Business Week
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Under Armour appoints new European president from Puma

09 July 2007

US developer of performance apparel and footwear Under Armour, Inc. has appointed Peter Mahrer as president and managing director for Under Armour Europe, B.V. In his new role, based in Amsterdam, he will oversee all European operations including executing the company's international growth strategy and expanding distribution in Europe, the Middle East and Africa. He replaces Ryan Wood who is returning to the USA.

Mr Mahrer joins the company from Puma AG where he most recently served as head of International Sales and general manager, Central Europe.

Huntsman raises prices

09 July 2007

The Textile Effects Division of Huntsman has announced that it is to raise prices, effective this month. According to the company the price increases are necessary to offset continued increases in labour, raw materials, utilities and transport costs over the past few years and to ease the "continued downward pressure on its operating margins that can no longer be accepted".

Adidas enters NASCAR

09 July 2007

Adidas and NASCAR Nextel Cup Series driver Dale Earnhardt Jr. have entered into a multi-year partnership, under which adidas will design and produce a full line of Dale Jr. footwear, apparel and accessories including his future racing suit and technical footwear as well as off track footwear and fan apparel. The new collection will debut at the 2008 season opener in Daytona.

Mr Earnhardt will work directly with the adidas Innovation Team to design and create his racing suit and technical driving shoes, which is likely to include features such as ClimaCool.

Schoeller to unveil SS09 collection

09 July 2007

Swiss technical fabric developer Schoeller will showcase its spring/summer 2009 collection at Outdoor Friedrichshafen on July 19-22, including its latest development ColdBlack—a new fabric finish designed to keep dark coloured fabrics cooler.

Although dark colours are generally believed to absorb more energy from sunlight, ColdBlack is said to absorb less heat. Initially being launched for the motorcycle market the textile is also said to be fall-proof.

Heelys names new VP

09 July 2007

US designer of action sports-inspired products, including its well-known heeled footwear, Heelys, Inc. has named John O'Neil as vice president – International. In his new role, Mr O'Neil will oversee all aspects of Heelys' international business, including managing international distributors.

He joins the company from Dunham Bootmakers, a division of New Balance AS Inc., where he served as International business manager.

Creora launches eco fabric collection at ispo

10 July 2007

Designed to meet environmental standards and regulations, elastane brand Creora, produced by Korean manufacturer Hyosung Corporation, has launched a new eco-friendly fabric collection at ispo, currently being held in Munich, Germany.

The company has developed fabrics that use sustainable fibres such as organic cotton, linen, bamboo, soya, Seacell (Lyocell) and recycled polyester, in combination with creora C-400, H-450, H-100D and H-350 fibres.

Creora H-450 and C-400 are low heat settable fibres which can be treated at low temperature with eco-friendly yarns such as bamboo and organic cotton, thus reducing energy costs, oil usage, and Co2 emissions.

H-100D, creora black elastane, is said to eliminate or reduce the use of dyeing and finishing chemicals depending on the processing adopted and is said to require even less dyeing stuff when used with natural yarns. Creora H-350 also reduces the volume of dyestuff required as it can be dyed at high temperatures even with polyester.

The new eco fibres have been developed for use in

intimate apparel, seamless, socks and hosiery, sports apparel and ready-to-wear.

BASF prepares for transformation into European entity

10 July 2007

In preparation for German chemicals company BASF's transformation into a European entity next year, the supervisory board has appointed two new members, Dr Harald Schwager and Dr Wolfgang Büchele, to the board of executive directors, effective January 1. The contracts of two current members, Dr. Kurt Bock and Dr Andreas Kreimeyer, have also been extended until the annual meeting in 2012.

The new appointments were necessary due to the retirement of three current members. Eggert Voscherau, who has been a member of the board since 1996 and is its vice chairman as well as BASF's Industrial Relations director, will retire following the annual meeting on April 24, 2008; Peter Oakley, a member of the board since 1998 and responsible for Agricultural Products & Nutrition, Specialty Chemicals Research and BASF Plant Science, will leave the company to pursue other business opportunities following the transformation of BASF AG into BASF SE; and Klaus Peter Löbbe, who has been a member of the board since 2002 and is responsible for North America and the Catalysts division as well as being chairman and CEO of BASF Corporation, Florham Park, New Jersey, will retire from BASF for health reasons, effective July 31.

Currency concerns jeopardise Indian export targets

10 July 2007

According to the Associated Chambers of Commerce & Industry of India (ASSOCHAM), India's currency appreciated 8.35% between January and June 2007—coming second only to Brazil, which reported a 9.28% increase in the value of the real—and this sharp rise is affecting the South East Asian country's competitiveness in international markets.

According to the report, if the currency situation is not altered India's exports are likely to only achieve $145 billion this fiscal year, far short of the targeted figure of $160 billion for 2007/08.

Whilst Brazil has still reported the most significant rise in its currency at 9.28% during the six-month period, the Indian rupee has appreciated far more than currencies in many other countries such as Thailand (+7.56%), Russia (+2.08%), Malaysia (+1.98%), China (+1.82%), Singapore, Bangladesh, Indonesia, Pakistan and South Korea (all below 1%)—all of which compete with India for international trade.

Tel Rad Cuyo and Freudenberg Nonwovens establish JV

10 July 2007

Argentina-based Tel Rad Cuyo S.A (TRC) and Freudenberg Telas Sin Tejer SA, a subsidiary of Germany-based Freudenberg Nonwovens, have announced the launch of a new joint venture company called Bicomfiber S.A. The new company will produce different types of bi-component fibres for multiple purposes and applications.

TRC, the main shareholder of the new company, is said to be one of the most important producers of polypropylene fibre in Latin America, whilst Freudenberg Nonwovens Latin America is one of the leading nonwovens producers in the region.

Commenting on the new venture, Juan Carlos Borchardt, president of Freudenberg Nonwovens Latin America, said, "We will continue to deliver different types of added-value products to our customer. The raw material sourcing is a key part of our growth strategy. With this new joint-venture we will be able to offer a complete package of different materials for the markets where we are presently active, being better prepared for the new challenges to come."

Bicomfiber will be headquartered near Buenos Aires and will have an annual capacity in excess of 10,000 tons.

Gruvywear expands UV range

10 July 2007

US manufacturer of UV and sun protective swimwear and clothing gruvywear, LLC has expanded its product offering with a new range of US-made products designed specifically for babies and toddlers.

Commenting on the expansion, Cherie Friedman, co-founder, said, "Our new baby line is a natural extension of our core products. They offer the same protection and are specially designed for babies and their moms. They are designed as a two piece suit so diaper changes are now easier than the one piece suits on the market today."

Chinese chemicals account for 10%of GDP

11 July 2007

According to a new report, 'Chemical Industry in China', published by Irish market research company Research

and Markets, the chemical industry is now the third largest sector in China, after textiles and machinery, and accounts for 10% of the country's GDP, as well as for between 35% and 40% of the global demand growth for chemicals. However, despite this growth, China still has a net chemical deficit with the world market and is heavily dependent on imported materials.

The report looks at aspects such as China's competitive edge in the global industry, challenges facing the industry, trends and developments, consolidation, regulatory framework and environment, and the effects of REACH.

Altama wins new DOD contract

11 July 2007

Altama Footwear, owned by US footwear producer Phoenix Footwear Group, Inc., has been awarded a new contract by the US Department of Defense (DoD) for the purchase of hot weather infantry combat boots. The contract is worth a maximum of $99 million over a five-year period.

Altama, which was acquired by Phoenix in 2004, has supplied military specification footwear to the DoD for over 35 years.

Intertextile Pavilion set for success

11 July 2007

More than 230 exhibitors will display a wide range of apparel textiles and accessories at Intertextile Pavilion in Shenzhen on July 12-14, as part of the seventh China (Shenzhen) International Brand Clothing & Accessories Fair. As well as exhibitors from Italy, the UK, Japan and Korea, Taiwan and Hong Kong, many of the 3,000 manufacturers based in Shenzhen and the province of Guangdong will also take part in the show.

K-Swiss launches first free running shoe

11 July 2007

US-based sports footwear designer K-Swiss has launched its first free running shoe, the Ariake, aimed at exploiting the expanding popularity of free running—a sport based on the art of moving through your environment, over obstacles and even buildings, using only your body and the surroundings to propel yourself.

The new shoe was developed in partnership with Sebastien Foucan, who is often referred to as "the founding father of free running" and starred in the James Bond film Casino Royale.

Rayonier names new VP

11 July 2007

US producer of performance fibres Rayonier has appointed Charles Hood vice president, Corporate Affairs, reporting to Lee Thomas, chairman, president and CEO. He succeeds Jay Fredericksen who plans to retire in September after 30 years with the company.

In his new role Mr Hood, who joins the company from Georgia-Pacific, will be responsible for government affairs, corporate communications, community relations, media relations and The Rayonier Foundation.

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

Pacific Textiles posts higher profits

11 July 2007

Hong Kong-based producer of knitted fabrics for well known global brands Pacific Textiles Holdings Limited has posted significantly higher profits for the fiscal year 2006-2007.

During the year revenues reached HK$4,203.4 million ($537.8 million), up 25% year-on-year, whilst gross profit improved 14.9% to achieve HK$922.1 million ($117.97 million). Sales also improved 25% to reach HK$4.203 billion, as did fabric production, which rose 22%.

In spite of the significant increase in profits and sales, the company stated that it faces both opportunities and challenges in the market due to the current business climate in China.

Levi Strauss reports higher revenue

11 July 2007

Levi Strauss & Co. has reported improved financial results for the second quarter ended May 27.

Net revenues rose 6% to reach $1,016 million compared with $961 million for the same quarter in 2006. This improvement was said to largely reflect the success of upgraded and premium products worldwide, strong growth in emerging markets in the Asia Pacific region, and incremental revenues from additional brand-dedicated retail stores worldwide. Net income also improved, rising 14% to $46 million from $40 million, whilst gross profit increased 4% to $463 million compared with $446 million.

China removes import taxes on textile components

11 July 2007

Effective December 31, China will remove import tariffs from components of two types of textile machines—high-speed air-jet looms and automatic winders—in an attempt to encourage domestic textile firms to develop machinery of their own.

Commenting on the decision, a spokesperson from the Ministry of Commerce stated, "The long existing tax-free policies for imported textile machinery have undermined the competitiveness of domestically-produced machines."

China's textile industry is being urged to improve its structure by upgrading technologies and developing more self-owned spinning and weaving machines in the eleventh five-year plan which runs until 2010.

China's trade surplus continues to mount

11 July 2007

In spite of various measures being taken by the government in an attempt to reduce exports, China's trade surplus continued to burgeon in the first six months of 2007, rising a staggering 84% year-on-year to reach $112.5 billion.

Although a large proportion of this growth has been attributed to Chinese exporters rushing to sell abroad before lower export tax rebates rates came into effect, the Asian giant has also cited other countries' economic policies as a reason for the situation.

According to senior trade researcher with the Chinese Academy of International Trade and Economic Cooperation, Mei Xinyu, both the USA and Europe need to adjust their domestic economies in order to rebalance global trade and asserted that China's fast-growing exports are driven in part by the demand of developed countries and it requires not only China's efforts but also those of developed countries to achieve a new balance. "If the US fails to address its 'low savings, high consumption' problem at home, it will be hard for China and other Asian countries to absorb the trade surplus," he said.

Wolverine reports record revenue

12 July 2007

US footwear company Wolverine World Wide, Inc. has reported record results for the 20th consecutive quarter. Second quarter revenues improved 5% to reach $250.3 million from $238.5 million in the comparable period of 2006, whilst for the first six months revenue totalled $531.4 million, 6% higher than the $501.3 million reported a year earlier.

Commenting on the record quarter, CEO and president, Blake Krueger, stated, "Our strong performance in the quarter was broad-based across our branded footwear groups, with the Merrell brand leading the way with strong double-digit gains in both revenue and earnings. Both the Heritage Brands Group and Hush Puppies business also realised solid revenue and earnings gains in the quarter. Planned decreases in the military contract and private label businesses offset other revenue gains in the Wolverine Footwear Group."

Wolverine markets branded casual, active lifestyle, work, outdoor sport and uniform footwear, including Bates, Hush Puppies, Merrell, Sebago and Wolverine. The company is also the exclusive footwear licensee of well-known names including Cat, Harley-Davidson and Patagonia.

Sales rise 48% at Zumiez

12 July 2007

US retailer of action sports-related apparel, footwear, equipment and accessories Zumiez Inc., has posted total net sales of $31.5 million for the five-week period ended July 7, an increase of 48.8% compared with the $21.2 million reported for the five weeks ended July 1, 2006. Comparable store sales also improved, rising 13.7% versus an increase of 12.4% in the same prior-year period.

Eurojersey extends Sensitive range

12 July 2007

Italian fabric developer Eurojersey will launch a new product in its Sensitive fabric range, Sensitive Life, at Interfilière and Lyon Mode City in France in September.

Developed for use in both swimwear and sports apparel, the new fabric is said to provide a high level of protection against chlorine in swimming pools and the minerals and salts found in thermal spas, as well as boosting sports performance through muscle and body support. It has also been awarded Invista's Xtra Life Lycra certification.

Removal of rebates leads to price increases at Huntsman

12 July 2007

Huntsman Textile Effects has announced that it will increase prices in Europe, Middle East and Africa (EMEA), with immediate effect or as soon as contracts

allow. Prices for textile dyes will increase by 10% to 20% whilst prices for textile chemicals will rise by approximately 5%.

“This price increase has become necessary in reaction to continued high crude oil, energy and transportation costs and sharply rising raw material costs caused by the removal of certain preferential export tariffs in China from July 1, 2007. The reduced availability of key raw materials from China caused by the closure of certain production plants due to environmental concerns also played a role”, said Michael Effing, vice president and general manager, EMEA.

Nike names new VP

12 July 2007

Nike, Inc. has appointed Craig Zanon as vice president and general manager of its Global Basketball division. He replaces Larry Miller, who has been named team president of the Portland Trail Blazers.

Prior to this appointment Mr Zanon was responsible for Nike’s consumer categories in the USA.

Impact absorbing footwear from Hi-Tec

13 July 2007

London-based sports equipment producer Wigmore Sports is supporting the launch of UK footwear company Hi-Tec’s new Indoor Court shoe collection this autumn. Research carried out by biomechanical expert Quintic Consultancy, which includes pressure mapping and high-speed video analysis, revealed that squash and badminton players are exposed to significant impact forces of up to six times their bodyweight. In response, Hi-Tec claims to have incorporated up to 38% more effective heel impact absorption, 34% reduction in force when a shot is played, improved stability and six times better grip in its new range compared with other brands.

Strong Hong Kong debut for Anta

13 July 2007

Shares of Chinese athletic footwear producer Anta Sports Products increased by 42% on its Hong Kong Stock Exchange debut. Its offer price of HK$5.28 ($0.68) finished the day at HK$7.5 per share. The company opened with shares peaking at HK$7.91 at the morning close, a 50% increase from its offer price.

Some 381 million Anta shares changed hands on a turnover of HK$2.9 billion.

Chairman Ding Shizhong said the ‘Beijing Olympic effect’ is likely to further impact share performance, as could the company's collaboration with its NBA partner, Houston Rockets.

Sensitive fabrics at Reality Beach

13 July 2007

Italian fabric developer Eurojersey’s Sensitive fabrics are to be showcased at the ‘Reality Beach’ event at the Swim Show 2007, held July 15-19 in Miami.

The fabrics, which offer chlorine resistance, prolonged shape retention and advanced fit, will be presented in collections from La Perla Beachwear, Speedo and Banana Moon, among others.

Sensitive is made from a mixture of Meryl microfibre and Lycra. The inner structure allows a fabric thickness reduction of 50%, making it soft and ultralight. It also provides quick drying, high breathability and UV resistance.

Sensitive Classic can be used to make swimwear garments, while Sensitive Power compresses the muscles and body, thus aiding sports performance.

Surfing industry continues to grow

13 July 2007

According to the Surf Industry Manufacturers Association (SIMA), sales within the US surf industry continue to rise, with two-year sales increases close to $1 billion. The 2006 SIMA Retail Distribution Study indicates that the surf industry has grown 14.5% from $6.52 billion in 2004 to $7.48 billion in 2006 and does not appear to be slowing down.

SIMA president Dick Baker said: “Maintaining authenticity to core surf customers by distributing through surf and skate shops is what is helping to keep surf brands cool and relevant.” In 2006, there were 5,048 US surf/skate shops compared with 4,741 in 2004.

Huntsman accepts Hexion proposal

13 July 2007

US-based manufacturer of differentiated chemicals and pigments Huntsman Corporation has terminated its previously announced merger agreement with Netherlands-based Basell AF and has now agreed to a definitive merger agreement with Hexion Specialty Chemicals, Inc., for a total value of approximately $10.6 billion, including the assumption of debt.

According to Huntsman, the Hexion transaction was deemed to be a superior proposal to the Basell offer and was unanimously approved by the board of directors. It remains subject to customary closing conditions, including regulatory approval in the USA and in Europe, as well as the approval of Huntsman shareholders.

Indian government implements tax relief on textiles

13 July 2007

In view of the rupee's significant appreciation against the US dollar in recent months, and calls for assistance from many industrial sectors, the Indian government has announced tax relief on several export products, including textiles and sporting goods.

Announcing the move, Shri Vinod Rai, secretary, Financial Sector at the Ministry of Finance, said, "In the recent months, the Indian rupee has appreciated vis-a-vis the US dollar. Exporters of goods and services from India have brought to the notice of the government the difficulties they face as a result of this rupee appreciation. The matter has been considered by the government and it has been decided to provide relief."

Ispo Sport & Style attracts 17,500 visitors

13 July 2007

Approximately 17,500 trade visitors from 89 countries attended ispo Sport & Style in Munich, Germany, on July 8-10, where some 821 exhibitors from the sports, fashion and shoe industries presented their summer 2008 products and collections.

According to the organisers, almost all of the exhibitors welcomed the new concept to the show, but highlighted certain areas that could still be improved, especially with respect to the arrangement of product groups and the trade fair categories.