
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 15, 2009

Hanesbrands Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-32891
(Commission File Number)

20-3552316
(IRS Employer
Identification No.)

1000 East Hanes Mill Road
Winston-Salem, NC
(Address of principal executive offices)

27105
(Zip Code)

Registrant's telephone number, including area code: (336) 519-8080

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 2.05. Costs Associated with Exit or Disposal Activities

On September 15, 2009, Hanesbrands Inc. (“Hanesbrands”) approved certain actions in furtherance of its efforts to execute its consolidation and globalization cost-reduction strategy. Hanesbrands approved the closing of a yarn manufacturing facility, a yarn warehouse and a cotton warehouse, all located in North Carolina (collectively, the “Closing Facilities”), which will result in the termination of approximately 175 employees. Operations at each of the Closing Facilities are expected to cease by the end of 2009. As a result of these actions and the asset sale described below in Item 7.01, Hanesbrands expects to recognize gross restructuring and related charges totaling approximately \$9 million before income taxes. These charges, approximately half of which are cash charges, primarily relate to accelerated depreciation and severance costs associated with the Closing Facilities and the Continuing Facilities (as defined below). Of the approximately \$9 million in charges, approximately one-half are expected to be recognized in the third quarter ending October 3, 2009, and the remainder is expected to be recognized by the end of the second quarter of 2010.

Item 7.01. Regulation FD Disclosure

On September 17, 2009, Hanesbrands issued a press release announcing that it will cease making its own yarn and that it will source all of its yarn needs from large-scale yarn suppliers.

Hanesbrands also announced that it has entered into an agreement with Parkdale America, LLC (“Parkdale America”) under which Hanesbrands will sell or lease assets related to operations at its four yarn manufacturing facilities, which are located in Georgia, Virginia, North Carolina and Tennessee, to Parkdale America. The transaction is expected to close in the fourth quarter of 2009 and will result in Parkdale America operating three of the four facilities (the “Continuing Facilities”). As discussed above in Item 2.05, Hanesbrands will close the facility located in North Carolina as well as two related warehouse facilities.

In addition, Hanesbrands has entered into a yarn purchase agreement with Parkdale America and Parkdale Mills, LLC (together with Parkdale America, “Parkdale”). Under this agreement, which has an initial term of six years, Parkdale will produce and sell to Hanesbrands a substantial amount of Hanesbrands’ Western Hemisphere yarn needs. During the first two years of the term, Parkdale will also produce and sell to Hanesbrands a substantial amount of the yarn needs of Hanesbrands’ Nanjing, China textile facility.

A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K. Exhibit 99.1 is being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), nor shall Exhibit 99.1 be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 Press Release dated September 17, 2009

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

September 21, 2009

HANESBRANDS INC.

By: /s/ E. Lee Wyatt Jr.

E. Lee Wyatt Jr.
Executive Vice President, Chief
Financial Officer

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Exhibits

Exhibit 99.1 Press Release dated September 17, 2009

Hanesbrands Inc
1000 East Hanes Mill Road
Winston-Salem, NC 27105
(336) 519-4400

HANES*brands*INC

news release

FOR IMMEDIATE RELEASE

News Media, contact: Matt Hall, (336) 519-3386
Analysts and Investors, contact: Brian Lantz, (336) 519-7130

HANESBRANDS INC. ANNOUNCES AGREEMENT TO SELL YARN OPERATIONS TO MAXIMIZE BENEFITS OF STRATEGIC SUPPLY CHAIN

Company Expects \$100 Million Balance Sheet Benefit From Working Capital Improvement, Reduced Raw Material Requirements, Supplier-Managed Inventory Benefits, and Sale Proceeds

WINSTON-SALEM, N.C. (Sept. 17, 2009) — Hanesbrands Inc. (NYSE: HBI) today announced that it will cease making its own yarn because self-production doesn't provide a strategic advantage and will source all of its yarn needs from large-scale yarn suppliers.

As part of this strategy, Hanesbrands has entered into an agreement to sell most of its yarn manufacturing operations to Parkdale, a yarn manufacturer based in Gastonia, N.C., that will supply a substantial amount of Hanesbrands' Western Hemisphere yarn needs.

By outsourcing yarn production, Hanesbrands will create a competitive long-term supply of Western Hemisphere yarn at no material change in cost and expects to generate \$100 million of balance sheet benefits within six months after the sale as a result of working capital improvement, reduced raw material requirements, reduced inventory, and sale proceeds.

The sale is expected to close in the fourth quarter of 2009 and would result in Parkdale operating three of the four Hanesbrands yarn production plants. Hanesbrands will close the fourth facility.

"We are focused on optimizing the investments we have made in our supply chain that give us a competitive advantage," Chairman and Chief Executive Officer Richard A. Noll. "Producing our own yarn, when more than adequate large-scale supplies exist, serves no strategic purpose. Outsourcing yarn is a logical evolutionary step to drive value and improve the use of our assets."

Hanesbrands has restructured its supply chain over the past three years to create more efficient production clusters that utilize fewer, larger facilities and to balance its production capability between the Western Hemisphere and Asia. With its global flows coming on line, the company is now focused on optimizing its supply chain to further enhance efficiency, improve working capital and asset turns, and reduce costs.

HBI

“We are leveraging our assets in areas where we can differentiate ourselves and use our scale and expertise for better returns,” said Gerald Evans, Hanesbrands’ president of international business and global supply chain. “We are keenly focused on optimizing the working capital needs of our supply chain through several initiatives, such as supplier-managed inventory for raw materials, sourced goods ownership relationships and other efforts.”

Yarn Operations

Under the agreement, Parkdale will take over operations of Hanesbrands yarn plants in Rabun Gap, Ga., Mountain City, Tenn., and Galax, Va., which have a combined 780 employees. Parkdale will supply Hanesbrands from those facilities and other existing Parkdale U.S. production plants.

Hanesbrands will cease new production immediately at its remaining yarn plant in Sanford, N.C. The production capacity of the Sanford plant, which has approximately 150 employees, is not needed by Parkdale to serve Hanesbrands’ Western Hemisphere production needs. Hanesbrands will also close by the end of the year its cotton warehouse in Advance, N.C., and yarn warehouse in Clemmons, N.C., which have a combined 25 employees.

“We have excellent yarn operations and these employees are some of the best in the industry,” Evans said. “We are thankful that the significant majority of these employees will have the opportunity to transition to Parkdale and continue producing yarn for our products. Unfortunately, due to the recession and other factors, the industry does not need all of our yarn production capacity. We regret the loss of jobs for our Sanford and warehouse employees.”

Employees affected by the facility closings will receive severance and transition assistance in accordance with the company’s severance policy.

Cautionary Statement Concerning Forward-Looking Statements

Statements in this press release that are not statements of historical fact are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including those regarding the yarn agreements we have entered into with Parkdale and the benefits expected from those agreements, our long-term goals and trends associated with our business. These forward-looking statements are made only as of the date of this press release and are based on our current intent, beliefs, plans and expectations. They involve risks and uncertainties that could cause actual future

results, performance or developments to differ materially from those described in or implied by such forward-looking statements. These risks and uncertainties include the following: our ability to execute our consolidation and globalization strategy, including migrating our production and manufacturing operations to lower-cost locations around the world; our ability to successfully manage social, political, economic, legal and other conditions affecting our foreign operations and supply chain sources; current economic conditions;



consumer spending levels; the risk of inflation or deflation; financial difficulties experienced by, or loss of or reduction in sales to, any of our top customers or groups of customers; our debt and debt service requirements that restrict our operating and financial flexibility, and impose interest and financing costs; the financial ratios that our debt instruments require us to maintain; failure to protect against dramatic changes in the volatile market price of cotton; the impact of increases in prices of other materials used in our products and increases in other costs; our ability to effectively manage our inventory and reduce inventory reserves; retailer consolidation and other changes in the apparel essentials industry; the highly competitive and evolving nature of the industry in which we compete; our ability to keep pace with changing consumer preferences; costs and adverse publicity from violations of labor or environmental laws by us or our suppliers; and other risks identified from time to time in our most recent Securities and Exchange Commission reports, including the 2008 Annual Report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, registration statements, press releases and other communications. The company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time.

Hanesbrands Inc.

Hanesbrands Inc. is a leading marketer of innerwear, outerwear and hosiery apparel under strong consumer brands, including *Hanes*, *Champion*, *Playtex*, *Bali*, *Just My Size*, *barely there* and *Wonderbra*. The company designs, manufactures, sources and sells T-shirts, bras, panties, men's underwear, children's underwear, socks, hosiery, casualwear and activewear. Hanesbrands has approximately 45,000 employees in more than 25 countries. More information may be found on the company's Web site at www.hanesbrands.com.

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The logo for Hanesbrands Inc. (HBI) consists of the letters 'HBI' in a stylized, purple, serif font. The 'H' and 'B' are connected at the top, and the 'I' is positioned to the right of the 'B'.