Business Week
30 Oct - 05 Nov

Improved Q3 sales at Columbia Sportswear

30 Oct 2006

US-based active apparel and footwear producer Columbia Sportswear Company posted net sales of $454.1 million for the quarter ended September 30, an increase of 10.8% compared with $409.8 million for the same period of 2005. Net income for the quarter was $60.3 million, a 9.3% decrease compared with net income of $66.5 million for the prior year period. The company recorded a tax benefit of $5.6 million in the third quarter 2005.

Compared with the third quarter of 2005, US sales increased by 12.8% to $276.3 million, Other international sales increased by 15.1% to $57.8 million; European sales by increased 6.9% to $66.4 million and Canadian sales increased by 1.9% to $53.6 million.

Excluding changes in currency exchange rates, consolidated net sales for the third quarter increased 9.1%. US sales increased by 12.8 %, Other international sales increased by 14.9 %, while European sales increased by 2.3% and Canadian sales decreased by 5.7 %.

Sportswear sales increased by 16.6% to $146.6 million, outerwear sales increased by 8.1% to $217.8 million, footwear sales increased by 8.8% to $69.4 million, equipment sales increased by 150% to $4.5 million, and accessories sales decreased by 7.6% to $15.8 million compared with the third quarter of 2005.

Nike appoints new head of global running business

30 Oct 2006

Nike has appointed footwear executive Leslie Lane as the head of Nike's global running business. According to the company's brand president Charlie Denson, "Running is the heart of Nike, fuelled by the passion our co-founders Phil Knight and Bill Bowerman had for the sport and for creating a better running shoe."

Mr Lane will report to vice president of Global Brand and Category Management Trevor Edwards, who reports to the Mr Denson.

A competitive runner in high school and a college rugby player and rower, Mr Lane joined Nike in 2003 as part of the company's subsidiaries' team, initially helping to lead the acquisition and integration of Converse. Since 2004, Lane has been responsible for Nike's global footwear strategy, finance and costing activities.

Nike footwear generated almost $8 billion in revenue in 2006, representing about 53% of total company revenue.

Applied Technologies sector boosts Albany's Q3 results

30 Oct 2006

Custom-designed paper machine fabrics and process belts provider Albany International Corp. has reported a $0.5 million, or 0.2%, increase in net sales for third quarter ended September 30 compared with the corresponding period in 2005. Excluding the effect of changes in currency translation rates, net sales decreased 2.3%.

Net sales for the Applied Technologies sector, which applies to the company's advanced textiles and materials industries including insulation for personal outerwear and home furnishings (PrimaLoft); specialty materials and composite structures; and industrial belts for Tannery, Textile, and Corrugator applications reported sales of $35,251 in the third quarter compared with 31,374 in 2005, an increase of 12.3%.

Eurojersey sponsors Alberto Ceriani at Ironman

30 Oct 2006

Italian textile company Eurojersey sponsored blind athlete Alberto Ceriani and his escort Claudio Pellegri at the finals of the Ironman World Championship. The 2006 event was held on October 21 in Kona-Maui, Hawaii. Over 1600 athletes from all over the world took part in the final, including five disabled athletes.

Alberto was the only blind Italian athlete to take part in the three events (3.8 km swim, 180 km bike ride, 42 km marathon), accompanied by Claudio, who guided him through the competition, which lasted around 14 hours.

Both athletes wore sports apparel made from the company's Sensitive fabric, which is reported to be extremely light and ultra fine, resistant, breathable and high-performing.

Unifi announces acquisition

30 Oct 2006

US-based producer and processor of multi-filament textured yarns Unifi, Inc. has signed a definitive agreement to acquire the assets, including inventory, of the textured yarn business operating as the Dillon Yarn Division of Dillon Yarn Corporation. The purchase price will be approximately $65 million.

Dillon Yarn Corporation is a privately held company and operates a facility in Dillon, South Carolina, and textured approximately 90 million pounds of polyester and nylon combined for the twelve months ended December 2005. Annual sales of the assets being acquired were approximately $130 million.

Unifi currently supplies approximately $40 million of raw material to Dillon that will be treated as inter-company sales after closing. Synergies generated from the transaction in fiscal year 2008 are expected to be in the range of approximately $6-8 million.

The purchase is expected to be completed in early January 2007.

Declining footwear sales at Timberland in third quarter

30 Oct 2006

Outdoor footwear, apparel and accessories firm The Timberland Company has reported third quarter net income of $51.9 million compared with net income of $69.2 million in the same period of 2005.

Third-quarter revenues were down slightly as gains in new brands (including SmartWool), Timberland apparel, casual footwear and Timberland Pro series were offset by anticipated declines in boots and kids' sales.

International revenue increased by 6.9% supported by growth in southern Europe, distributor markets, Canada, and Japan. US revenues decreased by 7.2%.

Third quarter results reflected global gains in apparel and accessories revenue, which partially offset anticipated declines in footwear revenue. Apparel and accessories revenue increased 27.5% to $129.4 million. Global footwear revenues fell 7.8% to $368 million.

DyStar opens new facility in Nanjing

30 Oct 2006

German products and services provider for the textile industry DyStar has officially opened its new production facility for textile dyes in Nanjing, China.
The company has invested around $55 million in the new site, which is the company's biggest ever foreign investment after its site in Gabus, Indonesia. Twelve buildings have been constructed on the 53,000 m² site in just about one year. Initially, the company will have around 300 employees in Nanjing.

It manufactures a wide range of dyes for the coloration of cellulosic and synthetic fibres at this site, including Remazol reactive dyes, Indanthren vat dyes, Indigo Solution 40% and Astrazon cationic dyes. The flexible structure of the multi-purpose facilities allows subsequent extension and the integration of additional product lines.

Nanjing is the capital of Jiangsu Province, which is at the heart of China's textile industry. The company has seven companies in China and a network of sales offices and service labs.

China has rapidly become a major textile exporter in recent years, especially since joining the World Trade Organisation. The country now accounts for more than 30% of global output of textiles. China is also the most important growth market for DyStar, generating double-digit annual growth in sales volume and turnover.

Holliday Pigments appoints regional sales and marketing manager

30 Oct 2006

UK-based manufacturer of ultramarine blue pigments for the textile and leather industries, Holliday Pigments, has appointed Martin Elliott as regional sales and marketing manager.

Since graduating with a degree in Leather Science & Technology, Elliott has gained nearly 30 years experience in technical export sales and distribution. He most recently worked for TFL as a business consultant covering India, Pakistan and Bangladesh and has also held positions with Yorkshire Chemicals and Clariant, working with chemical treatments, pigments and dyes.

The company's range of electric blues includes shades of emerald green and canary yellow. Products are suitable for use on leather and can be used for automotive, rail and aircraft interiors.

Premium Fall/Winter 2007/2008 confirmed for Berlin

31 Oct 2006

The Premium Fall/Winter 2007/2008 exhibition is set to take place in Berlin as planned.

Following the cancellation of Bread&Butter Berlin, Premium's organisers are expecting a larger number of

exhibitors, with 700 collections already confirmed.

The Nautica Brand opens first men's, women's and children's retail store

31 Oct 2006

With some 200 stores internationally, the Nautica brand has opened its first men's, women's and children's retail store. Located in Saucon Valley, Pennsylvania, the dual gender store is the first of its kind for the brand, and will offer women's sportswear, men's sportswear, children's wear and sleepwear.

The store covers over 6,500 square feet and reflects the brand's new Navigator concept, which includes signature striped cherry and maple flooring and classic yachting details in the fixtures.

Gap opens flagship Banana Republic store in Montreal

31 Oct 2006

Gap, Inc. has opened a flagship three-level, 20,000 sq. ft. Banana Republic store in Montreal, housing the women's, men's, accessories and personal care collections.

Located in one of Montreal's most historic buildings, the company worked in partnership with the Historical Review Board to preserve the history of the building whilst showcasing the brand's modern design elements.

Banana Republic has four stores in Quebec, close to 500 stores in total and annual sales of more than $2 billion in North America.

Asics and New York Road Runners extend ING New York City Marathon sponsorship

01 Nov 2006

Asics Corporation (Japan), Asics America Corporation and New York Road Runners have announced a multi-year extended sponsorship of the ING New York City Marathon. Asics will continue to be a principal sponsor as the official apparel, footwear and accessories supplier of the marathon, with the exclusive right to sell the ING New York City Marathon licensed products. The new contract with New York Road Runners will continue to include the outfitting of the NYRR officials, over 16,000 volunteers, NYPD and NYFD teams and the 37,000 participants. The corporation will also be the supporting sponsor of the Bronx, Manhattan, Staten Island, Queens and Brooklyn half marathons that NYRR holds each year leading up the ING New York City Marathon.

Increase in Weyco third quarter sales and earnings

01 Nov 2006

Net earnings for Weyco Group, Inc. increased 7% to $5,168,000, up from $4,822,000 during the same quarter in 2005. Net sales for the quarter increased by 2%, reaching $56,085,000 compared with $55,219,000 in 2005, and diluted earnings per share increased 7.5% to $.43 per diluted share, up from $.40 per diluted share in 2005.

Retail sales were up 11% for the quarter to $6,697,000, from $6,036,000 in 2005, with the company now operating four more retail stores in the United States than in 2005. Net sales in the wholesale division, which include wholesale sales and licensing revenues, amounted to $49,388,000 for the quarter compared with $49,183,000 in 2005. Wholesale sales reached $48,472,000 in 2006, up from $48,264,000 in 2005, and licensing revenues were $916,000 compared with $919,000. Sales of the company's Stacy Adams and Florsheim brands were up 4% and 7% respectively for the quarter, while sales of the Nunn Bush brand were down 8%.

Operating earnings were $7,855,000, up 3% from $7,652,000 in 2005, and operating earnings as a percent of net sales approximated the prior year level at 14%.

Vibram appoints new international sales director

01 Nov 2006

Technical outdoor footwear soles company Vibram has appointed Paolo Manuzzi as international sales director. Mr Manuzzi, who has been with the company for 13 years, is now in charge of managing and coordinating the European, Japanese and US subsidiaries under the direct responsibility of CEO Ambrogio Merlo.

The appointment is part of Vibram's entire structural reorganisation, which began in 2003. The overall aim is to maintain the operational autonomy of the subsidiaries within a comprehensive strategic framework defined by headquarters.

The North Face opens retail store in Leipzig

01 Nov 2006

Outdoor apparel and equipment supplier The North Face has opened a retail store in Leipzig, Germany. Situated in the city's main pedestrian area, the store's 325 square metres of retail space over two floors offers a full range of exploration apparel, footwear, equipment and accessories for men, women and children.

The new store is the company's 24th in Europe, and its 24th project with the Italian design firm Brombini & Saccardo.

Three new high-tech fabrics from AccuMED

01 Nov 2006

AccuMED Innovative Technologies has introduced three new fabrics based on Breathe-O-Prene material.

The three - FiberX, SILVERtec, and eShield - are fortified with materials such as silver nanocrystals and Holofiber to meet the specific needs of the medical, industrial, footwear, sporting goods and military sectors.

FiberX is equipped with an outer layer of Holofiber and, says the company, has been proven to increase oxygen levels in the body by reflecting released energy back into the skin. It can be used in healing and tissue recovery and for patients with diabetes and other circulatory problems, and the increased oxygen levels can improve muscle recovery time and reduce cramping for athletes.

SILVERtec has silver nanocrystals embedded into the Breathe-O-Prene composite, and is designed to neutralise and destroy bacteria. Nonabrasive and odourless, it is aimed at wound care, burn care and general hygiene, as well as for athletes looking to eliminate bacteria and odour from equipment.

eShield, a composite breathable, four-way stretch fabric with four distinct layers, allows moisture to escape from the body while preventing wind and rain from penetrating its outer layer.

Nike and FC Barcelona extend relationship

01 Nov 2006

Nike and Futbol Club (FC) Barcelona have announced a new five-year sponsorship agreement for approximately $189 million plus bonuses and royalties, which extends their relationship to 2013 with a possible five-year renewal. The agreement includes a significant marketing investment over the life of the contract to position FC Barcelona worldwide and to support its "More than a club" motto and community activities.

Nike has been sponsoring FC Barcelona since 1998, which has an estimated 70 million supporters worldwide. Nike currently sponsors 32 football clubs, 18 national teams worldwide and many of the game's best players to the tune of $1.5 billion.

First half sales increases at Blacks

01 Nov 2006

UK-based outdoor company Blacks Leisure Group has reported improved financial results for the six months ended August 31.

The Group's total sales in the first half increased by 0.9% to £141.3 million compared with £140 million.

Like-for-like retail sales fell by 0.5%.

Gross margin increased slightly to 55.9% compared with 55.6% in 2005.

Millets had a poor first half, with like-for-like sales down 5.6% compared with the prior year. Millets delivered satisfactory like-for-like growth in clothing sales; however the camping offer has underperformed materially during the key trading months. Prices also fell year-on-year.

The Boardwear division performed satisfactorily in the first half. Helped by the dry, warmer weather, Freespirit and O'Neill both made progress with combined like-for-like sales growth of 2.6%. In terms of product development, the launch of the Freespirit own-brand range has performed well, particularly its women's wear division.

There have also been reports that billionaire Mike Ashley, who owns a 29.38% stake in Blacks Leisure Group PLC is planning a merger between his Sports World chain and Blacks.

Rapper DMX unveils new collections for men

01 Nov 2006

American rapper DMX has launched his DMX and DMX Signature collections for men, which will include designer apparel, headwear, outerwear, footwear and accessories for autumn 2007. The collection includes various groupings of denims, leathers, cottons, fleece and other durable fabrics imported from Italy, Japan, France and London as well as fabrics made in the USA.

DMX's clothing has been described as hip hop-inspired mixed with the practicality of no frills clothing for the active man. He is known for his use of secret pockets and durable gear.

Record Q3 results at Under Armour

01 Nov 2006

US-based branded apparel, footwear and accessories company Under Armour, Inc. has posted record financial results for its third quarter ended September 30.

Net revenues increased 47.5% to $127.7 million compared with $86.6 million in the third quarter of 2005. Apparel revenues for men's, women's, and youth increased by 41.8% to $116.7 million.

Third quarter net income increased 90.4% to $16 million compared with $8.4 million in the same period of 2005.

Apparel revenues grew 41.8%.

The company is increasing its outlook for 2006. It now expects annual net revenues in the range of $410 million to $420 million, a 46% to 49% increase over 2005, and annual net income in the range of $38.5 million to $39.5 million.

Iconix to purchase Ocean Pacific brand from Warnaco

02 Nov 2006

Iconix Brand Group Inc. is to purchase the Ocean Pacific (OP) brand from The Warnaco Group Inc. for $54 million. Currently, the OP action sports lifestyle brand has 30 license agreements, half of which are international. Primary licensed categories include footwear, kid's apparel, eyewear, fragrance, skateboards and surfboards. As part of the transaction, Warnaco will be granted a license from Iconix to continue to manufacture and sell women's and junior swimwear.

Commenting on the purchase, Neil Cole, chairman and CEO of Iconix, said that the action sports lifestyle segment is an area that the company has been looking to penetrate, adding: "OP has a large global footprint with 15 different international licensees, and Iconix believes it can expand OP's international business further and significantly grow the brand's penetration in the US."

Esquad launches Armalith jeans for motorcyclists

02 Nov 2006

French jeans design company Esquad has launched a range of jeans for motorcyclists made of Armalith. Armalith is a mixed fabric produced from a fibre that is generally used for non-textile applications, such as in the defence, space or offshore sectors. The fibre is reworked, treated and combined with a cotton thread, then woven using a special process. The resulting fabric is at least as strong as leather, yet with the appearance, suppleness and permeability of denim.

DED's business registration department issues over 10,000 Dubai licences this year

02 Nov 2006

So far this year, the business registration department at the Department of Economic Development (DED) in Dubai has issued over 10,000 licenses for local businesses. The licenses were issued in five categories - commercial, professional, industrial, tourism and Intlaq (for UAE nationals to set up small, home-based individual businesses).

The majority of the licences were issued in the commercial sector, where general trade topped the list, followed by watches and accessories, readymade garments, gifts, handbags and leather products, and toys.

The business registration system at DED has been thoroughly streamlined and made more user-friendly. Investors can now set up businesses with the minimum of procedures and paperwork, with DED assisting with dealings with other government departments.

Kellwood Company completes acquisition

02 Nov 2006

US-based apparel and soft goods marketer Kellwood Company has completed the purchase of the assets of CRL Group, LLC, owner of the Vince brand and trademark.

Based in Southern California, Vince is a contemporary women's sportswear collection.

Terms of the deal were not disclosed.

Expansion at Satra's Wyndham Way complex

02 Nov 2006

The board of UK-based research and technology centre Satra has approved an investment of more than £2 million for the building of the next phase of its Wyndham Way complex, Kettering. The development will provide an additional 24,000 sq. ft. to make a total of 75,000 sq. ft. of high quality, air-conditioned laboratory and office space, which will be utilised for the technology centre's growth plans over the next five years. It is expected to be completed in the summer of 2007.

It is the culmination of a ten-year development plan set out in the mid 1990s to develop a state-of-the-art consumer product research and testing centre. Despite consumer goods such as footwear and furniture increasingly being manufactured in the Far East, the

company claims to offer unrivalled expertise and exceptional customer service and that the products are still fully evaluated and tested in its UK-based laboratory.

The extension will allow for expansion of its footwear research activities as well as incorporating the largest furniture and floor coverings test centre in the UK, additional flammability chambers and increased space for work on the Construction Products Directive. When completed, the premises will represent a total investment of more than £5 million.

The company employs more than 180 staff and has achieved remarkable success over the past 15 years in its transition from a research association for the footwear industry to an international technology centre operating in many consumer product sectors.

Third quarter and nine-month figures from Lectra

02 Nov 2006

France-based CAD/CAM equipment manufacturer for the textiles, leather and industrial fabrics sectors Lectra has reported its unaudited consolidated financial statements for the third quarter and first nine months of 2006.

Third quarter orders for new software licenses increased by 3%, and those for CAD/CAM equipment by 2%, compared with the same quarter in 2005. Overall, orders increased by 2%, €0.5 million.

Revenues for the third quarter totalled €51.1 million, unchanged compared with the same period in 2005. Income from operations before non-recurring items amounted to €4.1 million, up €1.2 million, 43%, at actual exchange rates and €1.7 million, 60%, like-for-like.

In the first nine months, orders for new software licenses increased by 6% and those for CAD/CAM equipment decreased by 5%. Overall, orders were down 1%, €1 million.

Orders in Europe fell by 9%, while they rose 2% in North America and 15% in Asia-Pacific, with a jump of 65% in China.

Revenues in the nine month period increased by 3% to €158.3 million. Revenues from new systems sales, €84.5 million, remained stable compared with 2005. Recurring revenues increased by €3.8 million, 5%, to €73.7 million.

Executive VP and CFO resigns from Dick's Sporting Goods

03 Nov 2006

Pittsburgh-based sporting equipment, apparel and footwear retailer Dick's Sporting Goods, Inc. has reported that the company's executive vice president and chief financial officer Michael Hines will resign after the year end earnings release sometime in March, 2007. Mr Hines joined Dick's in March 1995.

As of July 29, the company operated 268 stores in 34 states primarily throughout the eastern half of the US.

New footwear report published

03 Nov 2006

Dublin-based research company Research and Markets has released a new report entitled “Footwear - Global Strategic Business Report”.

It analyses the worldwide markets for footwear in $ million and million units (pairs). The major product segments analysed are Athletic Footwear, Outdoor/Rugged Footwear, Casual Footwear, and Dress/Formal Footwear.

The report provides separate analytics for the US, Canada, Japan, Europe, Asia-Pacific, Middle East/Africa and Latin America. Annual forecasts are provided for each region and product segment for the period 2001 to 2010. A ten-year historic analysis is also provided for these markets with annual market analytics.

It report profiles 1079 companies including many key and niche players worldwide such as Adidas AG, Reebok International, The Bata Shoe Organisation, Ecco Sko A/S, Gucci, Nike, Puma, The Timberland Company and Foot Locker, Inc.

Apparel and leather show highest growth in latest ISM Report On Business

03 Nov 2006

Apparel, leather and allied products topped the list of the eight industries reporting growth in October, according to the Institute for Supply Management’s (ISM) Report On Business for the month - a national report for the US. Apparel, leather and allied products reported the highest growth in new orders, production, order backlogs, employment, new export orders and imports.

The October Purchasing Managers Index (PMI) in the report indicates that both the overall economy and the manufacturing sector are growing at a slower rate, falling to its lowest level of growth since June 2003. There was, however, significant movement in most of the indexes as new orders and production continued to soften, while backlogs contracted for a second month. On the pricing front, the Prices Index fell 14 points signalling some relief for buyers for the first time in 15 months, and there were improvements in new export orders as the weaker dollar continues to support a strong export market.

TenCate's sales up 14%

03 Nov 2006

Dutch industrial group TenCate has reported a 14% increase in sales for the first nine months of 2006, amounting to €600 million ($765.7 million). Operating profit was up 26% to €40.4 million ($51.5 million), and net profit grew 21% to € 69.5 million ($88.6 million). Net sales in the third quarter rose by 15% to €202 million ($257.7 million), an increase of 17%.

In the advanced textiles and composites sector, sales fell by 2% compared with the same period in 2005, ascribed to the divestment of the Permess /Multistiq group. The sales share of defence orders was lower than in the third quarter, but the outlook continues to be favourable, including a sharp increase in the demand for fire-resistant safety fabrics. Following on from its previously announced defence order of $15 million for fire-resistant camouflage fabric, TenCate has received a follow-up order for $11 million.

Helly Hansen offers four summer 07 watersports collections

03 Nov 2006

The Helly Hansen summer 2007 watersports range has been segmented into four key collections: manmade, natural, racing and floating.

Statement pieces include the F-Rigging coat - a padded, waterproof, breathable coat - the new Fjord jacket - a fully featured waterproof and breathable sailing jacket, the new One Design racing jacket for sportsboat racing, and the low bulk Rider Plus for maximum movement and comfort.

Within footwear the feature item for the summer season is the Helly Hansen Shorehike 2, which has been re-engineered as a two-in-one multi-watersport boot for off-shore and on-shore wear, in hot and cold conditions. This technical boot features two removable liners, one made from quick drying LIFA technology that's breathable and keeps the foot cool and dry, and the other from Helly Tech XP, a waterproof breathable fabric.

American Eagle Outfitters reports 18% October sales increase

03 Nov 2006

American Eagle Outfitters Inc., with 830 stores in 50 US states, saw October sales rise 18% to $186.4 million, compared to $157.9 million for the same month in 2005. Comparable store sales increased 8% for the month. Total sales for the third quarter increased 20% to $696.3 million, compared to $580.5 million in the previous year, and total sales to the end of October this year increased 17% to $1.821 billion, compared to $1.553 billion for the same period in 2005.

Rip Curl USA appoints Rick Petri to the executive team

03 Nov 2006

Rip Curl USA has appointed Rick Petri as executive vice president and chairman of men's surfwear. Petri's primary responsibility will be to head up all men's product categories with a strong focus on men's surfwear.

Petri has been involved with the surf industry for the last 18 years, including a short stint as accessories product manager for Rip Curl from 1991-1993. Most recently, he spent six years with O'Neill where he held a range of management positions including marketing director, brand manager for accessories and footwear, and director of, and for the last year, vice president of men's merchandising and design.