Business Week

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Polartec tests high altitude mask

18 July 2005

Polartec has hired Italian skyrunner Bruno Brunod to test its Power Shield Mask on Everset. The mask is designed to limit the effects of dehydration and hypothermia at high altitudes, caused by the need to warm up thousands of litres of cold dry air at temperatures of -20/-30C and in extreme weather conditions.

The mask works by recovering heat generated by physical effort for re-use, allowing warm and humid air into the respiratory tract. The process is facilitated with the application of Polartec Power Shield, a lightweight, breathable and warm fabric. The patent pending innovation weighs 105 grams.

According to Polartec, initial tests are promising and future tests are due to take place later this year. The design is a result of cooperation between Polartec, the Federation for Sport at Altitude and the Polytechnic of Turin.

This August, Polartec is also launching its 'Forward Fabric' brand campaign, designed to make the connection between textile engineers and individual athletes wearing the finished garments.

Berghaus appoints new head of footwear

18 July 2005

Berghaus has appointed Martin Jones as its new head of footwear. Jones will continue developing the footwear category. He joins the company from adidas, where he was advanced projects manager.

Lewis Grundy, Berghaus brand president said, "Footwear has been an area identified as a strong opportunity for growth, both in the UK and international markets. Martin is a great find for us, we're very pleased to have him on board and he is now charged with building a team to really take Berghaus footwear forward."

Polo Ralph Lauren acquires footwear licensee

18 July 2005

Polo Ralph Lauren Corporation has completed the acquisition of Ralph Lauren Footwear Co., Inc., its global licensee for footwear for men, women and children. The purchase from Reebok International Ltd is a cash transaction of approximately $110 million.

The transaction is expected to be marginally dilutive to Polo Ralph Lauren's earnings in Fiscal 2006, taking into consideration purchase price allocation and the elimination of licensing royalties.

Polo Ralph Lauren Corporation designs, markets and distributes premium lifestyle products in four categories: apparel, home, accessories and fragrances.

Ronhill joins forces with breast cancer charity

18 July 2005

British fitness clothing brand Ronhill Sports has joined forces with UK charity Breast Cancer Campaign (BCC) and will be donating £0.15 ($0.26) for each item sold from its Women's Elite and Women's Fitness autumn/winter 2005/06 collections.

Garments will carry a tag featuring a BCC pink ribbon. The Ronhill website will keep track of the money raised by customers.

Condition of clothing manufacturing industry revealed

18 July 2005

Plimsoll Publishing has published an analysis of how the top 1000 UK clothing manufacturing companies would behave in a recession in the second quarter of 2005, which also reflects their current financial state.

The analysis is based on the companies' sales and profitability in the last two years and has revealed four distinct profiles of company behaviour:

- 28% of companies whose sales and profits fell during that period are at most risk as they are already affected and experience a slow down in the market
- 34% of companies who showed profit during the period are doing well, seem unaffected and show no sign of recessionary behaviour
- 17% of companies whose profits have improved but sales declined during the period are showings signs of caution
- 21% of companies whose sales and profits are down seem intent on capturing a market share at whatever cost

David Pattison, senior analyst at Plimsoll, said: "I think the game of blame in the industry will start soon. Let's face it, it's an ideal time to rush any bad news out and managers can use talk of a recession to cover up problems that go back years. The reality is that there is a lot of success out there and these struggling companies are simply being outplayed by the competition."

AMG Outdoor Ltd. changes its name

18 July 2005

UK-based lifestyle equipment supplier, AMG Outdoor Ltd., has changed its name to AMG Group Ltd. with immediate effect. AMG Group believes the name change better reflects the company's enhanced brand and product portfolio, its strategic plan and assorted operations in which it is involved. AMG Group Ltd. has a strong technical heritage in the camping, sports / footwear and snowsport markets with a current portfolio of own brand label products including tents, rucksacks, sleeping bags and gloves under the Force Ten, Vango, Lichfield and Phoenix brands.

Brazil to delay trade sanctions in cotton dispute

19 July 2005

Brazil has agreed to postpone trade sanctions on the USA provided it will comply with a World Trade Organization (WTO) ruling against its cotton export subsidy programme. Brazil will maintain its right to impose sanctions but suspend their application while the USA abolishes the cotton export subsidies deemed illegal by the WTO in March.

At a meeting of the WTO dispute settlement body on July 15, the USA reiterated its intention to implement the WTO ruling, which demanded the abolition of certain cotton sector subsidies by July 1. It drew attention to the steps it had taken to approve changes to the cotton export subsidy programme in front of the Congress. The US-Brazil cotton case corresponds to a value of approximately $3 billion per year.

Gerber Technology names new sales manager, PDM/PLM solutions

19 July 2005

Gerber Technology has announced that Jonathan Smith has been named sales manager, PDM/PLM solutions for North America. Smith, who previously served as senior sales executive, PDM will assume his new position immediately and continue to report to Bud Staples, regional director, North America North/Canada.

In his new role, Smith will be responsible for leading Gerber's specialised sales team in

growing the company's WebPDM business and expanding into the Product Lifecycle Management (PLM) arena.

Smith joined Gerber Technology in 1993, serving most recently as senior account executive where he was responsible for selling WebPDM products to apparel manufacturers and retailers in the Northeast and Midwest United States, as well as in eastern Canada.

Smith is a graduate of Hofstra University, Hempstead, New York, and earned an MBA in Computer Methodologies from Bernard Baruch College, City University of New York.

DuPont Chemical Solutions Enterprise to increase prices

19 July 2005

DuPont Chemical Solutions Enterprise has announced price increases for DuPont Zonyl, Forafac and Foraperle Fluorotelomer products, including intermediates, effective July 1 or as permitted by contracts. List and off schedule prices will increase by approximately 8-20%, depending on the specific product grade.

The price increase is needed to continue to develop sustainable products and support innovation, as well as to keep pace with rising costs for raw materials and transportation.

The North Face expands in Europe

19 July 2005

The North Face will be launching five new flagship stores in Europe in the second half of 2005, bringing the total to 11 locations in Europe since the brand first launched its Retail Partnership programme in June 2003. Consumers in Copenhagen (Denmark), Madrid (Spain), Manchester (UK), Munich (Germany) and Val d'Isere (France) will soon be able to find a complete selection of the company's apparel, footwear and equipment in the same atmosphere found in its retail stores worldwide.

The North Face store in Manchester is set to open its doors on September 1, 2005. In addition to the five planned new openings, the brand has also just renovated and expanded its flagship store in Livigno (Italy), a mountain resort in the heart of the Alps.

The North Face also offers a Super Shop programme to its European retailers in major metropolitan areas and key resort locations. Eight further European locations are planned within year-end 2005. The programme aims at creating an in-store micro environment that offers consumers a three-dimensional view of the brand mission.

VF Intimates appoints new president of department brands

19 July 2005

VF Intimates, LP, a division of VF Corporation, has announced that Anne Jardine, 54, has been promoted to president - Department/Chain Brands, reporting to Curt Holtz, president of VF's Intimates Coalition. Her new responsibilities include leading the coalition's department and chain store brand teams including the Vanity Fair, Lily of France and licensed Tommy Hilfiger brands.

She will continue to have responsibility for the coalition's joint venture partnerships in Canada and Mexico and its VF Outlet business. She will also continue to spearhead plans to extend its Curvation brand beyond intimate apparel.

Jardine joined VF Intimates in January 2000 as vice president general manager for Bestform/Exquisite Form. She moved to her most recent position as vice president Business Development in April 2004. She led the successful launch of the Curvation brand.

Prior to joining VF Intimates, Jardine worked for Sara Lee, Kayser-Roth and RJR Nabisco. She holds a BS degree in Fashion Merchandising from Ryerson University in Toronto, Canada.

Oakley signs endorsement with golfer Ryan Moore

20 July 2005

Oakley, Inc. has signed professional golfer Ryan Moore to a multi-year endorsement agreement. Terms of the agreement call for Moore, the 2004 US amateur champion and a three-year All-American at the University of Nevada, Las Vegas, to wear Oakley eyewear, apparel and footwear.

In 2004 Ryan won the US Amateur Championship, NCAA Championship, US Amateur Public Links Championship, Western Amateur Championship and Sahalee Players Championship as well as earning first-team All-American honors, making him a three-time All-American collegiate athlete.

Ryan competes exclusively in the company's products including Oakley's Saw, Grain and O Pants as well as various Oakley golf polo style shirts. Ryan wears Oakley's Bow Tye golf shoes and most recently the new Oakley Zip Tye golf shoe scheduled for public release in fall 2005.

adidas launches ClimaCool range for women

20 July 2005

Adidas has launched a trendy and functional autumn / winter 05 ClimaCool range for women that features apparel and footwear, using the brand's ClimaCool technology that works to keeps one cool, dry and comfortable during workout.

The ClimaCool technology incorporates three main elements, Ventilation, Bodymapping and Moisture Management. To ensure coolness, and using intelligent fabrics to fend off heat and sweat, Ventilation, incorporates ventilation channels that constantly create the flow of cool air through apparel and footwear. The Bodymapping technology is the concept ClimaCoo centres around.

The new women's range features latest designs for running shoes, training pants, jackets, long-sleeve zip tops, t-shirts and seamless tank tops, designed to ensure the most comfortable work out.

Central Textiles to implement EFS system

20 July 2005

Central Textiles Ltd., Hong Kong, is to implement Cotton Incorporated's suite of software called the Engineered Fiber Selection (EFS) Cotton Fiber Management System in August, becoming the first licensee in Hong Kong and China.

"The EFS System is the world's leading cotton management system for producing consistently high-quality yarns. Inroads into Hong Kong and China with Central Textiles are a tribute to the success of the system," says Charles Chewning, vice president, Fiber Management Research, Cotton Incorporated. With a 57,000 square-meter spinning mill in Guangdong province and another near completion, the family-owned mill buys 250,000 bales of US cotton a year and employs about 1,500 people.

"The major purpose is to bring the consistency of yarn qualities to new levels, have better management of our cotton mix, and have higher machine efficiency in the mills," explains Leo Yung, general manager, Central Textiles Ltd. "Now with EFS, we will know the quality of each and every bale, the averages of our stocks, and the variation of changes of cotton qualities in the cotton mix over time. We can then pick bales from different quality categories for use to form a cotton mix so there is very even running in qualities day by day, week by week, month by month."

Launched in 1982, the EFS Cotton Management System takes the guesswork out of producing quality yarn while keeping the costs down. It is used in mills in the UK, Indonesia, Thailand, Turkey, Mexico, Canada, South Korea, Italy, the Philippines, Portugal, as well as in the US.

Reebok partners with hip hop star Nelly

20 July 2005

Reebok has agreed a long-term partnership with three-time Grammy Award winner Nelly, which includes a signature collection of athletic footwear, apparel and accessories. It will feature clean, aggressive, sport-inspired designs with unique colours and materials that reflect Nelly's personal style and flavour.

"Reebok's partnership with Nelly elevates the fusion of sports and music to a whole new level," says Dennis Baldwin, Reebok's chief marketing officer. "Not only is Nelly an incredible artist, but his passion for music is equally matched by his love of sports. Nelly has a unique style that transcends music and cultural genres with a broad consumer appeal that speaks to who Reebok truly is as a brand."

Option Systems moves headquarters to support client base

20 July 2005

Option Systems Limited (OSL), a global specialist in the provision of IT solutions for the apparel and footwear industries, has moved to new headquarters in Leicester, UK, to support its expanding client network.

"More and more wholesalers, distributors and retailers are looking for ways to improve their business processes, which has resulted in an increased demand for both Enterprise Resource Planning (ERP) and Product Range Management (PRM) software," commented Tony Parkinson, Managing Director at OSL. "We experienced a significant upturn in sales during late 2004 and early 2005. In recognition of this we took the decision to move to new premises."

Option Systems Limited (OSL) has developed a STYLEman enterprise solution specifically for clothing and footwear companies to allow organisations to maximise their operations by simplifying processes and delivering the operational and management information they require.

K2 reports positive sales for Q2

21 July 2005

K2 Inc., a branded consumer products company with a portfolio of leading brands in the marine and outdoor, team sports, action sports and apparel and footwear sectors, reported net sales for the second quarter ended June 30, 2005 of $301.4 million, an increase of 20% from $251.0 million in the prior year, as a result of 7.1% in organic growth and the balance from acquisitions completed after the second quarter of 2004.

Net sales for the six month period ended June 30, 2005 were $619.7 million, an increase of 17% over the 2004 comparable period, and operating profit for the period was $18.4 million as compared to $32.0 million for the 2004 six month period.

Richard Heckmann, chairman and chief executive officer, said, "We had a solid quarter with over 7% organic growth driven by strong results in Marine and Outdoor, Team Sports, and Apparel and Footwear. The only category that experienced softness was Action Sports."

For the third and fourth quarters of 2005, K2 forecasts that the quarters will be similar to each other in size in terms of net sales and earnings per share.

Oakley Q2 net income up 27 Per cent

21 July 2005

Oakley, Inc. announced that net sales increased 10.8 per cent and net income grew 27.3 per cent in its second quarter ended June 30, 2005. Net sales grew to a quarterly record $170.5 million, compared with $153.8 million in the second quarter of 2004. Net income for the second quarter totaled $20.3 million, compared with net income of $16.0 million earned in the second quarter of 2004.

"Strong, double-digit comparable store sales, together with new store openings, fueled a 38.6 per cent increase in sales at

the company's growing base of retail stores," commented Oakley chief operating officer Link Newcomb. "Each of our international markets posted double-digit net sales increases, with the exception of a modest decline in Europe."

Second quarter international net sales increased 6.3 percent to $74.1 million, compared with $69.7 million in last year's comparable period, with the weaker U.S. dollar contributing 4.6 percentage points of that growth. Japan, Latin America, Asia, Canada and the South Pacific regions each experienced double-digit increases in net sales, partially offset by a modest sales decline in Europe, the company's largest international market.

Deckers Outdoor Corporation reports Q2 results

21 July 2005

For the second quarter ended June 30, 2005, Deckers Outdoor Corporation's net sales were $40.3 million compared to $40.5 million in the same period last year. Net earnings for the quarter were $2.7 million, compared to net earnings of $5.1 million in the same period last year.

For the six months ended June 30, 2005, net sales increased 23% to $104.6 million compared to $84.8 million in the same period last year. Net earnings for the first half of fiscal 2005 increased 11% to $11.6 million, compared to net earnings of $10.5 million in the same period last year.

Douglas Otto, chairman of Deckers Outdoor, stated: "As expected, Teva's dependency on open toe sandals combined with the lingering cold weather during the Spring 2005 season negatively impacted our domestic Teva business during the quarter, while weakness in certain international markets affected Teva's overseas business. However, demand for UGG remained strong."

Mr. Otto added: "We are re-engineering our product line with a heightened focus on innovation and a renewed dedication to capitalising on proprietary technologies. We are also developing a more comprehensive line of non-weather dependent footwear."

Deckers Outdoor Corporation builds niche products into global lifestyle brands by designing and marketing innovative, functional and fashion-oriented footwear, developed for both high performance outdoor activities and everyday casual lifestyle use. The Company's products are offered under the Teva, Simple and UGG brand names.

Reebok's Q2 and H1 financial results in line with financial targets

21 July 2005

Reebok International Ltd. has reported net income for the second quarter ended June 30, 2005 of $37 million, an increase of 71% when compared to net income of $22 million for the second quarter of 2004. Net sales for the 2005 second quarter were $876 million, an increase of 8% from 2004's second quarter net sales of $814 million. For the Reebok Brand, worldwide sales in the 2005 second quarter increased 9% to $740 million compared to 2004's second quarter sales of $681 million.

Paul Fireman, chairman and CEO, said, "Our second quarter and six month financial results were in line with our overall financial targets. On the product front, we generated strong sales increases on Reebok Performance footwear products on a worldwide basis. We are clearly seeing a shift to more technical performance products, particularly in the U.S. market.

"During the quarter, Reebok sales of Performance footwear products increased by 24% on a worldwide basis and worldwide sales of Reebok Classic footwear product grew. In Europe, Asia and Latin America, sales of Classic footwear products increased strong double-digits during the first six months of 2005. In the U.S., where the market has turned more towards technical performance products, sales of Classic footwear products did decline," Fireman noted.

Sales for the company's other brands, Rockport, The Greg Norman Collection and Ralph Lauren Footwear, were $136 million in the second quarter of 2005 compared with 2004's second quarter sales of $133 million, an increase of 2%.

New sleeping bag range from The North Face

22 July 2005

The North Face has launched a three-strong range of PrimaLoft filled sleeping bags as part of its Redpoint range for spring / summer '06 at Friedrichshafen.

PrimaLoft provides a true alternative to down with the added bonus of water repellency and the ability to retain body heat should the fill ever get wet. In terms of synthetic insulation this technical microfibre is lightweight, offers water-repellency, breathability, compressibility, fast-drying capabilities and durability. Easy-to-care for and long lasting, PrimaLoft filled products can cope with a wide range of adventures and is also used in footwear, accessories and bedding.

Keith Byrne, UK marketing manager, The North Face, says: "From nothing four years ago it is soon to be a product that we commit to for 12 months of the year. We have carried the Redpoint product as a winter line for four years but as from spring summer 06 it will also be a summer product: it's great for wearing in the mountains in summer as much as it is in winter".

Quiksilver completes tender offer for Rossignol

22 July 2005

Quiksilver, Inc. has successfully completed its tender offer for the outstanding share capital of Skis Rossignol S.A. Quiksilver acquired approximately 6 million shares during the offering period for €19.00 per share and, at the anticipated July 26, 2005 closing of the transaction, expects to directly or indirectly own approximately 94% of the company's issued share capital with just over 95% of the voting rights.

Quiksilver also announced that the tender offer will be reopened on July 25, 2005 for an additional 15 days to address the remaining outstanding shares. In the event the company acquires an additional 1% of the issued share capital, it is expected to proceed to the mandatory squeeze out to obtain the remaining issued shares.

Musto launches practical equestrian range

22 July 2005

Musto has launched its new Professional Equestrian Jacket for women, designed primarily to ensure dryness and an elegant look in the saddle. The jacket is waterproof, windproof and breathable, made from a soft polyester microfibre shell, has a polyurethane-coated nylon lower body lining and quilted sleeves for insulation. The outer surface is treated with a Durably Water Repellent (DWR) finish and the seams are covered with waterproof tape. The item comes in mink, navy and vineyard colours.

The company has also launched its Asymetric equestrian range for woman featuring the Wadded Jacket, the Snug Mock Wool Gilet and the Sleeve Stripe L/S T-shirt. The clothing range comes in black, ivory and 'wicked pink' and is said to combine performance properties, and comfort with a brave fashion statement.

Targeted sports participation reports

22 July 2005

SGMA currently holds sixteen individual 2005 sport reports available online for immediate download. Each report contains key information from 2004 on historical participation trends, demographic data, gender profiles, 'Quickfacts' and statistical charts.

Single Sports Reports contain information not found in SGMA's Super Study of Sports Participation. The reports currently available for immediate download include: Aquatic Exercise , Billiards/Pool, Basketball, Bowling, Golf, Jet Skiing, Lacrosse, Paintball, Running/Jogging, Skateboarding,

Snowboarding, Soccer (Indoor), Soccer (Outdoor) , Softball(Fast-Pitch), Softball(Slow-Pitch) and Yoga/Tai Chi.

Other sports to be covered include baseball, bicycling (BMX), fishing, fitness walking, football (tackle), ice hockey, inline skating, kayaking, martial arts, Pilates training, scuba diving, tennis, treadmills, volleyball, and wakeboarding. Initially 30 reports will be produced for immediate delivery. Additional sport reports will be produced upon demand.

Mammut launches climbing collection

22 July 2005

Mammut has launched its new climbing collection, said to combine a good balance between design and climbing functionality. Parts of the collection have been fitted with enhancements such as an anti-odour material and an mp3-player.

The men's collection includes the Mica t-shirt with Dri-release system, designed to wick moisture away from the body, and Freshguard for odour prevention. Although made with synthetic fibres, it is said to have a soft cotton feel. The stretch cords Chalk Pants are a fashionably designed and bear climber-specific details such as a brush holder and pre-shaped knees. The Magma Soft Shell jacket has an audioport pocket with a cord, an inside pocket for climbing boots and hand warmer pockets.

Outfits for women have been designed with colour and functionality in mind. The Vulkanite t-shirt in viper (beige) goes with the ¾ Quarzite Cargo Pants in viper (beige) and the Pumice hoody in mustang (brown). The cuddly hoody with climber print, front zipper and kangaroo pockets completes the climbing outfit for women.

VF reports record Q2 sales and earnings

22 July 2005

VF Corporation has announced record results for its second quarter ended July 2, 2005. Second quarter sales rose by 13% to 1,435.8 million from 1,269.5 million in the prior year's second quarter. Net income increased 11% to 100.0 million from 90.1 million.

The acquisitions of the Vans, Napapijri, Kipling, Reef and Holoubek businesses added 156 million to sales in the 2005 quarter.

For the first six months of 2005 sales increased 11% to 2,999.5 million from 2,702.2 million. Net income rose 15% to 222.9 million from 194.0 million. The above acquisitions contributed $312 million to sales in the first half of 2005.

Mackey J. McDonald, chairman and chief executive officer, commented: "Earnings rose more than we anticipated during the quarter, due to particularly robust sales in our Outdoor and Sportswear coalitions, which in turn are driving higher gross margins. Two noteworthy examples in the quarter were our Vans brand, where we are benefiting from very strong product launches and the success of a new retail merchandising format, and our Nautica brand, where we experienced a double-digit sales gain and a big improvement in profitability."