Business Week
10th April - 16th April 06

American Eagle Outfitters to double size of distribution centre

10th April 2006

US-based retailer of accessories, outerwear, footwear and swimwear American Eagle Outfitters has revealed plans to extend its Ottawa distribution centre by 540,000 square feet, more than doubling its current facility. The centre will now handle the company's internet business, AE Direct as well as the new Martin+Osa line, a new sportswear concept targeting 25 to 45 year old customers.

American Eagle Outfitters currently has 798 stores across 50 US states, the District of Columbia and Puerto Rico and 71 stores in Canada as well as operating ae.com which ships around the world.

Building work is set to be completed by October 2007 and the company expects to add nearly 300 jobs as a result of the expansion.

Prime Source proves a success

10th April 2006

The inaugural Prime Source recently took place at the Hong Kong Convention and Exhibition Centre, combining the trade show and an international apparel forum.

The forum featured 26 speakers representing a cross-section of the industry which attracted an audience of over 200 participants from 20 nations including senior executives from apparel manufacturers, buying officers/agents, retailers and related service providers.

The six roundtable sessions in the forum dealt with issues currently facing the global apparel industry including alternative production bases to China and the growing importance of India as a source in Asia.

Compliance and social responsibility was also dealt with, with speakers from Hennes & Mauritz AB, Adidas and Tommy Hilfiger.

At the trade fair, 184 companies from 24 countries exhibited their latest products and services.

AATCC to hold dyeing and finishing operations workshop

10th April 2006

AATCC, in conjunction with North Carolina State University (NCSU), will hold a workshop entitled 'Improving Dyeing and Finishing Operations Using Six Sigma' on July 17-20 and August 14-17.

The workshop is aimed at quality control managers, technical managers, production managers, plant and manufacturing superintendents, department heads, lab personnel, fabric and garment development personnel, R&D managers, process engineers, process improvement specialists, and dye and chemical suppliers.

It is modelled on the Green Belt programme that has run successfully at NCSU using data and case studies from real-life situations encountered while working with various dying and finishing operations.

Arch Chemicals launches Purista in the USA

10th April 2006

US-based global biocides company Arch Chemicals, Inc. has launched its textile freshness-enhancing treatment Purista in the USA. Applied to textiles at the manufacturing level, Purista is said to protect clothing and other fabrics from odour-causing bacteria to allow fabrics to maintain their 'just-washed freshness' longer.

"The success of Purista freshness-enhancing treatment in the United Kingdom and Southeast Asia, combined with new market research about the preferences of American consumers, indicates that the US market is ready for this product," said Peter Cowey, international business manager for Arch Chemical's textile treatment business.

EU anti-dumping duties take effect

10th April 2006

The EU's provisional anti-dumping duties on Chinese and Vietnamese footwear came into effect on Friday, April 7 and Chinese exporters claim that they are already being affected.

According to local Chinese media reports, Chinese exporters are not only facing a drop in orders, they are struggling to remain profitable as distributors are unwilling to pay higher prices for Chinese products.

Newspapers quote manufacturers who claim that the duties will lead to smaller companies being forced to close as they will be unable to compete.

Lands' End launches Swimfinity swimwear

11th April 2006

US-based swimwear manufacturer Lands' End has released its Swimfinity swimwear which is said to be chlorine proof, retain its shape and be virtually impervious to sun and sunscreen damage.

The swimwear is made of soft-stretch swim fabric featuring 84% nylon and 16% lastol and is said to be durable and comfortable as well as being resistant to harsh chemicals, heat and ultraviolet light.

Burlington Coat Factory's shareholders approve merger

11th April 2006

Shareholders at US-based branded apparel, sportswear and footwear company Burlington Coat Factory Warehouse Corporation have voted to adopt a merger agreement providing for the acquisition of the company by affiliates of Boston-based private investment firm Bain Capital Partners, LLC.

The company expects to complete the merger transaction on April 13, 2006.

Footwear manufacture and retail analysis published

11th April 2006

Dublin-based market research company Research and Markets has released a new report on the US footwear industry, covering manufacture, wholesale and retail activities.

According to the report, the US footwear industry consists of about 100 manufacturers; 1,500 wholesalers; and 30,000 retail outlets; in addition to shoe departments in other stores. The annual revenue of shoe retailers is close to $25 billion, and the main product product segments are athletic shoes, women's shoes, and men's shoes. Athletic shoes account for about 40% of the retail market, women's shoes for 25%, and men's shoes for 15%.

DuPont shareholders to vote on phase-out of PFOA

11 April 2006

At the upcoming DuPont annual meeting on April 26, shareholders will be asked to vote as to whether the board of directors should report on options to accelerate the elimination of the controversial chemical, perfluorooctanoic acid (PFOA). The resolution was filed by Amalgamated Bank's Longview Fund.

PFOA is a substance that is linked with signature DuPont products such as Teflon cookware as well as stain and grease repellants used in food packaging, textiles and carpets. PFOA poses an array of concerns due to persistence in the environment and potential health impacts. DuPont is the only current US producer of PFOA.

The company recently entered into a voluntary agreement to reduce environmental emissions and product residues of PFOA over the next ten years.

Yue Yuen posts increased revenue

11th April 2006

The largest global branded athletic and casual footwear manufacturer, Hong Kong-based Yue Yuen has reported further improvements in revenue for March.

Monthly revenue in March increased 7.9% year-on-year to $288 million. For the first three months of 2006, revenue increased 15% year-on-year to $841 million.

Zimbabwean MP calls for viable cotton price

12 April 2006

According to local media reports Zachariah Ziyambi, Member of Parliament for Kadoma West, Zimbabwe, has urged the government to ensure a higher producer price for cotton this year to avoid cotton farmers turning their hands to maize production as a more profitable option.

The government is expected to meet the Cotton Promotion Council and other stakeholders this week to discuss producer prices as farmers were adamant that the $4,500 per tonne they received for their crops last year was inadequate.

Mr Ziyambi also encouraged cotton companies not to export the cotton in its raw form, but to process the crop into finished products in the areas where it is grown in order to provide local employment to add value.

Fujian Jinlun to expand polyester staple fibre capacity

12 April 2006

Germany-based engineering and construction company Zimmer AG, has been awarded a contract to supply a further polyester staple fibre plant to Fujian Jinlun Petrochemical Fiber Industry Co. Ltd, one of the largest companies in the Chinese staple fibre industry.

The new plant, located in the Binhai Industry Zone Changle, Fujian Province, will have a production capacity of 200 tons/day staple fibres in one line and will increase Jinlun's total production capacity to 600 tons/day.

Zimmer commissioned and handed over China's first running 200 tons/day staple fibre lines to Fujian Jinlun at the same site in 2005.

Adidas signs 11-year deal with NBA

12 April 2006

German sportswear company the adidas group and the National Basketball Association have signed an 11-year strategic global merchandising partnership that will make the adidas brand the official uniform and apparel provider for the NBA, the Women's National Basketball Association (WNBA) and the NBA Development League (D-League) beginning in the 2006-07 NBA season.

The new deal comes as a result of the group's January 2006 acquisition of Reebok International Ltd., the NBA's exclusive uniform and apparel provider since 2001 and includes rights to sell apparel as well as casual and performance footwear in the US, Canada, Europe, and Asia. The Reebok brand will continue to be a global marketing partner of the NBA and will maintain the ability to create NBA branded footwear.

Under the agreement, adidas will design, manufacture, and market products for a wide assortment of NBA apparel collections.

SportCoatings introduces new antimicrobial for synthetic turf systems

12 April 2006

SportCoatings, a division of the Coatings Specialist Group (CSG), has unveiled TurfAide, a new antimicrobial for synthetic turf systems.

Using AEGIS Microbe Shield technology, TurfAide is said to control the growth of a broad spectrum of all known bacteria, mould, fungi and algae on treated infill particles of sand or rubber and synthetic grass fibres.

When applied to synthetic turf systems, TurfAide imparts an invisible, odourless layer of active antimicrobial that will not leach any chemicals or heavy metals into the environment and will not rub off onto a player's skin.

Employing effective antimicrobial solutions has become a priority for athletic directors, coaches and parents as media attention and public concern has grown over the risks associated with bacteria, including staph infections, in athletic environments. Bacteria can come from a variety of sources and can be easily transmitted from one environment to another and fields of play are not immune to that reality.

Registered with the EPA, the AEGIS Microbe Shield has been safely used in consumer goods including shoes and medical applications for more than 30 years.

GretagMacbeth launches new spectrophotometer

12 April 2006

US enterprise colour management solutions company GretagMacbeth has launched a new, fully automated spectrophotometer, Color i7, with embedded profiling for precise digital colour control. From textile and apparel to consumer electronics, car interiors, furniture and appliances, Color i7 is said to assist companies and their supply chain partners to better manage and verify accurate colour. It helps to create a powerful system that ensures colour quality and consistency of products made at different times or locations at the point-of-purchase.

The Color i7 eliminates colour variability in the design, specification and production of products or product components. It features a self-diagnostic function that reduces production errors and slowdowns to help brand owners and retailers to get high quality product to market faster. It is said to be an open" technology that can be easily integrated with most digital workflow systems, creating fast, accurate and reliable digital colour control.

The Color i7 is said to be the only spectrophotometer on the market with the profiling function embedded in the instrument. The instrument periodically prompts the operator to verify performance, which can be affected by environmental conditions such as dust and humidity. If colour drift is detected, the operator can quickly and easily correct the instrument on-site through NetProfiler, GretagMacbeth's Internet-based software application, before further colour measurements are made.

Color i7 also creates a digital signature with every colour measurement for added assurance of colour accuracy. This function is also important for manufacturers and suppliers that must document compliance with colour management programmes.

GretagMacbeth supplies colour management solutions to a wide range of industries including graphic arts, paints, plastics, apparel, and textiles.

Plan to improve textile sector exports

13 April 2006

According to a report in Pakistan's Dawn newspaper, low productivity, poor quality, and weak management and marketing skills in the textile and apparel industries urgently need to be addressed by the government.

Competition from other countries is now more of a threat due to the inefficiencies that exist in Pakistan's textile sector and the World Bank believes that this could have far-reaching implications.

Compared with the benchmark established by China, Pakistan's per capita productivity is only 37% and improving efficiency in production processes is now considered vital if profits are to increase.

The government's main objective is to provide relevant consultancy services and technical guidance in relation to garment manufacturing and productivity enhancement methods in order to meet the challenges of the global market.

There have also been reports that overseas consultants from across the world may be drafted in to help to improve existing technology used in the garment industry.

International experts in areas such as dyeing, finishing, knitting, sewing, laundering, industrial engineering, printing, mechanical maintenance, designing and branding could be placed in garment factories all over Pakistan. Ten to twelve factories will initially be selected for trial and the government has suggested it will provide Rs300 million ($30.005 million) in the project.

The textile industry in Pakistan is currently said to constitute around 66% of total exports and 38% of total employment.

DSW reports higher sales in Q4

13 April 2006

US branded footwear retailer DSW Inc. has reported net income of $10 million on net sales of $283.8 million for the fiscal fourth quarter ended January 28, compared with $8.8 million on net sales of $231.7 million for the same period in 2005.

For the fiscal year ended January 28, net income was $37.2 million on net sales of $1.14 billion, compared with net income of $35 million on net sales of $961.1 million for the same period last year.

As of January 28, the company operated 199 DSW stores and 238 leased shoe departments. Since that date, the company has opened four additional stores and added three leased shoe departments.

DSW, headquartered in Columbus, Ohio, offers a selection of brand name and designer dress, casual and athletic footwear for men and women.

Lanxess successfully adapts NBR production at French site

13 April 2006

Chemical group Lanxess' restructuring of its La Wantzenau nitrile-butadiene rubber (NBR) site in France is beginning to bear fruit.

According to the company, ongoing annual investment of €5 million in the maintenance and expansion of the production plant until 2008 will increase the efficiency of manufacturing processes even further. The relocation of global NBR research from Dormagen to La Wantzenau means that product developments and solutions will be integrated into production processes even more quickly and as a result, its Technical Rubber Products (TRP) business unit will be able to adapt to the market's requirements with greater speed and efficiency.

Lanxess supplies NBR elastomers to some 600 customers in 70 countries. They are used in many industries including the footwear sector.

Hohenstein Institutes opens subsidiary in India

13 April 2006

Germany-based research and service centre The Hohenstein Institutes opened a new overseas agency in India on April 1. The office in Mumbai will be headed by textile expert Jacob Kutty and will offer a range of services in the areas of testing and certification.

The subsidiary in India increases the total number of Hohenstein Institutes agencies around the world to 15.

Bibi shoe factory receives award

13 April 2006

Portuguese textile manufacturer unveiled its new Outlast viscose at the recent Expofil exhibition held in Paris. The new fibre is said to offer superior thermal regulation and a softer hand compared to the Outlast acrylic that the company previously offered. This allows for greater freedom of movement and improved comfort.

The improved softness means that this product has a wider number of applications, as it is better suited to intimate apparel and lighter summer apparel than acrylic.

Motexha attracts 30% more visitors

14 April 2006

250 companies from 32 countries exhibited at the Motexha—the largest Middle East trade exhibition for the garments, textiles, leather and fashion accessories industry—which closed on April 6.

The exhibitors included well-known names such as Stuttgart Fashion, Crocs Footwear and Aurea, who were all said to have forged new business partnerships at the show.

Visitor numbers also increased, rising 30% compared with the last show.

Motexha 2007, will be held from March 19-22, 2007.

Juapong Textiles fails to resume production

14 April 2006

Ghanaian textile manufacturing company Juapong Textiles Limited which was scheduled to reopen early in April will not resume production as planned as a result of technical and other difficulties.

Minister of Trade and Industry, Alan Kyerematen had earlier announced that the company would resume operations in early April but has now stated that this is no longer possible due to a lack of essential equipment. He was also unable to clarify when the additional investment to cover this equipment could be obtained.

About 1,000 workers were retrenched following the closure of the facility in 2004 after its majority shareholder, VLISCO BV of Holland, pulled out of the company.

JTL's demise follows the recent temporary closure of another local textile printing company which laid off about 700 of its workers.

IT for Indian textile industry

14 April 2006

Speaking at the two-day conference 'Comptex-2006,' Indian Textile Commissioner J. Singh said that Information Technology (IT) would play a key role in making India's textile sector globally competitive, as the Indian industry has been illustrating a bullish trend for the last two years.

According to Mr Singh, the 'sunset' textile industry has now become a 'sunrise' industry and, with large-scale investments, the industry could achieve its target of $85 billion worth of textile trade in 2010.

In terms of IT, the textile ministry has offered assistance in adopting the necessary technology.

Dates announced for Sportex 2006

14 April 2006

Sportex Middle East 2006 will take place on November 27-29 in Dubai, and is expected to attract international companies from over 15 countries.

A range of sports, fitness, health, leisure and stadia products, innovations, accessories and services will be showcased at the event.

According to the show's organisers, the Middle East region's sports goods and stadia equipment market is worth around $2 billion, accounting for 2.5% of the global market. Dubai will also host the 2006 Asian Games, which is likely to further boost the sector.

World Cup boosts Rebel Sport's sales

14 April 2006

Australian retailer of sportswear and sporting goods Rebel Sport says the lead-up to the World Cup has produced a marked improvement in sales as fans kit themselves out in the green and gold strip of the Australian national team, known as the Socceroos.

Rebel posted a 14.5% rise for the first three quarters of the financial year to $272.9 million compared with the same nine-month period a year ago.

Managing director Stephen Heath said sales were being spearheaded by the World Cup, which he expected would kick start Australian soccer fans into purchasing their favourite teams colours.

Summus Works intends to acquire Lisker

16 April 2006

US-based holding company Summus Works, Inc., which holds several interests in outdoor sports, has signed a letter of intent to acquire the US distributor of Lisker clothing.

Lisker is based in Grenoble, France, where it manufactures technical ski and snowboard wear and accessories. The company also manufactures a line of sportswear for Swiss ski manufacturer Stockli.

Major US deal for UK Gear

16 April 2006

British sports brand UK Gear has signed a new deal under which the company will be able to supply its range of training shoes across the US, including Dicks Sporting Goods and independent outlets.

UK Gear made its mark on the British sportswear market in 2004 with the launch of the PT-03, the first commercial product ever to be designed and developed in association with the British Army.

The American armed services have also embraced the arrival of UK Gear's training shoes, selling them to troops through their stores on camp.

Degussa's polymer technology for Predator shoes

16 April 2006

German speciality chemicals firm Degussa have been working with adidas to develop its new football boot, Predator Absolute. The aim was to create a shoe that was stylish and sleek, with high rigidity and minimal weight.

Degussa's polymer Vestamid is said to combine high elasticity and an ability to maintain its original shape despite heavy use and temperature change. The Predator uses a polyamide 12 elastomer in a separate front and rear sole and an outer heel cap. This separate construction reduces the weight and is flexible, making the shoe adjustable. Sections of polyamide 12 are alternated with sections of polyether to give a balance of elasticity and rigidity.

Degussa's material is simple to produce and can be coloured and printed easily. Logos can be applied by laser and anti-counterfeit identification can also be added.

A new fastening system for the studs has also been developed using Vestamid moulding compounds with a fibre glass content of 23%. This creates a strong bond between the studs and the sole of the shoe and is reported to be highly impact-resistant. The studs are spring-loaded, snap-on cast aluminium and are oval shaped for surer footing.

Adidas is expecting the approaching World Cup to boost sales of the shoe.

Q1 results for Levi Strauss

16 April 2006

In line with company expectations, American jeans and casual wear manufacturer Levi Strauss has reported a decline in revenue but an increase in net income.

Net revenues for the first quarter, which include net sales and licensing revenues, were $960 million compared with $1,019 million for the first quarter of 2005, representing a decrease of 6% on a reported basis and 4% on a constant-currency basis.

Net income for the first quarter increased 14% to $54 million compared with net income of $47 million in the same quarter of 2005. Gross profit decreased $43 million to $457 million compared to $500 million in the first quarter of 2005.

Quick estimates of index for textile industry

16 April 2006

The Central Statistics Organisation of the Indian government has released its Quick Estimates of Index for Industrial Production (IIP) in the month of February. The general index stands at 227.3, 8.8% higher than the level in February 2005.

13 of the 17 industry groups included showed positive growth in February compared with the corresponding month of the previous year. 'Other' manufacturing industries posted the highest growth of 20.3%, followed by 16.2% in food products and 15.5% in textile products, including wearing apparel.