Business Week

3rd October 05 – 9th October 05

Tommy Hilfiger to cut 135 jobs

07 October 2005

Tommy Hilfiger Corporation has announced that it is to cut approximately 135 jobs in the USA as part of its ongoing initiatives to change the cost structure of its US wholesale business. The company previously stated that although it is experiencing growth in other businesses, particularly its retail and international wholesale segments, its US wholesale segment remained challenged, and it intended to strive for improved financial performance in this segment through product initiatives and cost reductions

Tommy Hilfiger Corporation designs, sources and markets men's and women's sportswear, jeanswear and childrenswear. The company's brands include Tommy Hilfiger and Karl Lagerfeld.

Oxford Industries announces record Q1 results

07 October 2005

US producer of branded and private label apparel, Oxford Industries, Inc. has announced record financial results for the first quarter ended September 2, 2005. Consolidated net sales for the quarter increased 27% to $336 million from $265 million in the first quarter of fiscal 2005.

The Tommy Bahama Group reported net sales of $92 million in the first quarter compared with $93 million in the same period last year. An increase in retail sales was offset by a decline in wholesale revenues and the discontinuation of the private label business.

The Menswear Group reported first quarter sales of $177 million compared to sales of $119 million last year. Ben Sherman contributed approximately $44 million for the quarter, versus only $17 million for a partial quarter's contribution in the year-ago period.

First quarter sales for the Womenswear Group increased 30% to $68 million from $52 million last year. The company noted that increased shipments to Wal-Mart and Target represented the bulk of the sales increase.

Oxford's brands include Tommy Bahama, Indigo Palms, Island Soft, Ely & Walker and Oxford Golf.

NC State College of Textiles announces AUTEX Conference

07 October 2005

Textile experts from across the country and around the world will gather at North Carolina State University's College of Textiles from June 11-14, 2006, for the AUTEX (Association of Universities of Textiles) Conference.
Founded in 1994, AUTEX is an interdisciplinary organisation of universities with international reputations in textile education and research.

The AUTEX Annual Conference has become one of the premier international conferences where the leading researchers in textiles meet and discuss their present activities," said Dr. William Oxenham, chair of the conference and associate dean for academic programs for NC State's College of Textiles. The College of Textiles is pleased to host the event this year and to show textile researchers all over the world the facilities and faculty we have here in the United States."
AUTEX's goal is to play a leading role in the future development of textile education and in basic, strategic and applied research targeted at the needs of textile companies for a highly skilled work force and product innovation.

Papers and abstracts are now being accepted; the deadline for submissions is November 18, 2005.

Bayer Mexico reports 44% increase in sales

07 October 2005

Bayer Mexico has reported record sales of €285 million for the first half of 2005, up 44% from the first six months of 2004. Sales from continuing operations for the full year 2004 amounted to €449 million.

"Mexico has assumed the role of growth driver for our Latin America business," commented Werner Wenning, chairman of the board of management of Bayer AG. "Between 1995 and 2004 Bayer Mexico achieved steady double-digit sales growth with annual growth rates of almost 11% in euros." This equates to almost twice the pace of growth recorded in Latin America as a whole. At the same time, Mexico's share of Bayer Group sales has doubled over the past 10 years.

"We firmly believe Mexico to be among the most promising locations for investment in this region," said Mr Wenning. "We are planning to invest around €100 million here through 2008." Bayer has invested a total of EUR 180 million in Mexico over the past 10 years."

Bayer products have been sold in Mexico for more than a century. The company established its first subsidiary there in 1921, and Bayer Mexico now has 2,344 employees. Apart from its headquarters in Mexico City, Bayer has four production sites in Mexico.

Coronet to exhibit innovative products at Lineapelle

07 October 2005

Coronet S.p.A., a leading Italian producer of synthetic leather with more than thirty years of experience in the footwear and accessories sector, will highlight its innovative products at Lineapelle, which will be held in Bologna, October 25-27.

The company recently launched a new division totally devoted to research and innovation. Through an intensive research and development programme, Coronet Innovaction presents solutions to companies that want to distinguish and renew their products, starting with the materials.

The star of the division is Go-Stop, an exclusive technology that makes synthetic materials extremely waterproof and breathable and is said to be the only synthetic product that fully satisfies the parameters of required by Gore for use of the Goretex membrane in uppers.

But Coronet Innovaction does not just concentrate on footwear and accessories, it focuses on areas of application and sectors where functionality is a priority, ranging from technical garments for motorbike riders to fashion apparel, from golf shoes to safety footwear, and even bike seats and more.

Coronet Innovaction was debuted at ispo 2005, due to the fact that Go-Stop has many applications in the sports sector. Thanks to its innate qualities of lightness, resistance and fashion versatility with new high performance elements, it is washable, stain-proof, anti-bacterial and anti-fungal. It also offers colours that do not fade and products that are easy care and easy wear.

Gianni Radici passes away

06 October 2005

Gianni Radici, former chairman and CEO of RadiciGroup passed away on October 5 in Leffe, near Bergamo, Italy, after a long illness. He was 81.

Mr Radici was chairman and CEO of RadiciGroup, the Italian chemicals and textiles producer, until the mid-90s, when he still retained the position of honorary chairman. He inherited the business from his father, Pietro, in the 1940s, and subsequently developed it into a truly global company. RadiciGroup's initial activity was

in the home textiles sector; it subsequently diversified into synthetic fibres and fabrics, plastics, engineering, chemicals, packaging and textile machinery.

The company is now managed by his sons Angelo, Maurizio and Paolo. It has five divisions - textiles, fibres, plastics, chemicals and energy - and 49 manufacturing plants in Italy, Europe, and also in China, the USA and South America. The group employs 5,600 people.

UTECH Europe 2006 set to break records

06 October 2005

Polyurethanes machinery, materials, equipment, products and services event UTECH Europe 2006 is set to break all records at its new venue in the Netherlands. The show, aimed at the international polyurethanes sector, will be held at the Maastricht Exhibition & Congress Centre (MECC), Maastricht on March 28-30, 2006.

It is set to be the biggest in the event's history with over 100 companies expected to occupy around 5000 m^2 of exhibition space. The record exhibitor numbers have been boosted by a strong presence from the world's fastest growing economies, including at least 10 companies from China.

The list of confirmed exhibitors includes Huntsman, BASF/Elastogran, Bayer Material Science, Air Products, Repsol, Arkema, Cannon, Baulé, Solvay Fluor, GE Specialty Materials, Tosoh, Invista, Degussa/Goldschmidt, Chemtura, Dow Chemicals and many other leading players.

Jersey Lomellina launches three fabric lines for spring/summer 2007

06 October 2005

Italian warp-knitted fabric manufacturer Carvico Jersey Lomellina Group has launched three lines of fabrics for spring/summer 2007, JL Wellbeing, JL Blackline, and JL Intensive. The new lines have been developed using both natural and synthetic fibres to offer a blend technology, nature, and easy care which are said to be ideal for versatile garments, sportswear, and underwear.

The JL Wellbeing is designed to promote health and contains ingredients such as Ginseng and vitamin C which, upon contact with the skin, release beneficial effects and a subtle perfume. For fitness apparel, JL Blackline is a range of new generation fabrics created to offer high quality garments in dark colours. It comes in various compositions and weights, from feather light to heavier. JL Intensive fabrics are a range of stretch fabrics in super-fine microfibre capable of actively controlling moisture and perspiration. The fabrics are said to offer extraordinary performance with ideal yields for the creation of both technical garments and daily wear.

The Carvico Jersey Lomellina Group, established 1962, specialises in the production of warp-knitted fabrics for swimwear and circular-knitted fabrics for underwear, sportswear and outwear.

US considers further quotas on Chinese textile products

06 October 2005

On October 5, 2005, the US Committee for the Implementation of Textile Agreements (CITA) announced its decision to consider nine requests submitted on behalf of a coalition of textile industry associations and a union representing textile and apparel workers for the reapplication of safeguard actions limiting imports on 13 textile products. The products involved are: combed cotton yarn; cotton knit shirts; men's and boys' woven shirts; cotton trousers; brassieres and other body supporting garments; underwear; other synthetic filament fabric; man-made fibre knit shirts; man-made fibre trousers; cheesecloth, batistes, lawns/voiles; men's and boys' wool suits; polyester filament fabric, light-weight; and other men's and boys' man-made fibre coats and women's and girls' man-made fibre coats.

CITA will now solicit public comments on the requests, in particular with regard to whether the US markets for these textile and apparel product categories are disrupted and/or threatened with market disruption, and if so, the role of Chinese-origin products in that disruption.

If CITA deems that imports of these textile and apparel product categories from China are disrupting or threatening to disrupt the US markets for the products, it will request consultations with China, with a view to avoiding such market disruption.

Umbro acquires 25% stake in Asian distributor

06 October 2005

British-based sportswear manufacturer Umbro plc has announced that it has acquired a 25% interest in Team & Sports Ltd, its China-based licensee that distributes Umbro products in China, Hong Kong and Taiwan. The deal is said to have cost Umbro approximately $12 million.

Zumiez reports 26% sales increase

06 October 2005

Zumiez Inc., a US specialty retailer of action sports related apparel, footwear, equipment and accessories, has reported net sales of $19.5 million for the five-week period ended October 1, 2005, an increase of 26.8% compared with $15.4 million for the five-week period ended October 2, 2004.

Comparable store sales increased 10.1% versus a comparable store sales increase of 27.3% in the year ago period.

Adidas inaugurates concept shop in São Paulo

06 October 2005

The first Brazilian adidas Sport Performance Centre shop has been inaugurated on Rua Oscar Freire, one of the most fashionable São Paulo addresses, where all the famous local and international labels are found. The event brought together 450 guests including athletes and artists.

The shop follows the same concept as the brand's 19 other concept outlets that can be found in New York, Osaka and Frankfurt, to name but a few. At the inauguration, guests were shown the brand’s new kits, clothing, footwear and accessories.

Wilson launches first line of women's tennis racquets in Canada

05 October 2005

Wilson has launched a new line of women's tennis racquets in Canada, the W line, which are the racquets which have been designed specifically for female tennis players.

The W line features Wilson's nCode technology, which uses nano-sized silicon dioxide crystals to fill the spaces between carbon fibres in the frame resulting in added stability, strength and power. W racquets are designed to enhance a woman's game with a unique construction that provides increased power, strength, control and added comfort. They are also designed with a new, fluid oval head shape and longer main strings for a larger sweet spot, and a new throat design said to offer greater strength and stability. Other features include iso-zorb grommets for reduced shock, softer grip and a contoured butt cap that provides greater hand comfort.

Norcross signs acquisition agreement for Fibre-Metal Products

05 October 2005

US manufacturer of branded products in the personal protection equipment industry, Norcross Safety Products L.L.C. has announced that it has signed a definitive agreement to acquire all of the outstanding capital stock of Fibre-Metal Products Company.

Fibre-Metal, is a privately held manufacturer of head protection equipment including protective caps, face shields and welding helmets.

Completion of the acquisition is expected to take place in the fourth quarter of 2005. After completion, it is anticipated that Fibre-Metal will operate as a part of Norcross's industrial protection business.

"The combination of Fibre-Metal's customer base and expertise in the protective headgear market with our North Safety personal protective equipment business will increase our manufacturing and distribution capabilities, expand and diversify our product offerings and enhance our ability to serve our customers," noted Robert A. Peterson, Norcross's president and CEO.

Norcross manufactures a full line of personal protection equipment for workers in the general industrial, fire service and utility/high voltage industries. Its brand portfolio includes North, Morning Pride, Ranger, Servus, Pro-Warrington and Salisbury.

Pacific Sunwear appoints new COO

05 October 2005

US retailer of casual apparel, accessories and footwear, Pacific Sunwear of California, Inc. has appointed Wendy E. Burden as chief operating officer (COO) effective November 8, 2005. Ms. Burden will report to Seth Johnson, the company's CEO, and will be responsible for store operations, real estate and store construction, information systems, and the company's distribution centre.

Ms. Burden most recently worked with Victoria Secret Stores, a division of Limited Brands, Inc., where initially she was vice president of business strategy and operations.

Brazil considers limits on Chinese goods

05 October 2005

Following his recent visit to China, Brazil's Minister of Trade, Luiz Furlan has said that Brazil is considering imposing limits on Chinese imports into the country.

Brazilian officials held discussions with their counterparts in Beijing last week in an attempt to agree limits on textile imports, however, negotiations ended in a deadlock.

The footwear and textiles industries are seen as those worst affected by the influx of Chinese goods into Brazil and Foreign Trade Council has asked President Lula da Silva to introduce WTO laws that would allow limits to be imposed.

Vietnam footwear exports rise 13%

05 October 2005

Despite the recent EU anti-dumping investigation by the European Union, according to figures released by Vietnam's Ministry of Industry, footwear exports rose 13% in the first nine months of 2005 to reach $2.22 billion. The increase was attributed to an expansion of export countries, in particular the USA, Japan, Canada and South Africa.

Adidas signs sponsorship deal with AOC

05 October 2005

The Australian Olympic Committee (AOC) and adidas have announced a sponsorship agreement until 2016.

Under the terms of the agreement, which came into effect immediately, adidas will outfit the Australian Olympic Team at the next Summer Olympics in Beijing 2008 as well as the Olympic Games in 2012 and 2016. Adidas, which last outfitted the Australian Olympic Team at the 1996 Atlanta Games, will provide competition uniforms and casual clothing for the athletes, coaches and officials.

We've had a great association with adidas over the years and are thrilled to renew our old partnership," said AOC President John Coates. adidas recognises Australia's strength and our athletes' impressive performance on the world stage of Olympic Games."

Wolverine reports record Q3 sales

05 October 2005

Footwear manufacturer Wolverine World Wide, Inc. has reported record revenue for its third quarter of 2005, marking the 15th consecutive quarter of record revenue and net earnings for the company. Third quarter 2005 revenue totalled $279.1 million, a 7% increase over third quarter 2004 revenue of $260.9 million.

"We are pleased to have achieved another quarter of exceptional results," stated Timothy J. O'Donovan, the company's chairman and CEO. "This quarter's record performance reflects our successful global strategy which is focused on a strong portfolio of consumer brands. Three of our major operating groups, the Hush Puppies Company, the Heritage Group and the Outdoor Group all posted double-digit earnings gains, and the Wolverine Footwear Group matched its third quarter 2004 performance. Our International businesses contributed significantly to the quarter's revenue growth, reporting nearly a 17% increase."

Wolverine manufactures branded casual, active lifestyle, work, outdoor sport and uniform footwear and slippers. The company's portfolio includes: Bates, Hush Puppies, HYTEST, Merrell, Sebago and Wolverine.

Adidas divestiture to be completed mid-October

04 October 2005

Adidas-Salomon’s divestiture of the Salomon business segment to Amer Sports Corporation, announced on May 2, 2005, is now anticipated to be completed in mid-October, instead of the end of September as expected earlier. The change is said to be due to the EU competition authorities’ revised processing schedule and will not impact the financial terms of the transaction.

Johnson Outdoors confirms military tent order

04 October 2005

US-based global outdoor recreation company Johnson Outdoors Inc. has announced that it has received five separate military tent orders totalling $3.6 million. All five orders are for Modular General Purpose Tent Systems (MGPTS) with anticipated delivery in early 2006.

Johnson Outdoors designs, manufactures and markets a portfolio of brands across four categories: watercraft, marine electronics, diving and outdoor equipment.

Rieter acquires Graf Group

04 October 2005

Rieter Holding Ltd. acquired the entire share capital of Hogra Holding AG, the parent company of the Graf Group, on October 3, 2005.

This move is hoped to augment Rieter Textile Systems' position as a supplier of technology components in the staple fibre machinery sector.

The Graf Group, with a workforce of almost 600 has its two largest production locations in Switzerland (Rapperswil) and the Netherlands (Enschede).

The Graf Group develops and manufactures card clothing, combs and clothing for combing machinery as well as service machines for various spinning processes in the staple fibre sector worldwide. The company also occupies a strong position as a component manufacturer for the nonwovens sector.

The group has long been a supplier of components to Rieter, and Rieter Textile Systems has maintained a successful technology partnership with the group for some years.

BASF raises prices for polyamide extrusion and spinning grades

04 October 2005

Effective October 1st, 2005, BASF increased its prices for Ultramid base polymers, for polyamide 6 and polyamide 66 extrusion and spinning grades in Europe by €100 per metric ton. The company stated that this measure had been taken as a result of the sharp increase in feedstock prices.

The extrusion and spinning grades in BASF's polyamide portfolio with the trade name Ultramid are used for the production of fibres and food packaging films.

Anti-trust waiting period expires on Reebok acquisition

04 October 2005

Adidas-Salomon AG and Reebok International Ltd. have announced that the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, with respect to the proposed acquisition of Reebok by adidas-Salomon, has expired. As a result, no further anti-trust regulatory review will be necessary in the United States.

On August 3, 2005 adidas-Salomon and Reebok announced that their boards of directors had unanimously approved a definitive agreement under which adidas-Salomon would acquire all of the outstanding shares of Reebok for $59.00 per share in cash. The transaction value is approximately €3.1 billion including the assumption of Reebok's net cash position.

Zensah debuts anti-blister performance apparel at Chicago Marathon

03 October 2005

Zensah, producer of seamless performance apparel, will debut its anti-blister running apparel at the 2005 LaSalle Bank Chicago Marathon taking place on October 9. It will also feature its full line of performance apparel at the Chicago Marathon Health and Fitness Expo.

The new Zensah anti-blister material is a double-sided moisture wicking fabric which is said to prevent runners suffering from blisters and chafing in the groin and chest area.

Celanese names new VP and controller

03 October 2005

Global producer of value-added industrial chemicals Celanese Corporation has appointed Steven Sterin as vice president and controller for Celanese Corporation, replacing Michael E. Grom who will retire from Celanese in 2006. Mr. Sterin joined Celanese in 2003 as director of finance and was named controller in 2004. Prior to joining Celanese, he was with Reichhold, Inc., where he was treasurer and later vice president of finance - coating resins.

Purista launched in USA

03 October 2005

Purista, the commercial name for the range of textile freshness-enhancing treatments from Arch Chemicals, Inc. a manufacturer of antimicrobials, has been launched in the US apparel and home textiles market.

Based on polyhexamethylenebiguanide hydrochloride (PHMB), Purista treatments protect clothing and other textiles from odour-causing bacteria, providing a "fresh finish." Following product safety and chemistry data, the US EPA has recently accepted a registration amendment to include the use of Purista treatments on apparel and other textiles.

Since first launching its finish in the UK, Purista is now used by more than 30 retailers on items such as socks, suit linings, towels and linen.

Headquartered in Norwalk, Connecticut, Arch Chemicals, Inc. is a global specialty chemicals company with approximately $1.3 billion in annual sales.

Former adidas owner awarded €135 million

03 October 2005

Former owner of sportswear brand adidas, Bernard Tapie, has been awarded €135 million compensation by a French appeal court as a result of irregularities in the sale of the company to Robert-Louis Dreyfus in 1994.

Mr Tapie sued Credit Lyonnais bank and the French government for €990 million claiming that he had been cheated when Credit Lyonnais sold the company for only about €709 million.

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Sympatex unveils new Reflexion laminate for gloves

03 October 2005

Sympatex Technologies has unveiled a new laminate technology specifically designed for gloves. The direct laminate insert is said to reduce the need for bulky insulation and provide added feeling to the wearer.

It is based on the company's Reflexion technology where the membrane is coated with just a few nanometres of pure aluminium which reflect back up to 75% of the body's own heat, providing protection against cold with minimum weight.

This technology, which is exclusive to Sympatex, will be available for production in early 2006.

Puma invests in new factory in Argentina

03 October 2005

Argentine Puma Licensee, Unisol, has invested almost $3 million in a new factory in La Rioja Province which is set to create 250 new jobs in the area.

Unisol, which holds the license for Puma sports footwear and clothing in Argentina, inaugurated its new facility on September 9th. The plant is said to include state-of-the-art machinery and equipment which is set to make it the most modern shoe factory in the country.

150 people are already working at the new premises and another 100 should be taken on in the next year.