Business Week
15 Jan - 21 Jan

Huntsman opens new Singapore polyetheramine facility

15 Jan 2007

The construction of chemical company Huntsman Corporation's first Asia Pacific polyetheramines site is on schedule and is expected to be in commercial production in the third quarter 2007. The 30 million pound capacity facility, located in Jurong Island will help the company to meet increasing demand for its Jeffamine polyetheramines products.

Huntsman manufactures products for a variety of global industries, including textiles, footwear, chemicals and plastics.

Adidas acquires Reebok distribution rights in Turkey

15 Jan 2007

German sporting goods company the adidas Group has bought the distribution rights for the Reebok brand in Turkey from RBK Spor Urunleri. Effective April 1, adidas Spor Malzemeleri Satis ve Pazarlama A.S. will become the exclusive distributor of Reebok products. Financial details of the transaction will not be disclosed.

Buying out Reebok distributors and joint ventures around the globe will provide the adidas Group with annual revenue synergies totalling at least €200 million by 2009.

Sales increase at Eddie Bauer

15 Jan 2007

Fourth quarter net sales for US casual sportswear and accessories retailer Eddie Bauer Holdings, Inc. reached $365 million in the fourth quarter, compared with $361 million in the same quarter of 2005. Comparable store sales were up 4.6%, whilst sales from the company's direct channel, which includes its catalogues and websites, increased by 0.1%.

For the fiscal year, ended December 31, net merchandise sales declined 4.5% to $957 million from $1,002 million in 2005. Comparable store sales declined 2% on 2005, whilst sales from its direct channel decreased by 4.4%.

Keri golf launches women's bag collection

15 Jan 2007

Golf bag and accessories company keri golf, has introduced its spring 2007 collection of fashion and performance specialty golf bags, designed specifically for women.

With an emphasis on vibrant prints and quilted fabrics, the collection's cart and stand bags feature shades of pink, green and black in stripes, dots and solids. The collection features a patent-pending shoulder strap system for cart bags, incorporating a recessed well that keeps the strap in place during the course of a round and provides easier access to the back ball pocket.

Milliken launches new scent control fabric

15 Jan 2007

US textile and chemical manufacturer, Milliken & Company, has launched VisaEndurance, a high-performance scent control fabric system for hunting apparel. Developed for big game hunters, the complete system includes silver-ion based anti-microbial technology that prevents the growth of odour-causing bacteria on base and mid layer garments, and an odour-adsorbing polymer technology for outer layer garments. The two technologies work independently to control body odour, but when worn together deliver a complete scent control system that is said to be comfortable, lightweight and durable, wicking perspiration from the skin in both wet and dry weather conditions. According to Miliken, VisaEndurance for outer layers is more breathable, flexible, and less bulky than activated carbon-containing fabrics.

The fabrics are available in loose fitting polyester knits for moderate temperatures, a compression fit for warmer temperatures and a heavyweight compression fit fabric for below 40°F, in both solid and in licensed camouflage prints.

Kenneth Cole ends licensing agreement for Reaction

15 Jan 2007

Kenneth Cole Productions (KCP) has reached an agreement with Paul Davril, Inc., to end its licence agreement for Kenneth Cole Reaction men's sportswear at the end of 2007. KCP will assume control over the

business in January 2008, and is creating a wholesale apparel division to design, source and market the collection. In the meantime, it is considering proposals to enter into a strategic licensing arrangement or similar venture with a new partner.

The move follows KCP's announcement in November that it had reached an agreement to terminate Paul Davril's licence for Kenneth Cole New York men and women's sportswear, which takes effect at the end of this year.

The agreement enables KCP to take full control over the development and production of the Reaction merchandise.

Hanesbrands makes new management appointment

15 Jan 2007

US marketer of innerwear, outerwear and hosiery Hanesbrands Inc. has appointed Joia Johnson to the position of executive vice president, general counsel and corporate secretary, effective as of the end of January.

Keen Footwear applies new QuickStep Fashion software

16 Jan 2007

Portland-based performance footwear company Keen Footwear has opted to use Lawson Software's new QuickStep Fashion—an industry-specific, pre-configured ERP application package. Keen has licensed Lawson Manufacturing, Financials, CRM and e-Business suites to help improve the company's operational efficiencies and provide a platform for future growth.

The software is said to enable companies to plan a mix of style-based (e.g., style, colour, size) and non-style products across complex global supply chains; offer shorter delivery lead-times and on-time delivery; manage inventory levels to provide good customer service levels whilst controlling the level of capital tied up in inventory; keep track of financial information; establish better supply chain visibility; establish a single, common, up-to-date source of information; and to help to minimise the time and effort for implementing new technology.

CEO of Rohm and Haas receives Chemical Industry Medal

16 Jan 2007

The Society of Chemical Industry (SCI), American Section, is to award the 2007 Chemical Industry Medal to chairman, president and CEO of Rohm and Haas Company, Raj Gupta, at a ceremony to be held in New York, on March 8.

The medal is awarded annually for 'contributions toward the growth of the chemical industry'.

Throughout his 35-year career with the company, during which he has worked on three continents, Mr Gupta has helped to transform Rohm and Haas into a global leader which generates revenues of $8 billion a year, producing and selling specialty materials on six continents.

Mr Gupta is currently a director of Tyco International Ltd. and the Vanguard Group. He has also served as a past chairman of the American Chemistry Council, the International Council of Chemical Associations, and the Society of Chemical Industry, American Section.

Li Ning sponsors Argentina's National Basketball Team

16 Jan 2007

China-based sports brand Li Ning Company Limited has signed a six-year agreement with the Argentina basketball federation—Confederación Argentina de Basquet (CABB)—at a ceremony held in Beijing.

As the official partner of CABB, the company will sponsor a series of sports apparel for both the men's and women's teams for training, competition and award presentation purposes.

These items will be worn at major international sports events including the 2008 Beijing Olympics and the 2012 London Olympics.

Warm weather affects apparel sales over holiday period

16 Jan 2007

According to The National Retail Federation (NRF), unseasonably warm weather and a soft housing market had a noticeable impact on holiday sales of apparel in the USA; however, the impact was not as severe as had been feared.

In December retail industry sales (excluding automobiles, gas stations, and restaurants) rose 3.9% unadjusted over last year and increased 0.4% seasonally adjusted from November. November industry sales were revised down from 6.3% unadjusted to 5.1% unadjusted.

NRF represents an industry with more than 1.6 million US retail establishments, more than 24 million employees (about one in five American workers) and 2006 sales of $4.7 trillion. It will release its 2007 economic forecast on January 16, during its 96th Annual

Convention and EXPO in New York City.

Unfit youngsters threaten Olympic success

16 Jan 2007

According to Olympic and physical education expert Sheila Wigmore from Sheffield Hallam University, UK, an outdated physical education syllabus is failing the fitness of British school children and could threaten the success of the 2012 London Olympics.

A member of several British Olympic groups and a sport lecturer at Sheffield Hallam University, Ms Wigmore claims “the demise of home economics, combined with the onset of fast food and computer game culture and being confined to the house by parents concerned with the perceived lack of safety on the street” have added to young obesity issues. However, she also believes school physical education, which is comparable to the 1933 curriculum, doesn't engage children with “far too much emphasis on competitive games”.

She stated, "We have got to move away from the health aspect and start promoting the social. Children are becoming adults much younger and are worried about their hair, nails and getting sweaty—telling an 11-year-old that sport will make them healthier at 50 doesn't register. However showing that activity can help them make friends and be happy in a range of environments will help them enjoy moving their bodies again, whilst coincidentally improving their health.”

She added, "I'm angered by the negative media around the London 2012 Olympics. It is a very important occasion for the UK. The Olympics has brought together nations since 1896. ‘Olympism’ is still strong promoting friendship, tolerance and understanding. We are showcasing the nation across the world, and particularly given our current involvement in the Middle East, this has got to be good opportunity to show other facets of our nation.”

Ms Wigmore will discuss how physical education can contribute to creating active people for life and establishing appreciative spectators and volunteers for the 2012 Olympics at a public lecture at Sheffield Hallam University on January 17.

New president named at Levi Strauss Europe

17 Jan 2007

American jeans and casual wear manufacturer Levi Strauss & Co. has appointed Armin Broger—currently CEO of jeans company 7 For All Mankind Europe BV—as president of its European division with effect as of the end of February.

As CEO of 7 For All Mankind in Europe, Mr Broger has spearheaded the international expansion of the denim brand.

Levi Strauss reported 2005 revenues of $4.1 billion.

BTWW Retail and Corral West Ranchwear announce merger

17 Jan 2007

Texas-based workwear retailer BTWW Retail, L.P. is to merge with Wyoming-based retailer of brand name and private label workwear and ranchwear goods to create the largest work apparel retailer in the United States.

Following the merger, the company will own 138 retail outlets in 20 states, and hopes to expand its presence through new store openings and acquisitions.

Corral West’s CEO Leslie Ball, the former chairman of Macy’s Midwest and president of Macy’s East, together with CFO Larry Hager, a former senior executive with Montgomery Ward & Co., will assume senior management roles in the combined company and retain their respective titles of CEO and CFO. John Talbot of BTWW and Steve Farkas of Corral West will assume the roles of divisional president and senior vice president respectively.

The transaction involves Corral West Ranchwear and Work Wear Depot, the subsidiary brands of Corral West, and Western Warehouse, Boot Town, Job Site and Sergeant’s Western World, the subsidiary brands of BTWW.

Corral West currently markets a selection of apparel, footwear and accessories through 95 retail stores located in 19 states, predominantly in the Rocky Mountain region and western USA. Core brands include Wrangler, Ariat, Carhartt, Levi’s Cinch, Roper and Justin Boots.

BTWW currently offers apparel, footwear, tack and accessories, including its own private label offerings through 43 retail stores located in five states.

Vaude wins ‘iF Product Design Award’ for bike bags

17 Jan 2007

Germany-based outdoor apparel and equipment manufacturer Vaude’s bike bag line ‘Discover’ has been awarded the ‘iF Product Design Award 2007’.

Judges were said to have been impressed by the product’s combination of seamless welding methods—which meet with the Ultra Seam Tech Standard. The Discover line is a new type of bike bag that combines waterproofing, toughness, a textile look and low weight with sleek technical design. The bags will be available in

retail outlets in February.

The International Forum Design (iF) provides a range of design-related services and is well-known for its design award, which has been in existence since 1954. The competition attracts over 1,800 entries from 30 different countries.

Genesco completes Hat Shack acquisition

17 Jan 2007

Nashville-based footwear, headwear and accessories retailer Genesco Inc. has reported that its Hat World subsidiary has completed the acquisition of all the outstanding stock of Hat Shack, Inc. for a purchase price of $16.6 million, after preliminary closing adjustments anticipated in the purchase agreement. Hat Shack operates 49 retail headwear stores.

Huntsman completes sale of Australian Polyester Resin Assets

17 Jan 2007

Huntsman Chemical Company Australia Pty Ltd. (HCCA), part of American chemical company Huntsman's Base Chemicals and Polymers division, has completed the sale of its Polyester Resins (composites) business assets to Nuplex Industries Ltd. for A$9.6 million ($7.5 million) in cash plus the value of inventory and other stock in trade at the completion date. The total transaction value is A$20.3 million, subject to post closing adjustments, which includes additional consideration payable over a three-year period upon achieving certain associated earnings targets.

The assets sold include HCCA's polyester, vinylester and gelcoat manufacturing assets. Annual sales from the business total approximately A$53 million.

Huntsman manufactures and markets differentiated and commodity chemicals for industries including textiles, footwear, chemicals and plastics.

SBI sells rights to Fila footwear and apparel

17 Jan 2007

Fila Korea Ltd. and Sport Brands International Ltd. (SBI) have entered into a definitive agreement for the sale of the global Fila footwear and apparel business to Fila Korea for an undisclosed purchase price.

The sale is structured as a sale of SBI's subsidiary, Fila Luxembourg, which holds the rights to the worldwide use of the brands and trademarks of Fila. SBI will retain Cloudveil Mountain Works, Inc. and Motionwear, Inc. following the sale.

Yoon-Soo (Gene) Yoon, chairman of Fila Korea who, in 2005, completed a successful management buyout of Fila Korea stated, "We are very excited to acquire the worldwide Fila business. Fila is widely recognised as one of the premier global sports brands and we believe it has tremendous untapped potential. We look forward to working closely with Fila's talented management team and regard the existing employees as a valuable asset of the business."

Marks & Spencer launches £200 million 'eco-plan'

18 Jan 2007

Marks & Spencer has unveiled its new 'Plan A', a £200 million ($393.6 million) 'eco-plan' which will affect every part of the company's operations over the next five years.

Chief executive Stuart Rose said, "We believe a responsible business can be a profitable business. We are calling this 'Plan A' because there is no 'Plan B'."

He said that the company will only buy carbon offset as a last resort; will ensure that none of its clothing or packaging needs to be thrown away; much of its polyester clothing will be made from recycled plastic bottles rather than oil and over 20 million garments made from Fairtrade cotton will be on sale each year.

According to the founder director of Forum for the Future, Jonathon Porritt, who has advised M&S on 'Plan A', the company is hoping to raise the bar for other retailers and business across all markets.

The measures have also met with approval from Greenpeace UK and WWF-UK.

Organic trends from Mission Playground at OR

18 Jan 2007

California-based clothing and accessories company Mission Playground will launch its autumn collection, made from 100% organic cotton, recycled cotton, recycled polyester, bamboo charcoal, organic wool, Merino wool, Lyocell, organic denim and recycled polar fleece at the Outdoor Retailer Winter Market that will be held in Salt Lake City on January 27-30.

The company uses designs and messages that encourage global awareness and respect for the environment. Products range from plaid organic fleece and peached flannel to corduroy jackets and mountain camouflage organic rip-stop cargo pants and skirts. Merino wool and recycled polar fleece beanies, organic canvas hats and organic hemp denim caps have been added to its accessories line from previous seasons.

Lanxess to speed development at Saltigo

18 Jan 2007

German chemicals group Lanxess has announced plans to develop its fine chemicals subsidiary Saltigo and has already earmarked €30 million to modernise its plants in Leverkusen and Dormagen, and implement new work time models. This will require a review of production and the workforce and the company has already begun negotiations with employee representatives.

According to Lanxess' management board chairman Dr Axel Heitmann, "The decision made in early summer 2005 to realign the fine chemicals business, which had been making substantial losses, led to a turnaround." However, the company stated that despite higher capacity utilisation and a steady increase in earnings, profitability is not yet satisfactory by the company's international standards.

Saltigo has special expertise in the custom manufacturing of fine chemicals, which means products are manufactured on an exclusive basis according to customer requirements. It currently employs approximately 1,400 staff in Leverkusen and Dormagen and posted sales of approximately €400 million in 2005. It produces a wide range of products and serves many markets including polymer additives and auxiliaries, high-tech monomers, and dyes and pigments.

Burlington Coat Factory posts higher Q2 sales

18 Jan 2007

US retailer of branded apparel Burlington Coat Factory has posted higher sales for the second quarter ended December 2. Net sales increased 4.2% to reach $39.4 million, whilst comparative store sales decreased 2.4% during the quarter. Although comparative store sales increased 5% in September, they decreased 1.3% in October and decreased 8.8% in November compared with the same months last year. The decrease has been primarily attributed to unseasonably warm weather in certain regions of the United States.

The company currently has a store base of 373 stores in 44 US states, and offers merchandise including ladies sportswear, menswear, coats, and family footwear.

Savane signs agreement with Traptek and Burlington Labs

18 Jan 2007

PEI Licensing, a wholly-owned subsidiary of Perry Ellis International, Inc. and the owner of the men's casual sportswear brand Savane, has established a licensing deal with Burlington Labs and TrapTek, LLC, the owner of the Cocona trademark and technology, to launch golf trousers incorporating Cocona—a natural carbon-fibre technology derived from coconut shells.

"The future of golfwear is technologically driven," stated Gary Rubin, vice president and brand manager of Savane.

Cocona fabrics offer patented permanent features in the fibre yarns including wicking, odour resistance, and UV protection.

The complete Savane Sportswear Collection will be featured at the upcoming MAGIC show, which will take place in Las Vegas, USA, February 13–16.

NGC expands to meet demand for PLM and global sourcing solutions

18 Jan 2007

New Generation Computing (NGC)—a wholly-owned subsidiary of American Software Inc—is expanding its New York City office in response to customer demand for its end-to-end PLM and global sourcing solutions for the apparel and sewn products industries.

The company's solutions include e-PDM software for Product Lifecycle Management (PLM); e-SPS software for global sourcing; and RedHorse software for enterprise resource planning (ERP). Customers include VF Corporation, Russell Corp, Haggar Clothing Company, Landau Uniform, Dick's Sporting Goods, and Wilson's Leather.

Headquartered in Miami, NGC has offices in New York and Los Angeles, as well as China, India, Mexico and El Salvador.

Christian Eschler celebrates 80 years in the industry

18 Jan 2007

Family-owned, Switzerland-based producer of knits Christian Eschler AG, is celebrating its 80th anniversary in 2007 and is marking the occasion with a relaunch of the company's brand.

Whilst being proud of its 80-year history the company—which is now managed by the third generation of the Eschler family, brothers Alex and Peter Eschler—the company is looking to the future by implementing new technology, looking into new markets, and creating a new image. With this in mind Eschler plans to consolidate its market strategy and concentrate on creating a single top brand. "With our new approach we want to release and make use of synergies. We would like to share them with our customers; consumers should ask specifically for Eschler textiles—made in Switzerland—and not just any

anonymous brand," said CEO, Peter Eschler. "Our strength lies in our technically highly-developed, functional textiles, which are comfortable to wear. You cannot explain this difference, you have to feel it. That is what we are inviting our customers to do, with our new slogan "Touch Swiss Comfort". He added that by reassessing its product groups and simplifying its layer system (the Eschler Comfort System), the company hopes to achieve a more modern look for its finished product and offer the consumer clearer information with new hangtags and labels to assist them when buying an Eschler product.

Sports apparel sales add to Yue Yuen financial results

19 Jan 2007

Hong Kong-based manufacturer of athletic and casual footwear Yue Yuen Industrial (Holdings) Limited has posted positive financial results for the year ended September 30, 2006.

Total turnover rose year-on-year by 15.9% to approximately $3,657.4 million and net profit increased by 18.7% to approximately $353.6 million.

Revenues increased significantly in the Greater China region, climbing 80.4% year-on-year to $305 million.

The group recorded sustained sales growth in light of the increase of its footwear manufacturing business and strong contributions from its Greater China wholesale and retail operations. There was a balanced increase in the production of athletic shoes and casual/outdoor shoes, which grew by 11.1% and 12% respectively in fiscal 2006.

The group produced a total of 196.4 million pairs of shoes, a rise of 5.6% compared with the previous year. The average selling price continued its upward trend, reflecting a product mix change and the increase in underlying material costs.

The sports apparel and accessories manufacturing operation recorded a 34.2% increase in turnover to $61.7 million in fiscal 2006.

Blundstone opts for cheaper Asian production facilities

19 Jan 2007

Australia-based manufacturer of heavy-duty work and protective safety footwear Blundstone Pty. Ltd. has announced plans to shut down its factory in Tasmania in favour of more cost-effective units in India and Thailand. Production costs are said to represent approximately 20% in these countries compared with those the company is currently incurring in Australia. 360 jobs are likely to be affected by the move.

The company has been in operation since 1870 and services markets in Australia, New Zealand, Asia, Europe, North America and Scandinavia. It is one of a small number of footwear manufacturing companies with its own tannery, which was built in 1830. The tannery operation was the pilot development for a CSIRO tanning methodology, based on the recovery and recycling of chemicals.

Saurer posts higher orders and sales

19 Jan 2007

Switzerland-based manufacturer of spinning, texturising, twisting and embroidery systems Saurer booked orders worth €2,030 million in 2006, an increase of 39% compared with the previous year's €1,464 million. Sales of €1,896 million were 21% above the previous year's figure. At the end of the year, the order backlog in the textile division was €586 million, the highest level ever recorded by the company.

In the Textile division, the market for ring spinning machines was consistently strong, and from the second quarter onwards the rotor and filament spinning market also saw an improvement. The Asian markets, with China and India in the fore, as well as Turkey showed particularly positive growth.

Following the completion of the acquisition of Saurer by OC Oerlikon, Saurer's annual report and financial statement will be published concurrently with those of OC Oerlikon on March 27.

Accumed expands development of military products

19 Jan 2007

US developer of high tech textiles for the military, medical, safety, sporting goods and footwear industries Accumed Innovative Technologies has announced that it is to increase its workforce by more than 35% in 2007 in order to develop new products for the US military using its Breathe-O-Prene technology. The company, which was approached by the US military, plans to develop technologies that are designed to help US soldiers to withstand extreme weather and combat conditions. This will include developing body armour components and solutions for chemical and biological warfare.

"AccuMed will ramp up additional manufacturing that will increase our workforce by more than 35% in 2007 creating jobs for skilled sewers and administrative positions," said Michael DiMeo, vice president of Sales. "Recently, Accumed Innovative Technologies Inc. was approached by the US military to develop Breathe-O-Prene based cutting edge wearable solutions

for our soldiers that address various threats that range from ballistic to biochemical in nature.”

The company is now working with other companies and research organisations that supply military products and, if the US military approves the final product, Accumed has the opportunity to manufacture three to four million units—a contract that could reach $90 million over five years.

The company hopes to be able to produce the products in-house but stated that if would use domestic subcontractors if necessary.

Accumed’s core product Breathe-O-Prene is a fabric that utilises an open-cell construction that maximises breathability and moves moisture away from the skin.

Warnaco group president resigns

19 Jan 2007

Roger Williams, group president, Swimwear, at The Warnaco Group, Inc. has resigned, citing personal reasons. The company has initiated a search for a replacement. In the meantime, Sherry Waterson, president of Speedo, and Paula Schneider, president of Designer Swimwear, will report directly to Joe Gromek, Warnaco’s president and CEO.

Headquartered in New York, Warnaco designs and sells intimate apparel, menswear, jeanswear, swimwear, men's and women's sportswear and accessories under brands including Speedo, Cole of California, Chaps, Ocean Pacific, Nautica, and Calvin Klein.

Rapid progress in restoring staple fibre production at Trevira plant

19 Jan 2007

Trevira’s programme to restore production at its fibre spinning plant in Bobingen, Germany, which caught fire on December 30, is progressing well. Eight of the 14 machines have been operational since January 2, and the company is confident that full production will resume at the plant in March.

An inspection confirmed that the fire had been started by a cable catching fire. The damage will cost several million euros to repair.

A temporary agreement with the works council has been put in place to deal with arrangements for reduced manning levels.