

# **PRESS RELEASE**

Gastonia, NC, October 15, 2011

**RadiciSpandex Corporation to Reduce Operations**

## **RadiciSpandex Corporation announces the reduction of operations.**

**Gastonia, NC based RadiciSpandex Corporation has announced a reduction in operations at its two facilities.**

**The company manufactures spandex yarn at its facility in Tuscaloosa, AL and provides finishing and distribution at its distribution center in Gastonia, NC. The company has given 60 days WARN notice to its employees in Alabama and has advised employees in Gastonia of the likelihood of reductions in personnel over the next several months. The exact length of the reduction in operations is unknown at this time so the company is notifying its employees and providing the WARN notice. The actual timing of the operation reduction at both facilities will depend on business conditions and other business planning now underway .**

**“The spandex market has been difficult the past several months with an oversupply of spandex in the global market driving prices down at the same time raw material prices have increased over 25%” said CEO Marty Moran. “These conditions look to continue for the foreseeable future and RadiciSpandex has made the decision to reduce operations to control the losses the company is suffering. The company intends to work with its employees, customers, and suppliers for an orderly reduction of operations while the company pursues alternative modes of business operations. The company is following market conditions to determine if US production can be restarted.”**

**Please direct any press inquiries to Marty Moran at 704-836-3116**