Business Week
23 Oct - 29 Oct

VF Corporation appoints new board member

23 Oct 2006

Branded lifestyle apparel company VF Corporation has elected Eric Wiseman to serve as a director. Mr Wiseman has been president and chief operating officer of VF Corporation since March and has responsibility for the company's day-to-day operations. This election increases the number of directors on the company's board to 13.

Analog and Gravis strengthen launch limited edition shoe

23 Oct 2006

UK-based outdoor apparel company Analog recently launched its Cash Camo design which appears on a series of board shorts, t-shirts, hooded tops and accessories. Now the company has expanded its partnership with snowboarding, skateboarding, and surf footwear company Gravis Footwear to produce a limited edition shoe featuring the design. 1,200 pairs will be available worldwide.

Second spring collection from The North Face

23 Oct 2006

The North Face has introduced a mid-season range that will be available during spring/summer 2007 with the aim of giving retailers four collections a year by 2008.

The new range has been inspired by four of the company's most prestigious expeditions of the 1970s - based on the first ascents of peaks by its athletes in Bolivia, California, Alaska and Nepal.

Delivery into stores for the first mid season range will be during May and June, 2007.

Q3 apparel and footwear sales up at Oakley

23 Oct 2006

Performance apparel, footwear and accessories company Oakley, Inc. has posted improved financial results for its third quarter ended September 30. Net sales increased 21.2% to a quarterly record $210.2 million compared with $173.4 million in the same period in 2005. Net income for the third quarter totalled $17.3 million compared with $16.1 million in the third quarter of 2005.

Net sales of apparel, footwear and accessories (AFA) totalled $46.3 million, an increase of 2.4% compared with net sales of $45.3 million in 2005.

Total third quarter US net sales (wholesale and retail) increased 27.9% to $116.7 million, compared with $91.3 million during the third quarter of 2005. International net sales were $93.5 million, a 13.8% increase from $82.1 in the third quarter of 2005. The company's EMEA (Europe, Middle East and Africa) region experienced double-digit optics growth, partially offset by a double-digit decline in AFA net sales. The Americas (non-US) region reported double-digit growth in optics and AFA. Asia Pacific saw an increase in its optics sales and a modest increase in AFA business.

The company increased its 2006 net sales guidance to a growth rate of approximately 15-17% over 2005 net sales of $648.1 million. Its previous 2006 net sales guidance included a growth rate of approximately 13%.

Increased Italian clothing sales in August

23 Oct 2006

According to the Istituto Nazionale di Statistica (ISTAT), Italian retail sales in August increased by 2% compared with August 2005.

Sales increases in the non-food sector were led by footwear, leather and travel goods, which were grew 3.5% in August and clothing, which increased by 2.2%.

Bayer MaterialScience to acquire Ure-Tech Group

23 Oct 2006

Germany-based Bayer MaterialScience is to acquire Taiwan's Ure-Tech Group, the largest thermoplastic polyurethane (TPU) producer in the Asia Pacific region. As a result of this acquisition, the company will become the world's largest supplier and solutions provider of TPU resins and films. The deal is subject to regulatory approval by the cartel office and is expected to be closed in the first quarter of 2007. The purchase price has not

been disclosed.

The Ure-Tech Group generated sales of approximately $55 million in 2005 while sales of Bayer MaterialScience's Thermoplastic Polyurethanes Business Unit totalled €192 million ($240.8 million).

Ure-Tech group is the biggest producer of Thermoplastic Polyurethane (TPU) elastomer in Asia Pacific. Its Utechllan brand of TPU is widely used by the footwear and sports and leisure industries among others in the Asia Pacific region.

New board members at Cutter & Buck

23 Oct 2006

American sportswear brand Cutter & Buck Inc. has elected Thomas O'Riordan to its board. Mr O'Riordan has experience in branded apparel, including previous service in various executive capacities at Fila Holding Company and Adidas America. He is currently a consultant with Sports Brands International, a privately held manufacturer and retailer of branded footwear, apparel and accessories.

Swimwear gets a boost

24 Oct 2006

Earlier this summer Italian spandex and warp knit manufacturer Fillattice SpA formed a joint venture with Pacific Textile, a leading knit fabric producer in China, in order to better access and service the Asia Pacific swimwear market. The region has seen steady growth for the Italian company and the JV, known as Fillattice Pacific Ltd., and based in Hong Kong, is designed to promote its LinelTEX swimwear fabric produced by the Chinese partner and made with Fillattice's Linel spandex yarn.

Record Q3 results at VF

24 Oct 2006

US apparel company VF Corporation has posted record results for the third quarter of 2006.

Revenues rose 12% to $2,033.8 million compared with $1,822.1 million in the third quarter of 2005. Net income increased by 10% to $197.7 million compared with $179.6 million in the prior year quarter. Foreign currency translation benefited revenues by $24 million.

For the first nine months of 2006, revenues were up 8% to $5,266.3 million from $4,856.4 million in the 2005 period. Income rose 9% to $424.9 million from $391.1 million.

Revenues for the company's Outdoor coalition were up 25% to $659 million; domestic revenues grew 20% in the quarter while international revenues rose 37%.

Revenues for the Jeanswear Coalition were up 6% with growth in both its domestic and international businesses. Double digit growth was achieved in Mexico, China and Russia for this sector.

Total revenues of the company's Sportswear coalition increased 6% in the quarter.

Full year revenues are now expected to be up by approximately 8% in 2006 and fourth quarter revenues are forecasted to increase by approximately 6%.

Performance apparel sector continues to grow

24 Oct 2006

Irish research company Research and Markets has released a new report entitled Global Market Review of Performance Apparel – Forecasts to 2012.

It reveals that performance apparel currently accounts for over 10% of the sportswear market and is forecast to be worth $4.29 billion by 2012 at wholesale.

The report reviews the sector worldwide, analysing both the current state and future direction of sportswear and protective clothing. This includes definition of the market, wholesale and retail values, the performance of fabric, industry issues and trends and market forecasts.

ITG and Safety Components International complete merger

25 Oct 2006

The merger of US-based International Textile Group, Inc. (ITG) and Safety Components International, Inc. has been completed.

The company formerly known as Safety Components has been renamed International Textile Group, Inc. and will continue to operate as a public company.

The new group operates five primary business units: Safety Textiles International, Cone Denim, Burlington WorldWide (apparel fabrics), Burlington House (interior fabrics) and Carlisle Finishing. On a combined basis, net sales would have been $997.7 million for the year ended December 31, 2005. The company employs over 9,000 people worldwide with operations in the United States, Mexico, China, Germany, Romania, Czech Republic, South Africa, Nicaragua and Vietnam.

President & CEO of International Textile Group Joseph Gorga will continue to serve in that role for the newly combined company. Stephen Duerk, who served as

president of Safety Components International, Inc., will serve as president of the Safety Textiles International business unit.

Sales up 7% at Rohm and Haas

25 Oct 2006

US-based chemical company Rohm and Haas Company has reported improved sales figures for its third quarter. Sales totalled $2,065 million, a 7% increase over the same period in 2005. Third quarter earnings were $189 million compared with $163 million for the third quarter of 2005.

Sales in the Coatings segment were $700 million, a 5% increase compared with the third quarter of 2005. The improvement was attributed to higher selling prices to recover rising raw materials, higher demand, particularly in emerging markets, along with the favourable impact of currencies.

Sales in the Monomers sector totalled $500 million, up 18% from $422 million in the 2005 period.

Performance Chemicals sales of $447 million were up 6% over the comparable period in 2005 driven by higher demand, particularly in the Consumer and Industrial Specialties and Process Chemicals businesses, with slightly higher selling prices, and a favourable impact of currencies.

Sales in Plastics Additives were up 3% and Process Chemicals were up 4%. There continues to be strong demand for ion exchange resins, particularly in Asia. Performance Chemicals earnings were $42 million in the quarter, down from $44 million in the prior year period.

Adhesives and Sealants sales totalled $179 million, up 2% versus the comparable period in 2005.

North American sales of $1,042 million were up 5% over the comparable period in 2005, primarily the result of higher selling prices. European sales were also up 5% to $507 million. Asia-Pacific sales were $427 million, a 13% percent increase over the same period last year, led by Electronic Materials and Performance Chemicals. Latin American sales of $89 million in the quarter were 19% higher than the same period last year, reflecting increased demand, higher selling prices and the favourable impact of currencies.

Sales for the nine months ended September 30 were $6,204 million, a 5% increase over the comparable period in 2005, driven by broad-based growth in demand across most chemical businesses and the strength of Electronic Materials. Earnings for this period were $588 million compared with $488 million in 2005.

Huntsman Restructures New Textile Effects Business

25 Oct 2006

US-based chemical company Huntsman Corporation has completed the strategy review for its global Textile Effects business, which Huntsman acquired from Ciba Specialty Chemicals Inc., June 30.

The company will spend approximately $150 million over the next three years on a restructuring programme that will see Textile Effects' operations expand significantly in Asia but consolidate in the Americas and in Europe. The company estimates that up to 650 positions will be eliminated and 300 created, globally.

President of the company’s Materials & Effects division Paul Hulme commented, "We firmly believe this business to have been an outstanding addition to our portfolio of differentiated chemical products, but we knew when we bought the business that one of the primary challenges facing the textile chemicals and dyes industry has been the ongoing migration of its customers from North America and Europe, principally to Asia. This restructuring programme will grow our apparel and home textiles business in Asia, and will include the opening of a new technical centre in Qingdao, China, as well as two new formulation and distribution centres in that country. In the Americas and in Europe, our focus will be to expand our technical textiles and high-end apparel and home textile businesses and reach a world-class cost position globally in all functions, including production, sales and distribution."

Huntsman's Textile Effects business is a supplier of textile solutions, manufacturing a broad range of dye and chemical products that enhance the colour of finished textiles and improve performance characteristics such as wrinkle resistance and the ability to repel water and stains.

Nilit presents new products at Intertextile Shanghai

25 Oct 2006

Israel-based producer of nylon 6.6 Nilit is to present its expanded portfolio of brands at the Intertextile Shanghai Apparel Fabrics trade show, October 25-28, at the Shanghai New International Expo Centre.

The company’s new products include finished lingerie, activewear, legwear and bodywear made from its branded fibres.

The company's sales and marketing manager Oded Breier said, “Asia, and primarily China, is a top priority for our sales and marketing efforts as more and more companies throughout the region seek out our high-quality yarns.”

Nilit's recent acquisitions include the Invista apparel production operation (Germany) and the Torcidos Ibericos texturing facility in Catalunya, Spain. As a result, the company now offers an expanded portfolio of brands for nylon fibre products.

7% sales increase at DuPont in Q3

25 Oct 2006

US chemical company DuPont has reported consolidated net income of $485 million for the third quarter compared with a loss of $82 million in the same period in 2005. The increase can principally be attributed to higher sales volume and local selling prices and lower fixed costs. These benefits were partly offset by the impact of higher ingredient costs.

Consolidated net sales for the third quarter were $6.3 billion versus $5.9 billion last year, up 7%, with double-digit increases in Asia Pacific and Europe. Local selling prices were higher in every region, increasing worldwide sales by 3%. Sales volume increased 3%.

Third quarter sales in the company's Coatings & Color Technologies sector were $1.6 billion, up 8%, reflecting 5% higher volume and 3% higher $ selling prices. Third quarter sales for its Performance Materials sector were $1.7 billion, a 13% increase, reflecting 6% higher volume and 7% higher $ selling prices.

Textiles and textile products contribute little to euro area new orders index

25 Oct 2006

According to estimates released by Eurostat, the Statistical Office of the European Communities, the euro zone industrial new orders index increased by 3.7% in August compared with July. The index rose by 1.9% in July and decreased by 2% in June. EU25 new orders grew by 2.6% in August after a rise of 1.1% in July and a fall of 0.3% in June.

Compared with August 2005, industrial new orders increased by 14.3% in the euro area and by 12.4% in the EU25.

Compared with July figures, manufacturing of chemicals and chemical products increased by 2.4% and 2% respectively while textiles and textile products fell by 0.1% in the euro zone and remained stable in the EU25.

Among the Member States for which data are available, total manufacturing work-in-progress orders rose in ten Member States and fell in six. The highest increases were recorded in Denmark (+22.5%), Slovakia (+9%), Italy (+6.9%) and Lithuania (+5.8%). The largest decreases were registered in Poland (-4.4%), Hungary (-3.9%), Portugal (-2.9%) and Sweden (-2.5%).

Compared with August 2005, manufacturing of chemicals and chemical products gained 10.3% and 10.1% respectively while textiles and textile products gained 0.5% in the euro zone and remained stable in the EU25.

Total manufacturing work-in-progress orders rose in all sixteen Member States for which data are available. The highest increases were registered in Slovakia (+52.7%), Denmark (+46%), Lithuania (+25.4%) and Latvia (+22.5%), and the lowest in France (+4.2%) and Sweden (+6.3%).

CMP Asia donates to tsunami survivors

25 Oct 2006

While the tsunami that struck the Asia-Pacific region in December 2004 may have disappeared from international headlines, the reconstruction programme of the area continues to help restore local economies. However, the disaster has not been forgotten by trade show organiser CMP Asia, which has donated $30,000 to the Sarojin Khao Lak Community Fund to help tsunami survivors in Thailand to rebuild schools.

Beneficiaries of the donation include 166 students and nine teachers from two schools in the Khao Lak area of the Phang-nga province, that are in need of new school buildings, books and equipment.

Sorbothane sponsors Matthew Hoggard

26 Oct 2006

International insole brand Sorbothane has signed a sponsorship deal with England pace bowler Matthew Hoggard.

The 29-year-old cricketer, who will spearhead England's attempt to hold onto The Ashes this winter and current Wisden Cricketer of the Year, is said to lead an active life on and off the pitch using the insoles for both work and leisure activities.

He said, "I never seem to be off my feet, so it is important that I have an insole that works well with a great performance shoe for my day job and for when I'm out walking."

The insoles have been manufactured in the UK for over 20 years and its products are used within the sports and outdoor market for providing protection to the body during sporting and other activities.

Designed to provide support and cushioning as well as comfort and durabilty, Sorbothane's molecular structure absorbs 94.7% of all shock waves caused by running or walking.

Under Armour appoints first chief supply chain officer

26 Oct 2006

US-based branded apparel, footwear and accessories company Under Armour, Inc. has appointed James Calo as the company's first chief supply chain officer. The new position is designed to strengthen its executive management team as the company continues its expansion in international and domestic markets. Mr Calo will report to chairman and chief executive officer Kevin Plank.

He has 15 years experience in the sports apparel industry following a six year spell as senior vice president of Operations for VF Corporation's Sportswear Coalition and Nautica Enterprises, Inc., a VF subsidiary.

Adidas Group to sell Greg Norman Collection to MacGregor Golf Company

26 Oct 2006

Adidas AG is to sell its New York-based Greg Norman Collection (GNC) men's sportswear, golf apparel and accessories business to the MacGregor Golf Company. The transaction excludes existing GNC-related retail outlet operations and is expected to be completed by the end of 2006. Financial details will not be disclosed.

Adidas AG chairman and CEO Herbert Hainer commented, "Greg Norman is a brand which has clearly performed well over the last several years. However, it is not core in the scope of our global golf strategy. Due to its limited integration opportunities and small size, we were open to sell the business unit to golfer Greg Norman and the MacGregor Golf Company."

The GNC business reported sales of approximately €55 million in 2005.

Fila sponsors St Petersburg Open

26 Oct 2006

Italian sports brand Fila has been named as the official apparel and footwear sponsor of the St Petersburg Tennis Open, October 22–29, as part of a two-year deal. The company has also signed some prominent Russian players, including Svetlana Kuznetsova and Dmitry Tursunov.

The company will provide apparel and footwear for athletes, umpires and line judges and other staff at the open.

Strong Performance fibres results at Rayonier in Q3

26 Oct 2006

US-based international company specialising in performance fibres, timber and real estate Rayonier has reported third quarter net income of $55 million compared with $42.8 million in the second quarter and $75 million in third quarter 2005.

Results included a special item gain of $5.3 million for prior years' IRS audit settlements, including associated interest expense. Second quarter income included a special item gain of $6.5 million while third quarter 2005 included three special item gains totalling $39.1 million.

Chairman, president and CEO Lee Nutter said, "Particularly strong results were achieved by Performance Fibers, which continues to experience growing demand for its high-value cellulose specialties."

Sales for the third quarter of $312 million were comparable to the second quarter and $13 million above third quarter 2005.

For its Performance Fibers segment, sales of $164 million were $2 million below second quarter while they increased $4 million compared with the third quarter in 2005.

Halifax highlights increased spending on fashion

26 Oct 2006

According to a report by UK bank Halifax, people in the UK spent a total of £43.7 billion on clothing and footwear in 2005, accounting for 5% of the total household disposable income spending last year. This equates to an average of £1789.93 per household across the year, or £34.42 per week.

The amount revealed by the research represents a 56% increase on ten years ago, when £28 billion, or £21.98 each week, for a typical household was spent on apparel.

Ciba and Max Planck develop materials for printable organic electronics

26 Oct 2006

Switzerland-based Ciba Specialty Chemicals and the Max Planck Institute for Polymer Research in Mainz, Germany, have agreed to collaborate in the research of conductive materials for printable electronic materials. The three-year, multidisciplinary project focuses on the development of novel conductive polymers for printable

applications. This collaboration is expected to speed up the introduction of improved materials. The production of devices such as sensors, photovoltaic cells, Radio Frequency Identification (RFID) tags, Organic Light Emitting Diodes (OLEDs) and other electronics will benefit considerably from printing compared with other techniques, such as etching.

Director at the Max Planck Institute for Polymer Research Professor Gerhard Wegner said, “With this partnership, we want to take a major step to bridge the gap between potential and real application of conductive polymers in an important application area.”

Polymers have long been known as insulators. Only after the discovery and development of their conductive and semiconductive capabilities did organic electronic applications become feasible in thin, light, flexible and extremely inexpensive formats. The advantage of polymers lies in their comparatively simple and low-cost processability. Electroconductive polymers are already used in display and solar technology as well as in sensors. The market potential of their use in simple plastic electronic systems such as RFID tags, low-cost biomedical sensors, data storage and consumer products is also substantial.

In the area of electronic materials, Ciba Specialty Chemicals develops, produces and markets advanced functional materials, including pigments, dyes, photoinitiators and light stabilisers for display, information storage and microelectronics applications.

Jones Apparel Group posts Q3 revenue decline

26 Oct 2006

US-based designer, marketer and wholesaler of branded apparel, footwear and accessories Jones Apparel Group, Inc. has reported a decline in revenues for its third quarter ended September 30. Revenues totalled $1,241.0 million versus $1,327.5 million for the third quarter of 2005. The decrease in revenues was primarily attributable to the sale of the Polo Jeans Company business during the first quarter. Polo Jeans Company contributed $78.4 million in revenues during the prior comparable period. Excluding Polo Jeans Company, previous year revenues were $1,249.1 million.

New Christmastime products from Musto

27 Oct 2006

UK-based performance brand Musto has launched a series of items for the Christmas season. These include its new Game Shooting Glove, made from water-resistant leather with a lightly-elasticated, knitted cuff, heat-resistant suede inner and palm grip, recoil reinforcement on the back of the middle finger and thumb pad to reduce impact.

It also includes a new Country Smock, made from warm and breathable Polartec Classic 300 Fleece, treated with a durable water repellent finish. Its collar and zip housing are trimmed with soft synthetic suede and the Smock is available in four colours.

PPR revenue up 7%

27 Oct 2006

For the first nine months of 2006, French luxury goods group PPR posted revenues of €12.6 billion ($15.95 billion), up 7% in actual terms and up 6% on a comparable basis versus the same period in 2005. Revenue generated abroad increased by 9.5% and represented 56% of total Group sales.

In the third quarter of 2006, Group sales came totalled €4.3 billion, up 5.8% in actual terms and up 4.8% compared with the third quarter of 2005.

The Luxury Goods division continued to post positive performance on an already high basis for comparison. Gucci Group's growth stood at 17.1% on a comparable basis for the third quarter. Sales recorded double-digit growth in all geographical regions and almost all product categories. For the first nine months, the brand posted growth of 18.5%.

In the third quarter, the brand was particularly buoyant in women's ready-to-wear and fine leather goods, in which the 85th Gucci's anniversary collection was particularly successful.

Bottega Veneta once again posted good with growth of 56.5% in the third quarter. All geographical regions and product categories posted high growth rates.

Yves Saint Laurent continued its strong growth with a revenue increase of almost 19% over the quarter. All regions and categories posted growth, in particular fine leather goods which were bolstered by sales of the Muse, Rive Gauche and Double bags.

Sims licensed to The Sports Authority

27 Oct 2006

Brand owner and licensor Collective International, LLC and sporting goods retailer The Sports Authority have agreed an exclusive Master License agreement for Sims. Under the five-year agreement, The Sports Authority will retain exclusive rights in the US to market and sell all categories of Sims branded action sports lifestyle products including snowboarding and skateboarding hardgoods, snowboarding boots, footwear, apparel and related accessories in all of its stores.

The Sims brand began in 1963 when surfer, skater and snowboarder Tom Sims introduced the world's first snowboard, launching a new sport and culture. Since then, it has grown as a globally recognised action sports brand.

South Africa and Korea sign trade agreement

27 Oct 2006

An agreement between South Africa and Korean business has been signed by Business Unity South Africa (Busa) president Patrice Motsepe and the chairperson of Korea International Trade Association (KITA) Hee-Beom Lee at the first meeting of South Africa and Korea Economic Cooperation Committee in Johannesburg.

Korea is South Africa's fourth largest trading partner in Asia and South Africa is Korea's largest trading partner in Africa. South Africa's imports from South Korea increased from $998 million in 2004 to approximately $1.4 billion in 2005, while exports to South Korea amounted to $836 million compared with $697 million in 2004.
KITA director Wang-Kyu Lee said that the partnership was an important step in building a sustainable and productive partnership between the two countries.

South Africa is a large supplier of bulk raw materials and semi-processed minerals and metals to Korea and other South African products showing strong export growth to South Korea in recent years have been chemicals, leather and machinery. Korean products such as automotives, fabrics, apparel and plastics are increasingly making inroads in the South African market.

Canadian leather and textile set to decrease

27 Oct 2006

A new report has been released by the BMO Financial Group Economics in relation to Canadian industry for the 2006-2007 period. The report indicates that oil and gas services will see the biggest increase in the year. However, according to assistant chief economist Earl Sweet, other industries may be negatively affected by high commodity prices, slower growth in consumer markets, the strong dollar and increasing competition in manufacturing.

Structural adjustments in the manufacturing sector during in the next couple of years are expected to hamper the performance of industries such as furniture, clothing, textiles, and motor vehicles. Output of textiles, clothing and leather will continue to recede due to intense international competition.