# Rocky Brands Newsletter

www.rockybrands.com

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# **Quick Takes**

 The annual Health Wellness & Safety Fair for Rocky Brands associates is 9 a.m. to 1 p.m. Friday, June 24 at the Elks.

### Submit your news

Have something to share? Submit news to Rochelle Hawk, Rocky Brands copywriter, at Rochelle.Hawk@ RockyBrands.com.

Include names, titles, details and photos if you have them. Deadline: June 20 for June edition.

### In this edition

- Investing in development, pg 1
- Mentoring students, pg 1
- Changing Roles, pg 3
- New Faces, pg 3
- From the CEO, pg 3
- Community room, pg 4



Photo by Miguel Angel Dominguez

Among those speaking at the Summit were (from left): Goby Moya, General Manager, FiveStar; Michael Walker, Senior VP and General Manager, Supply Chain Operations, Rocky Brands; and Minister of Industry and Trade José del Castillo Saviñón.

# Investing in development

LA VEGA, D.R. — Rocky Brands is making a significant investment in its FiveStar facility to initiate exciting changes.

The company is creating a world-class Product Development Center at the Dominican Republic location, giving Five-Star the capability to make all types of Rocky products. It's the first phase of what is expected to be, at minimum, a two-year project.

This is one answer to a Blueprint For Growth Strategic Initiative to expand and improve development capabilities.

See DEVELOP, pg 2

# Rocky wraps up another round of mentoring students

Rocky gives back to the Nelsonville community in many ways, one of which is the Mentorship Program held each spring.

Rocky associates mentor and share their knowledge and experiences from college with high school students to make the transition smoother.

Each year, 13 to 15 juniors from Nelsonville-York High School join associates twice a month from January through April for an hour after school, discussing topics like, "Things to consider when picking a college", "How to find scholarships" and "How to complete the FAFSA". Speakers from local colleges have visited to share information with the students as well.

They also get an overview of the process Rocky uses to create products, providing them insight into how many different jobs are required to make that happen. The Human Resources Department gives them a crash course in

interviewing skills, and

See MENTOR, pg 4

#### MENTOR, continued from pg 1

they spend one afternoon job shadowing various Rocky associates in the course of their day. Student surveys enhance the curriculum for the following years.

As a participant of the mentorship program, students are eligible, in their senior year, for Rocky's annual \$1,000 Mentorship Scholarship. An essay is the only requirement to apply, and the topic allows them to share their feelings on the program.

"Being a mentor for the program is really a fulfilling experience," said Doreen
Degenhardt,
Specialist,
Benefits and
Human Resources. "We
use a group
mentorship
experience,
rather than
one-on-one.
This allows
employees
to travel, as
their jobs

require, and mentor when they're working in Nelsonville."

This year's mentors were: Alycia Ballone, Ashley Campbell,



Photo by Stephanie Knight/Rocky Brands

Rocky Brands associates pose with the Nelsonville-York High School students they mentored this year.

Stephen Crook, Tawre Dellavalle, Erin DeLong, Ashley Felts, Jordan Gottke, Zoe Graham, Jennifer Helber, Melissa Lewis, Mike Pack, Kate Robey, Rachael Staten, Renee Stickel, Elyshia Taylor and Andria Williams.

Anyone interested in mentoring in 2017, may contact Doreen Degenhardt.

#### DEVELOP, continued from pg 1

The 2016 focus is to reduce the cycle time from product concept to product delivery.

Currently, FiveStar focuses largely on work and outdoor boots, leaving western styles, 4EurSole and Creative Recreation footwear, so-called "lighter" styles, to be produced elsewhere.

"We develop products in China, Vietnam and other locations," noted Giles Coulson, Vice President of Product Acquisition. "FiveStar is our factory; the creation of this development center there means we can create those products ourselves.

"Obviously, the location makes sense. Instead of our product designers in Nelsonville going halfway around the world to China to develop their products, they can travel to the Dominican Republic." Later in the project there will come totally new operations. "There's a wish list," said Coulson. "With the advances in technology, we'll not only make shoes, but prototypes, 3D models and CAD [computer-aided design] drawings."

The project addresses three aspects of this Blueprint initiative: decrease sample lead times by 50 percent; decrease overall time to market by 50 percent; and decrease actual sample quantities by 70 percent.

Coulson and Mike Roundhouse, Technical Director of Product Acquisition, recently organized a FiveStar Development Summit to unveil the plans to vendors and suppliers. The summit served two purposes: share the company's vision for the development center, and extract knowledge from those attending. "We feel they can help us develop tools and techniques," Coulson explained. "We want to use their knowledge."

Approximately 80 people attended the summit held in Santiago, and they were invited to tour FiveStar, about 25 miles away in La Vega. The event garnered coverage from the Dominican Republic's national media. Among the summit speakers was the country's Minister of Industry and Trade, who told attendees about the Dominican Republic's role as a footwear production enclave.

This sector of the country's free trade zone, where FiveStar is located, is in extensive development. "It is the fifth largest exporter

See DEVELOP, pg 4

# Rocky Brands honors our American military



David Sharp CEO

As you are aware, we are enjoying increased demand for Rocky combat boots — not just those we make under contract for the U.S. Mili-

tary, but also through commercial resellers. This year, we have received contracts calling for us to produce footwear totaling \$37 million-worth of boots...that is more than double the demand in 2015.

As we prepare to celebrate Memorial Day, the holiday conceived to honor soldiers who have died in conflict, I have some thoughts I would like to share with you in my role as chief executive of Rocky Brands, Inc., because of our growing relationship with the U.S. Military and the co-dependency we have with them.

On this day of remembrance, we think about relatives and friends who have lost their lives in serving their country, and all service people who have made this ultimate sacrifice. We should all be extremely grateful for the sacrifices our service people make, and, as Rocky Brands employees, we should all be proud and honored to supply them with top-quality products that help make them effective soldiers. We all are indebted to them; we owe it to them to continue to improve the functionality of our products, our quality, and on-time delivery!

And I know, on this Memorial Day, you will join me in thanking our Rocky Brands associates who have served in the U.S. Armed Forces, and have a special thought for those current Rocky family members who have relatives who lost their lives protecting our freedom.

I hope you all enjoy a peaceful long weekend!

#### **Facts about Memorial Day:**

Memorial Day was originally called Decoration Day and initiated to honor soldiers of the Union and Confederate armies who died during the American Civil War.

Celebrations honoring Civil War heroes started the year after the war ended. The establishment of a public holiday was meant to unify the celebration as a national day of remembrance instead of a holiday celebrated separately by the Union and Confederate states. By the late 19th century, the holiday became known as Memorial Day and was expanded to include the deceased veterans of all wars fought by American forces. In 1971, Memorial Day became a federal holiday.

The original national celebration of Decoration Day took place on 30 May 1868. When Memorial Day became a federal holiday, it was given the floating date of the last Monday in May. Since many companies close for the holiday, Memorial Day weekend is three days long for most people. It is the unofficial beginning of the summer vacation season that lasts until the first Monday in September, which is Labor Day.

Nearly 500,000 military personnel died during the U.S. Civil War. That's almost half of all Americans who have died during wartime, and over 100 times more than died during the American Revolution.

### Changing Roles & New Faces

Kris Brashear: Grill Associate

Michael Householder:

The following Rocky Brands associates have been promoted or made lateral moves recently:

**Steffie Humphrey** has been promoted to Manager, Digital Sales, from Specialist, Demandware.

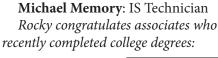
Rocky Brands welcomes new



Humphrey



Brashear



Accountant

associates:



Householder



Memory

**Micah Covert**, Recruitment Manager, has earned his MBA.

**Scott Nelson**, Commercial Military Bids & Sales Specialist, has earned his Bachelor of Specialized Studies in Finance & Family Studies.



Covert



Nelson

#### DEVELOP, continued from pg 2

of leather footwear to the United States," said Minister José del Castillo Saviñón. "This production of footwear has had a great impact in Santiago in economic terms and in job creation."

"We are hoping that it may translate into more production coming into DR which would translate into more employees," said Goby Moya, General Manager, FiveStar. "It also may bring the opportunity for a group of people to become show makers and the possibility to make a career in this field."

One of the FiveStar buildings consisting of 21,000 square feet of floor space currently is being renovated and updated for the development center. "We've spent about \$250,000 on the first wave of new machinery," said Coulson, "but we anticipate a total investment of approximately \$2 million.

"The center will mean we can make small production runs," he added. "If we want to create 50 pairs of something, we can do that there rather than hold up the main production lines."

As new uses are incorporated, Rocky will invest in additional training for FiveStar employees and may add associates. The goal is create the first round of prototypes for Spring 2018 lines.

# Community room gets major upgrade

If you haven't seen the Rocky Brands Community Room in the Lehigh building this spring, you're in for a surprise.

A recent expansion and renovation opened up the space and gave it a new look.

The company expanded the space from approximately 1,300 square feet to 1,900 square feet by knocking out a wall between the community room and a space formerly utilized by IT personnel.

"Mike Brooks and I were talking when IT was relocating," explained Kevin Dotson, Retail Manager. "He asked if I could use the space, and I said, 'Yes.' So this is what we came up with."

In addition to the larger capacity, the new configuration provides new options.

The adjacent 600-square-foot space can be separated from the original room with a room divider.

Another big change is the configuration of room fixtures. "We removed the large counter in the center of the room and put one along the wall to free up additional space and increase the flexibility of the room," said Dotson. The counter has a salad bar station space. A second long counter was added on the opposite side of the room in the expanded area.

Not obvious at first glance, there are other improvements that Dotson thinks Rocky associates and the community will appreciate. "The acoustics are



Photo by Stephanie Knight/Rocky Brands

Associates attend the recent Employee Appreciation Luncheon in the Community Room. The event coincided with Derby Hat Day. From left: Doreen Degenhardt, Kelley King and Steve Grinstead.

better now that there's a ceiling instead of exposed rafters," he noted. "The heating and air conditioning is much better. It's an improved system that gives us more control over the comfort of the room."

Aesthetic changes include new paint on the walls and a new floor.

The project was completed in April.

The space often is reserved by community organizations who wish to hold lunch meetings with food from the Boot Grill. As always, Rocky associates may reserve the room as well for special events. To do so, email Dotson at Kevin.Dotson@RockyBrands.com.