

C A N A D A ' S B U S I N E S S N E W S P A P E R

# REPORT ON BUSINESS

---

Friday, May 16, 1997

---



Joan Fisk, president of Tiger Brand Knitting, was chosen over two of her brothers to head the family firm. 'The news went over awful and it was a very hard shift.'

(EDWARD REYAN/The Globe and Mail)

# Tiger Brand tames a troubled succession

BY GAYLE MacDONALD  
The Globe and Mail  
Cambridge, Ont.

JOAN Fisk does not mince words. Her first few years as president of Tiger Brand Knitting Co. Ltd. were often painful.

From a pool of six sons and daughters, Ms. Fisk was picked by her father Jim Warnock in 1989, as the fifth-generation member of the family to head the venerable sports wear manufacturer.

"The news went over awful and it was a very hard shift," says Ms. Fisk, 44, a tall brunette who is married with two daughters. "My title was in name only for a long time.

"My brothers Jimmy and Andy said, 'We'll never work for you. We'll only work for our father, that's it.'"

The 116-year old company, based in Cambridge, almost became the kind of family business crisis story that the media loves to chronicle. It took time, outside help and a resolution of the firm's ownership to get on track.

"I blundered along with all the obstacles but I didn't have teammates," says Ms. Fisk, second-oldest in her generation. "Now I do. I learned to listen to them — and they learned to listen to me."

Her brother, chief operating officer Jim Warnock Jr., plays down the impact of the succession issue. He wanted to be president, he concedes, "but it's not a crushing blow.

"It would do more harm than is necessary in a family transition to start talking about what you did and didn't get. We don't worry about who got what, but about making it work as it stands now."

For five years after Ms. Fisk became president, she had little confidence that anything had changed. She continued her duties as head designer, Jim Jr. oversaw textile manufacturing, and Andy Warnock was in charge of garment making.

Their father, a 71-year-old fire-brand known affectionately as the Tiger, was the self-appointed referee. He also had final say.

"Basically, we all ignored the underlying bad feelings and continued in our respective roles," Ms. Fisk muses. "But two years ago, we finally woke up and said, 'This is crazy. If we don't work this out, we'll lose the company.'"

## Family business

### Company snapshot

**Tiger Brand Knitting Co. Ltd.**  
Founded: In Galt, Ont. (now Cambridge) in 1881, by eight-man syndicate, including Adam Warnock, great-great-grandfather of Joan Fisk.  
Products: Originally manufactured men's underwear; later branched out into T-shirts and sweatsuits. Tiger Brand's own line is called Non-Fiction.  
Employees: More than 800.  
Revenue: About \$72-million.

It wasn't that Tiger Brand was in dire financial straits. It was actually thriving at a time when many garment makers were falling.

The company had displayed a continuing knack for reinventing itself. First, under Jim Sr., it was voluntarily liquidated in the mid-fifties, but it bounced back by blazing a trail in T-shirt manufacturing.

In the seventies, under Ms. Fisk's keen design eye, Tiger Brand branched out of T-shirts and baggy sweatsuits into all types of casual wear. Today, it sells 4.5 million garments a year, totalling \$72 million in sales. It makes private labels for retailers such as the Gap, Roots, Cotton Ginny and Nordstrom.

But its increasing client list brought fresh challenges, including tougher demands for on-time delivery and quality control. The company recognized it needed to streamline operations if it hoped to compete with cheaper imports, and at Ms. Fisk's urging, it hired outside help.

In 1994, Hugh Larratt-Smith, a consultant with Trimmingham Advisors Inc. of Toronto, was brought in to reorganize the company's three factories in Cambridge. Trimmingham helped install a new cost-accounting system, it recruited Tiger Brand's first-ever vice-president of finance and it introduced a production scheduling system.

In the past, Mr. Larratt-Smith says, suppliers such as Tiger Brand never had to deal with rigorous compliance rules. Now, customers penalize suppliers if garments are late or incor-

rectly packed and labelled. "For a lot of Canadian garment manufacturers, this failure to adjust to market pressures has led to the graveyard."

Tiger Brand came to terms with its operational challenges, then it tackled the succession issues.

Jim Sr. says picking his daughter as his successor was the easy part. "Sales are a way a business grows, and Joan was the best at sales."

Telling his other kids was much tougher, says Mr. Warnock, who divorced his first wife many years ago and married a Tiger Brand employee. (They have a 13-year-old daughter.)

"There were people who came in and told me that they'd never get along. But I knew they'd eventually work it out. They each have their strengths . . . and as a father you don't pick favourites among your children.

"You just have to have common sense about who will best fit the job."

The turning point came two years ago, when Ms. Fisk and her brothers bought out their father and remaining siblings for control of Tiger Brand. "It was a watershed for them," Mr. Larratt-Smith says. "In pulling the buyout together, the three had to crystallize their roles in the company."

With her dad taking less of an active role in day-to-day management, Ms. Fisk began to feel more at home in the president's chair. "I feel like I really took over two years ago," says Ms. Fisk, seated at the head of a massive wood table and surrounded by samples of her fall line of tights, sweats and miniskirts.

She says any family company that says succession is easy is lucky or lying. "If you go through this generational shift, you need to look outside [for advice]. Then you look back inside to make the change work."

Today, Ms. Fisk sits atop a clothing manufacturer that employs more than 800 people and is on the cutting edge of casual wear.

The power struggle is behind her, she says. Tiger Brand's president, dressed in a pantsuit picked up on a trip to Paris and a navy Tiger Brand T-shirt, is finally having fun.

"We've been on a long learning curve, but it's all been worth it . . . to watch the business grow. To see my brothers and me grow."