaluate how we approach that in the future. And I don't know that we have a specific answer today, but if there are any many major changes in our position in that area, we'll be more than happy to update you when appropriate.

Operator

And I'm showing no further questions at this time. I'd like to turn the call back to Mr. Caudle for closing remarks.

Thomas H. Caudle - *Unifi, Inc. - Principal Executive Officer, President and Director*

That's all, operator, and we appreciate everyone's participation today. Have a great day.

Operator

Ladies and gentlemen, thank you for participating in today's conference. This does conclude the program and you may all disconnect. Everyone, have a wonderful day.
