## Business Week

## 21st November 05 – 27th August 05

### Eleksen expands in the USA

25 November 2005

UK-based designer and manufacturer of fabric touchpads used in wearable electronics, Eleksen, has opened new North American headquarters in Waltham, Massachusetts.

The company has also appointed Laurie Love as vice president of global sales and business development.

### SR Gent goes into administration

25 November 2005

UK clothing manufacturer SR Gent, which supplies well-known companies such as Marks and Spencer, has gone into administration. It employs 670 staff, 600 of which are based in the UK. The company closed its factory in Barnsley in January of this year, and a further facility in Rotherham in April.

### Perry Ellis acquires Gotcha trademarks

25 November 2005

Perry Ellis International, Inc. has signed a definitive asset purchase agreement to acquire primarily all of the worldwide intellectual property, including the Gotcha and GirlStar trademarks and the intellectual property licence agreements, of the California surf wear brand Gotcha International. The cash transaction is expected to close in January 2006.

Gotcha is sold internationally through surf, specialty and department stores in 20 countries.

### Lenzing Group sales increase, but fibres continue to decline

25 November 2005

Lenzing Group sales for the first nine months of 2005 rose by 9.4% to €697.6 million compared with €637.5 million in the comparable period of 2004. This was affected by an increase in quantity and by the full consolidation of the Tencel group for the whole reporting period despite a weak market and declining fibre prices.

The company's global fibre business decline continued in the third quarter. The company stated that the unfavourable price situation affected its Textile Fibres as well as Nonwoven Fibres units. This year's prices reached an annual low in the third quarter and the company was faced with a steep rise in energy and raw material costs. Primary energy prices rose by about 15% in the first three quarters, compared with last year.

### More than 1,800 exhibitors expected at ispo winter 06

25 November 2005

Ispo winter 06, which will take place from January 29 to February 1, is set to be the largest ispo in the trade fair's history. More than 1,800 exhibitors will present their new sports fashion collections and product innovations at the event in Munich, 80% of which will be from abroad. The show's organisers are attributing the increase in exhibitor numbers to pro-active promotion and projects such as Greenhouse" in the outdoor sector, Skilift" for the winter sport segment, and the award of the German Apparel Industry Foundation for young, innovative designers.

Outdoor_ispo has recorded particular growth and will occupy almost all of Halls B4 to B6. It will include companies such as Aigle,

Arc´teryx, Asolo, Berghaus, Black Diamond, Camp, Columbia, Fjällräven, Fritschi, Gore, Jack Wolfskin, Keen, Lafuma, Lowe Alpine, Maier Sport, Mammut, Marmot, Meindl, Nike ACG, North Face, and Patagonia. Timberland will also return to the fair after a long absence.

## Labour, management commit to promote social accountability in Philippines

25 November 2005

The Employers' Confederation of the Philippines (ECOP) and major labour groups in the country recently entered into an agreement, the "Tripartite Commitment on Social Accountability", with the Department of Labour and Employment (DOLE).

The labour groups include the Trade Union of the Philippines and Allied Services (TUPAS), International Textile Garments and Leather Workers federation (ITGLWF), and the Trade Union of the Philippines (TUCP) and its affiliates.

The major labour and management organisations have agreed to cooperate and to be accountable in improving the working conditions of their workers in a bid to raise the worker's capability to compete in the global economy.

The signatories agreed to voluntarily incorporate mainstream social accountability into their programmes, specifically the adherence to core labour standards, safety and health of workers, recognition of workers rights, and good governance. They also agreed to cooperate in promoting social standards at the enterprise level and to hold regular dialogues on social accountability.

## ZEG commits to IFMA

24 November 2005

Germany’s Bicycle Purchasing Association (ZEG) has agreed to take part in IFMA in Cologne for the next five years. According to chairman of ZEG, Georg Honkomp, The new Kölnmesse trade fair halls, the perfect conditions offered by

Cologne as a trade fair location, the clear structure, the impressive concept and outstanding atmosphere at IFMA for doing business — based on these factors, the Bicycle Purchasing Association (ZEG) has decided to take part in IFMA in Cologne for the next five years.”

ZEG has 900 members that are leading dealers in the German bicycle sector. These include companies such as Abus, Cycleurope, Derby Cycle, Gazelle, Giant, Hercules, Kettler, KTM and Pantherwerke. The association is based in Cologne.

IFMA is Europe’s largest trade fair for the bicycle business. In 2006, the fair will be held entirely in Kölnmesse’s new trade fair halls, which make the world’s fourth largest trade fair grounds, from September 14-17, 2006.

### Double-digit pre-order growth at Vaude

24 November 2005

Mountain sports outfitter Vaude has reported an exceedingly successful rise in advance orders, having reached double-digit figures for the Summer 2006 season for both the German and international markets.

Jan Lorch, international sales manager said: The order situation in the Asian market and with the work our new distribution partners in Switzerland and USA, the number of orders is especially satisfying. Our strategy, to establish a name for Vaude as a technically leading mountain sports brand, backed up by strong quality assurance, has paid off.”

### France’s Ferrari launches new marine fabrics

24 November 2005

Ferrari of France has launched a new range of marine fabrics Stamoid for use on board yachts. These composite textiles can be used for biminis, tops, curtains, covers and protective screens. They are treated specifically so as to combine a range of features including durability, high UV

resistance, flexibility, waterproofness, easy maintenance, mould resistance, dimensional stability and small bulk.

The range includes the Stamoid Top and StamoidTweed textiles, which are said to be easy to handle, thanks to their flexibility. They can withstand extreme temperatures and remain stable, even when exposed to the weather. StamoidTop is available in 14 colours and StamoidTweed, printed with textured patterns, in four colours. The StamoidOpen is said to be extremely strong and ideal for permanent tops and curtains for large boats or high-speed craft. It is available in three colours.

Ferrari has also developed protective screen fabrics that let in light: Soltis86 and BatylineIso 62. They can be used as cockpit covers, awnings, sun screens or visual protection, windbreaks, rail awnings, windscreen covers and trampolines. These textiles provide optimum transparency while ensuring privacy. They combine sun protection and lighting, diffusing more light and providing better visibility from inside to outside, with the emphasis on comfort indoors. Soltis86 is available in five colours, and has the guarantee of Précontraint Ferrari – a patented technology that achieves unequalled dimensional stability.

The Stamoid range, which comes with a five-year guarantee, has Öko-Tex certification. The textiles can be recycled using the Texyloop process.

## Perry Ellis International appoints president of Action Sports/Active

24 November 2005

Perry Ellis International, Inc. has appointed Seth Ellison as president of action sports/active, effective November 28, 2005. Mr. Ellison will report to Oscar Feldenkreis, vice-chairman, president, and COO of Perry Ellis International.

Mr. Ellison will be based at PEI's Redsand office in Irvine, California. He will oversee the merchandising, sales and operations for all of PEI's youth lifestyle and swim brands, including Redsand, Jantzen, Nike swim and the newly acquired trademarks from Gotcha International.

Perry Ellis designs, distributes and licenses a broad line of men's and women's apparel, accessories, and fragrances, including dress and casual shirts, golf sportswear, sweaters, dress and casual pants and shorts, jeans wear, active wear and men's and women's swimwear.

## Manufacturing of textiles in EU falls 4.3%

24 November 2005

The manufacturing of textiles and textile products dropped 4.3% and 3.5% respectively in September compared with August, this was despite the fact that overall industrial new orders rose by 1.1%

During the same period, transport equipment grew by 4.4% in the euro-zone and by 8.9% in the EU25. Electrical and electronic equipment rose by 2.8% in the euro-zone but fell by 0.1% in the EU25. Basic metals and fabricated metal products increased by 1.0% in the euro-zone but declined by 1.2% in the EU25. Manufacturing of chemicals and chemical products gained 0.2% and 0.4% respectively. Machinery and equipment fell by 0.8% in the euro-zone and by 1.7% in the EU25.

## Cognis increases sales in first nine months

24 November 2005

Global specialty chemicals supplier Cognis achieved net external sales of €2,384 million in the first nine months of 2005, an increase of 2.7% on the first three quarters of 2004.

All Strategic Business Units (SBUs), except Process Chemicals, posted sales that exceeded the nine-month figures for 2004, with Care Chemicals and Nutrition & Health both achieving significant growth in sales. As a whole, the Cognis group’s organic net external sales (sales adjusted for the effects of currency fluctuations, acquisitions and

divestments) were 4% higher than the previous year.

Process Chemicals' nine-months-sales decreased 13.9% to €268 million. Half of the decrease in sales resulted from the disposal of the PVC stabilisers business effective July 1, 2004. The rest is a result of sales decreases in the textile business, whereas the leather and plastics businesses remained stable.

With total sales of €332 million, Oleochemicals achieved sales growth of 3.8%.

## Brazil changes focus of footwear exports

24 November 2005

Until recently, Brazil was always known as a producer of large volumes of cheap footwear, however, according to Rodrigo Souza, footwear project manager of the Brazilian Export and Investment Promotion Agency (APEX), the focus of production is set to move towards higher quality products and design.

Mr. Souza explained that factors such as the low exchange rate against the US dollar and increased competition from China have created this need for a change in focus.

As a result of this new strategy, exports actually fell 9% in terms of volume between January and September 2005, however, revenue actually rose 7% in US dollar terms compared with the same period of 2004. This is said to be a direct result of a 17% increase in the average price of footwear from $8.44 to $9.86.
Vivian Laube, marketing director of the Brazilian Association of Footwear Manufacturers (Abicalçados), said that the main target country for Brazilian shoe exports at the moment is Italy, one of the most famous countries in terms of the quality and design of its shoes. "Unlike China, Brazil will not be a global supplier of cheap footwear anymore," she added. It appears to be working as Brazil reported a100% increase in exports to Italy between 2003 and 2004.

Statistics show that Brazil is also diversifying its export markets. Mr. Souza pointed out that in the past Brazilian shoe exporters have largely depended on American imports but, as the US have gradually replaced Brazilian shoes with Chinese goods many Brazilian factories have been forced to close down. And this is why Brazil is now seeking to penetrate new markets. Brazilian shoes are currently exported to over 100 countries.

In order to consolidate the image of the country as a producer of quality shoes, APEX and Abicalçados are now investing in marketing projects such as participation in international fairs with the number of Brazilian exhibitors growing year-on-year. The Brazilian stand at Micam in March 2006, in Milan, Italy, will be twice as big as the one seen at the event in October 2005.

## Showa Denko to increase production of acetic acid and vinyl acetate

23 November 2005

Japan's Showa Denko has announced plans to expand its production capacity of acetic acid and vinyl acetate. In line with regular maintenance of its Oita Petrochemical Complex next year, the company will increase its annual production capacities from the current 100,000 tons for acetic acid and 120,000 tons for vinyl acetate to 130,000 tons and 175,000 tons, respectively. Both products are used to manufacture synthetic fibres.

## Johnson Outdoors names new CFO

23 November 2005

Outdoor recreation company Johnson Outdoors Inc. has appointed David W. Johnson to the position of vice president - chief financial officer (CFO) of the company. Mr. Johnson has served as interim chief financial officer since August 2005.

With a 20-year career that spans the banking, consumer packaged goods and outdoor recreation industries, Johnson held a number of financial positions before joining Johnson Outdoors in December 2001, first with The Northern Trust Company and later with The Procter & Gamble Company.

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

## Foot Locker announces management changes

23 November 2005

US-based specialty athletic retailer Foot Locker, Inc. has named Robert W. McHugh as senior vice president and chief financial officer. Mr. McHugh, presently the company's vice president and chief accounting officer, succeeds Bruce Hartman who has resigned. The company has also promoted Giovanna Cipriano to vice president and chief accounting officer.

Foot Locker operates approximately 4,000 stores in 20 countries in North America, Europe and Australia.

## Adidas launches intelligent basketball shoe

23 November 2005

Adidas has introduced what is said to be the world's first intelligent basketball shoe. The shoe, called adidas_1 Basketball, provides intelligent cushioning, meaning it finds the right level of cushioning whatever the player’s size or movement. It senses an athlete's needs, understands those needs, and instantly adapts itself to be perfect for the player.

The adidas_1 Basketball shoe works on the same principles as the adidas_1 running shoe. A magnetic sensor in the heel senses the level of compression.

This compression level is sent to the shoe's ‘brain’, a microprocessor that understands if the cushioning level is too soft or too firm. A motor-driven cable system adapts the cushioning, to make the shoe softer or firmer as needed. The basketball model has been uploaded with new software along with changed physical characteristics to meet the specific needs of the sport.

Besides the normal differences between running and basketball shoes in outsole and upper materials, the components of the intelligent system are also changed although they remain positioned in the heel and midfoot of the shoe. This is because while many players land, cut and plant with their toes, the forces generated when the heel contacts the floor are said to cause some of the greatest overcompression. The basketball cushioning element and midsole have a lower profile than the running model, and the layout of the motor cable unit and processor is streamlined to fit the space.

## Nike Golf enters partnership with Sympatex Technologies

23 November 2005

Nike Golf has entered a partnership with Sympatex Technologies GmbH whereby Sympatex will provide its waterproofing membrane technology across a range of Nike Golf footwear in 2006 and beyond.

From February 2006, golfers across Europe and the Middle East will be able to pick up the latest footwear from Nike Golf including the newest addition to its athletic category in footwear, Nike Shox Golf. Engineered to offer superior comfort and support while providing responsiveness, stability and durable cushioning, the innovative column and plate design of the Shox is similar to a spring. On heel impact, the column compresses and shock forces are distributed across the plate. When the columns return to their natural shape, the result is forward propulsion and an energy return that leaves the wearer’s legs less fatigued over time

The Nike Shox Golf keeps the foot dry and comfortable thanks to the Sympatex waterproof lining. A synthetic leather

combined with a lightweight mesh on the exterior ensures further comfort and breathability.

## Lanxess increases prices for technical rubber products

23 November 2005

The Technical Rubber Products (TRP) Business Unit of Lanxess Deutschland GmbH has increased its prices for the entire product range with effect from November 1, 2005 or the termination of a contract, whichever was the later. For the products Buna EP (EPDM), Perbunan, Krynac, Baymod N (NBR), Baypren (CR), Therban (HNBR), Levapren, Levamelt and Baymod L (EVM) average prices have increased by between €0.10 and €0.50/kg, depending on the grade.

The reason given for the current price rises is a significant increase in raw material and energy costs.

## Genesco's sales increase 10%

23 November 2005

Genesco Inc. a US specialty retailer of footwear, headwear and accessories, has reported earnings before discontinued operations of $16.2 million for the third quarter ended October 29. This compares with earnings before discontinued operations of $12.4 million for the third quarter last year.

Net sales for the third quarter of fiscal 2006 increased 10% to $316 million compared with $288 million for the third quarter of fiscal 2005.

In view of the positive results, the company stated that it is revising its fiscal 2006 guidance upward. It now expects sales for the year to be approximately $1.28 billion.

Genesco brands include Journeys, Journeys Kidz, Johnston & Murphy, Underground Station, Hatworld, Lids, Hat Zone, Cap Factory, Head Quarters and Cap Connection.

**French expenditure on textiles falls**

23 November 2005

French household consumption expenditure in manufactured goods, seasonally and working-days adjusted, in volume terms, decreased again in October 2005 (-0.6% after -0.3% in September, revised by +0.3 point).

Consumption expenditure in textiles and leather fell again in October, falling 3.1% month-on-month and 3.4% year-on-year. Expenditure in durables remained stable in October (after -0.5% in September). Car purchases went down (-1.0% after +2.1%). Household consumption in equipment goods slightly moved up (+0.5% after -2.2%).

## ARS develops cotton-flax denim blend

22 November 2005

Scientists and engineers at the US Agricultural Research Service (ARS) have developed a new cotton-flax denim blend that is said to make jeans more comfortable to wear even in summer heat, as they will not feel heavy under the weight of absorbed moisture.

According to a report from ARS, flax is nearly three times stronger than cotton, making it among the strongest natural fibres known. Clothing materials, such as woven denims and knitted fabrics made from these particular cotton-flax blends, could be compared to a new, nonwrinkling form of linen."

Adding flax to clothing fabric helps keep skin cool partly because the flax improves moisture wicking, and offers air permeability - the ability of fabric to dry quickly. The researchers are also evaluating cotton-flax blends for use in athletic performance and other apparel.

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## Adidas names new president of adidas America

22 November 2005

Adidas-Salomon AG has appointed Rob Langstaff as president of adidas America Inc., its subsidiary in North America, effective January 1, 2006. A US citizen and 14-year adidas veteran, Mr Langstaff will be in charge of its operations in the North American market and report directly to Erich Stamminger, CEO of adidas America and executive board member of adidas-Salomon AG responsible for global marketing and North America. Most recently, Mr Langstaff served as president of adidas Japan K.K., having begun his career at adidas in 1991 as a manager in the track and field category.

## Brazil's textile sector to apply for safeguards on 70 products

22 November 2005

The Brazilian textile sector is the first industry to file safeguard applications against Chinese imports. Approximately 70 applications have been submitted to the Brazilian Trade Defence Department (Decom). According to entrepreneurs in the sector at least 75 items spanning fibres to clothing are being negatively affected by Chinese competition and the industry now wants quotas imposed in order to limit entry of these products into the country.

This is not a protectionist measure. We are competitive but we are suffering through the unfair competition," said Fernando Pimentel, director of ABIT, the Brazilian Association of the Textile and Garment Industry.

According to Mr. Pimentel, if the government accepts the applications, it will send a delegation to China seeking an agreement between the two countries. If an agreement is not reached, Brazil may limit the growth of Chinese imports to 7.5%, the percentage allowed by the World Trade Organisation (WTO). Should any other mechanism fail, a quantitative reduction of Chinese imports may occur.

## Bayer targets expansion in Japan

22 November 2005

The Bayer Group is targeting further expansion in Japan and plans to invest over €130 million by 2008. "Japan is the biggest and most successful country for Bayer in the Asia-Pacific region," said Werner Wenning, chairman of the board of management, at a press conference in Tokyo during "Bayer Week", an event held in conjunction with Japan's "Germany Year".

The group's sales in Japan rose by 7.8% in the first nine months of 2005 to Yen 149 billion (approximately €1.1 billion). This makes the country the group's third largest sales market behind the USA and Germany. "It is our firm intention to further expand our presence in Japan and to continue to grow faster than the market," explained Mr Wenning.

"All three subgroups are firmly established in Japan," he continued. Bayer HealthCare accounts for the largest volume of sales. With sales of Yen 26 billion, the Bayer

CropScience subgroup recorded a fall in business compared with the same period in the previous year. This was largely due to the divestment of several products. However, net earnings were up primarily as a result of improved cost management. In the next five years, Bayer CropScience plans to introduce a total of seven active ingredients onto the Japanese market.

Bayer MaterialScience enjoyed the largest growth in sales, with a rise of 24.7% to Yen 50 billion in the first nine months. The markets for polycarbonate and polyurethane - especially the high-tech plastic Makrolon and the rigid foam pre-product MDI - were characterised by strong demand.

## NZ Scientists win international wool awards

22 November 2005

New Zealand scientists won three of the five international awards on offer at the recent Wool Research Conference in the United Kingdom.

Four of the awards are chosen each year by Europe's largest wool research institute, Deutsches Wollforschungsinstitut (DWI), and Australian Wool Innovation Limited (AWI). The fifth, for the best fundamental science paper presentation at the conference, is judged on the basis of presentation, scientific content and project scope, was also sponsored by AWI.

The awards went to: Dr Simon Causer for his research into killing dust mites by freezing textile materials in household deep freezes. The allergens these mites produce are a major contributing factor to asthma and respiratory reactions (Excellence in Wool Science Award); Dr Jolon Dyer and Dr Scott Bringans for research into why woollens yellow in the sun (Excellence in Wool Science Award); Dr Susie Meade, Dr Jolon Dyer, Dr Jonathan Caldwell and Dr Warren Bryson for fundamental research into how to manipulate the properties of wool so it can be treated in the same way as cotton and synthetics (Best Fundamental Science Paper Presentation of the International Wool Research Conference (IWTRC)).

### IFAI Expo 2005 reports record attendance

22 November 2005

According to organisers, a total of 6,259 professionals, from a record 51 countries, representing every segment of the specialty fabrics industry filled the IFAI Expo 2005 show floor and educational programmes at the Henry B. Gonzalez Convention Centre in San Antonio, Texas, October 27-29.

Innovative educational programmes, exhibitors representing traditional and emerging industry markets, and visitors seeking cutting-edge information on how to improve their businesses, paved the way for an overwhelmingly successful IFAI Expo 2005.

This year's exhibitor count of 437 included 83 new exhibitors, and exhibitors were said to be pleased with the quality and variety of show visitors, saying that those who visited their booths came ready to do business. By the end of the last day, more than 70% of the available space for IFAI Expo 2006 in Atlanta had already been reserved.

### Bush and Sympatex to sponsor GB rowing team

22 November 2005

Sympatex and menswear brand partner Bush have once again been selected as the official menswear supplier to the GB Men's Rowing Squad for the winter 05/06 season.

The Olympic Gold Medal winning team has been supplied with Bush travelling outfits, which includes a Bush Sympatex jacket. This state-of-the-art jacket is windproof, waterproof and breathable and incorporates Sympatex's Reflexion technology, which allows the jacket to reflect up to 75% of the heat that your body naturally loses giving added warmth in the winter months.

To complete the kit a long sleeve striped polo shirt and cargo trousers have also been supplied. The trousers feature thermo-

insulation, which will ensure the team are warm and comfortable while travelling.

**Polartec fabrics receive Oeko-Tex Standard 100 certification**

22 November 2005

Malden Mills has announced that all its existing styles of Polartec fabric have received Oeko-Tex Standard 100 certification and all new styles will be tested for approval on a rolling basis. Textiles that have been tested to the criteria of the Oeko-Tex Standard 100 provide a guarantee that the textile does not contain any harmful substances that could pose a risk to human health. This independent certification covers the finished fabric product including all added applications such as durable water repellents, anti-microbial treatments and wicking agents in addition to the actual yarn fibres.

Malden Mills product marketing manager Karen Beattie stated, We felt it was important for Malden Mills to participate in the Oeko-Tex certification process to support a uniform safety standard on harmful substances in textiles. We are very proud to meet and exceed their requirements. We have always been confident in the safety and quality of Polartec fabrics and feel it is important to have an independent standard by which all clothing manufacturers and consumers can measure the safety of their products."

## BASF develops new solvent for reducing CO2 emissions from power plants

21 November 2005

BASF has developed a new solvent that is said to be particularly efficient in removing carbon dioxide ($CO_2$) from power plant emissions. The company contributes this new development to a European Union (EU) sponsored research project for thorough research into the removal and collection of $CO_2$ gases. The solvent, and the corresponding gas scrubbing process, will be tested in practice from March 2006 in the world's largest pilot plant of this type located in Esbjerg, Denmark.

BASF joined the EU-sponsored research project in early 2004. Other contributors to the project include prestigious European universities, research institutes, official organisations and representatives of industry. Leading power plant operators, oil and gas companies, and plant manufacturers are also involved. Within BASF, the Chemicals Research and Technology unit and the Intermediates Operating Division are cooperating to accelerate progress on the project.

The research project was set up in response to the Kyoto Protocol whose objective is the long-term reduction of climate-damaging greenhouse gases.

## Lenzing Group to increase fibre prices

21 November 2005

Austria-based producer of man-made cellulose fibres The Lenzing Group, will increase its fibre prices by at least 5% at the beginning of the first quarter of 2006. The exact price increases will depend on the fibre type and apply to textile and nonwoven fibres.

According to the company, this further rise in prices is necessary due to the steady price increase of raw materials and rising energy costs at all Lenzing production sites during the past weeks, which cannot be compensated by the price increases that are being implemented by Lenzing in the fourth quarter of 2005.

## Nike appoints new board member

21 November 2005

Nike, Inc. has appointed Timothy D. Cook, Apple Computer, Inc.'s chief operating officer, to the company's board of directors. Mr. Cook is the board's 11th director, nine of which are independent. He is expected to serve on the compensation committee of the board.

His professional background spans from global manufacturing to general

management," said Philip H. Knight, Nike, Inc. founder and chairman. "His global technology knowledge combined with his experience at one of the world's most recognised brands will make Tim a great asset to our board."

## Schoeller Textil USA hires new national sales manager

21 November 2005

Schoeller Textil USA, a supplier of high-tech stretch and non-stretch woven fabrics and smart technologies, has appointed Gary Meikle as national sales manager.

Mr Meikle will be responsible for current business markets in the USA and Canada while developing new markets. In addition, he will facilitate the implementation of Schoeller's technologies, 3XDRY moisture management and self-cleaning NanoSphere, within the textile industry and set strategies for further distribution of Schoeller's products.

He has over 15 years of diverse experience in the outdoor industry. Most recently, he was vice president of sales at Kavu. Schoeller Textil USA is a subsidiary of Schoeller Textil AG, based in Sevelen, Switzerland and specialises in the development and manufacturing of innovative stretch and non-stretch woven fabrics and textile technologies for sport, leisure, fashion, work, industrial and interior design.

**Grendene reports 47% increase in profits**

21 November 2005

Grendene, Brazil's largest producer of injected footwear, has reported net profit of R$70 million (US$ 31,500 million) in the third quarter of 2005, a 47% increase over the R$48 million (US$ 21,600 million) reported in the same period of the previous year. However, from January to September, the company's profit fell 14% to R$116 million (US$ 52,111 million) and revenue dropped 9% to R$299 million (US$ 134,321 million) in the third quarter.

**Indular opens refurbished Coronel Suarez factory**

21 November 2005

Argentine sports shoe manufacturer Indular has recently held an opening ceremony of its Coronel Suárez factory. A ceremony was held at the refurbished premises that once belonged to Gatic -a major shoe manufacturer that closed down in 2004 – and was attended by national, provincial and municipal authorities as well as a delegation from the Footwear Chamber of Argentina. The new plant will initially employ some 1,000 staff and it is forecast that a further 400 will be taken on by the end of the year.

The company aims to produce 3,500 pairs of sports footwear per day under its Signia brand, as well as casual leather shoes.

## MEPs adopt first reading position on REACH

21 November 2005

According to a press release published by the European Parliament, MEPs struck a balance between health, the environment and industry" when they discussed the REACH programme at their plenary session held on November 17. MEPs reached their first reading position on the REACH package when the House approved a legislative package that is said to considerably benefit the environment and public health as well as taking the interests of industry into account.
Parliament's president Josep Borrell said, "The European Parliament has shown that it lives up to its responsibilities and, as legislator, has responded to some of the fears of the Europeans, ensuring competitive jobs together with a high level of protection of health and the environment."
The main elements of the position of the European Parliament on REACH (Registration, Evaluation and Authorisation of Chemicals), adopted by 398 votes in favour, 148 against and 36 abstentions (the actual vote on the report was 407 in favour, 155 against with 41 abstentions), are the following:
- The introduction of a targeted approach on data requirements for 1-10 tonnes chemicals

(those having been identified by the impact assessment studies as being the ones for which costs of REACH implementation would be higher)

- To maintain, in all cases, the responsibility on industry to make available information on the hazards, risks, and risk reduction measures for chemicals.

- The application of the above targeted approach only to existing substances; new substances continue to provide full safety data. Substances of high concern and substances dangerous to human health or environment which are used in consumer products also have to provide full sets of safety data.

- The introduction of the possibility of making additional tests, if this appears necessary.

- The introduction of the possibility of omitting certain tests ("waiving") for the substances produced/imported between 10-100 tonnes when this is justified on the basis of certain criteria (to be fixed by the Commission in comitology).

- The introduction of the "One Substance, One Registration" (OSOR) approach to minimise costs, with an opt-out in specific conditions where it can be justified.

The European Parliament endorsed the approach of the Environment Committee over the consideration of available substitutes, innovation through time-limited authorisations (5 years), and certainty through a list of the most hazardous substances.
The Parliament endorsed a slightly revised version of the approach adopted on this issue by the Environment Committee concerning the equal treatment of imported articles to those produced in the EU, through simple notification requirements for articles containing substances listed as being of very high concern, and by equal application of authorisation.

For SMEs, the Parliament endorsed the approach of the Environment Committee (supported also by Internal Market and Industry Committees) seeking at providing helpdesks and additional guidance and tools to meet the obligations of the regulation.
The Council, under the UK Presidency has indicated that it aims to achieve a common position by the end of the year.

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