



THE ASSOCIATION & VOICE OF THE US SEWN PRODUCTS INDUSTRY

### **Member Spotlight: John Fox Co.**

*Note: Each edition of our newsletter, SEAMS features one of our esteemed members. In this edition of SEAMS Member Spotlight, John Fox Co. of Charlotte, N.C., is highlighted. President Harry Berzack was interviewed by Devin Steele for the piece.*

**Year founded:** 1932

#### **Primary specialties:**

Sewing machines, cutting and spreading machines and all parts and supplies for the apparel and sewn product industries.

#### **Markets served:**

John Fox Co. has traditionally served the apparel market and still does to a large extent, but it also supplies the mattress, industrial fabrics, filtration, sporting goods, medical, furniture, airbag, automotive and other sectors – virtually any product that requires sewing.

#### **Company locations:**

Headquartered in Charlotte, N.C., with a factory in Auburn, Ga., and a branch office in San Pedro Sula, Honduras

#### **Employees numbers:**

About 30 between all locations

#### **Company history and insights:**

The company was founded by the company's namesake in 1932 as a sole proprietorship and the exclusive factory representative for Eastman Cutting Machines for virtually the entire Southeast. Later, Eastman acquired Cutting Room Appliance Corp. (CRA), the world's leading manufacturer of cloth spreading machines, so John Fox Co. began to represent that line, as well. In 1975, the company was bought by the Berzack family, including current President Harry Berzack. He had an interest in the sector because his father had founded – curiously, also in 1932 – what would become the largest sewing machine distributor in South Africa.

“When we purchased it, our immediate objective was to cover the spectrum of supply,” said Berzack, who remained in South Africa until moving to the U.S. in 1981. “And we started to sell Juki machines, parts, consumables, needles and just about everything else that was related. We supplied the garment industry exclusively. Then, as the apparel industry started to move offshore and virtually die here, we had to rethink things and move into other aspects of certain segments. And the big change was we had to gear ourselves from selling 50 machines of the same kind to a few machines, all with different specs for non-apparel sectors such as industrial fabrics.”

#### **Current ownership**

Ownership remains in the Berzack family and is run primarily by Berzack, his son Kevin and his daughter Nicole (“Nicky”).



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**Brands sold and supported:**

“In sewing, we are authorized to sell every leading brand – Juki, Brother, Pegasus, Seiko, Yamato, Merrow, Consew, Mitsubishi, etc.” Berzack said. “In single-ply cutting, we sell Aeronaut and Oteman. On manual equipment, we sell Eastman, Utica and our own brand, Intercut. For shirt manufacturing, we sell Lunapress.”

**Current conditions**

“We have continued to grow to this day,” Berzack said. “We’ve held our own the last couple of years.”

**Company differentiators:**

“What differentiates us is our focus on after-sales service,” Berzack said. “First, we heavily invest in spare parts stock; second, we have technicians who are properly trained – we will not sell a machine we cannot support; third, we will not handle a line of machines or a single product unless we know the source, the factory and the reliability, and we must know we’ll get parts as and when required; and fourth, our sales personnel will actually visit your facility because we believe in human relationships. We employ highly respected and educated individuals who will take the time to actually see your problems and/or opportunities. It is through these relationships that The Fox Company has gained the respect and loyalty of its customer base.

“Another differentiator is our factory in Auburn that manufactures spreading machines, sheeters and other material-handling equipment,” he continued, adding that the company recently developed an ultrasonic welder for Personal Protective Equipment (PPE) and has sold a couple of those so far. “There, we are able to manufacture to the customer’s specifications. We have hardly ever made the same machine twice. And they are made in America, another plus.”

**Some of the biggest technological innovations the company has seen in its partners’ products/equipment:**

“It’s all summed up by electronics and automation, which really boils down to servomotors, mini-motors and the reduction of moving parts in the machine,” Berzack said. “Oil-free is a misnomer, but it means you don’t have to continually re-oil it, as there are built-in reservoirs.”

**Customers’ biggest challenges:**

“The biggest challenge our customers have, we hear, is finding people to work, and it’s not only operators,” Berzack said. “We lost an entire generation, maybe two, of people in the industry, so we don’t have engineers, supervisors, quality control people and more. When someone wants to expand or open a new facility, it is a tremendous challenge. The machines are easy but they don’t run themselves. As good as automation is, we are a long way from true automation. We can automate a process, but the nature of the textile industry, being ‘floppy’ in so many ways, tends to make automated handling all that more difficult.”

**Customers’ biggest opportunities:**

“I think there are opportunities for more near-shoring, with manufacturing coming back from Asia and into Mexico, Honduras, El Salvador and Nicaragua, and some to the U.S.,” Berzack said. “We now see the problem that exist in transport and problems at the port, particularly this year. Just looking at our business in Honduras, they seem to be gearing up – bringing a lot of older machines into production and buying a lot of parts, or they have machines running and are consuming parts. We are seeing an



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apparent uptick in that area.”

**How the company has adapted over the last few years to remain competitive, especially as textile/apparel/sewn products production moved offshore:**

“Within the U.S. operation, we have become lean and mean without sacrificing our reputation for after-sales service,” he said. “That means being proactive in preventing waste and increasing efficiency, and a big part of that is having your staff better trained. By so doing, we’re reducing errors and expenses. And we promote from within, which is always a positive. The average employee has been with us 10 years-plus. And we have others who have been with us more than 25 or 30 years.”

**Thoughts on the Made-in-America/Local-for-Local movement and strategy to source in this country when possible:**

“I can’t source machinery and parts here because they’re not made here,” Berzack said. “But wherever there is the opportunity to distribute a locally manufactured item, I grab that opportunity.”

**Other biggest challenges and opportunities for manufacturing in the USA:**

“Let me tell you a story,” he said, waxing philosophic. “I saw a good friend of mine one day who said, ‘Harry how do you like my new shirt?’ I answered, ‘Do you want the truth? I said it’s a piece of crap. That shirt won’t last you more than four or five months at the most, whereas the shirt I’m wearing is already six or seven years old. He said, ‘well, it cost me only \$15.’ People just don’t appreciate quality. And because of the high labor costs, the American strength must be quality. I think that education on the quality of American-made goods should be done on a national basis. Maybe this motto: ‘Buy American – It’s Better Quality.’ Or something like that. Show people their shortsightedness. You buy inexpensive, but you’ve cost three people and maybe yourself a job – and for what? Instant gratification? I don’t think one can bring parity through tariffs. The wage disparity is just that great. There are too many people prepared to work at those lower wages in other parts of the world.”

**How the COVID-19 crisis affected business:**

“We were designated immediately as essential,” Berzack said. “We did not close one day, we did not lay one person off and we didn’t reduce wages. We have kept pretty busy, a lot of it related to PPE. But we still have a pretty good customer base in non-PPE that kept us open and busy.”

**Business outlook for foreseeable future:**

“Cautiously optimistic,” he said. “Having been in this all my life, it’s just a gut feeling you have. People are inquiring. Even though every inquiry doesn’t become an order, the type of inquiry tells you the way people are thinking. I’ve heard from people who, candidly, I never knew and are right in my backyard in different industries.”

**On John Fox Co’s history with SEAMS’ and the value of membership:**

“I was involved for many years on the board, and my son was also on the board for at least a couple of years,” he said. “We used to exhibit at SEAMS’ show every year, and the interchange of ideas, networking and building relationships – we had all that, and still do. We’ve seen a lot of change. We saw SEAMS lose members at one time due to business conditions, but the organization survived and



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has moved ahead incredibly. It's growing tremendously over the last few years. I think you have some very good people who are members."

***[Note: In 2017, John Fox received a plaque honoring the company as the longest-serving supplier member of the association – 42 years at the time.]***