Business Week
13th March 06 - 19th March 06

Deckers Outdoor Names CFO

13 March 2006

Footwear designer Deckers Outdoor Corporation has appointed Zohar Ziv as chief financial officer and executive vice president of Finance & Administration, effective immediately. Mr. Ziv replaces Scott Ash, who previously announced his upcoming resignation as chief financial officer of Deckers, effective March 10, 2006.

Mr Ziv has over 25 years experience in finance and accounting, serving in senior level positions with several large and mid size public and private companies. Most recently, he was chief financial officer with EMAK Worldwide, Inc., a global marketing services firm.

Deckers Outdoor Corporation designs and markets 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, UGG and Simple brand names.

Energlo waterproof breathable coated fabric technology launched

13 March 2006

Melbourne-based company The Specialty Group has unveiled its new innovation, Energlo, which is said to be the world's first glow-in-the-dark, waterproof breathable coated fabric technology.

The patented technology has resulted in a product that is said to glow for up to three hours in total darkness after only twelve minutes of exposure to natural light. It involves the use of completely safe photo-luminescent" (light absorbing & emitting) crystals that are dispersed within several layers of the waterproof breathable coatings and then applied to a variety of face fabrics that will ultimately be used for wet weather clothing where additional night time visibility is required.

Originally launched in November last year to be used as a practical solution for people working around traffic or jobsites, it has quickly spread to a wider variety of applications including sportswear.

According to vice president of International Sales & Marketing, Daniel Leipnik, We're getting dozens of calls a day right now from leading brands of ski and snowboard wear and even manufacturers of cycling, running, and kids wear who see Energlo as a wonderfully useful fabric."

GBMI appoints senior VP

13 March 2006

Multi-branded fashion company Global Brand Marketing, Inc. (GBMI) has appointed Martin McDermut to the position of senior vice president and chief financial officer. In this role, he will be responsible for all aspects of corporate accounting and financial management, budgeting and forecasting.

Before joining GBMI, Mr McDermut was senior vice president and chief financial officer of Superconductor Technologies, a developer and manufacturer of RF superconducting and other products for wireless networks. He holds over 20 years of experience in all phases of finance/accounting and general management.

He will be based out of GBMI's corporate office in Santa Barbara, California, USA, and will report to CEO Killick Datta.

Founded in late 1996, GBMI is the majority owner of Pony International, LLC, owner of Dry-shoD and FunFlopps brands, retail store chain Global Feet, and is the authorised global footwear licensee of Diesel, XOXO, Nautica, Harlem Globetrotters, Doggy Biscuitz by Snoop Dogg and Mecca.

Innovative Designs launches Arctic Armor Line

14 March 2006

Innovative Designs, Inc., "i.d.i.gear," with its exclusive use of insultex thermal insulation, has introduced its Arctic Armor line. The line will consist of a suit (comprised of bibs and a jacket), a separate jacket, and gloves. With the implementation of three layers of insultex, the Arctic Armor suit is said to allow outdoor sports enthusiasts to remain comfortable without the worries of being exposed to inclement winter weather conditions.

Insultex is windproof, waterproof and buoyant. One layer of insultex protects a person to sub-zero temperatures while multiple layers are said to provide practically unlimited levels of insulation.

For ice fishing, Innovative Designs has perfected the design to ensure buoyancy for fishermen. The Arctic Armor suit is also suitable for snowmobiling or any outdoor cold weather activities.

Innovative Designs manufactures hunting apparel, swimwear, jackets, and sleeping bags under the "i.d.i.gear" label featuring insultex.

First Asia Pacific Snow Conference held before ispo China

14 March 2006

On March 12, ispo China hosted the very first Asia Pacific Snow Conference (APSC), presented as a communication and information platform for Chinese and international retailers and industry members. Some 220 retailers attended the event that included a programme of speeches, presentations and workshops. It provided information from European and American brands and sporting goods specialists on the snowsports market and highlighted the product situation for Chinese retailers as well as status reports and insider information on the Chinese snowsports market for the Western brands and visitors of the conference. The focus of the conference was to supply Chinese retailers with more input on what foreign brands and organisations are planning for China's snowsports industries' in the future.

Amongst the competent speakers and presenters were Roger Zeng from the Chinese Outdoor Retailer Association, Christian Stipp of Avantgarde China, Stefan Reichmann of Reichmann & Sohn, Hubert Fink of Interski, Steve Zdarsky and Ali Waugh of Mellow Constructions, Tom Ramoser of Roland Berger, Benny Wu of Snowfavor (Rossignol distributor), Alberto Zanatta of Tecnica, Craig Smith of Burton, Martin Beyer of TTiss C.lothing, and Alessandro Marzola of A.N.E.F. Alto Adige.

The second Ispo China itself was officially opened on March 13 by Manfred Wutzlhofer, president and CEO of MMG. The fair features 286 brands from a total of 26 nations. It will run until March 16.

Arena Group acquired

14 March 2006

Italian private equity firm BS Private Equity recently acquired 100% of sports and swimwear company the Arena Group.

Mr Cristiano Portas (Arena Group chairman and CEO) and some members of the top management team have invested alongside BS Private Equity in the management buy-out of the company.
The Arena Group, established in 1973 as a spin-off of adidas, achieved a sound position in the sports water-wear category, ranking second both at a world-wide level and in Europe, with a 12% and 16% market value share respectively.
In 2005 the Arena world-wide brand sales (at retail selling price value) were in excess of €350 Million, of which about 40% were realised in the Far East by Descente.

Mandelson defends anti-dumping duties

14 March 2006

In a statement made on March 12, EU Commissioner for Trade Peter Mandelson has defended his proposal to impose anti-dumping duties on Chinese and Vietnamese footwear imports.

He stated, If the European Union moves next month, as I have proposed it should, to impose anti-dumping duties on some leather shoe imports from China and Vietnam, the European Commission is likely to be criticised from two sides. European leather shoe producers, faced with extraordinarily tough competition from Asia will demand higher tariffs and wider action. European Importers and retailers, who are currently benefiting from cheap state-subsidised leather shoes from China and Vietnam will accuse the Commission of trying to protect European industry and passing on higher costs to consumers.

Although our investigation was based on factories nominated by the Vietnamese and Chinese governments themselves, there is compelling evidence of unfair state intervention and disguised subsidies in the footwear sector in China and Vietnam. Along with evidence of substantially flawed accounting practice, we have clear evidence of non-commercial loans or capital grants from the state to producers; improper evaluation of assets; non-commercial rates for land-use and important tax breaks.

There is clear evidence that this intervention is allowing Chinese and Vietnamese leather shoe producers to sell their products on the European market at below their true value in China or Vietnam. That is dumping, and under WTO and EU rules we have an obligation and a right to combat it where it harms EU industry.

There is clear evidence that this state-supported dumping is causing serious injury to European industry. Since 2001, European leather footwear production has contracted by about 30%. Some 40,000 jobs in the sector have been lost in the sector. Import prices have fallen by about 30%. All this closely tracks the rise in unacceptably under-priced imports from China and Vietnam.

Intense competitive pressure on European footwear producers is not related solely to dumped goods. China and Vietnam have natural low cost advantages in labour and manufacturing. The Commission is not arguing that this competition is unfair because wages are lower in China and Vietnam than they are in Europe. That may be tough competition - but it is fair competition. Unfair competition is when markets are rigged and disguised subsidies are freely made available. That is what we have found. These companies are taking their legitimate low-cost advantage and topping it up with unfair behaviour.

That is why I have recommended provisional duties of between 16 and 20% on these imports. I have taken the step of recommending that this duty be phased in over a period of five months, beginning at about 4% in April. This will ensure that retailers with goods in transit are not suddenly faced with an unexpected cost at the border. It means importers can plan ahead over the next six months with the maximum of transparency and predictability. It nevertheless means that after six months a full duty will be in place and the damaging effects of dumping will be counteracted.

“I have made it clear that we are open to work with the Chinese and Vietnamese in the interim to address the concerns raised by our investigation.”

Over 30 Turkish exporters to exhibit at Motexha 2006

14 March 2006

Turkey will be strongly featured at Motexha 2006, the Middle East region's trade show for fashion, textiles, leather and accessories, which will take place April 3-6, at the Dubai International Exhibition Centre. More than 30 exporters from Turkey representing over 35 brands in textiles, leather and apparel will exhibit at the show.

Turkey is one of the most important textile producing countries in the world, with more than 40,000 companies involved in the textile and apparel sector. Close to a quarter of the top 500 industrial enterprises in the country operate in the textile and apparel sector and the industry is a key player in Turkey's industrialisation process. The leather industry in Turkey represents 2.2% of the country's total industrial production, with more than 2,200 companies working in the sector.

"The Middle East has a growing share within the total exports of Turkish leather shoes, textiles and apparel exports. We expect this to increase four to five fold within the next five years," said Selda Sehirlioglu of Turkey Aegean Exporters Association.

Belgian and Dutch companies to plead guilty to price-fixing

15 March 2006

According to the US Department of Justice, Belgium-based Solvay S.A. and Netherlands-based Akzo Nobel Chemicals International B.V., have agreed to plead guilty and to pay a total of more than $72 million in criminal fines for their participation in international price-fixing cartels in the chemicals industry.

These are the first charges as a result of the Justice Department's ongoing anti-trust investigations into the hydrogen peroxide and sodium perborates industries.

Akzo Nobel has agreed to pay a $32 million criminal fine for participating in an international conspiracy to fix prices in the hydrogen peroxide market. Solvay has agreed to pay a $40.8 million criminal fine for participating in international conspiracies to fix prices in both the hydrogen peroxide and sodium perborates markets. Solvay and Akzo Nobel's roles in the conspiracies affected nearly $350 million in United States commerce, the Department said.

In two cases filed in San Francisco, Solvay and Akzo Nobel were charged with conspiring with their competitors to fix the price of hydrogen peroxide sold in the United States and elsewhere from July 1, 1998 to December 1, 2001. Solvay was also charged with conspiring to fix the price of sodium perborates sold to Procter & Gamble from June 1, 2000 to December 1, 2001. Under the plea agreements, which must be approved by the court, Solvay and Akzo Nobel agreed to assist the government in its ongoing hydrogen peroxide and sodium perborates investigations.

Delta Galil’s losses increase

15 March 2006

Israeli manufacturer of private label ladies' intimate apparel, socks, men's underwear, baby-wear and leisurewear Delta Galil Industries Ltd. has reported increased losses for the fourth quarter and full year 2005.

Revenues increased 2% in the fourth quarter to $170.2 million compared with the $167.2 million reported in the fourth quarter of 2004. Revenues in the fourth quarter excluding Burlen, which was acquired in the fourth quarter of 2004, decreased by 10% compared to the same period in 2004.

Revenues for 2005 increased by 5% to $684.5 million compared with $654.3 in 2004. Revenues, excluding Burlen, decreased by 11% compared with 2004.

Net loss for the fourth quarter of 2005 was $7.6 million compared with a net loss of $0.2 million in the fourth quarter last year.

Net loss in 2005 was $36.3 million compared with net income of $12.7 million in 2004. Net loss in 2005 includes reorganisation expenses, impairment of fixed assets and goodwill and capital loss from realisation of assets net of other income in the amount of $20.8 million, or $21.8 million before tax.

The primary reason for the deterioration in the operating results in the fourth quarter and in 2005 was said to be the erosion in selling prices to the company's customers, particularly to Marks & Spencer in the UK and in the European market.

Delta Galil manufactures apparel sold under brands such as Calvin Klein, Hugo Boss, Nike, and Ralph Lauren. Its products are sold world-wide through retailers including Wal-Mart, Marks & Spencer, Target, Victoria's Secret, JC Penney, and Hema.

Peru's footwear exports grow 85%

15 March 2006

According to export promotion agency Prompex, from January to November 2005, Peruvian footwear exported $9 million worth of shoes, an 85% increase over same period in the previous year.

Prompex reported that 34% of the footwear exported had leather uppers, followed by textile footwear which accounted for 27% of total footwear exports. The main importer of Peruvian shoes was Ecuador (20%) followed by the United States (18%), Chile (17%) and Mexico (12%). 82% of the shoes exported to Ecuador were leather shoes and 10% was textile footwear. Through international contract work scheme, school shoes made up a large proportion of the country's footwear exports, accounting for 33% of all the shoes exported to Ecuador.

The Andean Trade Promotion and Drug Erradication Act (ATPDA) made an increase in the volume of footwear exports to the US possible, especially exports of safety shoes, which saw a 70% increase in sales to the American market.

Pakistan sets export target

15 March 2006

According to Pakistan's Commerce Minister Humayun Akhtar Khan, the country's export target for 2006-07 has been set at around $20 billion. The expected figures for 2005-06 are likely to exceed the target of $17 billion as a result of greater preferential market access in several countries, particularly in the USA, China and Sri Lanka.

"The export proceeds will be in the range of $17 billion to $18 billion by the end of the current fiscal year," the Minister told local media.

Official statistics released by the Federal Bureau of Statistics showed that exports reached $10.577 billion during the period July to February 2006 of the current fiscal year, rising 19.71% from the $8.835 billion recorded during the same period in the prior year.

On a monthly basis, exports increased by 9.3% to $1.274 billion in February 2006 against $1.166 billion in the same month last year.

Adidas and Bayer MaterialScience team up to develop World Cup ball

15 March 2006

Adidas and Bayer MaterialScience have teamed up to develop the FIFA World Cup ball. The "+Teamgeist" ball is said to be the roundest ball ever.

The "+Teamgeist" is just one per cent away from being a perfect sphere. This makes it particularly accurate as it travels through the air. It is all down to the materials used to make it and the innovative construction. For the first time, the adidas specialists have thrown out the familiar five and six-sided sections which have been used over the last few decades and replaced them with propeller-shaped panels.

They have also reduced the total number of sections from 32 to 14. Fewer edges and more roundness also means fewer seams and corners in the outer skin so that when the players kick the ball, there is a greater chance that they will make contact with a smooth surface. This increases their chances of hitting the target.

To keep the ball in shape, Bayer's coating specialists developed a new structure for the outer skin. To begin with they increased the wall thickness of the ball to 1.1 millimetres to make it rounder and smoother.

The decisive component in ensuring an accurate trajectory of the "+Teamgeist" is the polyurethane-based syntactic foam, which is applied to an adhesive layer that bonds the outer skin to the textile substrate. The foam consists of millions of gas-filled microspheres. Above the foam layer, the ball has an aliphatic intermediate coat to protect it from external influences such as moisture, and give it exceptional elasticity.

The ball's outer finish protects the printed surface from abrasion. It makes for greater durability and gives it a perfect appearance over a longer period.

Dow elects presiding director

15 March 2006

The Board of Directors of The Dow Chemical Company has elected Paul G. Stern, chairman, Claris Capital, and a Dow director since 1992, as presiding director of the board effective May 12.

He was elected by the independent directors, who comprise a majority of the board. Mr Stern will succeed Dr. Harold T. Shapiro, president Emeritus and Professor of Economics and Public Affairs at Princeton University, who was named Dow's first presiding director in February 2003. Dr Shapiro will retire from Dow's Board following the 2006 Annual Meeting of Stockholders.

NanoHorizons' Dennis Schneider to present at Techtextil

16 March 2006

Dennis Schneider, director of Marketing and Sales at NanoHorizons, a company that focuses on nanotechnology applications in the fibre and textile, healthcare and microelectronics industries, will present Nanotechnology Applications in Fibers and Fabrics" at this year's Techtextil North America Symposium, on March 29. The presentation will address how nanotechnology is rapidly changing the nature and capability of fibres and fabrics for a wide range of applications.

NanoHorizons recently launched its line of nanoscale-engineered SmartSilver permanent anti-odour/antimicrobial additives, to enhance fibres and fabrics in a manner compatible with existing manufacturing processes. SmartSilver-modified fibres can be used to create odour-resistant shoe linings, T-shirts, socks, gloves, carpets and more.

Interactive Wear unveils new wearable technologies at CeBIT

16 March 2006

As part of the "Future Market" special exhibition at CeBIT 2006, held on March 9-15, Interactive Wear AG – which emerged from Infineon Technologies AG's activities in the field of wearable electronics and, since moving to new premises on March 1st, 2006, is now headquartered in Starnberg, Germany –unveiled several enhanced developments and new wearable applications.

Applications ranged from the campack" multimedia backpack with remote control functions for a video camera, through the Know Where Jacket" with integral GPS, GSM, Bluetooth and mp3 capabilities, to an Augmented Reality Vest," which is used by the automotive industry to link the virtual world with the real world.

Andreas Röpert, CEO of Interactive Wear AG, said: Acceptance of wearable electronics applications has grown tremendously over the past two years. Currently, for instance, what is now already the third generation of wearable jackets from the manufacturer O'Neill is making its way into retail stores – with a hands-free/Bluetooth telephone and iPod integration.

DuPont Coatings & Color Technologies to cut jobs

16 March 2006

DuPont has announced that it will launch a global plan to reduce costs and improve productivity in its performance coatings businesses.

Under the plan, the company plans to close and consolidate laboratory and manufacturing sites resulting in the reduction of approximately 1,500 positions, most of them in Europe. This is in addition to a February announcement that approximately 200 positions would be eliminated in association with the closing of the company's Troy, Mich., laboratory and its consolidation into its Mt. Clemens, Mich., facility.

The company will focus production at its new sites in growing market areas such as Japan, China, Russia, Mexico, Poland, and Brazil.

The manufacturing and laboratory facilities that will close include the Rubi and Polinya sites in Spain, the Breda site in The Netherlands, and the Hellac Laboratory in Germany.

DuPont expects to implement the plan within the next 18 months and estimates it will reduce annual costs by approximately $165 million. This plan will result in one-time pre-tax restructuring charges of up to $165 million as well as additional costs of up to $55 million over the next 12 months from accelerated depreciation and other costs associated with implementation of the plan.

ECCO to endorse Sophie Gustafson

16 March 2006

Danish shoemaker ECCO has announced the addition of Sophie Gustafson to its list of international Tour stars that will wear ECCO golf shoes.

As part of the endorsement agreement, Ms Gustafson will wear ECCO golf shoes exclusively during all golf activities.

During her 13-year professional career, the 32-year old Swede has recorded 14 international victories. She was Europe's number one player in 2000 and 2003, and has competed in five Solheim Cup competitions. In 2005, she recorded seven top-10 finishes on the LPGA Tour, was runner-up at the Women's British Open and finished No. 28 on the money list.

TaylorMade Golf implements on-line auction monitoring

16 March 2006

TaylorMade-adidas Golf Company has implemented MarkMonitor's Auction Monitoring solution to combat the sale of counterfeit TaylorMade golf equipment and to police infringement of other intellectual property on eBay.

"Before MarkMonitor, we were forced to rely on our employees to manually spot suspicious activities on online auction sites. That method of enforcement, which we've been using for some time now, is difficult and tedious," said Steve Crocker, patent attorney at TaylorMade. "MarkMonitor will provide insight into these issues as well as an ongoing analysis of, and protection against, infringements against the entire TaylorMade brand.

MarkMonitor's solution includes its integrated suite of Domain Management, Brand Protection and Fraud Prevention services including Auction Monitoring, which scans auction sites, identifies and prioritises abuses and

enables automated responses that permit swift, meaningful action on violations.

Edana announces programme for nonwovens symposium

17 March 2006

Edana has announced the programme for its International Nonwovens Symposium which will take place June 7–8.

This year the symposium will present fifteen papers uncovering the latest innovations and developments in nonwovens technology and markets, raw materials and machinery.

The themes covered will include: Nonwovens Business & Markets; nonwovens novelties and new ideas; markets and business opportunities in Central & Eastern Europe, Middle East, Africa and Asia; industrial wipes; and durable applications: automotive, clothing, construction; fuel cell components.

The North Face opens new Flagship store in Rome

17 March 2006

On March 10, outdoor apparel and equipment company The North Face opened its first Italian flagship retail store in the heart of Rome. The opening marks the company's twelfth retail store in Europe and its first urban location in Italy. It already had a resort format store in Livigno, Italy.

Opened in partnership with A.R.P spa, the store is located close to Rome's main shopping thoroughfare.

Zumiez announces record Q4 results

17 March 2006

US specialty retailer of action sports related apparel, footwear, equipment and accessories Zumiez Inc. has posted record results for the fourth quarter of 2005

Zumiez Inc. (NASDAQ: ZUMZ) today reported results for the fourth quarter and ended January 28, 2006.

Total net sales for the fourth quarter increased by 42.3% to $75.4 million from the $53 million reported in the fourth quarter of the prior fiscal year. The company posted net income for the quarter of $6.8 million versus $4.2 million in the corresponding period of 2004. Comparable store sales increased 20.7% for the compared with 12.5% in the fourth quarter of fiscal 2004.

On a full year basis, total net sales increased by 33.9% to $205.6 million from $153.6 million reported in the prior year. The company posted net income of $12.9 million in fiscal 2005 versus $7.3 million in the prior year. Comparable store sales increased 14.2% compared with 9.6% in fiscal 2004.

Zumiez caters to young men and women between ages 12-24, focusing on skateboarding, surfing, snowboarding, motocross and BMX.

Under Armour makes promotions

17 March 2006

US developer of branded performance products Under Armour, Inc. has announced the promotion of two senior executives and the addition of two new members to the company's management team.

Wayne Marino has been promoted to executive vice president and chief financial officer. As part of his new role, he will oversee the company's Sales Operations and Production Planning units. He will continue to hold responsibility for the Accounting and Finance, Information Technology, Distribution, Facilities, and Human Resources departments.

William Kraus has been named senior vice president of Marketing. He was previously vice president of Sports Marketing, Team Sales and Licensing. He will assume the senior leadership position for the Product Creation and Merchandising functions and will also oversee the Brand Marketing organisation as well as the Sports Marketing team.

Richard Zielinski has joined the company as vice president, Technical Services. In this new position, he will oversee fabric development, product development and quality assurance. He most recently served as divisional vice president, May Merchandising Corp., and prior to that was vice president, Quality Assurance/Technical Services for J. Crew.

Tony O'Neill has joined the company as sales director, Europe. Based in the company's new European headquarters in Amsterdam, he will work closely with Ryan Wood, president of Under Armour Europe, to build the company's network of direct sales, distributors and agents in the European market. Prior to joining Under Armour, he was Head of Sales, Continental Europe for adidas Golf.

Biometrx develops smartvest system

17 March 2006

Biometrx Inc's wholly owned subsidiary, smarttouch Medical, Inc., has commenced development on a new system specifically designed to improve the overall protection of body armour for soldiers and law enforcement officers.

The smartvest Body Armor Enhancement System looks

beyond the physical protection of these products by allowing the product to communicate vital information to field medical personnel, extending protection after injury.

The system includes a chip that is embedded into the actual vest that allows field medical personnel to scan the vest and have immediate access to the serviceman's complete medical record. The second feature includes a wireless finger-scan capture device that allows field personnel to scan an injured soldier's finger in the field, and wirelessly recall vital medical data for on-the-spot assessment and treatment. The latter feature is necessary in case the chip in the body armour is compromised or the armour is taken off and discarded after injury.

The system is expected to be ready for the marketplace in early 2007.