

The PPE Saga: From Pandemic to Policy Issue

By *Kate Nishimura*



A worker at Los Angeles-based Lefty Production Co. sews a mask.
CREDIT: Lefty Production Co.

Supply chain woes and soaring prices defined the past year. What lies ahead? Read the 2022 Sourcing Report for a deep global dive, plus expert insights on navigating the sourcing roller coaster.

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As rumblings of a Wuhan-born pathogen began entering the global psyche in early 2020, not even the world's foremost health experts anticipated the chaos that would soon unfold. Also

unforeseen was the pivot by many American producers to PPE manufacturing that would save lives, and in some cases, their businesses.

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Over the Chinese New Year holiday that began in late January, China's population was battered by the rapid spread of the coronavirus, and the [global sourcing superpower's supply chains](#) ground to a quick and vicious halt. International partners panicked over products that might never arrive, still believing their bottom lines to be the most pressing risk.

But a bigger problem was brewing in the U.S., even before the first cases of Covid were confirmed on American shores. Soon, the nation would be overtaken by an invisible invader, and it would be powerless to slow its spread without the help of its largest overseas competitor.

It's likely that the term "personal protective equipment," along with its acronym, PPE, never crossed the lips of most Americans before 2020. But as the pandemic roiled the country's healthcare sector, these items—masks, face shields and gowns—became more valuable than virtually any other cargo. And the U.S. was deeply and inarguably [dependent on China](#), its trade war adversary, for the millions of products needed to keep front-line workers safe.

A dystopian drama followed, winding its way through metropolitan meccas like New York and Los Angeles and wreaking havoc on small cities and towns. And as doctors, nurses and the American government cried out with an unending—and often, unmet—need for more life-saving gear, a contingent of American producers rose to meet the call.

The ramp up

"It was really just pure survival," Mitch Cahn, president of New Jersey-based Unionwear told Sourcing Journal of his company's move into PPE production. The manufacturer, which deals in sports, military and election-related merch like baseball caps, trucker hats, beanies, scarves and backpacks felt the PPE pull in early March, Cahn said, as horror stories about overwhelmed hospitals dominated the media cycle and the company's usual business dried up.

Unionwear saw orders canceled as spring sporting events were put on hold and even the presidential primary race became second-tier news. "The other business that we had was doing a lot of gear for the census takers," he added—a lifeline that was cut when the U.S. Census

Bureau delayed the nationwide survey for a period of months. The company had also been under contract for merchandise for the U.S. Olympic team, but the games were postponed until 2021. “We went from being way too busy to having nothing to do in like two weeks,” he said.



Unionwear, known for its election and sports-related merch, pivoted to PPE during the pandemic.

According to Cahn, his company’s union, Workers United, is affiliated with the Service Employees International Union (SEIU), which represents the nation’s healthcare workers. Having heard about troubles in nearby New York City medical centers, Cahn went through both organizations to reach the Greater New York Hospital Association. “In short order we were making gowns and face shields,” he said. “They knew we could do it, and that we could get FDA waivers for those products—and we hit the ground running and made a lot of them.”

Coincidentally, Unionwear’s capabilities mirror the technical expertise, along with the material and machinery investment, needed to create uber-specific [PPE](#) staples like face shields.

“I’d never heard of a face shield and had no idea what it was,” Cahn said, until he was sent a photo by a hospital administrator. The company happens to make three-ring binders, and Cahn immediately recognized the clear plastic as something he already had in his arsenal. “It’s wrapped around every binder that we make,” he said. Meanwhile, the band used to secure the shield around the wearer’s head was similar to the construction of a baseball hat, and the company created a comfortable cushion with the foam used to make its backpack straps. “We

had a supply chain already set up for it,” Cahn added, and the company went on to make about 500,000 face shields for doctors across the region, along with hundreds of thousands of gowns.



A Unionwear face shield made with materials from its existing supply chain.

The pandemic-driven pivot pulled companies like Unionwear back from the brink, but it also shone a spotlight on the versatility of American producers.

In North Carolina, technical fabric manufacturer Hanes Industries found its phones ringing off the hook in March, even as the need for many American-made textiles was quickly screeching to a halt. The company’s customers include furniture and bedding makers, as well as the

automotive industry, and Hanes specializes in construction fabrics used for items like mattress dust covers. “It turns out that those goods are also what’s used in PPE for surgical masks and gowns,” said Derek Cooperberg, the company’s executive vice president.

As global panic set in, the group’s clients began speed-reading the writing on the wall, investing in the machinery and infrastructure to produce PPE and keep their businesses afloat.

Meanwhile, Hanes doubled down, quickly launching a dedicated medical division with the capacity to produce all grades of disposable and reusable fabrics for gowns and masks. “It was going gangbusters,” Cooperberg added, recounting his surprise when a Florida senator reached out to him directly to ask for a shipment of fabrics to supply manufacturers in his state. “I don’t know, to this day, how he got my number.”

At least 28 of the company’s customers across various industries made investments in mass-production machinery to craft these items, Cooperberg said, spending hundreds of thousands of dollars each. Meanwhile, Hanes’ medical division’s own business accelerated 25-fold. “It was an unfortunate way to fall into a new line of business,” he said, “but we supported the domestic effort and frontline workers.”

Nestled in the heart of Los Angeles’ garment district, trend-focused womenswear manufacturer Lefty Production Co. would also have seemed an unlikely soldier in the fight against a global pandemic. But owner Marta Miller found herself desperate to keep her shop open as non-essential businesses across the city were shuttered in March and retail clients desperately pulled back on commitments. “We had almost \$1 million in orders canceled in one day,” she said.

But midway through the harrowing month, Miller received an unsolicited call from Kaiser Permanente. The California-based healthcare group was having trouble procuring masks for its workforce, and somehow, its search landed on Lefty. “Kaiser saved my company and every employee’s job,” Miller said. “They were our first contract,” she added, but they haven’t been Lefty’s last.

Los Angeles [Mayor Eric Garcetti](#) soon announced the formation of the [L.A. Protects program](#), which mobilized the county’s many cut-and-sew facilities to produce makeshift protective gear to serve civilian needs, reserving the city’s short supply of medical-grade N-95 masks for healthcare workers. The program also helped bring Miller’s staff back to work, and the mask design Lefty developed with Kaiser became the template for the countywide program.



Workers at Lefty Production Co.'s Downtown L.A. facility package medical gowns.

Since then, Miller has obtained FDA approval on her company's medical products. Lefty recently completed a large production run for Cedars-Sinai Medical Center, which found its stores completely depleted due to the devastating second wave that continues to pummel L.A. "Right now, we're working on a boot cover for another hospital chain," she added.

"This was not my dream as a 12-year-old child," Miller joked about her new role as a PPE producer. "I was a bathing suit manufacturer pre-Covid." However, she's bought into the concept—both monetarily and emotionally. "I find it fascinating, and now I plan on really building out this business that I've learned so much about over the past nine months."

PPE producers' second act

To date, the coronavirus has killed more than 460,000 Americans and sickened 27 million, while new, more virulent strains continue to permeate communities across the country. The pandemic has also thrust the nation's dependence on China into sharp relief, laying bare America's vulnerabilities with devastating clarity.

The mad dash for PPE that took place last spring was indeed unprecedented, but pandemic preparedness has been a longstanding federal government initiative—and for good reason. The H1N1 virus, or "swine flu," that rattled the globe in 2009 has since been fingered for more than 12,000 U.S. deaths, and just five years later, a deadly Ebola outbreak killed hundreds of

thousands globally. These contagions behaved differently, to be sure, and their propensity to spread proved less pronounced than Covid-19 in the U.S.—but they provided a glimpse into what was possible.

Still, it appears that one scenario—wherein the world's preeminent PPE producer, with whom the U.S. shares a deeply contentious relationship, is knocked out of commission—was not a serious consideration until 2020. In July, the House of Representatives introduced the American PPE Supply Chain Integrity Act, which would require federal agencies like the Department of Health and Human Services, the Department of Homeland Security, and the Department of Veterans Affairs to purchase medical supplies and PPE from domestic producers instead of China. The legislation has yet to come to a vote.

And even as the virus continues to pummel cities across the country with unrelenting force, the future of newly-minted domestic PPE producers, heralded for their heroism just a few short months ago, hangs in the balance.

“I think that we’re definitely seeing a shift back to imports, which is unfortunate,” Hanes Industries’ Cooperberg said. “I’m not suggesting that anybody should pay a domestic manufacturer double what they would pay on any estimate from China, but I think if we’re competitive, then you need to tip the scales in our favor.”

The idea that U.S. producers, who rapidly and radically revamped their supply chains to contend with a dire need for PPE in the spring, could now be penalized for their inability to meet the same prices as a country like China is not sitting well with members of the manufacturing sector. Many stateside companies shelled out big money to build out the infrastructure to create these products and become FDA compliant—and now, they worry their investments could be for naught.



Hanes Industries began producing products like disposable masks and gowns, among other PPE items, during the Covid crisis.

“We’ve got a number of large manufacturers that are starting to feel that right now,” Cooperberg said. After being caught flat-footed without a self-sufficient source for PPE in the spring, it would be “mind boggling” if America were to find itself, again, at the mercy of overseas suppliers, he added.

“If we’ve learned nothing over the last nine months, it’s that we should never be wholly dependent on somebody else for stuff that we need,” he said. “And I’m hoping that governments at both state and federal levels step up again and make sure that they’re supporting the domestic supply chain.”

But as many healthcare systems find themselves in a better place than last spring, the full-throttle surge of domestic PPE production has slowed. Some manufacturers, like Unionwear, who were gung-ho in March, have all but halted their programs nearly a year later.

“We thought there was a possibility that it could be a more permanent part of our business,” Cahn said, when shipments weren’t flowing freely from China and FDA waivers were being

granted more liberally. Now, he said, “There’s a tremendous supply of very inexpensive goods coming in from overseas.”

“Absent regulation forcing the government—and maybe government-funded health care institutions— to purchase domestic PPE, there’s really no room for domestic manufacturers,” he opined. While he admitted the concept of a return to China dependency sounds “shocking” given the trauma of the past year, he added that “there are very few products made in America that can be remotely competitive” from a price standpoint with goods produced in that country.

FDA approval is also “slow, expensive and cumbersome,” he said. Meanwhile, as the country clamors for fun and entertainment in the form of sporting and cultural events this year, Cahn believes his regular business “is going to fully return.”

“A lot of hospitals were anticipating a second wave, and were able to prepare for it in a different way,” Lefty’s Miller said of the slowing business, adding that front-line healthcare workers “were literally wearing trash bags” instead of gowns during the height of the crisis. “We would run night shifts knowing how important the work we were doing was,” she said. “Now, it’s not as desperate.”



Workers at Lefty Production Co. began making masks and gowns for local hospital systems.

Miller maintains contracts with hospital systems like Kaiser, but like her domestic manufacturing peers, she believes federal and state governments should lend support through contracts and

legislation. “We don’t have big orders from Bloomingdale’s coming in, so there’s a need to distribute these contracts among manufacturers,” she said.

Hundreds of producers answered a request for proposals (RFP) from the Department of Defense (DOD) Defense Logistics Agency (DLA) for a PPE contract this fall, for example, and some invested heavily in materials and machines to meet the contract’s sky-high demands for product. Ultimately, the \$1 million contract for disposable medical gowns was awarded to a small handful of “inexperienced” contractors, the New York Times reported in October, including one run by a retired NFL player and one managed by a former arms dealer. Multiple government officials, including two U.S. senators, questioned how the contracts were distributed, and it is unclear whether they were ultimately fulfilled.

Lefty Production Co. and its fabric partner were devastated by the slight, having paid a “hefty sum” to invest in specialized machinery for the tooling of the garments, along with stores of textiles. “We thought we were a shoo-in,” Miller said. “In order for us to be there for fashion when fashion comes back, we need these deals.”

Former apparel union lead turned consultant to the textile and cut-and-sew industry, Chris Chafe, worked on behalf of the sector last spring to try to bend the ear of the Trump administration to little avail. According to Chafe, the buy-in of the federal government under a new president could still have massive implications for the future of [American manufacturing](#)—and he’s counting on it.

Chafe believes that the learnings of early 2020 will prove invaluable to U.S. suppliers, who gained both competence and strength as the country melted down around them. Government contracts could help bolster their capacity and drive down their costs, making pricing more competitive with China, and ultimately, more palatable to privately-owned hospital chains and healthcare groups, he said.

Despite the “real mess” of the past year’s government relations efforts, Chafe—along with a coalition of trade groups and unions from across the country—are lobbying the Biden administration, touting the sector’s capabilities and pushing their ideas for working together.

The group believes that PPE procurement practices should favor domestic production and fabric sourcing, Chafe said, not unlike the terms laid out in the Berry Amendment, which dictates the way the military procures supplies like uniforms for soldiers. The government should also be looking at best value contracting criteria, he added, “rather than just lowest cost. Responsible

manufacturers in the U.S. are not going to be able to compete with Asian supply chain pricing,” he said, “So they need to account for various corollary benefits like job creation, economic recovery and ease to market.” It’s also imperative that the industry not operate under a “crisis framework,” he said. Manufacturers should be awarded “long-term, stable contracts,” so that companies that make significant investments have a chance to see them blossom into profits. Finally, the consortium hopes to establish a point person at each relevant agency who can help the manufacturing sector understand government needs before they reach crisis levels.

In late January, [President Biden](#) signed the [Made in America](#) executive order, which ensures that “when the federal government spends taxpayer dollars they are spent on American made goods by American workers and with American-made component parts.” Government contracts alone account for \$600 billion in federal spending, the administration wrote.

“They’re embracing the idea of domestic manufacturing, whereas others really didn’t understand it, didn’t believe in it, and didn’t create an incentive to aspire to do this here at home,” Chafe said.

“We are on the other side of a pretty vicious learning curve from last spring,” he added. “If you talk to me again in January of 2022, I believe we’ll have our PPE supply chain reestablished, with product being supplied on an ongoing basis, and we’ll be ready for whatever comes next.”