Business Week

21st Mar 05 – 27th Mar 05

No safeguard quotas for textile industry, says EU

21 March 2005

Peter Mandelson, European Union's trade commissioner, has ruled out a return to former quota system for textiles and stated that they would only be used as a last resort. The statement follows his recent visit to China and comes as a response to European textile manufacturers who have been pushing for measures to prevent the cheap imports from harming their industry.

Instead, Mr Mandelson has promised to create guidelines that would set out clear danger zones. These, if reached through increasing imports from China, would be investigated with a view to determining their impact on trade flow disruption, harmfulness to the European industry and the likely impact on producers in vulnerable developing countries.

Mandelson said there could be no question of going back to the old quota system and that the Chinese authorities have taken steps to slow export growth. He stressed that he was fully conscious of the political importance this has for many of EU member states.

On January 1 import quotas, established in 1974, came to an end. In January 2005 China's textile and garment exports rose by 13.93% year-on-year to $3.74 billion and imports to the European Union soared by 46%. China's textile and clothing exports totalled $97.4 billion in 2004, according to China's General Administration of Customs.

Gerber Technology launches WebPDM 5.0

21 March 2005

Gerber Technology has announced the release of WebPDM Version 5.0, the newest version of the integrated web-based product development management solution designed to facilitate communication and accelerate the coordination of product development tasks by connecting design, engineering, costing and manufacturing information through a centralised database of product-related information fully functional with only a web browser running on the client PC.

The company says WebPDM provides a unified view of specifications and product information and a consistent means of accessing that information in "real-time". Instantaneous collaboration is possible anywhere in the world and the same information can be shared safely and securely with all internal offices, vendors and suppliers, enabling faster introduction of new products to market.

"Our technology has the potential to re-define the apparel business process. By managing the stages of development and maintaining a single version of data, our customers can fully utilise and protect their most import asset – their information," said Suzanne Auyeung, software product manager for Gerber Technology.

Today over 1,000 companies in the apparel industry rely on WebPDM to manage their product data and development process.

Textiles top India's exports

21 March 2005

India's merchandise exports have reached approximately $70 billion during the first eleven months of this fiscal year (April 2004 to February 2005), with clear signs of the surge in the country's exports continuing with record growth of over 27% during the period April to February. In February 2005 alone, exports are valued at $6.7 billion.
The top 10 Indian exports are: textiles (18.86%); gems & jewellery (16.56%); engineering goods (16.41%); chemicals & related products (15.43%); agri & allied products (8.39%); petroleum products (5.5%); ores & minerals (3.69%); leather & manufactures (2.74%); and marine products (2.08%).

Shri Kamal Nath, Union Minister of Commerce & Industry said: "More than exchange rate variations, the significant increase in exports during the current financial year has been on account of the growing competitiveness of the Indian manufacturing sector and the vigorous export-led growth strategy followed by the government for doubling India's share in global merchandise trade in the next five years".

Calvin Johnston appointed CEO of Russell Athletic

21 March 2005

American branded athletic and sporting goods company, Russell Corporation, has promoted Calvin Johnston to CEO of Russell Athletic. Johnston had been president of Jerzees Europe. He will relocate to Atlanta from Scotland and

report to Jon Letzler, president and COO for the Corporation.

Johnston was in the athletic products business prior to joining Russell as managing director for Jerzees Europe in November 2000. He was previously vice president and general manager for a portion of Brunswick Corporation's sports and recreational equipment lines in Europe. He also managed the international business for Rollerblade as director of international marketing. Additionally, Johnston spent more than 10 years with Helene Curtis, a division of Unilever, where he held several sales
and marketing positions in both the USA and internationally.

"We are extremely pleased that Calvin has accepted this new challenge with Russell," said Letzler. "Calvin's background in the athletic market coupled with his international experience and knowledge of Russell made him the best candidate for the position. Additionally, we believe Russell Athletic will benefit from the same business discipline and creative strategies he has brought to our Jerzees operation in Europe."

Gore wins Sunday Times “Best Company” poll

21 March 2005

W L Gore & Associates (UK) Ltd, the Livingston and Dundee based company and manufacturer of Gore-Tex fabric, has become the first company to top The Sunday Times ‘100 Best Companies to Work For’ list two years running.

The list, based mostly on the attitudes of over 5,000 surveyed employees from more than 600 UK companies, assessed a wide range of factors including employee satisfaction, well-being, and company policy towards the likes of holidays and maternity support.

Gore’s UK leader John Kennedy explains: “I think it is fair to say that Gore’s numerous achievements have been as a direct result of the company’s unique lattice organisation. I believe that the key to success has been placing an emphasis on empowerment. There are no line managers, operatives or secretaries at Gore – we are all associates, all part of strong teams and accountable to each other rather than answering to a traditional line manger."

Bayer launches new urethane acrylate for UV-curing coatings

21 March 2005

Bayer MaterialScience AG, has launched a new urethane acrylate for UV-curing coatings, RoskydalUA XP 2587, which has a low-viscosity aliphatic urethane acrylate that can be used to formulate high-quality emission-free coatings

According to Bayer, coatings that cure quickly under energy-saving UV light have a number of economic advantages. The coated articles can, for example, be immediately stacked and made ready for transport as soon as they leave the production line. The environment also benefits if the radiation-curing coatings do not emit any volatile organic compounds (VOC).

The new product can be combined with acrylate oligomers and reactive thinners to produce coatings with 100% solids. On the other hand, it can also be easily emulsified in water and thus offers an excellent basis for solvent- and amine-free UV-curing waterborne coatings.

Invista presents innovative lightweights and lycra yarns

21 March 2005

Integrated polymer, intermediates and fibre company, Invista, presented its latest innovations in outdoor clothing for the first time at Première Vision, March 9-12.

Confirming a fashion trend that is set to dominate the scene over the next few years, Invista presented its ultrafine circular knitted fabrics in the special “Silvio Betterelli for Lycra” collection at the show. Low denier yarns with Lycra are used in an innovative process which is ideal for manufacturing new and original styles of tops. This new technology combines the quality of finer Lycra yarns with Tactel and natural fibres. Using an innovative process and the latest generation of machines Invista has produced fabrics with a wide variety of hands, drapes, transparency and compactness.

This lightweight technology has been developed to meet the growing demand from consumers for garments that are warm, but also thin and light – offering maximum comfort and freedom of movement as well as fashionable, elegant styles.

The Silvio Betterelli collection combines lightweight tops with garments made from Denim with Lycra in a variety of formats incorporating Lycra with its revolutionary T-400 fibre - a new type of stretch fibre which resists bleaching, washing and the stylistic techniques traditionally incompatible with stretch denim including the “faded” and “vintage” looks and other extreme treatments. In casual shirts and trousers, the multi-component structure of T-400 is said to aid breathability and make it possible to create extremely comfortable, soft, stretch fabrics.

With operations in over 20 countries, Invista comprises five business units - Apparel, Performance and Textile fibres, Interiors,

Intermediates, Polymers and Resins. It has a portfolio of well-known brands including Lycra, Antron, Coolmax, Thermolite, Cordura, and Supplex.

Hi-Tec wins top outdoor footwear award

21 March 2005

Hi-Tec Sports has been awarded the top footwear prize at the 2005 Outdoor Industries Awards Ceremony held in Windermere, UK, on March 10, 2005, for its Sierra V-Lite footwear collection.

As voted for by UK and Irish retailers, the Sierra V-Lite beat off competition from other renowned footwear brands such as Scarpa and Meindl to scoop the top honour.

Accepting the award for Hi-Tec was UK managing director, David Goulding who said: “Awards like this are a clear indication of the high regard UK and Irish retailers have for our brand. Whilst at the same time ensuring our formidable partnership continues with the independent sector.The launch of the new CDT Power Golf shoe and now the award winning V-Lite Footwear demonstrates the strengths of our technology and the continued success of the brand.”

Quiksilver reports record results for first quarter

21 March 2005

Quiksilver, Inc., has announced record results for its first quarter of fiscal 2005 ended January 31, with consolidated net revenues increased by 34% to $342.9 million compared with $256.1 million in first quarter 2004. Consolidated net income for the quarter increased 55% to $14.2 million as compared to $9.2 million the previous year.

Net revenues in the Americas increased 29% to $159.3 million as compared to $123.2 million the year before. As measured in US$ and reported in the financial statements, European net revenues increased 25% to $132.6 million ($016.2). Asia/Pacific net revenues increased 92% to $50.5 million in the first quarter of fiscal 2005.

"Financially, our strong results reflect the global demand for our entire portfolio of brands along with the continued improvements in our operating efficiencies. From a merchandise perspective, the tremendous feedback we received at the recent tradeshows speaks to the creativity of our team and our ongoing commitment to bringing the best product to market. Strategically, we are effectively integrating our businesses around the world and creating a superior platform for growth," said Robert B. McKnight, Jr., chairman of the board and CEO of Quiksilver, Inc.

Quiksilver's primary focus is apparel, footwear and related accessories for young men and young women under the Quiksilver, Roxy, DC Shoes, Raisins, Radio Fiji and Island Soul labels. Quiksilver also manufactures apparel, footwear and related accessories for boys (Quiksilver Boys and Hawk Clothing), girls (Roxy Girl, Teenie Wahine and Raisins Girls), men (Quiksilveredition and Fidra) and women (Leilani swimwear), as well as snowboards, snowboard boots and bindings under the Lib Technologies, Gnu, DC Shoes, Roxy and Bent Metal labels.

Angel Martinez appointed CEO of Deckers Outdoor Corporation

21 March 2005

Deckers Outdoor Corporation has appointed Angel Martinez as the company's Chief Executive Officer and President effective from April 11, 2005. He will be responsible for the day-to-day operations of the company, will oversee the management team and drive the future development of the company's brands. He succeeds Douglas Otto, who will continue as Chairman of the Board of Directors and as an Executive Officer, focusing on strategic initiatives and acquisitions.

Mr Martinez, aged 49, has 26 years of experience in footwear brand building. During his 21-year tenure with Reebok International Ltd. he held numerous senior level positions, most recently serving as Executive Vice President and Chief Marketing Officer. He's credited with significantly diversifying the company's product offerings.

As vice president of Global Marketing for the Reebok brand he was responsible for the worldwide advertising, corporate communications and promotions for the brand.

As president and CEO of The Rockport Company, the largest subsidiary of Reebok International Ltd., he successfully rejuvenated the brand. He was honoured for his work in 1997 with the Man of Year award from Footwear News. Most recently Mr Martinez served as Chairman of the Board and Chief Executive Officer of Keen Footwear, a footwear brand he co-founded and launched in 2003.

Crocs footwear launches at Midec

21 March 2005

Crocs Inc., US pioneers of a new brand of comfort shoes Crocs, for the first time showcased its innovative comfort footwear at the latest edition of Midec, held March 5-7, in an attempt to take the French footwear industry by storm and as part of

the company's plan to venture into the European market.

The Beach model, the first shoe launched under the label, has proven very successful in North America, appealing not only to boaters, for whom it was originally designed, but also to the wider public and professionals. This is attributed to the footwear's incredible comfort aspects but also to its unusual, eye-catching design. The Beach model comes in six sizes and 13 colours.

Featuring multiple ventilation ports and a slip-resistant sole, Crocs are made of a Proprietary Close Cell Resin (PCCR) that warms and softens with the body's heat, whilst moulding into the foot. The European styling of the orthotic heel, built-in arch support and tarsal bar position the foot for the ultimate in comfort and health, the company says.

Greenville Colorants opens new facility

22 March 2005

American dyestuff supplier, Greenville Colorants, has announced the opening of a new processing and distribution facility, located in Greenville, SC., USA.

The new, technologically-advanced 160,000-square-foot plant, situated on over 15 acres, contains blending equipment for both powder and liquid products, as well as full-service laboratories to support the company's expanding sales in the textile, paper, leather, plastic and ink industries.

Greenville Colorants, formed by a New York investment group together with several highly experienced dyestuffs executives, is headquartered in Clifton, NJ. Its domestic sales group and its growing export group will be managed at the new plant in Clifton.

BASF PolyTHF plant in Caojing (Shanghai) starts up

22 March 2005

After less than two years of construction, BASF has started up its new PolyTHF (polytetrahydrofuran) plant at the integrated production site at the Shanghai Chemical Industrial Park (SCIP) in Caojing, Shanghai. By the middle of 2005, BASF will also gradually start up its neighbouring THF (tetrahydrofuran) plant. With an annual capacity of 60,000 metric tons of Poly THF and 80,000 metric tons of THF, this is claimed to be the largest PolyTHF production facility in the world. This is also the first investment project in China that has been wholly owned by BASF right from its inception.

The facilities have been set up as part of the company's strategy of achieving 20% of its sales and earnings in the chemical business in Asia Pacific by 2010, with 70% coming from local production.

A new proprietary technology for THF production is being used for the first time by BASF at the new plant. In this process, butane - obtained from widely available natural gas – is used as a raw material for manufacturing THF, which is then used to produce PolyTHF. The innovative process eliminates the intermediate step of 1.4-butanediol (BDO), which was previously necessary.
"Our innovative production technology is less complex and thus enhances our competitiveness as one of the world's leading producers of THF and PolyTHF," said Dr. Walter Gramlich, head of BASF's Intermediates division.

With the new plants, BASF will primarily supply Chinese textile fibre manufacturers. PolyTHF is an important component in the production of elastic spandex fibres for sportswear, swimsuits, underwear and outerwear fabrics. In China, PolyTHF will be marketed under the brand name Bao Li Fu, which means "Enrich your fabric."
"The new production plant is designed to make us the leading supplier of spandex raw materials in the rapidly growing Chinese market," said Gramlich. "Our close proximity allows us to serve our customers with additional flexibility, speed and increased delivery reliability."

Handbook of Textile Processing Chemicals launched

22 March 2005

Research and Markets has added the Handbook of Textile Processing Chemicals to their reports on offer for purchase.

The report integrates data on more than 11,400 trade name and generic chemicals used in the overall manufacture and delivery of textiles.

Some of the functional chemicals included in this reference are: Adhesives; Anticreasing agents; Antifoaming agents; Antioxidants; Antishrinking agents; Antislip agents, Antistats, Binders; Biocides; Bleaching agents; carriers; Chelating agents; Coning oils; Corrosion inhibitors; Delustrants; Desizing agents; Dye assistants; Dye fixing agents; Dispersing agents; Emulsifiers; Finishing agents; Flame retardants; Foaming aids; Fulling agents; Leveling agents; Lubricants; Mercerizing assistants; Oil repellants; Oxidiing agents; Penetrants; Preservatives; Reducing agents; Retarding agents; Scouring agents; Sequestrants; Sizing agents; Softeners; Soil repellents; Solvents; Stripping agents; Thickeners;

UV Absorbers; Water repellents; Wetting agents; Whitening agents.

The chemicals are discussed in many application areas including: Bleaching; Conditioning; Coating; Dyeing/Printing; Effluent Treatment; Fibre/Filament/Yarn Processing; Finishing; Laminating; Pretreatment; Scouring; Sizing; Wet processing

Shoe Carnival announces promotions and retirement

22 March 2005

American footwear and accessories retailer, Shoe Carnival, Inc., has announced two executive promotions and one executive retirement. Ed Hensel will be retiring from the position of vice president of distribution, after 12 years of service. He will be replaced by Tom Welden who has been promoted from his former position as manager of the company's distribution centre. Mr Welden has worked in various positions within the distribution centre since 1979. Kathy Yearwood has also been promoted to vice president - controller.

"These promotions are indicative of the strength and experience of our leadership core and bench strength. Tom Welden and Kathy Yearwood are both experienced professionals in their fields, and proven leaders in this company. I have the utmost confidence in their ability to take their areas of responsibility to even higher levels of performance. Ed Hensel has provided outstanding support to this company through a period of intense growth. His judgment, experienced counsel, and leadership will be missed. We wish him the best as he enters a well-deserved retirement," commented Mark L. Lemond, president and CEO.

Nike reports revenue rise of 14% and orders increase of 9% in Q3

22 March 2005

Nike, Inc. has reported revenues and earnings for the third quarter ended February 28, 2005. Third quarter revenues increased 14% to $3.3 billion, versus $2.9 billion for the same period last year. Third quarter net income totalled $273.4 million compared to $200.3 million in the prior year.

The company reported worldwide futures orders for athletic footwear and apparel, scheduled for delivery from March 2005 through July 2005, totalling US$5.2 billion, 9.6% higher than such orders reported for the same period last year.

William D. Perez, President and Chief Executive Officer, said "This was our sixth consecutive quarter of double-digit revenue and earnings per share growth. In addition to another strong quarter for our US business, emerging international markets such as China, Russia and Brazil produced significant growth. While the core Nike Brand fuelled the majority of our growth, Nike Golf, Converse and Cole Haan were also major contributors to our positive results."

During the third quarter, US revenues increased 9% to $1.3 billion versus $1.2 billion for the third quarter of fiscal 2004, revenues for the Europe, Middle East and Africa region grew 18% to $1.0 billion, up from $878.6 million for the same period last year. Revenues in the Asia Pacific region grew 18% to $472.8 million compared to $402.2 million a year ago. Revenues in the Americas region increased 10% to $143.7 million, an improvement from $131.1 million in the third quarter of fiscal 2004.

Other revenues, including Converse Inc., Nike Golf, Bauer Nike Hockey Inc., Cole Haan, Hurley International LLC and Exeter Brands Group LLC, grew 20% to $389.6 million from $325.1 million last year.

Nanophase launches textile and non-woven nanoengineered products

22 March 2005

Nanophase Technologies Corporation, a technology major in nanomaterials and nanoengineered products, has announced the release of its newest nanoengineered products targeted for textile and non-woven applications: NanoShield ZN-3010 and NanoShield ZN-3012.

Both are dispersions of zinc oxide in water designed to be incorporated in coatings applied to a fabric or non-woven substrates. Zinc oxide is generally used to provide UVa and UVb blocking, as well as anti-reddening and anti-inflammatory skin effects, antimicrobial activity and odour control. The company believes that the new nanoparticle dispersions impart valuable consumer properties to fabrics, tissues and articles of clothing in a transparent manner.

Nanophase's proprietary and patent-pending dispersions have high solids concentrations, typically 30-50% by weight, high stability, typically one year, and non-agglomerated nanoparticles that are typically 60 nanometers. Ingredients in NanoShield dispersions are INCI approved and suitable for applications governed by cosmetic regulations.

Nanophase Technologies provides nanoengineered solutions for multiple industrial product applications. Using a platform of patented and proprietary integrated nanomaterial technologies, the company creates products from two ISO 9001:2000 facilities. It owns or licenses

25 US patents and patent applications and 49 foreign patents and patent applications.

Kodiak Group expands line and market

22 March 2005

Kodiak Group, Canadian footwear brand, will introduce an aggressive industrial line of footwear into the USA to complement its outdoor lifestyle programme and has also announced the opening of its American office and the appointment of footwear executive Wayne Elsey as President of Kodiak USA. As part of its expansion the company has already opened sales channels across the USA and will roll out its new product catalogues and websites later this month.

Kodiak possesses a safety toe option called Rocfibre that does not incorporate steel but is reportedly stronger and more durable than traditional 'composite' toe footwear. "Canada's version of OSHA is the Canadian Standards Association (CSA), which is famous for its tough standards," Wayne Elsey said. "Kodiak's patented formula is combined with a unique layering process that makes Rockfibre extremely tough and comfortable while offering a very clean look."

With companies tightening internal security with metal detectors, steel toe footwear is becoming less popular as a safety toe option and Rockfibre technology, in line with ANSI Z41 PT99 impact and compression specifications, offers an alternative.

Wayne Elsey has extensive experience in the footwear industry, most recently as President and CEO of Footwear Specialties International (FSI), makers of the Nautilus brand of safety footwear. Recently, Elsey was the primary organiser of the South Asian Tsunami Footwear Drive, which netted more than $3,000,000 in footwear product and cash donations.

Solar Eclipse launches new line of sun protective clothing

22 March 2005

Solar Eclipse, US manufacturer of sun protective clothing, has announced the launch of its new look for active wear apparel in 2005 that features new patterns and an updated resort-themed colour palette.

Solar Eclipse is made with a patented fibre called Supplex which blocks 95-99% of all UVA and UVB rays, the equivalent of wearing a SPF 30+ sunscreen. Solar Eclipse says its clothing is fashionable, lightweight, dries within minutes and is designed to be worn through an entire day of vigorous activities. The 2005 product lines features an updated version of the company's popular venture hat, a wide-brimmed tan item popular with golfers and outdoor enthusiasts. Based in Scottsdale, Arizona, Solar Eclipse aims to make a difference after losing a family member to a melanoma-related cancer. All Solar Eclipse products meet or exceed the Ultraviolet Protection Factor standards established by the American Association of Textile Chemists and Colorists (AATCC) Test Method 183 and American Society for Testing and Materials (ASTM).

Avery Dennison introduces new heat transfer bonder

22 March 2005

A new heat-transfer bonder designed for tag-free labelling and identification of garments and footwear has been launched by Avery Dennison Printer Systems. The product, called the Avery DennisonTH2000 Heat Transfer Bonder, applies highly legible heat transfers to apparel items, replacing conventional sewn-in tags. Different models of the TH2000 can process roll-to-roll or cut-singles heat transfers. The TH2000 was originally unveiled at the World Shoe Association show in February, but has now been officially introduced.

The TH2000 Heat Transfer Bonder is PLC-controlled and features automatic heat transfer indexing and positioning capabilities for accurate placement of heat transfers. Application temperature, pressure and dwell time can be precisely set and adjusted to ensure that heat transfers are applied without damaging footwear or garment materials. An optional laser guide is available for high-precision transfer placement.

It has an aluminum frame and hardened linear shafts for reliable operation in factory environments. It comes in three varieties to fit different user requirements: an automatic feed version for processing roll-to-roll heat transfers; and automatic and manual-feed versions for cut-singles applications.

"Transfers applied by the TH2000 can carry brand, product ID or care information and replace standard tags in garments and shoes, improving wearer comfort," said Mark Hansinger, marketing director, Avery Dennison Printer Systems. "This potentially allows apparel and footwear manufacturers to eliminate certain sewing operations, reducing sewing-related costs."

Li & Fung increases profits by 25%

23 March 2005

Hong Kong-based Li & Fung Limited, the global consumer goods sourcing company for retailers

and brands worldwide, has reported a 25% increase in profits in 2004.

Profits increased by 25% to reach HK$1,530 million (US$196.165 million) from HK$1,223 million in 2003. Turnover during the period was HK$47.2 billion, an increase of 11% over 2003.

Mr. William Fung, group managing director of Li & Fung Limited, said, “The solid increase in profits reflects our successful move to raise our margin by increasing the proportion of higher-margin businesses.”

Magnum Boots acquires Falcon Shoe

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23 March 2005

Magnum USA, a division of Hi-Tec Sports USA Inc., has acquired Falcon Shoe Manufacturing Co., based in Lewiston, Maine, effective as of March 1, 2005.

Magnum makes boots for police officers, firefighters, postal workers and military personnel in the USA. Falcon Shoe had been hit by a series of layoffs in the past few years, and is currently down to just 27 employees.

Quiksilver Announces acquisition of the Rossignol Group

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23 March 2005

Quiksilver, Inc, has announced an agreement in principle to acquire the French Rossignol Group SA. The Rossignol Group owns and operates a diversified portfolio of brands including Rossignol, Dynastar, Lange and Look in winter sports, as well as Cleveland Golf.

Headquartered in Voiron, France, the Rossignol Group achieved total sales of approximately $625 million for the twelve months ended September 30, 2004. The company's broad product line includes skis, ski boots and bindings, snowboards, snowboard boots and bindings, and related apparel and accessories, as well as golf clubs and golf apparel and accessories. Quiksilver, Inc. reported revenues of $1.3 billion for its fiscal year ended October 31, 2004.

Quiksilver will purchase a majority holding of the Rossignol Group controlled by Mr. Boix-Vives and launch a public tender offer for the minority shares at $25.50 per share, which equates to a purchase price of approximately $320 million for 100% of the shares.

Laurent Boix-Vives, chairman of the Board of Skis Rossignol SA, said, "I am happy to take this next step with Quiksilver. I have been intimately involved with the Rossignol Group for fifty years, and this combination offers a bright future and prospects for growth and development wholly consistent with the group's past achievements and strategy, to which clients and employees alike are sensitive. I see in Quiksilver a corporate culture and commitment to sports and entertainment that are Rossignol's priorities since the very beginning. Quiksilver has chosen France for its European headquarters, and I have known and had an excellent relationship with Bernard Mariette, Quiksilver's president, for a very long time. My endeavours with the Quiksilver-Rossignol group are such that there cannot be a better transaction that would guarantee the longevity of the group that I have built. Finally, the offer is excellent for all Rossignol shareholders from a financial point of view."

VF to acquire Reef

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23 March 2005

America’s VF Corporation has announced that it has signed a definitive agreement to acquire all the outstanding stock of Reef Holdings Corporation from an investor group led by majority shareholder Swander Pace Capital.

Based in San Diego, California, Reef produces surf-inspired footwear and apparel. Reef had sales of $75 million in 2004 excluding royalties, and is looking forward to another year of double-digit growth in 2005. Reef is expected to contribute about $45 million to sales, be neutral to earnings per share in 2005 and accretive in 2006.

Reef will remain headquartered in San Diego, California and will become part of VF's expanding Outdoor coalition, headed by Eric Wiseman, vice president and chairman of VF's Outdoor and Sportswear Coalitions. Outdoor coalition sales exceeded the $1 billion mark in 2004, and have grown nearly seven-fold over the past 5 years. Terms of the deal were not disclosed.

"As one of the world's great authentic surf brands, Reef will be a terrific addition to our outdoor portfolio," said Wiseman. "We look forward to working with Reef's talented and highly experienced management team to support continued growth in their core footwear business and realize the significant opportunity to further expand their apparel offerings."

Reef’s president and chief executive officer, Dave Gatto commented, "VF has demonstrated its ability to successfully build and acquire strong lifestyle brands, at the same time ensuring that each brand's unique culture remains intact. We're enthusiastic about the prospects for continued growth in all our markets and categories, based on the combination of our disciplined commitment to our core market and VF's global resources."

VF Corporation brands include Lee, Wrangler, Riders, Rustler, Nautica, JanSport, Eastpak, The North Face, Vans, and Kipling.

19th session of Mod'Amont attracts large crowds

23 March 2005

On Saturday March 12, 2005, Mod'Amont, the fashion supplies and trimmings trade fair ended its 19th session on a positive note, confirmed by the numbers attending the event that took place alongside Première Vision. Over 20,000 international trade visitors from the spectrum of fashion sectors participated in this session and showed a keen interest in the broader offering provided by a growing number of exhibitors.

Transport strikes all over France and especially in the Paris region which disrupted the second day of the fair slightly reduced the number of French buyers, but this drop was countered by a sustained international presence.

Visitor numbers increased to 20,092 compared with 19,869 in February 2004, despite the strikes. 13,271 visitors came from outside France, making 66% of the total. With a rise in the number of American (+ 25%) and Japanese (+ 33%) visitors, there was a general mood of positivity at the show.

721 buyers from the footwear and leather goods sector attended the event (+14.28% on February 2004).

Ciba and Reggiani Macchine set up new Digital Technological Centre

23 March 2005

Swiss specialty chemicals company, Ciba, and Reggiani have established what is claimed to be the first Digital Technological Centre (DTC) for industrial digital printing advancement.

An independent organisation located in Grassobbio, Bergamo, Italy, the DTC has been established for research and development focusing on digital workflow, production processes, validation of new digital inks and digital pre- and post-treatment.

The DTC is specifically geared to: developing new inks and pre- and post-treatment systems; supporting Reggiani in the development of software & hardware, colour calibration, CAD driver releases, upgrades and work flow research; coordinating and hosting events and conferences to foster the spread of industrial digital printing; validation of customers' industrial printing trials: print quality & color performance; and supporting textile universities in promoting industrial digital printing.

The centre aims to contribute towards new business development by offering clients extensive assistance with their industrial needs, as well as helping them attain the know-how necessary to set a benchmark for digital printing internationally. It offers services including sampling, printer driver acceptance for third parties, short run production, collection development, color calibration, pre- and post-treatment know-how, on-line technological support, education, client start-up, and the set-up of "turnkey" industrial textile processes.

In other news, Ciba and the Liucheng Group, Zhejiang, China have announced that they have formed a joint venture, Zhejiang Ruicheng Effect Pigment Co., Ltd. The business activities of the Chinese manufacturer and supplier of pearlescent pigments for applications such as coatings, plastics, inks, cosmetics and paper making, Wenzhou Kunwei Pearl Pigment Co. Ltd., affiliated with the Liucheng Group, will be transferred to the joint venture, which includes R&D, production and marketing.

Japan's Kanebo to spin off textiles division

23 March 2005

Japan's Kanebo Ltd, has announced that it is to spin off its textile business in an attempt to boost the ailing company. Kanebo Textiles will now become a joint venture company controlled by Kanebo and Seiren Co., a Japanese dyeing and finishing company.

Kanebo is one of Japan's most well-established companies, producing a wide range of products including cosmetics, confectionery, couture fashion and healthcare products.

Chairman of LaCrosse Footwear, George W. Schneider, dies

23 March 2005

George W. Schneider, who served as chairman of the Board of La Crosse Footwear, Inc., for 23 years, has died at the age of 82 after a brief illness.

Mr Schneider was elected to the Board of Directors of the company's predecessor in 1968 and was the principal investor and motivating force behind the management buyout of the company's predecessor in 1982. He was also the principal organiser of Bay Cities National Bank, Redondo Beach, California, and served as its Chairman of the Board from 1982 until 1995. He believed in giving back to the community and was member of numerous boards and foundations. He served as a Director and Vice Chairman of the Board of Directors of Little Company of Mary Health Systems, Little Company of Mary Hospital and San Pedro Peninsula Hospital for many

years. In 1999 George received the honour award from Pope John Paul II for his years of service to the Catholic Church.

"My father brought tremendous enthusiasm, commitment and vision to the company," said Joseph P. Schneider, CEO of LaCrosse Footwear. "He took great pride in the hard work of the entire LaCrosse family of employees and in the outstanding quality of our products. My father will be deeply missed by many in our company and our industry, and we will honour his legacy by continuing to build on our tradition of providing innovative, dependable and premium quality footwear."

Effective immediately Richard A. Rosenthal will assume the duties of Chairman of the Board for LaCrosse Footwear.

IFMA demands lower rubber import duty

23 March 2005

The Indian Footwear Manufacturers' Association (IFMA) has requested the government to reduce import duty on rubber from 20% to 10% in a move to prevent the prices of natural rubber from rising further, thus affecting the profitability of the footwear and tyre industries.

Many other commodities attract a 10% import duty and the association fails to understand why this does not apply to rubber, the price of which is currently on the rise due to sellers stockpiling the commodity to achieve better returns in April when rubber will attract 4% tax, in line with the new tax regime, instead of the current 12.5%.

IFMA also demands the withdrawal of rubber export subsidy of Rs 3,500 ($80.05) per tonne. Prices of synthetic rubber have also shot up lately, by 30% in the last two months alone.

BASF expands colour range for digital textile printing

24 March 2005

BASF has added several new colours to its Helizarin EVO P 100 pigment ink range for inkjet printing. A total of eight shades – yellow, golden yellow, magenta, red, cyan, dark blue, black and gray – now provide the user with an even larger colour spectrum. In developing the inks, the company paid special attention to reliable runnability and has produced inks that are enable streakfree, reliable printing, even after many running meters. At the same time, fabrics printed with Helizarin EVO P 100 inks are said to be particularly compatible with the environment as they meet the requirements of Oeko-Tex Standard 100 (Product Class I).

The big advantage of HelizarinEVO P 100 inks is said to be that they can be used in the piezo print heads commonly employed in digital textile printing without needing to apply a binder as well. Mike Freche, in charge of sales in the BASF Inkjet Team, says: "With Helizarin EVO P 100 inks you only need two process steps: printing and fixing. This makes our inks the most efficient inkjet inks on the market." The advantages of conventional printing, such as light, wash and rub fastness, can therefore be combined with the benefits of digital printing technology: rapid design changes, an enormous shortening of the entire printing process, and huge potential cost savings.

BASF has developed LupreJet EVO especially for printing with Helizarin EVO P 100 inks. This product for preparing the fabrics is the ideal complement to Helizarin EVO P 100 inks. LupreJet EVO is said to greatly increase brilliance and colour strength without affecting the fabric handle and performance characteristics. The product prevents ink droplets from spreading during printing and from penetrating too far into the fabric. Sharp contours and very intense colours are achieved on a wide variety of materials. This makes available to the user a much greater spectrum of printable textile substrates than ever before.

The product range of BASF's Performance Chemicals for Textiles business unit includes products and concepts for weaving, pre treatment, optical brightening, analogue and digital printing, coating and finishing as well as dyeing auxiliaries. Their products are manufactured and marketed worldwide.

K2 announces management appointments

24 March 2005

Consumer products company, K2 Inc., has announced the appointments of Chris Miller, founder, to chief creative officer and, Jeff Larsen to the position of president of Earth Products, Inc. Earth Products which is best known for its products under the Adio, Planet Earth, Hawk Shoes, and Holden brands.

Earth Products was founded in 1990 by former professional skater Chris Miller under the Planet Earth name, K2 bought the company shortly after in 1997.

Commenting on the changes, Wayne Merck, president and chief operating officer of K2, said, "Earth Products has had phenomenal growth over the past few years and these changes allow us to continue building on the company's momentum in the market. We are creating a truly global Action Sports platform and in doing so want to leverage the unique talents of both Chris and Jeff to their optimum capabilities."

K2 Inc. is a branded consumer products company with a portfolio of brands including Rawlings, Worth, Shakespeare, Pflueger, Brass Eagle, Stearns, K2, Volkl, Ride, and Marmot.

CAFTA stirs negative emotions as two die in demonstrations

24 March 2005

CAFTA (the Central American Free Trade Agreement), a proposed agreement between the United States and five Central American nations including Guatemala, El Salvador, Honduras, Costa Rica and Nicaragua was signed by President Oscar Berge last week among the heaviest demonstrations ever seen in the country that also cost two participants their lives.

CAFTA, if passed by the US Congress early this spring, will serve to push ahead the corporate globalisation model and promote privatization and deregulation of key public services in the South American countries involved. The agreement would reap considerable benefits for the US economy, including in the meat, chemicals and services sectors, as it would lead to the abolishment of long-established tariffs.

US Democrats, their labour allies and Latino activists are closing ranks against CAFTA as harmful to workers in the US and Central America. They claim the agreement will not require Central American governments to protect workers or ban child labour and could devastate the region's farm economies with a flood of US corn and rice.

The Bush Administration insists that all Hispanics should support the trade pact as the best hope to encourage economic and political reform, attract investment and jobs to Central America, while discouraging its apparel industry from fleeing to China.

USA to increase monitoring of Chinese textile imports

25 March 2005

The US Commerce Department will start tracking and releasing timely data on imports of apparel and textiles. Carlos M. Gutierrez, Commerce Secretary, says the new procedure will provide reports every other week on textile and apparel imports. The new monitoring system should be in place by the first week of April. The decision came after North Carolina Senator Elizabeth Dole has requested the release of this information. The expiration of global textile trade quotas at the end of 2004 is expected to disrupt the US textile and apparel industry, which blames job losses of the past few years on competition from low-wage countries.

G-III Apparel reports lower sales

25 March 2005

American manufacturer and distributor of outerwear and sportswear under licensed labels, G -III Apparel, Group, Ltd. has announced results for the three and twelve-month periods ended January 31, 2005.

For the twelve-month period ended January 31, 2005, net sales decreased to $214.3 million from $225.1 million last year. The company reported net income of $703,000 for the twelve months ended January 31, 2005 compared to net income of $8.4 million in 2003.

For the three-month period ended January 31, 2005, net sales increased to $38.4 million from $34.7 million during the same period last year. The company reported a net loss of $2.7 million for the three-month period, compared to a net loss of $3.1 million during the same period last year.

For the full year, gross profit percentage decreased to 24.6% from 27.9% in the prior year due primarily to lower full-priced sales of fashion sports apparel and lower commission fee income. Gross profit as a percentage of net sales during the fourth quarter increased to 16.5% from 13.5% in the fourth quarter of last year due to lower off-price sales in this year's quarter compared to last year.

The company has fashion licenses with Kenneth Cole, Nine West, Cole Haan, Jones Apparel, Sean John, Cece Cord, Izod, House of Dereon, Bill Blass and James Dean and sports licenses with the National Football League, National Basketball Association, Major League Baseball, National Hockey League, Louisville Slugger, NASCAR, World Poker Tour and more than 60 universities nationwide. Company-owned labels include, among others, Black Rivet, Colebrook and Siena Studio.

ECCO records improved performance in 2004

27 March 2005

Danish shoe group ECCO has released figures for 2004 which show strong performance, increased earnings and growth in all sales regions and product categories.

Pre-tax profit rose DKK 86.2 million ($15.253 million) or 71.7% to DKK 206.4 million ($36.522 million) from DKK 120.2 million ($21.271 million) in 2003. Net profit reached DKK 150.7 million ($26.669 million) compared with DKK 61.8 million

($10.936 million) in 2003. The group attributes the rise in profit to a 7.3% sales increase to 12,045,000 pairs of shoes, a record-high number, and the highest growth rate for the past five years. Growth was recorded in all product categories, in which ECCO has chosen to be in the market.

Net revenue rose to DKK 3,394 million ($700.000). The rate of increase was 7.1% on the year before and would have been 9.8% at unchanged exchange rates. The performance improvement was generated through growth in all sales regions and continuing investments in market penetration in new markets in Asia and Eastern Europe and in an expansion of the network of dedicated ECCO shops.

The group expects growth to continue in 2005 and exceed 2004 results, with special focus on the growth markets in Eastern Europe, Asia and the USA, additional efficiency improvements and general growth in all business areas.

ECCO has also announced the signing of an endorsement agreement with golf legend Colin Montgomerie for its golf shoes. The player will wear ECCO golf shoes exclusively during all his on-course activities, display the logo on the sleeve of his golf shirt and appear at the group's promotional functions.

Nike to equip Timbers

27 March 2005

Nike will be the official footwear, apparel and equipment provider for the Portland Timbers, a member of professional soccer's USL First Division. It will provide on-field team uniforms, training gear and footwear as part of a multi-year relationship.

The partnership includes a number of components that will create new opportunities for both the Timbers and Nike, including further development of the Timbers' youth soccer camps as well as co-promotional activities at PGE Park and throughout the greater Portland area. Nike will outfit all Timbers youth camp participants with club apparel and will team up with the Timbers on innovative promotional activities, community appearances and continued assistance in attracting first-class athletic events to Portland.

The partnership is part of Nike's philanthropic and on-field efforts to support soccer, also seen with leading European club teams such as Manchester United, Arsenal, Juventus and Barcelona, national teams such as Brazil, Holland and Mexico, as well as with the US Soccer Federation.

Polish businesses benefit from EU membership

27 March 2005

Since joining the European Union in may 2004 Polish businesses have been registering improved results and making larger investments thanks to easier access to international markets. Higher profits translate into higher production and improved quality, whilst the strong local currency (PLN) has brought down machinery prices.

Clothing and textile manufacturers have increased their investments despite earlier concerns regarding their sustainability. A rising number of these are investing heavily into distribution channels and setting up their own retail chains.

Industries which have nearly doubled their investments since 2003 include the petrochemical, furniture and rubber sectors.

Textile plant to open in Clarkton, USA

27 March 2005

Cedartown Manufacturing LLC will open a textile facility in Clarkton, Bladen County, as part of a $25 million investment designed to create 134 jobs over the next three years. The investment was made possible partly due to the $175,000 in incentives from the One North Carolina Fund. The company plans to spin cotton into yarn in a 210,000-square-foot building in Clarkton that has been vacant since former owner Harriet & Henderson Yarns closed in 2003. The new jobs are expected to pay an average weekly wage of $562, plus benefits.

Cedartown Manufacturing is a joint venture between Gidlan Activewear Inc. and Frontier Spinning Mills Inc.

The move was announced by Governor Mike Easley and welcomed by the local people.