Business Week
1 May - 7 May 06

Nike donates soccer fields across US

1 May 2006

To celebrate the spirit of its new campaign Joga Bonito (Portuguese for "play beautiful"), Nike has commited $1 million for three soccer fields in Los Angeles, three in New York and four in Chicago, as well as providing soccer equipment for 12 additional cities.

The ten fields will be made of FieldTurf synthetic grass, and are designed to introduce the Brazilian futsal-style of small-field soccer that emphasises ball control and foot skills.

The fields will also incorporate approximately 20-25% Nike Grind Rubber. A total of 16,000 pounds of Nike Grind Rubber in the Los Angeles fields alone represents the remains from manufacturing over 60,000 pairs of sports shoes.

Increased sporting goods sales boost Everlast results

1 May 2006

Sporting goods, apparel and footwear manufacturer Everlast Worldwide Inc. has posted improved financial results for the first quarter ended March 31.

Net revenues increased 20% to $10 million compared with $8.3 million in the same period in 2005. Growth in net revenue resulted from a 33% increase in sporting goods sales to a record $7 million, the second consecutive quarter of more than 30% year-over-year sales growth.

Net licensing revenues for the first quarter of 2006 were $3 million compared with $3.1 million in the same period a year ago. Everlast's net licensing revenues were impacted by the company's decision not to renew its previous footwear license that was allowed to expire in December 2005, as well as an increase in licensing commissions resulting from the litigation settlement which requires the company to pay commissions to the former agent of Everlast during 2006.

Columbia Sportswear Company posts sales increase

1 May 2006

US designer and marketer of active outdoor apparel and footwear Columbia Sportswear Company has announced first quarter net sales of $260.2 million to end of March - an increase of 5.9% over the $245.7 million reported for the same period in 2005. The company reported net income of $19.5 million, an 8.5% decrease compared with net income of $21.3 million in the comparable period in 2005.

During the quarter, sportswear sales increased 7.3% to $141.8 million, outerwear sales increased 7.8% to $55.2 million, equipment sales increased 52.9% to $5.2 million, and footwear sales increased 1.8% to $50.7 million. Accessories sales decreased 19.8% to $7.3 million, compared with the first quarter of 2005.

BASF opens nanotechnology research centre in Singapore

1 May 2006

BASF has opened its first research centre for nanotechnology in Asia. The new centre in Singapore involves a €13 million expenditure up to 2008. It will employ 20 staff, mainly scientists and technicians. BASF already operates 17 development sites in Asia Pacific, but this is the first time the company is carrying out research dedicated only to nanotechnology in the region.

This is a bold step for BASF – a step geared to helping us realise our ambitious goals in nanotechnology,' said Dr. Stefan Marcinowski, member of BASF's Board of Executive Directors and research executive director.

Lectra increases revenues

1 May 2006

France-based developer of software, CAD/CAM equipment and related services designed for large-scale users of textiles, leather and industrial fabrics Lectra has posted improved results for the first quarter of 2006.

Revenues improved to €50.9 million, an increase of €3.8 million (+8%) at actual exchange rates and €2.3 million (+5%) compared with the same period in 2005. European revenues increased 9%, North American revenues rose 8%; whilst Asia-Pacific revenues fell 1%.

Revenues from new systems sales (€26.2 million) increased moderately (+3% like-for-like) compared with Q1 2005. Recurring revenues (€24.6 million) increased at a more robust pace (+7%).

Orders for new software licenses and CAD/CAM equipment grew 6% overall (+€1.3 million) at actual exchange rates, and 2% (+€0.5 million) like-for-like, relative to the comparable period last year.

Fire at Huntsman's Texas facility

2 May 2006

Huntsman Corporation's Port Arthur, Texas, olefins manufacturing plant experienced a major fire on Saturday, April 29. The fire was contained, but the facility is not operational, pending an investigation and assessment of damage. Following an initial assessment of the impact of the fire, there appeared to be significant damage which could lead to the plant being off line for several months.

Nobody was injured in the incident.

The Port Arthur facility, also known as the Light Olefins Unit (LOU), has an annual production capacity of 1.4 billion pounds of ethylene, about 30% of Huntsman's global capacity. It also has an annual capacity of 800 million pounds of propylene, 680 million pounds of cyclohexane and 460 million pounds of benzene.

Ronco introduces new Nitrile and Latex coated gloves

2 May 2006

Canadian producer of protective apparel and equipment Ronco has launched two new protective gloves, Grip-It latex and Nite-Lite nitrile coated gloves, which are said to offer protection combined with dexterity, grip, and durability.

The Grip-It glove's light and seamless knit liner is coated with specially formulated latex on the palm and fingers, and the Nite-Lite's 13-gauge nylon glove's palm and fingers are coated with nitrile.

The new gloves offer protection and resistance to a variety of chemicals, oils, punctures, and snags while providing users with the dexterity they need for a high level of flexibility, easy finger movement and less finger fatigue. These two gloves also enable users to maintain a firm grip and hold on objects whether the surface is wet or dry.

Iconix signs licence agreement for Mudd tops

2 May 2006

Iconix Brand Group, Inc. has entered into a licence agreement with The Cayre Group for the Mudd brand to manufacture and distribute junior tops. Mudd junior tops were previously manufactured by the brand's former owner, Tack Fat Group International Limited. The new collection will be available for spring 2007.

EU imposes revised anti-dumping measures against the USA

2 May 2006

The European Union has imposed adjusted counter-balancing measures in response to the continuation of payments by the US government to US companies under the terms of the Byrd Amendment, which has been ruled by the WTO as incompatible with WTO rules.

The annual adjustment is required by the WTO, because the duties are tied to the annual disbursement by the US government. Since the amount paid to US companies from duties collected on EC products has increased in 2005, the level of retaliation will also increase. From May 1, measures have been set at $36.91 million, an increase on the $27.81 million applied in 2005.

Eight new products will be added to the list of products subject to the 15% additional import duty. These products include blankets, paper products, photocopying apparatus and drills.

Following a complaint by the EU and ten other WTO members, payments made under the Byrd Amendment have been ruled by the WTO to be injurious to non-US companies. While they continue, the EU and other co-complainants have grounds to take counter-balancing measures.

Since May 1, 2005, an additional import duty of 15% has been applied on paper products, textiles, machinery and sweet-corn originating in the United States.

Gerber releases AccuMark 8.2

2 May 2006

US Manufacturer of integrated software and hardware automation systems for the sewn products and flexible materials industries Gerber Technology has released AccuMark version 8.2. This newest version of the software is designed to save steps in navigation, pattern making and marker making. It also includes Pattern Wizard, a new function that enables users with minimal pattern making skills or experience to generate graded costing patterns from a library of pre-defined garment types and finished garment size specifications.

In addition to Pattern Wizard, AccuMark version 8.2 introduces a number of PDS functions to improve pattern making productivity. Additional new features include display cut sequencing by numbers of lines for easier visual verification; define cut sequence using part

categories to minimise dry haul time; piece thumbnails added to Model Editor to allow part verification while defining model without opening PDS; subdirectories added in AccuMark Explorer for SQL storage areas to allow greater flexibility in grouping and accessing model information; and DXF file export from Piece, Marker and PDS plots which eliminates need for third party software and reduces the cost of ownership.

Pelé signs Puma collection

2 May 2006

In anticipation of the 2006 World Cup, German sports apparel manufacturer Puma has launched an exclusive sportswear collection signed by Brazilian football legend Pelé.

The 2006 spring/summer collection includes a range of sweaters, coats, T-shirts, footwear, caps, bags and accessories called the Puma Pelé Collection, the highlight of which is a football signed by Pelé and bearing the Puma symbol.

This is the first time Pelé has lent his name to a sportswear collection. I think everybody knows that Puma is a synonym for football… I used to be sponsored by Puma,' said Pelé. Now we are getting back together and I am very happy to come back to the family.'

Second edition of Nonwovens Research Academy

2 May 2006

EDANA's Nonwovens Research Academy brought together over 140 participants, just over a third of whom were students, in Roubaix (Lille, France), on April 20-21.

The industry has recognised that more needs to be done to attract and retain top-grade graduates, so this year's Academy focused specifically on students.

In order to give a greater number of students the opportunity of participating in the Nonwovens Research Academy, a special EDANA grant was launched and awarded to twelve students on the basis of their motivation and capabilities.

During the Academy, thirteen original R&D papers were presented by researchers from industry and academia covering innovations relating to various aspects of nonwovens, including raw materials, structure/functions, characterisation/ modelling and technology/processes.

The Academy also featured an R&D needs' session with the aim of bringing the industry into closer contact with research institutes and helping students to shape their future.

Students had the opportunity to join a number of specialised round table discussions, where they could talk to top management from the nonwovens and personal care products industries including executives from BASF and Lenzing.

Timberland reports decline in Q1

2 May 2006

Footwear, apparel and accessories manufacturer The Timberland Company has reported first quarter net income of $29.2 million compared with $42.2 million in the first quarter of 2005.

First quarter revenue decreased 1.2% from strong prior-year results to $349.8 million as constant dollar growth in international markets and gains in the US were offset by foreign exchange impacts. On a constant dollar basis, first quarter revenues expanded 2.4%. US revenue grew 1.7%, benefiting from Timberland's recent acquisition of SmartWool and from gains in targeted expansion categories such as the Timberland PRO series, outdoor performance and casual which offset anticipated declines in boot sales.

International revenue decreased 3.5%, reflecting significant changes in foreign exchange rates over the past year. On a constant dollar basis, international revenue grew 3%, supported by gains in Asia and Canada. Foreign exchange rate changes reduced first quarter 2006 revenue by $12.9 million, 3.6%.

Global footwear revenues fell 4.5% to $253.9 million as strong gains in men's casual and Timberland PRO series footwear offset declines in boots, outdoor performance and children's footwear.

While the company's first quarter results were largely in line with its expectations, Timberland is modifying its 2006 financial outlook to incorporate the impact of provisional anti-dumping duties on European Union footwear sourced in China and Vietnam. For 2006, the company is now targeting flat to modest revenue growth.

Timberland anticipates second quarter sales declines in the mid single-digit range and an operating loss in the $20-$25 million range. For the second half, it also expects lower comparable earnings.

LaCrosse Footwear reports strong growth

3 May 2006

Work and outdoor footwear manufacturer LaCrosse Footwear, Inc. has reported a strong growth in sales for the first quarter ended April 1.

The company reported consolidated net sales of $21.4 million, up 13% from $18.9 million in the first quarter of 2005. Approximately $1.7 million of net sales in the first

quarter of 2006 can be attributed to five additional business days compared to the first quarter of 2005, a result of the company's quarterly reporting calendar. Net income was $0.4 million, up 23% from $0.3 million in the first quarter of 2005.

Sales to the work market were $13.6 million, up 14% from $12 million for the same period in 2005. The growth in work sales has been attributed to new products and continued penetration into the general work and fire boot markets. Sales to the outdoor market were $7.8 million, up 13% from $6.9 million for the same period in 2005.

The company's footwear is sold under the Danner and LaCrosse brands.

Execute Sports enters into new distribution partnership

3 May 2006

Performance sporting product manufacturer Execute Sports, Inc. has entered into a new world-wide partnership with Rincon Distribution, an action sports sales representative firm. The purpose of the partnership is to open up new sales and distribution channels for Execute, both in the United States and internationally.

Based in California, Execute Sports develops performance products including wetsuits, vests, rash guards, snowboards, bindings, bags and apparel for the action sports industry. Following its recent acquisition of Pacific Sports Group the company has widened its portfolio adding Academy Snowboards, Kampus wakeskates and Kampus footwear.

Categories to be altered in Global Sportstyle Awards at ispo

3 May 2006

Sports equipment trade fair ispovision summer 2006 will be the venue for the fifth Global Sportstyle Awards ceremony on July 17 in Munich, Germany.

The nominating jury composed of fashion and lifestyle journalists has made some changes to the voting procedure for the awards and the main categories have been rearranged. There are now new classifications in the sportstyle segments such as Golf Style and Yachting Style. A distinction is made within individual segments according to the criteria of fashion' and function' as subcategories.

The voting procedure is being adapted to these new categories, although evaluation by internationally renowned retailers during the trade fair will be maintained.

The five standard product categories are Premium Sportstyle, Yachting Style, Golf Style, Outdoor Style and Wellness Style. The two additional categories are Newcomer of the Year and the Lifetime Achievement Award. The latter will be awarded to individuals – mainly designers – who have made significant contributions to the Sportstyle segment internationally.

New president of Lectra North America appointed

3 May 2006

France-based provider of software and CAD/CAM equipment for industrial users of textiles and leather Lectra has appointed David Rode as president of Lectra USA, Inc. He replaces Daniel Harari, who was acting president of Lectra North America during a transition period.

He will report directly to CEO Daniel Harari and will be responsible for all Lectra business in North America, which covers the United States, Canada, Mexico and the Caribbean.

Prior to joining Lectra, Mr Rode was president and CEO of Intentia International Americas Group, the US subsidiary of Sweden-based Intentia.

Pony names new CEO

3 May 2006

Jim Stroesser has been appointed CEO of Pony International LLC.

Mr Stroesser, who previously served as vice president of sales at Converse, and also worked for Oakley and at Nike, moves to Pony from his position as senior vice president and general manager of global footwear at Quiksilver and Roxy.

Moderate growth in Chinese textile sector

3 May 2006

Despite quotas being imposed on the import of Chinese textiles, the sector posted moderate growth in the first quarter of 2006, with garment exports rising 22% to reach nearly $30 billion.

Whilst exports to the EU and USA were lower due to the import quotas imposed, exports to Japan, Hong Kong and Korea increased by nearly 30% year-on-year.

Vietnam’s garment exports reach $1.36 billion in Q1

3 May 2006

Vietnam’s garment and textile exports reached $500 million in March, bringing the industry's total exports to about $1.36 billion in the first quarter, a year-on-year increase of 40% according to the Ministry of Trade.

Exports to the US, the EU and Japan posted moderate growth, whilst textile and garment exports to African countries increased four-fold in January alone.

Zumiez reports increased sales

4 May 2006

US specialty retailer of action sports related apparel, footwear, equipment and accessories Zumiez Inc., has posted a 42.8% increase in total net sales for the four-week period ended April 29. Sales reached $15 million compared with $10.5 million for the four-week period ended April 30, 2005. The company's comparable store sales increased 19.3% for the four-week period, versus a comparable store sales increase of 11.1% in the year ago period.

Talbots completes acquisition of the J. Jill Group

4 May 2006

International specialty retailer and cataloguer of women's, children's and men's apparel, shoes and accessories, The Talbots, Inc., has completed its previously announced acquisition of The J. Jill Group, a multi-channel specialty retailer of women's apparel, accessories and footwear. At the end of 2005, The J. Jill Group operated 200 stores with revenues of approximately $450 million.

Talbots acquired all the outstanding shares of J. Jill for $24.05 per share, in cash, for a total equity consideration of approximately $517 million.

Talbots has also announced several key promotions. Phil Kowalczyk, formerly Talbots executive vice president, chief administrative officer, has been appointed president of the J. Jill brand. Olga Conley, formerly J. Jill's executive vice president/chief financial officer and chief administrative officer, has been named executive vice president, Administration for Talbots. David Dirienzo, formerly vice president for Talbots Men’s and Talbots Kids, has been appointed executive vice president, Merchandising for the J. Jill brand.

Gerber appoints new regional director

4 May 2006

US-based manufacturer of integrated software and hardware automation systems Gerber Technology has appointed Stefanie Kooper-Bertram as regional director, Central Europe to replace Werner Vetter who retires after 25 years with the company.

In her new role, Ms Kooper-Bertram will be responsible for overseeing agent, distributor and direct business in the region. She most recently held the position of deputy regional director, Central Europe.

Ms Kooper-Bertram joined Gerber Technology in 2003 as director, customer service for Europe, Middle East and Africa.

UK underwear receives organic approval

4 May 2006

A range of underwear supplied by mail order retailer Greenfibres has become the first in the UK to be given the stamp of organic approval by the Soil Association.

Other Greenfibres products to be Soil Association certified for the first time include a range of organic cotton towels and a selection of socks.

Gabriela Lana, co-director of Greenfibres, said, "The textiles industry causes a great deal of pollution and has rather dubious working practices. Organic clothing is just one more step towards living an ethical and eco-friendly life."

For a garment to be labelled organic by the Soil Association, raw materials must contain at least 95% organic materials – excluding accessories such as buttons and zips. The remaining 5% can be made up of a limited range of non-organic fibres if insufficient organic material is available.

Everlast introduces boxing equipment in South Africa

4 May 2006

Manufacturer, marketer and licensor of sporting goods Everlast Worldwide Inc. has expanded its agreement with existing licensee "Better Brands" to include boxing equipment in South Africa.

"Better Brands," located in Johannesburg, currently holds an Everlast licence for men's, women's and children's activewear in South Africa.

Nike provides kit for US world cup team

4 May 2006

As US men's national team manager Bruce Arena announces the 23-player roster for this summer's world championships, Nike is ready to outfit the team in its new national kit.

Nike has shown dramatic growth in soccer in just over a decade, from roughly a $40 million business in 1994 to one that is approaching $1.5 billion today. Globally, this year Nike expects to sell a record 23 million pairs of soccer footwear, more than 10 million balls and more than 2.4 million team replica uniforms. In the US, Nike expects a 300% increase in kit sales over 2002.

The US jerseys feature the red, white and blue of the Star Spangled Banner on a classic jersey design, ppealing equally to traditionalists and contemporary fans and athletes.

Shivalik Global to acquire Shyam Tex International

4 May 2006

After a successful IPO, textile fabric and apparel company Shivalik Global Limited (SGL) is to acquire Shyam Tex International Ltd.(STIL) for Rs25.69 crores ($5.73 million). In the first phase SGL will acquire 60% of the equity capital of STIL. In the second phase STIL will be merged with SGL.

Following the acquisition, SGL will have the benefits of higher capacities and better economies of scale which would be available immediately.

Redcats USA to acquire the Sportsman's Guide

5 May 2006

VLP Corporation, a wholly-owned subsidiary of Redcats USA, has entered into a definitive agreement to acquire catalogue and online marketer of outdoor and sports gear The Sportsman's Guide, Inc. Under the agreement VPL Corporation will acquire all of the outstanding shares of The Sportsman's Guide in a cash merger for a price of $31 per share. The $31 per share price represents a 20.2% premium over the three-month average trading price of $25.80.

The board of directors of The Sportsman's Guide has unanimously approved the merger agreement and has agreed to recommend that shareholders vote to adopt the merger agreement and approve the merger. The transaction is expected to close during the third calendar quarter of this year.

Sales rise at American Eagle Outfitters

5 May 2006

US designer and retailer of apparel, outerwear, footwear, and swimwear American Eagle Outfitters, Inc. has posted higher sales total sales for the month ended April 29. Sales increased 25% to $179.2 million compared with $143.4 million for the month ended April 30, 2005. Comparable store sales increased 19% for the month.

Total sales for the first quarter of 2006 increased 14% to $522.4 million, compared with $456.5 million for the first quarter of 2005. Comparable store sales increased 9% for the quarter.

The company currently operates 805 stores in 50 states, the District of Columbia and Puerto Rico, and 71 AE stores in Canada.

English-Spanish dictionary of footwear terms published

5 May 2006

The town council of Elda, in an effort to encourage initiatives that promote the footwear industry, has produced an English-Spanish Dictionary of Footwear and Related Industries Terminology in collaboration with Ariel publishing. The aim of the dictionary is to provide in-depth coverage of the terminology used in the footwear industry, including terms related to machinery and manufacturing processes, and for related sectors such as leather, textiles and chemicals.

New polymer and performance materials business formed

5 May 2006

A new business, Emerald Performance Materials, Inc., formerly operating as certain polymer and performance materials business units of The Lubrizol Corporation, has been formed in conjunction with its acquisition by an affiliate of investment firm Sun Capital Partners, Inc.

Emerald's polymer and performance materials businesses will serve niche consumer and industrial end-market applications. The company's product range is used in textiles, industrial rubber, adhesives, personal care and other applications. Included in the sale are six manufacturing sites located in Illinois, North Carolina, Ohio, Washington and Wyoming with approximately 625 employees. Emerald plans to establish its headquarters in Northeast Ohio. Terms of the transaction were not disclosed.

New Avery Dennison ComfortTag heat transfers

5 May 2006

Information management, brand identification and solution-enabling products company Avery Dennison recently launched its new ComfortTag heat transfers that meet salt and chlorine durability requirements established by the American Association of Textile Chemists & Colorists. ComfortTag enables companies to identify goods, including swimwear items, without inconsistency. In independent testing conducted by Philadelphia University, ComfortTag heat transfers passed AATCC Test Methods 162-2002 (Colorfastness to Water: Chlorinated Pool) and 106-2002 (Colorfastness to Water: Sea).

In 2005, ComfortTag passed AATCC's Test Method 61 for withstanding 50 launderings, as well as separate tests for withstanding dry cleaning, and enzyme and pumas (rock) stone washing. ComfortTag has also been test-proven to be free of formaldehyde. According to the company, no other heat transfer on the market at present has been reported to have passed this battery of tests.

What this means is that marketers can now convey brand on swimwear and water activewear with heat transfers that have passed every major test for durability and retention of image quality,' said Mark Hansinger, Retail Information Services marketing director – Apparel Labelling.

ComfortTag heat transfers can be supplied fully pre-printed with logos, graphics and variable data for application with most heat transfer bonders. They can also be supplied partially pre-printed for on-site printing of variable data and subsequent bonding. A variety of security technologies are also available with the heat transfers to combat diversion and counterfeiting.

Bayer increases prices for polyesters

5 May 2006

Bayer MaterialScience AG, a subsidiary of German chemical and healthcare company The Bayer Group, is raising selling prices for saturated polyester polyols and selected solvent-borne resins for polyurethane paints and coatings by an average of 4-6%, depending on the product group.

According to the company on-going increases in the cost of raw materials and energy are so significant that they cannot be offset by internal measures to increase efficiency.

All current contractual obligations will be fulfilled.

Nike partners Iroquois Nationals Lacrosse organisation

5 May 2006

Nike has agreed a partnership with the Iroquois Nationals Lacrosse organisation, and will provide the organisation with footwear and apparel, including team uniforms, warm ups and casual sports apparel. The new uniforms will debut this summer when the Iroquois Nationals are expected to compete in the 2006 World Lacrosse Championships in London, Ontario, Canada.

The Iroquois Nationals will compete for the world title alongside the US, Canada and other qualifying countries at this summer's World Lacrosse Championships.

As a component of the partnership, the Iroquois Nationals will participate in extensive research and design studies intended to further develop Nike's line-up of training and competition footwear and apparel for the sport of lacrosse.

Lacrosse is considered one of the fastest growing team sports, both in the United States and internationally. In the last decade, the number of high school and youth league teams has increased by 40% and the number of college and club teams has risen by 55%.