

Jeremy Lott wants SanMar's Apparel to be 'a canvas for good'

By Joey Thompson – Reporter, Puget Sound Business Journal, Jan 2, 2022

Jeremy Lott grew up in the apparel business.

His dad, Marty Lott, founded **SanMar** in 1971. It started as a distribution business, buying shirts by the truckload and selling them in pieces to turn a profit.

In 1979, Jeremy, who was 2 years old at the time, made his debut in SanMar's first ever catalog. More than 30 years later, he's running the Issaquah-based, family-owned promotional T-shirt and sweatshirt company, which has become one of the largest wholesale apparel manufacturers in the country.

During his tenure, he's focused on improving factory working conditions, pay and benefits as SanMar expands production and sourcing across 24 countries, building its own supply chain.

That led to a new company mantra: "Selling a canvas for good."

"We manufacture in the developing world," he said. "We manufacture in countries where there aren't a lot of opportunities for formal employment for women, and we could do this in a way that provides jobs and health care and economic security."

What were some of the principles you wanted to bring to SanMar? When I came into the business in 2002, there were a few things I really worked to build. We built — and I say we because it's certainly not just me — an apparel business on top of a distribution business, from design, merchandising, technical design, sourcing, manufacturing. We own manufacturing in two countries, and we have almost 13,000 employees today in South America. Even when we don't own the manufacturing, I like to say we own the supply chain. It's a huge piece of what we do, this engine around building great apparel, and we've chosen this imprinted sportswear, promotional product space to sell through.

Early on in the pandemic, SanMar pledged to produce PPE (personal protective equipment) for the federal stockpile. How'd that go? The White House asked us to be a part of this coalition of U.S. garment manufacturers who could make this mask that North Carolina State University had designed, and it was an amazing thing because we had never made a mask before. We make T-shirts and sweatshirts. We went, in eight days, from never having made this product to production, both in the U.S., in Honduras and eventually in some of our partner factories in Vietnam, as well. In a very short period of time, we delivered 250 million masks and almost 30 million protective gowns for the federal strategic stock pile.

Since then, has SanMar experienced the same supply chain issues felt by most

manufacturers and retailers? The good news is demand came back exceptionally strong. The challenge was, whether it was logistics, whether it was raw materials, whether it was Covid effects in a lot of the producing countries we're in, whether it was power shortages in China, one thing after another has made it very difficult to rebuild the inventory depth that's very key to what we do. When Covid hit, we stopped ordering for several months. When sales came back, our inventories got depleted and it's been very challenging for us to rebuild our inventories.

Supply issues aside, what's next for SanMar? I feel like we have huge opportunities for growth domestically. A few things have played into that. There are very few people that can bring together the combination of manufacturing and distribution that we have, that is bringing us some really significant opportunities that frankly we didn't see before. Retail brands are looking for a different type of supply chain that brings them more resiliency than what they've had. For us, being able to offer product domestically that can be decorated using direct-to-garment printing and new tech, it allows brands to be always in stock and deliver quickly to their customers.

What do you enjoy doing outside of work? When I was a kid my dad was a ski patrolman at Crystal Mountain, and we skied every weekend. I've grown up in the outdoors. Somebody asked me the other day what I was most proud of, and I said that my kids are all good skiers. I find it both physically and mentally healing for me to be doing things that are active and outside.