

# er Call it coed naked moneymaking

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Associated Press

**N**ever has naked been so profitable.

The 20-something owners of Coed Naked fame are counting their controversy all the way to the bank, and they're not doing it in the buff.

Scott MacHardy and Mark Lane bought the Coed Naked trademark and 18 designs four years ago for \$15,000. Sales exploded from \$1 million their first year to \$7 million last year. This year's projected sales are \$26 million.

"Those two words stand for quality, risqueness and excitement. We're what a lot of people are and what a lot of people want to be," said Lane, vice president for Coed Sportswear Inc. in Dover.

The 75 Coed Naked designs are printed on T-shirts, boxer shorts, caps, sweat shirts and stickers. Slogans range from Coed Naked Lacrosse (Rough, Tough and in the Buff) to the more risqué slogan for Coed Naked Fire Fighting (Find 'Em Hot, Leave 'Em Wet).

Lane and MacHardy, both 27, won't say what they're worth or talk about company profits. They will say they have a silent partner, are profitable, and the only time they borrowed money was to buy the business.

"When you grow that fast, it presents its own problems. It's just as possible for a business to go out of business for its success as for (its lack of success)," company president MacHardy said.

The company is scheduled to launch more Coed Naked clothes in the fall.

MacHardy and Lane wouldn't elaborate, but they boast the line will make Coed Naked even more of a household name and give some better known athletic apparel companies a run for their market share.

The shirts, which sell for about \$14.95, are infamous for suggestiveness as well as furor over their appropriateness.

Some believe they exploit women, but Lane and MacHardy say women are their biggest customers.

Eve Goodman, coordinator of the Sexual Harassment and Rape Prevention Program at the University of New Hampshire, said the shirts are raunchy, but they're not the worst offenders.

"I think they make some people uncomfortable. I don't want to overreact, and I think in the larger scheme of

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things, they would not be the first place I would direct my attention," she said.

The shirts have been banned at several schools around the country.

Two Massachusetts pupils are suing South Hadley High School because they were barred from wearing Coed Naked Band shirts that read "Do It In Rhythm."

The school says the shirts are lewd.

But Jeffrey Pyle and his younger brother, Jonathan, say the ban is unconstitutional and want the U.S. District Court in Springfield to prevent the school from enforcing its ban.

South Hadley High says it can draw a line on suitability. But the Pyles said the dress code is an example of misguided political correctness that allows administrators to censor opinions they don't like.

Oral arguments are scheduled tomorrow.

MacHardy and Lane are unruffled at the criticism.

"I hate to see a school having to spend its resources defending itself when it should be putting those resources toward the education of the kids," Lane said.

The publicity from the clamor isn't bad, either.

"Controversy just sparks interest," Lane said. "The one thing you tell kids they can't do, they do."

A renovated red brick mill houses Coed Sportswear's offices, warehouse and affiliated screen printers. Thirty-six people work there, and their average age is 27.

Despite the rock music that blares in the warehouse and the de rigueur summer wear of shorts, tennis shoes and T-shirts, there's a low key professionalism.

"People pitch in. They come in early and stay late. It's their company - not just a job," MacHardy said.

Coed Naked was MacHardy and Lane's first job after graduating from the University of New Hampshire in 1990.

At the time, Coed Naked items were stored in MacHardy's father's garage and sold in about 40 local stores. Now, big department stores as well as about 8,000 small and medium stores in the United States and Canada sell Coed Naked.

"Four years ago, we had one phone and one chair. I sat on an upside down milk crate. We never thought we would be in any of the major stores," MacHardy said.

Shippers now work 19 hours a day, and MacHardy and Lane are eyeing Australia as their next market.

Coed Naked's success - not controversy - should be the emphasis, said Michael Schidlovsky, marketing director.

"We hope we are role models to those people who want to become entrepreneurs. Look at the success of our marketing and other things," he said.

Coed Sportswear business was concentrated in the northeast, but its fastest growing market now is Ohio, Indiana and Michigan.

A map on Lane's office wall

used to mark outlets that carried Coed Naked clothing, but stick pins are out of date because business has grown so fast, he said.

Employees and the community enjoy Coed Sportswear's success - employees with profit sharing and the community with local sporting teams and other causes sponsored by MacHardy and Lane.

"We all remember being in those leagues when we were growing up. And we know what it's like looking for help so parents don't have to pick up the whole tab," MacHardy said.

Independent sales representative Greg Davis predicted they'll be in a position to help for a long time - a rarity in the industry. He has been selling Coed Naked items for about one year in Ohio, Michigan and Pennsylvania.

"These guys are young, very sensitive to customer satisfaction, aggressive, educated and smart, and they'll make the necessary adjustments to stay around. They're constantly coming up with new and fresh products that customers want. You can't continue to sit around and sell the same old designs," he said from Columbus, Ohio.

Hank Feinberg, vice president of Noveltees, said the Coed Naked line sells better than any of its 35 different prints.

Customers aged 15 to 65 buy Coed Naked products, he said from Blacklick, Ohio.

"They're fun shirts. The idea is fun, and we've never had so many happy customers," he said.