Business Week
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Cognis expands intermediates production capacity at Jinshan site

04 Dec 2006

Global specialty chemicals supplier Cognis has opened its expanded and modernised production site at Jinshan near Shanghai, China. The $4.9 million investment has not only increased the capacity of the plant, but will also expand the range of products that the company's Process Chemicals strategic business is able to offer textile manufacturers. The construction work took 21 months, and saw the layout and equipment of the existing facility adapted to new requirements.

By expanding its production capacity for textile (and leather) intermediates and final blends, Cognis hopes to further enhance its ability to meet the particular requirements of its customers in the Asia-Pacific region. The Jinshan site can now produce larger volumes and a greater variety of products—including a wider range of textile auxiliaries.

Lectra highlighted at new Microsoft Windows Vista launch

04 Dec 2006

Microsoft has linked France-based CAD/CAM fashion technology supplier Lectra with the worldwide launch of its new operating system, Windows Vista. The connection relates to Kaledo 3D Trend, a new Lectra project developed with Windows Vista, which will go on sale next year, and enables designers to create and animate trend boards by composing a collection in three dimensions, and adjust styles and designs using other multimedia components such as sound or video. Fashion companies will be able to use the system to showcase their new trends, to customers and accelerate collection releases.

Benetton reports higher revenue

04 Dec 2006

Italian manufacturer of men's, women's, and children's casual wear and footwear Benetton recently reported a 6.5% increase in net revenues for the first nine months of 2006, compared with the corresponding 2005 period.

Group net revenues reached €1,372 million, up €84 million on the same period of the previous year. Net income attributable to the parent company was €94 million compared with €89 million for the first nine months of 2005, with apparel sector sales to third parties posting an increase of 7%.

Based on the rise in volumes, Benetton is forecasting an increase of around 8% in 2006 consolidated revenues.

New report looks at acrylic resins industry

04 Dec 2006

Dublin-based market research company Research and Markets has published a new report "Acrylic Resins - Global Strategic Business Report", which analyses the worldwide markets for acrylic resins.

The major end-use segments documented include textiles and fibres; paper and paperboard; and plastics and adhesives. It also provides separate analyses for the USA, Canada, Japan, Europe, Asia-Pacific, Latin America, and Rest of World.

Annual forecasts are provided for the period 2000-2010 and profiles 66 companies including BASF AG, Dow Chemical Company, Eastman Chemical Company, Hexion Specialty Chemicals, Inc., Mitsubishi Rayon Co., Ltd. and Rohm and Haas Company.

Luxury brand adopts Eleksen technology

04 Dec 2006

Men's clothing company Ermenegildo Zegna has integrated ElekTex iPod controls into its Zegna Sport iJACKET. The iPod controls are supplied by Eleksen Group, which produces touch-sensitive smart fabrics for consumer electronics in apparel and accessories

The jacket is aimed at the luxury market and will be sold through Zegna's own retail stores as well as other luxury retailers in the USA, Europe and Asia such as Harrods, Saks Fifth Avenue and Bloomingdales.

Zegna reported global sales of €713 million in 2005, with 473 retail outlets exclusive to the brand.

Dick's Sporting Goods expands distribution centre

04 Dec 2006

US-based sporting goods, equipment, apparel and

footwear retailer Dick's Sporting Goods will hold a ribbon cutting ceremony on December 12, to celebrate the expansion of its Midwest regional distribution centre in Plainfield, Indiana. The facility has been expanded from 350,000 to 725,000 square feet and involved investment of approximately $35 million.

The expansion will allow the company to serve up to 230 stores from the centre, compared with the 100 currently supplied. Following the expansion, up to 700 staff could be employed at the plant at full capacity, compared with 310 at present.

Dick's Sporting Goods acquired the Plainfield facility in June 2004, as part of its purchase of Galyan's Trading Company.

Timberland acquires Howies

04 Dec 2006

US-based outdoor footwear and apparel brand The Timberland Company has acquired UK-based active sports brand Howies Limited. The British company will continue to be led by its local management team in Cardigan Bay, Wales. The terms of the transaction were not disclosed.

“We are excited and inspired by the brand potential we see in Howies and are pleased to welcome them to the Timberland family,” said Jeffrey Swartz, Timberland’s president and CEO.

Timberland markets products under the Timberland, Timberland PRO, SmartWool, Timberland Boot Company, Miôn, and GoLite brands.

Trützschler buys Fleissner

04 Dec 2006

Germany-based textile machinery manufacturing company Trützschler Group has acquired Fleissner GmbH, based in Egelsbach, Germany.

A subsidiary of Zimmer AG, Fleissner made up part of Zimmer’s PET and Fibers Division. It generated sales of approximately €60 million in 2005 and employs approximately 350 staff.

"The acquisition of Fleissner represents another major step in the expansion of Trützschler's nonwoven operations," stated Dr Michael Schürenkrämer, managing partner of the Trützschler Group.

Increase in November sales at Pacific Sunwear

05 Dec 2006

US apparel, accessories and footwear retailer Pacific Sunwear of California, Inc. has posted total sales of $110.9 million for the four weeks ended November 25, an increase of 3.4% compared with total sales of $107.3 million for the same period last year. Same store sales decreased by 3.8% during the same period.

Sales for the first 43 weeks of 2006 totalled $1.099.9 million, an increase of 2.4% compared with $1,073.8 million during the same period last year. Same store sales decreased by 4.8% during the same period.

Calls for EU States to back withdrawal of trade privileges from Belarus

05 Dec 2006

Speaking at a conference on Trade and Decent Work in Brussels, EU trade commissioner Peter Mandelson has said that he will seek a ‘step change’ in the way in which the EU’s new bilateral trade deals address issues of labour standards.

He cited the new agreements with ASEAN, India and South Korea for which the EU will request negotiating mandates from the Council and argued that, rather than seeking a sanctions-based approach, the EU would look to establish dialogues on labour conditions and could offer additional concessions in bilateral deals linked to International Labour Organization (ILO) or environmental standards.

He also called on European Member States to back the Commission’s recommendation that the EU withdraws trade privileges from Belarus in response to flouted labour standards. He said, “The incentives have to be real. Where countries systematically flout Core Labour Standards, we need to be prepared to act. The Commission has recommended the withdrawal of generalised system of preferences (GSP) privileges from Belarus and I call on the Member States today to endorse that measure. In my view, this decision is a test case of our collective commitment to the promotion of workers rights as an integral part of our trade policy.”

Mr Mandelson also presented the results of two pilot studies undertaken by ILO and the EC in Uganda and the Philippines, designed to gain a deeper understanding of how trade agreements affect labour markets and the quality of employment, especially in poorer countries.

METS 2006 attracts record number of visitors

05 Dec 2006

This year's METS show in Amsterdam, an international trade event for the marine leisure industry, saw its highest number of visitors to date. 16,805 visitors from 89 countries attended the show, which featured 1,101 exhibitors from 39 countries. The show's organisers said that both visitors and exhibitors commented favourably on the event's layout and the doubling in size of the SuperYacht Pavilion.

METS 2007 will be held in the Netherlands from the 13th to the 15th November 2007.

Coolmax team wins first stage of the Nuevo León outdoor challenge

05 Dec 2006

The Coolmax team, co-sponsored by Buff, has won the first stage of the four-day extreme sports event, the Nuevo León Outdoor Challenge 2006, which finished on December 2, in Mexico.

Over 30 teams were involved in the event, which comprises cycling, trekking and rope hooking.

Reebok to become an official apparel licensee of MLB

05 Dec 2006

Major League Baseball (MLB) Properties and Reebok have agreed a multi-year official licensee partnership for MLB fan and lifestyle apparel. The partnership extends Reebok's current agreement with the league as its official 'Authentic Collection' footwear supplier.

The apparel product range will include adult non-authentic knits and wovens, including polos, windwear, outerwear and bottoms, and is designed to complement Reebok's MLB fan and lifestyle footwear range.

The collection will be available at US specialty retailers from July next year.

US and Korean associations urge free Trade Agreement

05 Dec 2006

The American Apparel & Footwear Association (AAFA), the United States Association of Importers of Textiles and Apparel (USA-ITA) and the Korean Federation of Textile Industries (KOFOTI) have issued a joint statement announcing their support for a Korea-US Free Trade Agreement (KORUS FTA) for the textile and apparel industries in both nations to expand bilateral trade.

KOFOTI chairman Seho Kyong commented, "The objective of the KORUS FTA should be to provide increased market access for the textile and apparel products of both countries. We strongly believe that US textile exports to Korea will grow through the KORUS FTA and that especially high value added and industrial textile manufacturers will experience rapid growth in the Korean market."

The associations encouraged their respective governments to focus on a progressive and open agreement between the countries and to negotiate the immediate elimination of all apparel and textile duties and flexible rules of origin in the agreement.

Lenzing Group continues growth

05 Dec 2006

Austria-based manufacturer of man-made cellulose fibres The Lenzing Group has reported continued growth in the first nine months of 2006, which has been largely attributed to positive results in its fibre core business.

Group sales rose by 16.7% to €814.1 million, compared with the comparable period in 2005.

The company's Textile Fibers and Nonwoven Fibers business units reported strong demand for textile products, reflecting the positive global market situation at present. However, the company highlighted the fact that Lenzing has also continued to gain market share, especially in high-quality fibre applications and fibre blends, as well as brand sportswear and brand lingerie products. Accordingly, the product mix has recently been shifted further towards specialty products with strong margins. The technical textile fibres sector developed well, and the nonwovens sector also began to show signs of recovery, with the company's Lyocell-based nonwovens continuing positive growth. In spite of this, the price adaptations in this sector were largely absorbed by the strong increase in pulp prices.

Apparel amongst growing US manufacturing sectors

05 Dec 2006

In the Manufacturing ISM (Institute for Supply Management) Report On Business for November, the apparel, leather and allied products sector was one of just eight that reported growth during the month.

The ISM report showed that whilst in general, the

country's economy grew for the 61st consecutive month, manufacturing failed to grow for the first time in 41 months.

Within this context, just a handful of sectors reported positive results, with apparel, leather and allied products topping the overall list, followed by plastics and rubber products, and primary metals. Of the ten indicators that the report uses to analyse economic activity, where growth was reported, the apparel, leather and allied products category topped seven of them, namely: new orders; production; employment; inventories; backlog of orders; new export orders; and imports.

The Manufacturing ISM Report On Business is published monthly by the ISM and is based on data compiled from purchasing and supply executives across the USA.

Encouraging third quarter results for Kellwood

05 Dec 2006

Apparel and consumer soft goods company Kellwood Company has reported an improvement in its third quarter results. Net sales for the quarter were down on the same period last year—slipping to $516.4 million from $520 million—however total net earnings were up, reaching $8.1 million, compared with $16.2 million in the third quarter in 2005.

On an ongoing basis, net sales were $516.4 million compared with $522.4 million, and net earnings were $17.6 million, compared with the $15.3 million reported in the 2005 third quarter. Net sales for women's sportswear fell 8% to $293.7 million, whilst men's sportswear increased 7% to $140.7 million.

Net sales for the first nine months totalled $1,469.8 million, compared with $1,515.6 million in 2005, and net earnings from continuing operations reached $14.5 million, compared with $14.7 million the previous year.

Fountain Set wins award for technical innovation

06 Dec 2006

Circular knitted fabrics manufacturer Fountain Set (Holdings) Ltd. recently won the Fabrics China Award for Technical Innovation 2006 by the China Textiles Development Center and the China Textile Information Center. The award ceremony, in its seventh year, was held in Shanghai.

The company won the award for its application of Outlast thermal regulation technology in knitted fabrics. Since 2002, it has been engaged in joint development and manufacturing with Outlast Technologies, Inc. to produce fabrics for various apparel brands.

Judging criteria included assessment of the company's fabrics development strategy, manufacturing operation and management, promotion, staff training and brand building competence.

Lectra names VP of Marketing for North America

06 Dec 2006

France-based CAD/CAM equipment manufacturer for the textiles, leather, and industrial fabrics sectors Lectra has appointed Jerry Inman as vice president (VP) of Marketing for North America.

Based in New York City and reporting to Lectra North America President David Rode, Mr Inman is responsible for directing the overall marketing operations of Lectra in the United States, Canada and Mexico.

Lectra has 1,500 employees worldwide and its 2005 revenues totalled $260 million.

Messe Frankfurt exceeds €400 million in 2006

06 Dec 2006

German trade fair organiser Messe Frankfurt achieved record sales in excess of €400 million in 2006, compared with €379 million in 2005.

Foreign business was particularly successful, with a 16% sales increase from €90 million to €103 million year-on-year. According to chairman of the management board Michael von Zitzewitz, foreign turnover has doubled in the last five years, with Asia responsible for the largest share of this increase.

With its foreign and domestic subsidiaries, Messe Frankfurt organised 117 trade fairs and exhibitions in 2006 involving 65,000 exhibitors—nearly 5,000 more than in 2005. However, at 2.8 million, the number of visitors was 600,000 fewer than in 2005.

RPM acquires Dane special effects colorants business

06 Dec 2006

RPM International Inc., a US holding company with specialty coatings and sealants subsidiaries, has acquired the daylight fluorescent, phosphorescent and thermochromatic pigments business of UK-based The Dane Group. The terms of the acquisition were not disclosed.

Located in Manchester, Dane has annual revenues of approximately $20 million (39.4 million). It will operate as a stand-alone business within RPM's Day-Glo group of companies.

Teijin expands capacity of Twaron production

07 Dec 2006

In response to increased demand, Japan-based Teijin Limited has begun work to increase the production capacity of its Twaron aramid fibres at its Teijin Twaron B.V. plant in Arnhem, Netherlands. The expansion work commenced in November and the new facilities will be phased into operation gradually, to increase capacity by approximately 15% by the end of 2008.

Para-aramid fibres offer strength, heat resistance, modulus and protection properties and are used in many applications such as personal safety and protective applications, ropes, cables, composite materials, and rubber reinforcements.

Founded in 2000, Teijin Twaron currently employs approximately 1,100 staff.

India seeks greater co-operation with Arab countries

07 Dec 2006

Indian Minister of Commerce & Industry Kamal Nath has called upon Arab companies to consider investment opportunities in the country and urged stronger bilateral trade between India and the Arab countries.

He drew the attention of Arab representatives to India's improved manufacturing activities including textiles, industrial fabrics, leather and leather goods and petrochemicals and the comparative advantages that the country holds in these sectors as a result of its high quality and low cost production systems.

He reported that, "India's exports to the Arab world, which stood at $14 billion in 2004-05, went up by 17.23% to $17 billion in 2005-06."

Sales increase at G-III Apparel Group in Q3

07 Dec 2006

US-based manufacturer and distributor of outerwear and sportswear G-III Apparel Group, has posted improved sales results for the third quarter of fiscal 2007.

For the three-month period ended October 31, net sales increased by 31.1% to $244.7 million, compared with $186.6 million in the prior year period, and net income increased by 57% to $23.3 million compared with $14.8 million.

For the nine-month period ended October 31, net sales totalled $328.2 million compared with $254.9 million in the corresponding period last year, and net income was $12.7 million compared with $9.8 million.

Rhodia sells European industrial fibres business

07 Dec 2006

Global specialty chemicals company Rhodia has signed an agreement to sell its European industrial fibres business to private equity company Butler Capital Partners. The business employs 1,200 people based in Germany, Latvia, Poland, Slovakia and Switzerland. The transaction is expected to be finalised in the coming weeks, following the necessary legal authorisation. The divestiture of this business reduces the Rhodia's consolidated net sales 2005 by €163 million.

Rhodia is active in the Performance Materials, Functional Chemicals and Organics and Services sectors. It generated sales of €5 billion in 2005 and employs around 19,500 people worldwide.

Gerber Technology contributes to Guatemalan technology centre

07 Dec 2006

US-based integrated software and hardware automation systems for manufacturers and retailers in the sewn products and flexible materials industries Gerber Technology is providing 25 advanced technology workstations worth nearly $320,000 to the Technical Institute for Training and Productivity (INTECAP) in Guatemala, Central America, in support of a new advanced technology design and training centre.

The 25 workstations at INTECAP consist primarily of AccuMark Professional Edition V8, for pattern design, grading and marker making, but also include Gerber's Vision Fashion Studio, a product design and illustration software that enables true-to-life computerised fashion design.

INTECAP is now equipped to offer full training for CAD operators and fashion designers, which will strengthen the growth of the apparel industry in the CAFTA zone. The new centre is also equipped with a Gerber Infinity Inkjet Plotter, an SP200 Plotter/Pattern Cutter, a digitising table and several free-hand art design electronic pen tablets.

The new state-of-the-art facility has been established through the joint efforts of the Apparel & Textiles Commission (VESTEX), the Exporters of Non-Traditional Products Gremial Association (AGEXPRONT), INTECAP and Gerber.

Gerber Technology and VESTEX have worked together to support the growth of the Guatemalan apparel industry

since the 1990s.

Founded in 1972, INTECAP has been providing vocational training and technical assistance to private companies and associations for more than 30 years in Guatemala and all of Central America, particularly in relation to the apparel industry.

CIFF expands by 5,000m²

07 Dec 2006

The 28th Copenhagen International Fashion Fair (CIFF), to be held February 8–11, will include an extra 5,000m² marquee, enabling a further 60 companies to exhibit. The new 'hall' will be connected to Halls B and C by a covered walkway.

CIFF28 is expected to incorporate more than 43,000m² and hopes to attract more than 1,000 exhibitors. Exhibitors will present their autumn/winter 2007/2008 collections.

Positive results at JoS. A. Bank Clothiers

07 Dec 2006

Casual wear, sportswear, footwear and apparel company JoS. A. Bank Clothiers, Inc. has reported net income of $5.5 million for its third quarter, ended October 28, compared with $4.7 million in the prior year third quarter. Sales increased by 13.1% to $119.5 million from $105.6 million in 2005.

For the nine-month period, ended October 28, net income increased to $18.3 million from $16.7 million in the prior year period. Sales increased 17.1% to $352.3 million from $300.8 million in the corresponding period last year.

The North Face to open store in Chamonix

08 Dec 2006

Outdoor apparel, equipment and footwear company, The North Face, is to open a new retail store located in the French ski resort of Chamonix, at the foot of Mont Blanc. The 350m2 will offer a complete selection of exploration apparel, footwear, equipment and accessories for men, women and children.

Sales rise at Burlington Coat Factory

08 Dec 2006

Second quarter net sales at New Jersey-based company, Burlington Coat Factory Warehouse Corporation, rose 4.2% to $985.1 million compared with $945.4 million for the comparative period in 2005.

Net sales for the first six months, to the beginning of December, increased 2.9% to $1.642 billion.

China outstrips the 'ASEAN 7' in high-value exports

08 Dec 2006

China's exports of high-value goods, and the proportion of high-value goods among its total exports, are rising faster, in absolute value terms, than those of the 'ASEAN 7' countries (Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam), according to a new Economist Intelligence Unit study. The report states that ASEAN countries are in danger of losing their edge over China as producers of high-value goods, and risk being relegated to the role of suppliers of low-cost components into China's manufacturing industry.

High-value goods accounted for 51% of South-east Asia's total exports, but 61% of total exports from China, whose export share of high-value goods is climbing.

On an individual country level, China ranks third in terms of the proportion of high-value goods in total exports. The Philippines ranks first, with Singapore second and Malaysia fourth.

Record Q3 results at Cherokee

08 Dec 2006

US-based licensor and brand management company Cherokee Inc. has reported its highest ever third quarter revenue and earnings for the third quarter, ended October 28.

Net revenues for the three months rose 5.3% to $8.8 million, compared with $8.4 million in the comparable period last year. Net earnings increased by 1% to $3.28 million compared with $3.25 million in the prior year period.

Cherokee has licensing agreements in a number of categories including apparel, fashion accessories, and footwear.

West 49 reports improved results

08 Dec 2006

Canadian outdoor apparel, footwear and accessories retailer West 49 Inc. has reported improved financial results for the third quarter ended October 28.

Net sales increased 49.2% to C$58.2 million (US$50.8 million), from $39 million for the third quarter of last year. Approximately half of this growth was attributed to the acquisitions of Amnesia/Arsenic, D-Tox and the online business www.boardzone.com in November last year, with the remainder of the growth resulting from new store openings.

Net sales for the first nine months increased by 57.9% to $133.3 million compared with $84.4 million for the corresponding period of fiscal 2006.

Bloomberg PMI shows continued growth in Eurozone retail sales

08 Dec 2006

The Bloomberg Eurozone Retail Purchasing Managers' Index (PMI) rose from 52.8 in October to 53.7 in November, with the strongest sales seen in the clothing and footwear sectors. This was the eighth successive month-on-month rise in sales.

The rise reflected a sharp improvement in sales in Germany and a more modest increase in France. In contrast, sales fell in Italy for the ninth time in the past ten months.

Measured on a like-for-like basis, year-on-year sales were up for the eighth month running, with the rate of growth rising sharply over the latest two months.

The Bloomberg PMI is a monthly survey indicating economic conditions in the euro area retail sector one month ahead of government issued figures.

Eleksen wins industry accolades

08 Dec 2006

Developer and manufacturer of smart fabric touchpads used in interface design for consumer electronics Eleksen Group plc. has been honoured at the recent International CES Innovations 2007 Design and Engineering Awards—organised by the Consumer Electronics Association (CEA)—for its iPod controller.

Products entered in the programme are judged, by a panel of independent industrial designers, engineers and members of the trade press, on their design and engineering in cutting edge consumer electronics.

Media coverage prompts interest in radiation protection

08 Dec 2006

Following the association of Polonium 210—a rare radioactive material—with the recent death of former KGB/FSB agent Alexander Litvinenko, Radiation Shield Technologies (RST), Inc. has reported an increase in the number of enquiries received about products that protect against the substance.

According to RST, the company produces the only known full body anti-nuclear suit, composed of Demron. RST claims that this product is the only known fabric that protects against all forms of radiation such as X, Gamma and high energy Beta radiation.

DuPont highlights growing demand for safety and protection products

08 Dec 2006

DuPont Group’s vice president, Mark Vergnano, has highlighted the rapidly growing global demand for products and services that protect people, property, operations and the environment. Speaking to investment analysts at the recent Citigroup Chemicals Conference in New York, he said that the company is accelerating initiatives to meet the increased demand for protective apparel and products.

DuPont Safety & Protection has introduced more than 135 new products in the last year, including Protera flame-resistant fabric, and is marketing its brands globally, including in emerging markets.

The group’s Safety and Protection segment has reported average annual revenue growth of 13% over the past five years.

Sri Lankan garments industry exempt from services regulations

09 Dec 2006

The Sri Lankan government’s decision to remove the garment export industry from a newly-established essential services regulation—which restricts the workers’ right to strike—has been welcomed by the International Textile, Garment and Leather Workers’ Federation (ITGLWF).

Speaking after a meeting with Sri Lankan government representatives, Neil Kearney, general secretary of

ITGLWF, said that the ordinance which was issued in August was “grossly flawed” in that it included a wide range of industries, including garments, as essential services in which the right to strike would be restricted, in violation of international standards on freedom of association.

He stated, “Governments should not establish such all-embracing essential services regulations. While governments may restrict the right to strike in genuine essential services, they must put in place arbitration systems which have the confidence of all parties to resolve disputes.”

Unifi revises second quarter forecast

09 Dec 2006

US-based producer and processor of multi-filament textured yarns Unifi, Inc. has revised forecasts for its financial results for the quarter ended December 31. The company previously forecast $10-12 million EBITDA in its earnings call on October 26, however, it now expects results to be less than 50% of this forecast.

"The drop in volume, primarily in our partially oriented yarn, or POY business, that occurred in the month of September has continued through October and November, despite the reduction in sales price to our customers," said the company’s chief operating officer and CFO Bill Lowe.