Business Week

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Animal invests $1.6 million in integrated design-to-retail solution

24 June 2005

UK-based action sports brand Animal has signed a $1.6 million contract with Geac for an integrated, design-to-retail software solution. The system - which incorporates a range of integrated products – will cover the entire business process, from design to cash collection at point-of-sale.

According to software provide, Geac, Animal's solution will support its growing retail business and manage its increasingly complex supply chain more effectively. Geac already provides software for global brands such as Rip Curl, Tommy Hilfiger, Barbour and VF Europe.

Animal started operations in 1987 with the production of sports watches for surfers. Its range now incorporates clothing, watches, eyewear, footwear, luggage and accessories.

Finish Line reports record first quarter

24 June 2005

US athletic specialty retailer, The Finish Line, Inc., has reported record results for the first quarter ended May 28, 2005. Net income for the thirteen weeks was $12.7 million compared with $10.4 million for the same period last year, an increase of 24%.Net sales increased 13% to $291.3 million compared with $258.0 million reported for the first quarter of 2004.

The company also increased its number of stores by 14% to 625 over the 550 stores operated one year ago. For the quarter, Finish Line opened 28 new stores, remodelled seven existing stores and closed one.

The Finish Line offers a selection of footwear, apparel and accessories for men, women and children across the USA.

Kodiak Footwear launches new line of safety athletic footwear

24 June 2005

Only a month after its debut on the American market, Kodiak Footwear has launched a new line of safety athletic footwear, KQ2. The line will feature eight hiker and athletic styles, aimed at reaching the occupational safety consumer.

According to Kodiak, headquartered in Canada, the KQ2 line offers cool styling, innovative fit and a comprehensive range of expanded safety features for today's working consumer. "These aren't your father's work shoes," said Wayne Elsey, president of Kodiak USA. "We believe we've hit a winner here; the styling is fresh and fosters a comfort level to wear for work and casual use," he added.

Indonesia’s AMT to produce Nextec Epic fabrics

24 June 2005

Indonesian textile producer, Argo Manunggal Textile (AMT), has signed an agreement with USA-based Nextec Applications, Inc. to produce and market Nextec’s Epic brand of performance fabrics.

Epic fabric uses encapsulation technology with silicon polymer to create durable fabrics which are water-resistant and windproof, breathable and easily maintained. Furthermore, the technology used in Epic fabrics has now been applied to cottons and even denim, to produce natural fabrics with added performance qualities.

Under the agreement with AMT, a new subsidiary, Nextec Euroasia, will be formed that will cover the Asian, European and the Australian markets. Nextec will maintain sole responsibility for its North American sales and military applications worldwide.

Argo Manunggal Group, headquartered in Jakarta, was established in 1977 and. has operations ranging from spinning and dyeing to weaving and finished garments manufacture. The corporation produces over 120 million yards of cotton and cotton-blended fabrics annually.

Nextec, founded in 1994, holds 52 worldwide patents on its proprietary silicone polymer encapsulation process.

Footwear office at Fujian Chamber of Commerce established

24 June 2005

In reaction to the recent anti-dumping measures imposed by foreign countries, Fujian Chamber of Commerce for import and export has set up an office to represent shoes and caps. 71 shoe and cap manufacturers have already registered as members. The decision to establish the office followed the announcement on June 14 that the EU would carry out an anti-dumpling investigation into shoes made in China.

Mr. Xu Ming Hou, director of the new office, said that the main aims of setting up a specific office for shoes and caps was to answer any lawsuits that may be brought if manufacturers are accused of dumping; to adjust the export quantities and prices, and to take measures to standardise the industry.

He added that shoes were the second largest export item in Fujian province in 2004 with exports reaching $2.823 billion. At present, the average unit price of exported shoes is only $2.4 which is lower than the average export price in China.

Meanwhile, on June 23, the China Leather Industry Association (CLIA) published a letter on its website urging shoe exporters to prepare themselves for the effects of anti-dumping measures. The CLIA has also established an emergency team for companies to contact over this issue.

Wrangler offers lifetime warranty, expands ripstop selection

23 June 2005

From autumn 2005 the Riggs Workwear range, by Wrangler, will come with a lifetime warranty on work jeans and pants and an expanded selection of products made from ripstop fabric. The brand that features DuPont's Cordura fabric-lined back pockets and durashield denim will offer a product warranty on all of its Riggs Workwear jeans and pants.

The lifetime warranty protects against manufacturer defects in material and workmanship. "The idea to call out the warranty was natural," said Victoria Kearns, marketing manager, Wrangler Specialty Apparel. "Hardworking men need clothing that goes beyond the accepted standards for toughness, comfort and dependability. We've always stood behind the quality of our products, but now we're putting that guarantee in writing."

Wrangler will also expand its Riggs Workwear product offerings with ripstop, a fabric engineered specially for harsh working environments. A 100% cotton fabric provides toughness and protection in a medium (10 oz.) weight material. The line will be expanded from the current offering of carpenter and utility jeans to several styles of lined jackets.

STFC launches down material with NanoSphere

23 June 2005

Taiwanese-Swiss joint venture, Schoeller FTC, has launched a new, 100% down-proofed fabric. The material, made of PES and PES micro-fibres, is said to be extremely light with a soft texture.

The NanoSphere stain protection finish also gives the fabric a high level of protection from water, snow and wind. "Women and men who wear a jacket or coat in this material immediately react to its special lightness. Despite the featherweight feel, they are softly and warmly cocooned," says Gwen Hsu, head of distribution at Schoeller FTC (HK) Ltd.

Schoeller FTC (SFTC) is a joint venture between Swiss company Schoeller Textil AG and Taiwanese company, the Formosa Taffeta Group. The company was established in 2000 and produces Schoeller's high-tech solutions in Taiwan.

Rohm and Haas Brazil voted amongst top 100 companies

23 June 2005

Rohm and Haas' specialty chemical product factory in Jacarei, Brazil, has been voted one of the top 100 companies to work for in Latin America. The company has been included in a list covering Brazil, Argentina, Uruguay, Chile, Peru, Colombia and Mexico by the Great Place to Work Institute.

José Tolovi Jr, president of the Institute explained that in order to be listed companies must stand out as good employers both in the country where they operate and in the continent where they are located. "This is the second time we have produced a Latin American list and the winners were chosen from an initial list of 1,000 businesses," said Tolovi.

"We were included in other similar lists at national level before but this Latin American mention makes us very proud," commented Rohm and Haas HR director, Maurício Moraes.

Eco-efficiency competence centre inaugurated at BASF site in Brazil

23 June 2005

The Espaço ECO Foundation – Latin America's first centre for applied eco-efficiency, located at BASF's site in São Bernardo do Campo, was officially inaugurated on June 22. Through the foundation, BASF will offer private companies expertise and technology in the fields of eco-efficiency, environmental education and reforestation in partnership with the German government agency for international cooperation (GTZ) and local partners.

It seems that it is already proving to be a success as BASF announced at the inauguration ceremony that Braskem, a major Brazilian petrochemical company, has already signed the first contract for an eco-efficiency analysis. The foundation includes a biosphere reserve measuring 290,000 m2 that is officially accredited under UNESCO's Man and the Biosphere programme.

As well as providing training and advice with regard to eco-efficiency analyses, Espaço ECO offers technical courses in environmental education and has set aside a special area for raising seedlings for reforestation purposes.

Manufacturer issues warning over body armour containing Zylon

23 June 2005

The USA's largest manufacturer of wearable, concealable body armour, Second Chance, is recommending the immediate replacement of any of its bullet-resistant vests containing Zylon which was manufactured by Japanese company, Toyobo Co., Ltd.

The company has issued two safety notices to police departments across the USA after new research from one of the nation's leading polymer chemists showed that protective vests constructed only partially from Zylon may fail to perform and result in serious injury or death.

The safety notices will affect approximately 58,000 Tri-Flex vests and an additional 40,000 Ultima and Ultimax vests with Performance Pacs. Second Chance, which is currently going through a reorganisation in the bankruptcy court, plans to petition the bankruptcy court for a procedure for police departments and safety officers to present claims that may result from this new information. Additionally, Second Chance has contacted the Bulletproof Vest Partnership Programme to request that this federally funded programme take immediate action to help with financing replacement vests.

The problems associated with Zylon are not specific to Second Chance and have affected the industry as a whole. Zylon first debuted in the body armour industry in the late 1990s as a lighter and more wearable alternative to aramid fabrics such as Kevlar. In September 2003, ongoing testing of used vests containing only Zylon showed degradation problems with the fibre that potentially shortened the wearable life of the vest. Based on these tests, manufacturers recalled vests made entirely of Zylon, but, products that contained a blend of Zylon and other protective fibres were not implicated and remained on the market.

Following the original recall, the National Institute of Justice launched an industry-wide investigation in November 2003 into the vulnerability of Zylon-based bullet-resistant vests. Test results showed the presence of inordinately high levels of residual process acids - up to eight times the desired level - in the Zylon manufactured by Toyobo. These process acids can lead to a sudden and dramatic loss of tensile strength, even under normal conditions. This process, of "hydrolytic degradation," can potentially reduce the efficiency of the protective nature of the clothing.

Anatom Academy announces dates for seminars.

23 June 2005

A series of Anatom Academy training and development seminars have been scheduled to take place in 2005 at key areas around the UK for retailers wishing to improve their footwear knowledge and boost their customer relations skills.

Anatom, a specialist distributor of brands such as Superfeet Premium Insoles, SmartWool socks, Bite Orthosport sandals and Yankz sure lace systems as well as the Brannock Device, will run the one-day seminars which will be led by fully trained Anatom staff to help maximise sales in footwear departments by improving general knowledge of selecting the right product, foot fitting, footwear modifications, and increased accessory sales.

The Anatom Academy will also provide an introduction to basic biomechanics and Superfeet and SmartWool products.

Wellman settles over price fixing charges for polyester staple fibre

23 June 2005

US fibre producer Wellman, Inc. has entered into a settlement agreement with 33 purchasers of polyester staple fibre that alleged that the company engaged in price fixing and customer allocation for sales of polyester staple fibre. The 33 plaintiffs accounted for more than half of the volume of polyester staple fibre sold in North America from April 1999 to July 2001.

Wellman will record a pretax charge of $24 million in the second quarter of 2005 that is expected to cover the cost of the settlement e as well as expected future costs to defend or settle all other civil claims. The company denies any wrongdoing; however, it stated that it decided to settle the case in order to minimise future expenses, risk and disruption to business.

Thomas M. Duff, Wellman's CEO, said, "Even though the company did not engage in any illegal actions, this settlement is a prudent action to eliminate a substantial number of claims. We will continue to vigorously defend any other claims unless we can settle them in a cost effective manner."

Wellman, Inc. manufactures and markets PermaClear brand PET (polyethylene terephthalate) resin and Fortrel brand polyester staple fibres.

Suzano Petroquimica agrees to buy share of Polibrasil PP Business

22 June 2005

Basell and Suzano Petroquimica S.A., one of the largest strategic investors in the petrochemical sector in Brazil, has announced that it has reached an agreement in principle for the sale of Basell's 50% share of Polibrasil Resinas' polypropylene business to Suzano Petroquemica. As part of the agreement, Basell will acquire Polibrasil's polypropylene compounding business, which produces advanced polyolefins.

Polibrasil operates polypropylene plants with a total capacity of 625 KT at three sites in Brazil and has a 25 KT compounding plant. The closing of the transaction is subject to the conclusion and execution of the definitive agreements

New managing director at Trevira GmbH

22 June 2005

Germany’s Trevira GmbH, a specialist manufacturer of high-tech polyester fibres and filaments, has appointed Jörg Hellwig as managing director. He will take over the role on July 1, 2005 and will prepare to take over the duties of Bernd Sassenrath, CEO, who will retire at the end of the year after 38 years of service for Hoechst and Trevira.

Mr Hellwig comes to Trevira from Lanxess AG where he was been responsible for redirecting global fibre activities in the Corporate Centre.

Trevira has production operations in Belgium, Denmark and Germany and in 2004 had 1,900 employees and sales of around €318 million.

JPS Industries reports solid Q2 results

22 June 2005

US manufacturer of extruded urethanes, polypropylenes and mechanically formed glass substrates, JPS Industries, Inc., has reported positive results for the second quarter and six months ended April 30, 2005.

For the second quarter of fiscal 2005, JPS reported a net income of $1.9 million on sales of $40.4 million compared with a net income of $0.9 million on sales of $38.2 million in the second quarter of fiscal 2004. For the first six months, the company reported a net income of $2.0 million on sales of $75.1 million compared with a net income of $0.7 million on sales of $69.4 million for the same period in fiscal 2004.

Michael L. Fulbright, chairman, president and CEO, stated, "Our second quarter was as we expected, solid revenue growth with cost increases more than offsetting the improvement in our top line numbers. The surge in raw material prices we have experienced for the past six months appears to have plateaued, which should provide us an opportunity to recover over the balance of the year. “During the latter part of the quarter we were able to put price increases in place across all business units, and consequently we would expect to see our third quarter operating results to show improvement over second quarter.”

JPS products are used in a wide range of applications, including athletic shoes, surf boards, and medical, automotive and industrial components.

New Balance launches Procare Service brand

22 June 2005

Manufacturer of performance footwear and athletic apparel, New Balance Canada, is taking its commitment to fit and performance to a new level with the launch of the Procare Service Brand, a service to educate and support footwear dealers in offering customer care and fit specialisation, through a network of specialists.

The Procare Service brand began with the establishment of an advisory council in early 2004, a group of professionals from a variety of health disciplines, including pedorthics, sports medicine, podiatry, chiropody and physiotherapy, as well as affiliated specialties in fields such as ageing and arthritis.

The service will launch with 24 New Balance dealers across Canada. It is anticipated that by 2006, there will be approximately 36 dealers certified. "Fit has always been at the core of the New Balance philosophy," explains Jonathan Ram, general manager, New Balance Canada. "Our focus on multiple widths, sizes and technologies has demonstrated the important link between fit, comfort and performance. This focus has evolved to encompass consumers with foot conditions and hard-to-fit feet. The only way for this approach to fully benefit these consumers is by educating the footwear retailer on the elements of a proper fit."

Datacolor opens colour office to support Wal-Mart

22 June 2005

Datacolor has opened an office in Bentonville, Arkansas which will serve as a “Colour Resource Centre” for Wal-Mart and its suppliers and vendors. The new office will provide the tools, training and support from design to production with the aim of ensuring consistent and accurate colour.

Training will be given on colour science and colour technology, digital imaging resources for virtual fabric and garment development.

Ajungilak develops seam-free sleeping bag

22 June 2005

Norwegian manufacturer Ajungilak has broken its own weight-to-insulation record with its new Future line. The company has developed its first ever synthetic fibre sleeping bag to have no quilting seams, therefore, eradicating the problem of cold spots. It is also air-permeable and breathable.

Each sleeping bag has a reflective zip, a hood designed to follow the contours of the head and shoulder areas to ensure warmth when temperatures are below zero and hood and foot boxes which are waterproofed against moisture.

The new product will be available from summer 2006.

Unifi to relocate polyester yarn texturing, cut jobs

22 June 2005

US producer and processor of multi- filament polyester and nylon yarns, Unifi, Inc., has announced that it is to move its polyester texturing operations from its Reidsville, North Carolina plant to its larger facilities located in Yadkinville, North Carolina. The move, which is expected to be completed by October 1, 2005, will result in the loss of approximately 150 jobs in Reidsville, although 100 new positions will be created in Yadkinville.

"This move represents a change in production location to maximise the overall efficiency of our domestic polyester texturing operations and can be accomplished with little cost to the organisation," said Bill Lowe, chief operating officer and CFO for Unifi. "It does not represent a reduction in the domestic polyester texturing capacity for Unifi, nor does it change our on-going commitment to the dyed yarn operations that continue to be based in the Reidsville plant."

Unifi brands include Sorbtek, A.M.Y, Mynx UV, Reflexx, MicroVista and Satura.

New senior VP of Nike Swim Division appointed

21 June 2005

Al Derago, the former director of sales for Nike team sports, has been appointed senior vice president of the company’s swim division. Mr. Derago will report to Oscar Feldenkreis, president, vice-chairman and COO of Perry Ellis International.

Mr. Derago’s previous positions within the company include sales management and responsibility for sport graphics and headwear.

Greek textile and garment sector reports 45,000 job losses

21 June 2005

According to data released at a meeting of the Hellenic Fashion Industry Association, Greece's textile and garment sector suffered more than 45,000 job losses between 2001 and 2004.

The job losses were attributed to a rise in cheap imports from countries such as China and the movement of production to neighbouring Balkan countries. Employment in the sector fell 8% in 2004, as exports dropped by 8.7% and total production fell 5.5%. In the same period, imports rose 13.4%.

USHMC supports FTA

21 June 2005

The United States Hosiery Manufacturers' Coalition (USHMC), a nationwide coalition of domestic sock makers whose members include Russell Corporation, Sara Lee Branded Apparel, and the American Apparel & Footwear Association, reaffirmed its support for the US-Dominican Republic-Central America Free Trade Agreement (DR-CAFTA), which it said is "necessary to preserve jobs in the United States."

"We want to set the record straight," said USHMC executive director Nicole Bivens Collinson. "United States sock manufacturers support the DR-CAFTA. The agreement provides the greatest hope for retaining sock and hosiery industry jobs in the US and is of paramount importance to US yarn spinners and cotton growers."

According to industry experts, the terms of the agreement open opportunities for continued co-production among the US, Central American countries, and the Dominican Republic.

As a group, the USHMC accounts for approximately 75% of hosiery sales in the United States and over 25% of actual domestic sock production. Coalition members provide, directly and indirectly, more than 75,000 US jobs.

Clariant sells MCAA business to Gilde

21 June 2005

Swiss specialty chemical company, Clariant has announced the sale of its subsidiary Clariant Acetyl Building Blocks (CABB) GmbH & Co. KG to the Gilde Buy-Out Fund for CHF 74 million (€48 million).

The sale is expected to close in the third quarter of 2005 subject to approval by the relevant authorities.

The transaction is part of Clariant's strategy to sell businesses that are outside its core activities. Clariant (Acetyl Building Blocks) GmbH & Co. KG (CABB), at present part of Clariant's Life Science Chemicals Division, is focused on products based on chlorine and acetyl chemistry.

Clariant's CEO Roland Loesser said: "The sale marks a further step in the streamlining of non-strategic businesses in our portfolio. It allows our colleagues at CABB to fully focus on their core business. We wish them lots of success."

Clariant, which is represented on five continents with over 100 group companies, employs about 25,000 people. Headquartered in Muttenz near Basel, it generated sales of around CHF 8.5 billion in 2004. Its businesses are organised in five divisions: textile, leather & paper chemicals, pigments & additives, functional chemicals, life science chemicals and masterbatches.

Innovative Designs appoints new VP of Marketing

20 June 2005

Hunting apparel manufacturer Innovative Designs Inc, has appointed Bonnie Dake as its new vice president of marketing. She has worked as a buyer for the Gimbel's department stores and, most recently, as president of Owen and Company, a developer and builder of residential homes. She is also a principal in SD Engineers Inc and Loftus Engineering Inc.

Paxar strengthens presence in India

20 June 2005

Paxar Corporation, merchandising systems service provider to retailers and apparel customers, has formed Paxar India Pvt Limited by acquiring the remaining 50% of a joint venture located in Bangalore, India.

The company is a full service provider of apparel identification products, including woven, printed and bar code labels, and merchandising tags for retailers and apparel customers manufacturing in India. Paxar India's facilities also include service bureau operations, in addition to sales and marketing.

Rob van der Merwe, President and Chief Executive Officer of Paxar, stated, "Completing this acquisition

strengthens Paxar's position as a leading provider of identification solutions in one of the world's fastest growing apparel markets."

VF to drive global brand and supply chain strategies

20 June 2005

VF Corporation is to undergo organisational changes, with a more streamlined leadership structure designed to support long-term growth plans.

Effective June 1, the new organisation will focus on achieving the highest level of innovation in products and marketing and will centralise supply chain functions, with a view to building a flexible and efficient supply chain.

Eric Wiseman, 49, has been promoted to executive vice president, Global Brands. He will be responsible for driving growth across all our key brands. Reporting to Wiseman will be the presidents of Jeanswear, Intimates, Outdoor and Sportswear Coalitions.

Under his leadership, the organisation will facilitate greater cooperation and cross-fertilisation of best practices and capabilities across the brands, markets and customers to support growth. Since February 2004, Wiseman has been serving as vice president and chairman of Outdoor and Sportswear Coalitions.

VF will also consolidate all supply chain functions under the leadership of George Derhofer, 51, who is promoted to senior vice president, Global Operations. He will be responsible for leveraging the global supply chain capabilities for maximum speed, flexibility and efficiency.

Brazil warns USA over cotton subsidies

20 June 2005

Brazilian policymakers have warned that they plan to remove restrictions on the intellectual property rights of US companies if the US administration fails to modify the existing cotton subsidy mechanism.

World Trade Organization (WTO) has found US support to cotton farmers disruptive to world prices as they encourage overproduction. The USA is expected to produce changes to the current scheme by July 1, 2005.

US officials say that any Brazilian move against US copyrights or patents would result in retaliation, targeting a number of major Brazilian exports. Officials in Brazil remain unconvinced that the Bush administration will produce an alternative plan to reduce the subsidies.

US cotton farmers received $1.6 billion in subsidies last year.

Kraton Polymers names executive VP

20 June 2005

US-based Kraton Polymers LLC has appointed Kevin M. Fogarty as executive vice president.

In his role, Mr. Fogarty will be responsible for managing the company's five end-use business segments, including footwear, compounding and personal hygiene; packaging and polymer modification; adhesives, sealants, and coatings; and paving and roofing. He will report to George Gregory, CEO and president.

Mr. Fogarty will join the company from Invista, where he has served as president for polymer and resins since May 2004.

Kraton is a global specialty chemicals company and is the world's largest producer of styrenic block copolymers. Its production facilities are located in the United States, The Netherlands, Germany, France, Brazil and Japan.

Bayer to showcase at polymer technologies Khimiya 2005

20 June 2005

German specialty chemicals company Bayer MaterialScience AG will showcase its range of polymer products and technologies for the automotive, furniture, sports and leisure, footwear, printing and other industries at the Khimiya chemical trade fair in Moscow from 5-9 September, 2005. The main focus will be on developments and solutions involving polyurethanes, polycarbonates, thermoplastic polyurethanes and raw materials for coatings and adhesives.

Amongst the products on show will be the company's new aromatic variants of the thermoplastic polyurethane Desmopan, which are said to offer high transparency irrespective of wall thickness, good UV stability and high surface scratch resistance. Their yellowness index is also said to be significantly lower than with standard grades.

Thomson Research launches new silver-based antimicrobial treatment

20 June 2005

Canada’s Thomson Research Associates has launched a new generation silver-based antimicrobial treatment for textiles, Ultra-Fresh Silpure. It is said to enable textile manufacturers to add superior odour and fibre-degradation resistance to their products through the use of metallic silver.

Applied at the finishing stage for more complete protection of the fabric, Ultra-Fresh Silpure has been proved in tests to be consistently effective, with no tendency to cause discoloration. Plant trials have established that antimicrobial performance of Ultra-Fresh Silpure remains strong after 50 or more washes and using typical application processes on 100% polyester fabrics, bacterial survival was less than 0.1%, even after 50 washes.

Mount Vernon to close 161-year-old textile mill

20 June 2005

Mount Vernon Mills Inc. is to close its 161-year-old textile mill in Tallassee, USA.

Founded in 1844, it is claimed to be the country’s oldest mill in operation.

The facility, which employs 311 workers and produced textiles for apparel and home textiles, is set to close in September. Production will be moved to one of the company’s 14 other facilities.

Unifi and Sinopec Yizheng Chemical Fibre Company finalise joint venture

20 June 2005

America’s Unifi, Inc. and Sinopec Yizheng Chemical Fibre Co., Ltd. have finalised joint venture agreements to manufacture, process, and market polyester filament yarn through Yizheng's plant five facilities in Yizheng, Jiangsu Province, P.R. China.

The joint venture between Unifi Asia Holdings, a Unifi subsidiary, and Yizheng will be called Yihua Unifi Fibre Industry Company Limited and will focus on the production of higher margin specialty yarns for the China market. Each company will own 50% equity interest in the joint venture. Unifi's investment in the joint venture is estimated to be $30 million, which will be funded by the proceeds from the sale of the plant, property, and equipment of the company's European manufacturing operations.

Unifi is a producer and processor of multi-filament polyester and nylon textured yarns and related raw materials. Yizheng's parent company, China Petroleum and Chemical Corporation (Sinopec), is an integrated energy and chemical company headquartered in Beijing, China. Sinopec is also the largest petrochemical producer and distributor in China.

Reliance deal agreed

20 June 2005

Following an ownership dispute between the Ambani brothers who own India’s largest private sector company, Reliance Industries Limited, an agreement has been reached in which the brothers will split the Rs 990 billion ($22.6 billion) between them.

Under the settlement formula, Mukesh will get complete control over the oil refining and gas firm Reliance Industries. His younger brother Anil Ambani will manage power utility Reliance Energy, finance firm Reliance Capital, and telecom services major Reliance Infocom.

The group's activities span exploration and production of oil and gas, refining and marketing, petrochemicals (polyester, polymers, and intermediates), textiles, financial services and insurance, power, telecom and infocom initiatives. The group exports its products to more than 100 countries the world over and has an annual turnover of Rs 73,164 crore ($ 16.7 billion).