Business Week
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Improved results at Eddie Bauer

21 May 2007

Casual sportswear and accessories retailer Eddie Bauer Holdings, Inc. has reported improved financial results for the first quarter ended March 31.

Total revenues increased approximately 10% to reach $214 million from $194.5 million in the first quarter last year. This included net merchandise sales of $200 million, shipping revenues of $8.7 million, licensing royalty revenues of $3.5 million, royalty revenues from foreign joint ventures of $1.5 million, and other revenues of $0.3 million.

The company posted a net loss of $44.8 million—which included a previously announced $5 million merger termination fee and $1.4 million in legal fees and expenses related to the company's proposed sale to an affiliate of Sun Capital Partners and Golden Gate Capital $3.2 million of accelerated stock-based compensation expense, related to the resignation of its former CEO, and a $1.6 million legal settlement—compared with a net loss of $35.6 million in the same period in 2006.

Everlast sponsors USA Boxing

21 May 2007

US-based designer and manufacturer of boxing and fitness related sporting goods apparel, footwear and equipment Everlast Worldwide Inc. has signed a two-year sponsorship and licensing agreement with US Amateur Boxing, Inc. (USA Boxing), the governing body for the sport of amateur boxing in the USA.

Under the agreement, Everlast will become the exclusive boxing equipment supplier for USA Boxing and its athletes for all USA Boxing and International Amateur Boxing Association tournaments, world competitions, Olympic trials, and camps for the men's, women's, and junior Olympic programmes.

SDC Enterprises expands

21 May 2007

As a result of increased demand for its colour fastness testing products for the global textile supply chain, UK-based SDC Enterprises, the wholly-owned trading subsidiary of the Society of Dyers and Colourists (SDC), recently relocated to larger, premises in Bradford, West Yorkshire.

Commenting on the move, general manager, Lynne Ramsden, said, "This is a natural and logical move which will enable us to better serve our customers worldwide. We had outgrown our existing premises and needed somewhere more suited to our future expansion plans, our aim is to despatch even the largest order on the same or next day anywhere in the world."

Lenzing posts a strong quarter

21 May 2007

Austrian producer of cellulose fibres and plastics Lenzing has posted improved results for the first quarter, boosted by strong organic growth at its cellulose fibres business and acquisitions at Lenzing Plastics.

Consolidated sales of the group rose 13.8% to €297.2 million from €261.2 million in the same period of 2006, driven by further production increases in its fibres business. Strong demand for viscose fibres benefited the Business Unit Textile Fibers as well as Business Unit Nonwoven Fibers and the company used the favourable market development to further improve its product mix of high-quality fibre specialities and to implement price increases. All of its production plants are now running at full capacity.

McRae wins new military contract

21 May 2007

McRae Industries, Inc. has been awarded a new contract to produce direct moulded sole military combat boots for the US Government. The contract covers a base year—which provides for a minimum boot requirement of 84,731 pairs and a maximum requirement of 346,837 pairs with a minimum and maximum dollar value of approximately $5.335 million and $21.84 million, respectively—and four one-year option periods. If the maximum quantities are invoked in each of the option years, the total value of the contract would be $106.757 million.

China's trade in goods set to exceed $2 trillion

21 May 2007

According to a Ministry of Commerce report, as a result of optimising economic structure, improving efficiency and lowering energy consumption, China's trade in goods will surpass $2.1 trillion in 2007, a 20% increase year-on-year.

Trade volume in the first quarter of 2007 reached $457.7 billion, up 23.2%, whilst the trade surplus nearly doubled to $46.4 billion from the comparable period in the prior year. Trade in goods increased by 27.4% in the period January to April.

USA imposes anti-dumping tariffs on polyester staple fibre

21 May 2007

Following a determination by the US Department of Commerce that certain polyester staple fibres from China are being sold in the United States at less than fair value, the Department of Commerce will issue an anti-dumping duty order.

The order will only apply to goods that entered the USA from China after December 26, 2006.

EATP conference focuses on Turkish textile industry

22 May 2007

Participants from 16 countries attended a conference hosted by the European Association for Textile Polyolefins (EATP) in Istanbul, from May 7-8. The theme was 'Challenges and opportunities in the changing world of polyolefin textiles'.

Textile polyolefins are a major sector of the European textile industry, producing polymers, fibres, fabrics and a wide range of other products from polypropylene (PP) and polyethylene (PE). European output of polyolefin textiles exceeds €3 billion ($4 billion) a year. There is a vast range of applications for these products including sportswear, home textiles, hygiene and medical products and packaging.

17 presentations were given by industry representatives, including five from Turkish speakers. Themes included: the Turkish economic framework; polyolefin feedstocks and polymers; developments in fibres and yarns in Spain and Slovakia; growth of polyolefin textiles in Turkey; the future of the European textile industry; and supply chain management.

The next EATP Executive Seminar will be held in Vienna from May 19-20, 2008.

New co-presidents appointed at Speedo

22 May 2007

Swimwear brand Speedo International, part of the Pentland group, has named David Robinson and Andy Long as co-presidents of the company, effective immediately. Mr Robinson and Mr Long, who have been acting as interim co-heads since December, will report directly to the company's CEO, Andy Rubin.

Mr Robinson joined Speedo in July 1995 from Puma. In his new role he will lead product, design and marketing.

Mr Long joined Speedo in September 2005 from UK retail chain Boots. He will now lead business development and HR in addition to his current responsibilities for finance and the supply chain.

Nike donates $6 million in footwear for teens

22 May 2007

Nike, Inc. has launched its NikeSummerShoes programme, which will provide more than 60,000 pairs of shoes—worth an estimated $6 million—to young people in 21 communities across the USA to encourage active leisure activities such as sport and dance this summer.

The scheme was devised in partnership with the National Recreation and Park Association (NRPA), whose 'Step Up to Health' initiative is designed to use park and recreation facilities to promote healthy lifestyles.

The programme will launch in New Orleans with a free pair of shoes for every middle and high school student in the city, equating to more than 13,000 pairs of athletic shoes. Athletes, including New Orleans Saints running back Deuce McAllister, will attend the event.

Analysis and forecasts for US textile machinery sector released

22 May 2007

Dublin-based research company Research and Markets has produced a 145-page report entitled 'Textile Machinery Manufacturing Industry in the US and its Foreign Trade (1996-2008)'.

The main focus of the US textile machinery companies covered is the manufacture of threads, yarns and fibres. The report provides current and detailed analysis of the industry as well as predictions for its future.

New AAFA safety training seminar

22 May 2007

The American Apparel & Footwear Association (AAFA) and the Occupational Safety and Health Association (OSHA) have introduced AAFAOSHA Alliance Volume 2: A Guide to Implementing an Ergonomics Process, a half-day, ergonomics training seminar led by industry safety and health experts in Charlotte, North Carolina.

It aims to raise awareness about the importance of injury and illness prevention in the workplace.

CEO of The Wet Seal steps down

23 May 2007

Joel Waller, president and CEO of California-based retailer for young women The Wet Seal, Inc., is to step down from these roles on February 1, 2008, the scheduled expiration date of his employment agreement.

The company is now looking for a suitable candidate to take over the role.

Higher Q1 sales at Pacific Sunwear

23 May 2007

Apparel, accessories and footwear retailer Pacific Sunwear of California, Inc. has reported that total sales for the first quarter ended May 5 were $320.6 million, an increase of 6.9% over sales of $299.9 million during the first quarter of 2006, ended April 29.

However, the company recorded a net loss of $5.1 million compared with net income of $11.9 million in the first quarter of 2006.

Gander Mountain to open nine stores

23 May 2007

Minnesota-based retailer of hunting, camping, marine and outdoor products Gander Mountain will open nine stores this autumn. This completes the company's plan to open 13 new stories in 2007, bringing its total number of stores to 115.

The stores will be located in: Waukesha, Wisconsin; Jackson, Tennessee; Rochester, Minnesota; Jacksonville, Florida; Lubbock, Texas; Evansville, Indiana; Hattiesburg, Mississippi; Richmond, Virginia; and Bowling Green, Kentucky. The Waukesha and Rochester locations will replace existing Gander Mountain stores, while the remaining seven stores are new locations.

All stores will have outside selling areas for boats, ATVs, and other large items.

Each will include an in-store gunsmith, a full-service archery shop with shooting lanes, a bait shop, ATV and marine service and a Gander Lodge meeting space available to local organisations free-of-charge.

Lanxess pushes growth in Asia

23 May 2007

A year after launching a group-wide initiative 'Lanxess goes Asia', the German chemicals company is now pushing further growth in the region with plans to double its production capacity for high-tech plastics, open a state-of-the-art polymer development lab and a rubber research centre, as well as making China one of the top five candidate locations for a new ion exchange facility.

Under the initiative, Lanxess' Semi-Crystalline Products business unit, plans to bring a second production line into operation at its development centre for high-tech plastics In Wuxi, near Shanghai in the fourth quarter of 2007, thereby doubling production capacity; the company's Technical Rubber Products business unit plans to set up a rubber research centre in Qingdao; and Lanxess is currently analysing the Chinese locations of Nanjing and Ningbo as candidates for a new facility in Asia for producing ion exchange resins.

"China continues to be our biggest growth driver in Asia," said Axel Heitmann, chairman. "The increase in our production capacity and the strengthening of research and development in China means that we are even better equipped to meet the demands of the Asian markets and are able to secure further competitive advantages for ourselves through innovative solutions."

New UK and Ireland manager for TNF

23 May 2007

Outdoor apparel and equipment company The North Face has appointed Andrew Barker as country manager for The North Face UK & Ireland, effective immediately. He replaces Kevin Charles who has been appointed as Vans EMEA sales director and will be based at the company's Lugano headquarters in Switzerland.

Prior to this appointment Mr Barker was UK sales manager, a position he has held since November 2006. This role will now be filled by Jason Robinson.

Polo Ralph Lauren takes control at Impact 21

23 May 2007

Polo Ralph Lauren Corporation has completed its previously announced public tender offer for the approximately 80% of the outstanding shares of Impact 21 Co., the company's Japanese sub-licensee for men's, women's and jeans apparel, and accessories.

Upon settlement of the tender on May 29, Polo Ralph Lauren's ownership of Impact 21 will be 19.22 million shares, or 97.2% of the outstanding shares. The company will acquire the remaining outstanding shares for cash in accordance with established procedures under Japanese law.

Rayonier names new CFO

24 May 2007

US-based cellulose fibre producer Rayonier has appointed Hans Vanden Noort as senior vice president and chief financial officer, effective June 1. He has served as senior vice president and chief accounting officer since August 2005. In his new position, he will have responsibility for all controllership, treasury, tax, investor relations, internal audit, information technology and risk management functions.

Rayonier is involved in three core businesses: performance cellulose fibres, timber and real estate.

US sales slip at Foot Locker

24 May 2007

New York-based athletic retailer Foot Locker, Inc. has reported lower sales for the first quarter ended May 5.

Sales decreased 3.6% to $1,316 million compared with $1,365 million for the corresponding prior-year period, whilst comparable store sales fell 5.1%

Net income fell to $17 million, significantly lower than the $59 million reported in the comparable period a year earlier.

Reflecting on the disappointing performance, chairman and CEO Matthew Serra stated, "Our first quarter financial results reflected a weak performance in each of our US businesses partially offset by a solid profit increase at our international operations," adding, "Because of the disappointing sales at our US stores, we increased our promotional posture to help clear older goods and reduce inventory levels. As a result, our gross margin in our US store businesses fell significantly short of our plan."

During the quarter the company, which operates 3,930 stores in 20 countries, opened 61 new stores, remodelled/relocated 65 stores and closed 73 stores.

Wellco acquisition completed

24 May 2007

The previously announced acquisition of US manufacturer of military and rugged footwear Wellco Enterprises, Inc. by investment firms Golden Gate Capital and Integrity Brands has now been completed. The deal was an all-cash merger transaction valued at $14 per share.

The Artecola Group makes three acquisitions

24 May 2007

Brazilian adhesives manufacturer The Artecola Group has acquired three Latin American companies in its second expansion phase in less than seven months. The three companies are Chile-based Artiquim S.A., Peruvian Pegamentos Sintéticos S.A., and Argentinean Asequim S.A.

The Brazilian company expects the acquisitions to improve revenues by 39% to in excess of $138.5 million in 2007, with the three firms expected to contribute combined net revenue of $19 million.

Commenting on the addition of the new companies, Eduardo Kunst, managing president of Artecola, said, "The mergers will make it possible for us to offer a higher number of products and services to customers in the three countries," adding, "We will bring together the existing ranges in those countries and Artecola's large variety of products especially produced for several sectors including footwear, wood, paper and packaging, transport, civil construction, textiles and industry in general."

The company operates nine facilities in Brazil and six abroad.

Sympatex relaunches on the sportswear market

24 May 2007

Germany-based developer and manufacturer of functional textiles Sympatex Technology has returned to the sportswear market with a new logo, new products, and a new focus on outdoor sport, cycling, running and winter sports.

According to the company it has decided to concentrate on the outdoor sports, cycling, running, and winter sports

sectors because of the high level of performance required in these activities and the suitability of its laminate products in these areas.

SATRA and Reebok celebrate milestone

25 May 2007

The testing laboratory of the adidas Group at the Reebok headquarters in Lancaster, USA, is celebrating having been accredited by UK-based testing centre SATRA for a decade.

The UK-based technology centre has just renewed the US laboratory's SATRA-accredited status for another year following a comprehensive audit of its control systems, equipment and personnel.

Originally accredited ten years ago under the name of the Rockport Company, the laboratory was one of the first to join the SATRA accreditation scheme shortly after it was launched.

Paxar launches 'green' labelling solutions

25 May 2007

In line with the general trend in the apparel industry towards ecological awareness and social responsibility through the adoption of organic fabrics and ethical, fair trade products, labelling solutions supplier Paxar has launched a range of textile labels made of natural raw and recycled materials.

The new range includes labels, tags and tickets made of materials such as recycled beer mats, recycled paper and recycled plastics as well as natural raw materials such as bamboo yarns, hemp cords and corn starch bio-plastic.

Commenting on the new products Kai Olschinski, Paxar's product manager for Central Europe said, "We're delighted with our evolving range of 'green' labelling solutions. Customers can be assured that our natural as well as our recycled materials will fully complement eco-friendly fashions without compromising on quality or design."

Sales rise 44% at Zumiez

25 May 2007

Zumiez Inc., the US retailer of sports related apparel and footwear focused on skateboarding, surfing, snowboarding, motocross and BMX has posted record results for the first quarter ended May 5.

Total net sales increased 44% to $68.8 million from $47.8 million in the first quarter of the prior fiscal year, whilst comparable store sales increased 11.3%.

Net income reached $1.6 million versus $1.1 million.

The company opened 19 new stores in the first quarter and plans to open a total of 50 new retail outlets during fiscal 2007, most of which will be opened by the end of the third quarter.

VF Imagewear extends licence agreements

25 May 2007

Following on from its acquisition of Majestic Athletic, a global provider of authentic sports licensed apparel and branded uniforms for major league baseball, VF Imagewear, Inc., a subsidiary of VF Corporation has extended its strategic licensing agreements with both Major League Baseball Properties (MLB) and the Major League Baseball Players Association (MLBPA).

The agreements are said to solidify the global apparel licensing rights that were held separately by Majestic Athletic and VF Imagewear, covering authentic, replica and fanwear products.

The agreement with MLBPA will run until 2012, while the agreements with MLB Properties were extended through to 2014.

VF Imagewear has two primary divisions, Image and Activewear. The Activewear division markets branded apparel under agreements with licensors such as the MLB, MLBPA, the National Football League, and the National Hockey League.

TV executive joins Polo Ralph Lauren board

25 May 2007

Polo Ralph Lauren Corporation has named Bob Wright to the company's board of directors, increasing the number of board members to twelve. He currently serves as vice chairman of the board, an executive officer and a member of the corporate executive office of the General Electric Company.

Mr Wright joined TV network NBC as president and chief executive officer in 1986 and served as chairman and CEO and served as chairman and chief executive officer of NBC Universal from May 2004 to February this year, and as chairman of the NBC Universal board of directors until May 1.

Polo Ralph Lauren's brands include Polo by Ralph Lauren, Ralph Lauren Purple Label, Ralph Lauren, Black Label, Blue Label, Lauren by Ralph Lauren, RRL, RLX, Rugby, RL Childrenswear, Chaps and Club Monaco.