

NEWS ALERT

KEEP YOURSELF UPDATED
ON THE WORLD SPORTING GOODS INDUSTRY!



Among others in this issue:

#33/2010-03-01

- ◆ Update - overview of trade restrictive measures in footwear 1
- ◆ The WFSGI is launching new services for the benefit of its members 2
- ◆ Nike introduces 2010 National Team Kits 4
- ◆ ispo 2010 continues to grow 5
- ◆ Mizuno swings to Q3 Profit on improving margins 6
- ◆ Organic Cotton production grows 20% 8
- ◆ HEAD NV sales declined in all segments in 2009 9
- ◆ **WFSGI JOB MARKET** 12
- ◆ **SPECIAL** : What is Green? 13

The WFSGI takes note of Chinese government's request for WTO consultations on EU footwear anti-dumping measures

The WFSGI notes that the Chinese government has requested WTO consultations on the European Union's anti-dumping tariffs on Chinese and Vietnamese footwear imports. "The EU's controversial decision to extend these duties for an additional 15 months could now lead to a worrying cycle of litigation and retaliation" said John E. Larsen, WFSGI President. The WFSGI believes in open markets and free trade to the benefit of consumers, producers and retailers alike. "Whilst we do not welcome an upswing in litigation, it is essential that governments

know that protectionist measures will be subjected to intense scrutiny," said Robbert De Kock, the Federation's Secretary General. Despite countless pledges to defend free trade, the European Union seems intent on pursuing the path of protectionism. We call on EU leaders and the European Commission to take immediate action to reassure their Chinese counterparts that the EU intends to live up to its commitments. This deeply worrying situation must not be allowed to escalate any further.

Notes to editor:

- On 22 December, EU Member States voted to extend anti-dumping duties on Chinese and Vietnamese footwear imports for a further 15 months as of January 2010. The final AD-duties are in place since October 2006, after nearly half year with preliminary duties. initially the final measure was agreed amongst the EU-member states for only 2 years.
- The request for consultations is the first formal step in the WTO dispute settlement system.

Source : WFSGI

Update - overview of trade restrictive measures in footwear

The WFSGI is concerned by the rise of trade restrictive measures in the footwear sector in the whole world. The WFSGI believes that it would help people to overcome difficulties in their daily life if governments could further lower or remove any tariff barriers. Manufacturers and consumers could benefit from an efficient global market. Tariff elimi-

nation in the sporting goods and specifically the footwear sector would create greater economic value, lower production costs, and supply consumers with wider and affordable choice of products. The WFSGI expects the negotiation, global and bi-lateral, to achieve an ambitious outcome, including deep and comprehensive reductions in the

protectionism tariffs of sporting goods.

To inform our industry, a **table** of the various measures applicable to countries is available on our website and **regularly updated** with the latest information. Click here to directly access the latest version.

Source : WFSGI

Sustaining Members



The WFSGI is launching new services for the benefit of its members

In its mission to serve the global sporting goods industry, the WFSGI is constantly improving new services for its members. We are proud to announce that we have launched several new services.

Details on the new services are as followed:

CSR Helpdesk

The WFSGI signed an exclusive agreement with Intechnica, Dr. Norbert Hiller. The agreement offers a **free of charge CSR Helpdesk** to the WFSGI Members. The CSR helpdesk will provide a consulting service in the field of environmental protection, occupational health and safety, management systems according to ISO standards and sustainable development (including REACH and CPSC). All those aspects will help the members on their "future secure business growth" and should make them "fit for the future" (detailed info on www.wfsgi.org, Membership > Services). The WFSGI members will be able to easily and quickly reach experts and receive the necessary information for their daily busi-

ness, with no further cost for them.

Legal Helpdesk

The WFSGI has partnered with Dr. Jochen Schaefer, Attorney-in-law in Munich (Germany) and WFSGI Legal Counsel, to offer its members **legal assistance**, in particular in the areas of international intellectual property coverage, sponsoring, product safety, mergers, dispute resolution, etc. This service includes a **free of charge advice** and **special discount** for the WFSGI members that will enable WFSGI members to obtain professional advice from legal experts with proven industry experience and specific know how.

WFSGI E-Shop

The WFSGI E-Shop, as its name says, is an electronic shop produced by the WFSGI on www.wfsgi.org/e-shop. The shop will offer reports and market researches related to the sporting goods industry from the whole world. The aim here is to offer a unique platform where to find the necessary information on our industry. The WFSGI is collaborating with various entities to provi-

de the most complete offer. The content of the E-Shop will be extended in the course of the year. This service is open to all as it is available on WFSGI website but please note that there will be a **special discount for WFSGI members**.

WFSGI Job Platform

The WFSGI is giving its members the possibility to post job openings on WFSGI website and in the WFSGI News Alert (newsletter published twice a month) in a dedicated section called Job Market. This service is **free of charge** for WFSGI members. With 10'000 visits a month on the website and a distribution list of 18'000 for the newsletter, the WFSGI aims here at giving a large visibility platform for its members to advertise their vacant positions and the best scope to find the perfect candidates.

More information on all WFSGI services on www.wfsgi.org, Membership > Services.

Source : WFSGI

If you are looking for market figures, visit the WFSGI E-Shop!

The WFSGI has recently launched an electronic shop (see above) .

The E-Shop is open to anybody (with discounts for WFSGI members) interested to find figures and detailed

info on consumer purchase habits, sportsparticipation, statistics, industry trends, evolution, etc.

Latest addition in the E-Shop : reports on the Golf Industry in Euro-

pe , divided into Northern, Central and Southern volumes.

Don't miss them!

Visit www.wfsgi.org/e-shop!

FIFA sign first ever Green sponsor

FIFA has announced that it has signed a deal with Yingli Green Energy Holding Company Limited - the first renewable energy company in history to sponsor the FIFA World Cup. The company, which holds the brand Yingli Solar, has also become the first Chinese company to seal a global sponsorship deal with FIFA.

By establishing this partnership with FIFA, Yingli Green Energy is aiming to further its strategic marketing initiatives worldwide in conjunction with the FIFA World Cup. Yingli Green Energy's sponsorship agreement for this summer's World Cup gives the company global marketing rights, including certain ticket, pe-

rimeter-board advertising and media rights as well as the right to showcase its solar products at the fan zones in the FIFA World Cup stadiums. The tournament is to be held in South Africa from the 11th June to the 11th July.

Source : sportindustry

Sustaining Members



SGMA Litigation & Risk Management Summit / Discount for WFSGI Members

SGMA (Sporting Goods Manufacturers Association – USA) is hosting their 3rd Annual SGMA Litigation & Risk Management Summit on April 6, 2010 in Las Vegas, NV, addressing legal issues, product safety, and risk management. This event is expressly designed to provide guidance and prepare sporting goods & fitness manufacturer's in-house and outside legal counsels, risk managers, product developers, marketers and other senior executives for the various litigations, regulations, and risk management issues that will be affecting the industry in the imminent future. This year's Summit will kick off with keynote speaker Anne Northup, the New Commissioner of the CPSC, as she leads a discussion

on the NEW CPSC and the enforcement of the CPSIA.

Along with the keynote presentation, the 2010 LRMS agenda will feature the following interactive presentations lead by top industry legal experts:

- Concussion Controversies & Its Impact on Product Testing
- Prop 65 & Other State Law Compliances
- Litigation & Civil Enforcement Concerns
- 2010 Regulatory Landscapes in U.S., Canada & Europe
- Issues Most Concerning to In-House Counsels

Furthermore, SGMA's Litigation & Risk Management Summit will precede the Defense Research Institu-

te's 2010 Product Liability Summit at the same location. To learn more about the 2010 DRI Program visit www.dri.org. Join members from the fitness, team sports, recreation, apparel, equipment and other industries for these 2 valuable events. More info on www.sgma.com/lrmsinvite

WFSGI member are offered the full SGMA member discounted registration, which is 50% off the registration fee for non-members.

To register, please contact Jan Ciambor at 301.495.6321 or jciambor@sgma.com.

Source : WFSGI

The New Balance Foundation joins the White House in the fight against Childhood Obesity

The New Balance Foundation announced that they are joining The First Lady, Michelle Obama in her efforts to end childhood obesity. "We are proud to join forces with the First Lady and the White House on our shared commitment to getting more kids active and embracing healthier lifestyles," says Anne Davis, managing trustee of the New Balance Foundation. "As a corporate foundation we have stood behind the prevention of childhood obesity for the last decade and we recognize that a strong collaborative effort between government, non-profit

and private sectors can truly make a difference in addressing this serious epidemic. We look forward to working closely with The First Lady to achieve her national goal of solving the childhood obesity challenge within a generation." The New Balance Foundation's primary objective is to promote healthy lifestyles for children and families with the majority of its grant funding focused on the prevention of childhood obesity. The Foundation recognizes that childhood obesity is a growing epidemic with the percentage of children who are obese doubling

and the percentage of obese adults tripling in the past 30 years. Today, nearly one third of all children in America are obese or overweight. The New Balance Foundation seeks to address this epidemic using a holistic approach that involves children and those who impact children – including caregivers, educators, medical professionals, after-school providers and the community as a whole. In 2009, The New Balance Foundation granted more than \$6 million to combat childhood obesity and promote healthy lifestyles.

Source : New Balance

Li Ning to unveil First U.S. Retail Location

Li Ning, the China athletic apparel and footwear company, on Feb. 15 unveiled its first U.S. retail store and showroom located in the heart of Portland's Pearl District. Sponsored athlete Baron Davis of the Golden State Warriors was on hand to intro-

duce his first Li-Ning game shoe, the "BD Doom." The company is entering the U.S. market with a limited offering focused on basketball, kung-fu, table tennis and badminton products, all of which are available at www.li-ningusa.com. The website

was launched beginning of February. Other Li Ning sponsored athletes include Shaquille O'Neal, Jose Calderon and Hasheem Thabeet.

Source : SportsOneSource

Sustaining Members



Nike introduces 2010 National Team Kits made from 100 percent recycled polyester

Many of the world's leading players, including Cristiano Ronaldo, Robinho and Ji-Sung Park will take to the pitch in South Africa this summer wearing the most environmentally-friendly and technologically-advanced kit in football's history. For the first time, all of Nike's national teams, including Brazil, Portugal and The Netherlands, will be wearing jerseys made entirely from recycled polyester, each one produced from up to eight recycled plastic bottles. Nike unveiled the new national team kits with several footballers at a global media event at Battersea Power Station in London. To make the 2010 national team kits,

Nike's fabric suppliers sourced discarded plastic bottles from Japanese and Taiwanese landfill sites and then melted them down to produce new yarn that was ultimately converted to fabric for the jerseys. This process saves raw materials and reduces energy consumption by up to 30 percent compared to manufacturing virgin polyester. By using recycled polyester for its new range of national jerseys, Nike prevented nearly 13 million plastic bottles, totaling nearly 254,000 kg of polyester waste, from going into landfill sites. This amount would be enough to cover more than 29 football pitches. If the recycled bottles

used to make the jerseys were laid end-to-end they would cover more than 3,000 kilometres, which is more than the entire coastline of South Africa. The national team kits represent an important step in the process to make all Nike products more sustainable. In addition, all the national team kits have been designed with each country's national culture and identity in mind. Nike understands the pride athletes experience playing for their country so each kit has been designed to represent the heritage and unique football culture of the nine national teams.

Source : Nike

First INTERSPORT store in South Korea

On February 4th, 2010 the INTERSPORT Master Franchise Partner LG Fashion opened the first INTERSPORT store in South Korea. The shop has a sales surface of 1'650m² and is located downtown Seoul. Another three INTERSPORT stores with sales surfaces between 1'000m² and 3'500m² will be opened in South Korea in the next three months. The

optimised INTERSPORT brand appearance "Sport to the People" making the INTERSPORT brand more emotional and dynamic and the related new INTERSPORT store concept are already applied in these stores. Says Franz Julen, CEO of IIC - INTERSPORT International Corp.: "INTERSPORT is proud to have opened the first INTERSPORT store in

Asia together with LG Fashion. We have the long-term goal to play a leading role in most of the Asian-Pacific countries in eight to ten years. South Korea is a first and important step in this direction." Another three stores will follow in the next three months.

Source : Intersport

European Outdoor Group restructures Board

Members of the European Outdoor Group (EOG) elected a new president and agreed to restructure their board. "As the industry itself changes, the European Outdoor Group has felt it necessary to restructure to ensure the appropriate flexibility to accommodate the requirements and demands of its growing membership and the industry itself," said Mark Held, secretary general, of the EOG. From the existing EOG Board, Albrecht von Dewitz of Vaude, announced his decision to step down

from the Board. Rolf Schmid of the Mammut Sports Group, has stepped down as president and Claes Broqvist of Odlo, has stepped down as vice president. Both Schmid and Broqvist will remain on the board as ordinary members and this will aid continuity and ensure the EOG retains experience. Bernd Kullmann of Deuter has been elected as vice president and Jean-Marc Pambet of Salomon and Eddy Codega of C.A.M.P. have formally joined the board. "With such a diverse mem-

bership base, we aim with the board structure to cover as many nationalities, as many company types and as broad an experience base as possible," said Held. "The objective being to have a board that is truly representative of the membership." Eddy Codega has in addition also agreed to take over the role of treasurer from Albrecht von Dewitz.

Source : SportsOneSource

Sustaining Members



ispo 2010 continues to grow

During its 70th run from February 7th to 10th, 2010, and its 40th year, ispo once again expanded its position as internationally leading sports business network. Top international industry, sports, media, commerce and government representatives came together in Munich, and experienced an event which far exceeded expectations. Exhibitors as well as visitors rated ispo 10 as very good. The atmosphere in the exhibition halls was extremely positive, sometimes even enthusiastic, thanks to the very promising winter season as well as the extensive, high-quality selection of products. The exhibitors were particularly pleased with the high amount of visitors. In addition, the new Opinion Leader concept received positive feedback. Visitors particularly enjoyed the new exhibition hall layout. The bundling of themes in the different halls opti-

mized navigation and decreased access times. After four days the 70th ispo closed its doors with excellent exhibitor, visitor, and exposition space statistics. More than 64,000 international visitors from 177 countries came to preview new trends and innovations. This is a new visitor record and represents an increase of close to 7 % compared to the prior year. 68 percent of visitors came from abroad, an increase of about 2 % compared to last year. The strongest foreign visitor contingents hailed from Italy, Switzerland, Austria, France, Great Britain and Northern Ireland, Spain, the Netherlands, the Korean Republic, the Czech Republic, and Sweden. 2,045 exhibitors from 45 countries registered for ispo, which represents an increase of 5 %. The event also experienced growth in terms of exposition space; compa-

red to the prior year, the net used space increased by close to 2 % to 89,000 square meters, and covered 15 halls at the New Munich Trade Fair, corresponding to 175,000 square meters. Klaus Dittrich, Chairman of the Management of Messe München GmbH: "We are very pleased with the excellent results of our anniversary event, ispo 10. The numbers clearly show how strong this international sports business network is. Even after 4 decades ispo remains the "place to be" for the global sporting goods industry. In the future we will continue to expand our position with innovations and new concepts, like the ispo vision and Opinion Leader concept." ispo 11 will be held from February 6th to 9th, 2011 at the New Munich Trade Fair.

Source : ispo

Protectionism worldwide decreased in fourth quarter 2009

For the first time since the onset of the global economic crisis in mid-2008, the fourth quarter of 2009 saw a substantial *decrease* in industry demands for temporary new import barriers under potentially WTO-legal "trade remedy" policies – antidumping, safeguards, and countervailing duty (anti-subsidy) policies.² Compared to the same time period in 2008, the fourth quarter of 2009 resulted in a 23.8% decrease in newly initiated *investigations* in which domestic industries request the imposition of such new import restrictions.

Despite signs that the fourth quarter 2009 could become a turning point for the demands for new trade barriers during the crisis, the annual data are more sobering. Total industry requests for trade barriers in 2009 were 19.7% higher than the

total requests for 2008 which were 35.0% higher than the 2007 total.

In the fourth quarter of 2009, fourteen different WTO member economies initiated new trade remedy investigations. Developing countries initiated 76.9% of the new investigations, while industrialized economies initiated the remaining 23.1%. China's exporters continued to be the dominant target, being named in over 70% of the new country-level investigations that may result in import restrictions.

The fourth quarter 2009 also provided the first substantial crisis-era evidence of the anticipated *increase* in the imposition of the new trade barriers that can come at the conclusion of the investigations that were initiated earlier. When compared to the same period in 2008, the fourth quarter of 2009 resulted in a

35.7% increase in the number of new import-restricting measures imposed. An increase in imposed barriers has been expected given the increase in investigations initiated during the earlier stages of the global economic crisis; a trend likely to continue into 2010 given the backlog of ongoing investigations.

The annual data for 2009 indicate that the total number of newly imposed import restrictions under trade remedy laws are 29.5% higher than the total for 2008.

<http://siteresources.worldbank.org/INTPREMNET/Resources/Bown-GAD-Monitoring-Feb-2010.pdf>

Source : World Bank

Sustaining Members



Mizuno swings to Q3 Profit on improving margins

Mizuno Corp. reported that the declines in the golf business had moved into positive territory again, but declines continued in the Americas and Japan. Decreased apparel sales in Japan and China were also cited as contributing factors to the company's decision to lower its sales and profit forecasts for the fiscal year ending March 31. Revenues for the fiscal third quarter ended December 31 fell 9.9% to ¥34.6 billion (\$385 mm) from ¥38.4 billion (\$396 mm) for the year-ago period. The

decline came on top of an 11% decline in the prior year period. Gross margins improved 70 basis points to 41.3% of net sales from 40.6% last year. The company swung to a net profit of ¥0.1 billion (\$1 mm) after a year-ago net loss of ¥1.4 billion (\$14 mm). Europe was the bright spot for Mizuno in fiscal Q3, jumping 21.4% to ¥1.7 billion (\$19 mm), but the volume was not enough to offset declines elsewhere. Revenues in Japan declined 8.1% to ¥26.1 billion (\$291 mm) for the quarter, while

the Americas fell 17.5% to ¥4.7 billion (\$52 mm) and Asia revenues dropped 31.0% to ¥2.0 billion (\$22 mm), due to a large decline in China. For the fiscal year ending March 31 Mizuno now expects to post a ¥1.0 billion profit for the year versus previous estimates for a ¥2.4 billion profit. Revenues are now forecast to come in at ¥145 billion, down from the previous forecast of ¥160 billion.

Source : *SportsOneSource*

Shimano Europe Group restructured

Shimano Europe Group has restructured its sales and marketing departments by integrating all European activities for Shimano products (Shimano, PRO and AIM brand) within one organization. Shimano Europe BV will become responsible for the marketing and sales of both Shimano retail and OEM business towards all market channels and business partners. Up until now Shimano OTC was in charge of retail business within Europe that had been part of Shimano Benelux BV.

This new set-up means an integration of all retail and OEM related activities and employees within one company. Now all retail oriented business (Shimano Cycling Wear, Shimano Eyewear, Shimano Workshop, Shimano wheelsets, shoes and pedals, PRO, AIM and all individually packed Shimano components) will be handled by Shimano Europe BV, creating more clarity of responsibilities while increasing the efficiency and effectiveness of the sales and marketing departments. This means

the sales department of Shimano Europe will be divided into three major sections: product management (bicycle components and retail), sales retail, sales OEM and a back up team. The marketing department will contain two sections: promotions and products for all products and brands; and sports, events marketing and public relations. The service department will remain unchanged.

Source : *SportsOneSource*

New Balance opens Shanghai's First *Experience Store*

New Balance announces the opening of its first Experience Store in Shanghai. It is New Balance's second Experience Store in China, following the opening of its first on Beijing's Qianmen Avenue last year. Senior executives from the company, including Regional General Manager, Asia Pacific, Darren Tucker, and China Managing Director, Michael Wellman, attended the grand opening to witness this exciting event. The new Experience Store on Huai Hai Road, Shanghai displays New Balance's

entire product line: sports footwear, apparel and a variety of sports accessories, available for all seasons and for men, women and kids, bringing the complete New Balance experience to consumers. Prime position is given to New Balance's series of high performance running shoes. New Balance has always been at the forefront of technology and innovation in performance footwear. As a complement, the lifestyle series caters to customers looking for fashionable colors and elegant

designs. These two series perfectly integrate high technology with fashionable design, exhibiting New Balance's traditional craftsmanship and its modern spirit. For over one hundred and four years, New Balance has passionately and diligently held fast to the aim of producing the best quality and most comfortable products.

Source : *New Balance*

Sustaining Members



Accell Group N.V. reports 6% sales Gain for 2009

European cycling titan Accell Group N.V. reported sales increased by 6% to €572.6 million (\$736.0mm) in 2009, including 5% organic growth. The company said it expected sales to grow this year, but said it was too difficult to predict economic developments for 2010. Accell reported that demand for electric bikes remains strong and that its brands will continue working closely with specialty retailers to serve special target groups in each of their home markets. Accell Group's best known brands are Batavus, Bremshey, Ghost, Hai Bike, Hercules, Koga-Miyata, Lapiere, Loekie, Redline, Sparta, Staiger, Tunturi, Winora and XLC. The company has production facilities in the Netherlands, Germany, France and Hungary. Net profit rose 15% to €32.7 million

(\$45.6mm). Earnings per share came in at €3.30 (\$4.60) in 2009, up 12% compared from 2008. The added value (net turnover minus materials costs and inbound transport costs) as a percentage of turnover was 36%, compared with 37% in 2008. This change was due to a shift in the types of products sold, a higher level of outsourcing, lower inbound transport costs and higher discounts at the end of the season. Accell Group opted for greater availability and therefore larger inventories during the season to maximize turnover opportunities. This resulted in extra discounts in the second half of the year in order to sell the remaining stocks. Absolute added value was up 3% to €205.6 million, from €199.0 million in 2008. Since most agreements with suppliers are based on

prices for the season, changes in the prices of raw materials and parts during the season have a minor impact. "Accell Group had another good year in 2009, due in part to turnover growth in Germany and France," said René Takens, chairman of the board of directors of Accell Group. Electrical bikes, sports bikes and bikes for special target groups sold especially well. The market was more dynamic than in previous years. There were more shifts in the market, to which we had to respond quickly and effectively. This placed greater demands on our organization's ability to adjust, but also contributed to the growth of our results."

Source : SportsOneSource

Nike N7 Expands Access to Product and Funding to Aboriginal Communities in Canada

Nike announced the expansion of its N7 Program to Aboriginal communities in Canada. For over 10 years, the N7 Program has provided youth with access to sport in Native American communities across the U.S. through grants, surface donations, product creation and sport opportunities. The program's expansion creates a comprehensive community program for Native American and Aboriginal populations in North America that will include access to product and support for community organizations that bring sport and physical activity to youth. To make the announcement, Nike General Manager for N7 Sam McCracken and N7 Creative Director Wilson Smith were joined by Four Host First Nations CEO Tewanee Joseph and Aboriginal athletes representing

winter and field sports -- First Nation 2010 Canadian Olympic Snowboarder Caroline Calvé and Six Nations Lacrosse team defender Sid Smith. Through the Nike N7 program, Native American and Aboriginal Health Organizations, centers and communities can access Nike product at reduced cost via nike.net to provide as inspiration for health promotion and disease prevention. The Nike Air Native N7, designed to the specialized fit needs of the Native American foot, is also available through nike.net. More than 360 Native American communities participate in the program. In Canada, there are currently 15 Aboriginal communities who are signed up through a pilot program that began in Sept. 2009. Communities can connect to the program at

www.niken7.com. The N7 Fund provides grants and product donations to community organizations committed to helping Native American and Aboriginal youth unleash their potential through sport. The Fund is governed by a Board of Directors and reviews grant applications on an annual basis. The first grant cycle was completed in the Spring of 2009, with three \$25,000 grants awarded to the Native American Basketball Invitation Foundation, the Notah Begay III Foundation for its Youth Soccer Program and Yellow Bird Inc. for the Fort Robinson Outbreak Spiritual Run. Aboriginal community organizations are now able to apply for product and cash grants from the Nike N7 Fund.

Source : Nike

Sustaining Members



IJF announces Greenhill as Master Supplier

The International Judo Federation announced its Master Supplier during the draw of tables at the Palais Omnisport Paris Bercy. The IJF President, Mr. Marius Vizer, presented Mr. Jahangir Riaz, MD of Green Hill Corp. The company was established 20 years ago and since then has close link with competition

sports and martial arts. "It has always been our wish to be partners to IJF and finally we managed. It was a very fair bid and we are happy to win it. Judo is a very clear discipline", says Mr. Riaz. Green Hill will pay a annual fee of US\$ 350.000 to IJF.

The WFSGI congratulates Greenhill (member of the WFSGI) on the conclusion of this new collaboration.

Source : WFSGI / International Judo Federation

Eco-Summit held at Nike Headquarters

Dozens of company executives joined union leaders, youth organizations and Congressman Earl Blumenauer at Nike Headquarters to kick-off the Race for American Jobs & Clean Energy Leadership, a coast-to-coast virtual race to drive home the economic benefits of national climate and energy legislation. Sponsored by We Can Lead, the campaign aims to collect hundreds of business leader endorsements as it crosses the country making the case that strong climate policies are urgently needed to create jobs, promote technological innovation and boost energy independence — and that the Senate must act now on stalled legislation. Additional race stops are planned for Colorado, Ohio, New Hamp-

shire and Washington, D.C. over the next 3 weeks. "We believe that building sustainable business practices will help fuel the economy and the environment," said Sarah Severn, Director of Stakeholder Mobilization for NIKE, Inc. "The time to act is now. The U.S. needs legislation that gives clean energy entrepreneurs an even playing field to compete globally for innovation and job creation." Comprehensive climate and energy policies such as those in the proposed Senate legislation could create up to 26,000 jobs in Oregon from 2010 to 2020, while increasing annual household income by \$399-\$941, and growing the state economy by \$1.4 billion, according to a recent study by the University of

California. At the national level up to 1.7 million new jobs could be created, while GDP could be boosted by \$39-\$111 billion. The dozens of Northwest clean energy entrepreneurs who gathered for the kickoff event demonstrated their support for clean energy innovation and job creation by signing a custom-made baton that will be passed between each leg of the race. We Can Lead will continue to collect signatures on the baton as the race crosses the country. Business leaders will deliver the baton to Congress on March 10 and hold policy meetings with U.S. Senators and the Obama Administration

Source : Nike

Organic Cotton production grows 20%

Global organic cotton production rose by 20% in 2009 tipping the scales at 175,113 metric tons (802,599 bales) grown on 625,000 acres (253,000 hectares), according to a new report from Organic Exchange (OE). Organic cotton now represents 0.76% of global cotton production, according to the report. The fourth annual Organic Exchange Farm and Fiber Report 2009, which was exclusively previewed in the February issue of Ecotextile News

magazine, shows that India, Turkey and Syria are the leading organic cotton producers out of the 22 countries and 220,000 farmers that grow organic cotton worldwide. The top ten organic cotton producer countries (in order) were: India, Turkey, Syria, Tanzania, China, United States, Uganda, Peru, Egypt and Burkina Faso. The report, however, noted that the global economic downturn had somewhat slowed demand for organic cotton. Unsold

stocks representing between 17 and 22% of production (some 30,000 to 35,000 tons (137,789 to 160,754 bales) of organic cotton has yet to find buyers. According to the Organic Exchange Organic Cotton Market Report, global retail sales of organic cotton and home textile products topped US\$3.2 billion U.S. dollars in 2008. Figures for 2009 are not yet available.

Source : SportsOneSource

Sustaining Members



Michael Phelps becomes Youth Olympic Games Ambassador

Olympic swimming legend Michael Phelps became the first official Ambassador of the Youth Olympic Games (YOG). The 16-time Olympic medallist, who is visiting Vancouver to catch some of the Olympic Winter Games action, will support the Youth Olympic Games by encouraging the involvement of young people around the world. Michael

Phelps said "The Youth Olympic Games is an excellent initiative, not only for the athletes competing, but also those who are inspired to get into sport and be more active. I am delighted that I have been given the opportunity to become the first official Ambassador of the Youth Olympic Games, and can't wait to get working with the YOG team to

promote the first event this summer!" The first-ever Youth Olympic Games will be held this summer in Singapore. The mission of the YOG is to inspire young people around the world to participate in sport and adopt and live by the Olympic values.

Source : IOC

FINA approve new Jaked suits

The International Swimming Federation (FINA) has approved a new line of swimming suits designed by Italian manufacturer Jaked. Jaked was involved in controversy before last year's World Championships in Rome when its suits, that allegedly helped to produce a number of world records, were deemed illegal

and competitors were barred from wearing them in competition. The controversy forced FINA to introduce new regulations regarding the type of suits that swimmers could wear. But Jaked's new designs have now been accepted, and President of Jaked, Francesco Fabbrica, claimed new records would be set

by those who used them. "The costumes that FINA have approved are made with materials that produce unique characteristics which, together, produce extraordinary results," he said.

Source : sportindustry

HEAD NV sales declined in all segments in 2009

In preliminary, unaudited results. HEAD NV said its sales declined as expected in 2009. The company said tough economic conditions have continued to impact results - particularly in diving where it saw a decline of 12% for the year due to the industry's link to travel and the relatively high price points of the products. The company does not expect to see a quick recovery in this market. Winter Sports for the full year decreased by 3.9%, driven by a decline in volumes in all core product categories. Sales of Skis decline 9%, Boots 6%, and Bindings 5% due to the tough market conditions, especially in North America. That was offset by some improvement in mix, positive exchange rate movements and some growth in non-core products. Racquet sports experienced a

sales growth of 3.9% for the year. The volumes of racquets declined by over 9% whilst ball volumes increased by nearly 3%. The improvement in the average selling price of both racquets and balls due to positive exchange rate movements and an enhanced mix resulted in the overall growth in sales for the division. The impact of recent restructuring programs have positively influenced the operating profit in 2009 which, on an adjusted level, increased by €11.1 million to €12.0 million (\$15 mm to \$16.2 mm). The adjustments include the now largely completed restructuring programs, the 2009 costs consist of transferring tennis ball production to China and the reorganization of ski production. Further adjustments have been made for the share-based compensa-

tion plans and the one-off sale of trademarks in Korea. In addition, to manufacturing restructuring projects, the company has also restructured part of its borrowings during 2009. Through a private exchange offer, 85.7 million (\$115.5 mm) of existing Senior Notes were exchanged for €43.7 million (\$58.9 mm). It is too early in the year to predict the company's performance in 2010, but the cost base has been brought in line with the current sales levels and the infrastructure is in place to allow the company to grow should the markets start to recover. The 2009 Annual Report will be released on or around the 20 April 2010 and the Head NV AGM will be held on the 27 May 2010.

Source : SportsOneSource

Sustaining Members



Canadian Study finds Ski Helmets don't increase risk of neck

An analysis of 12 studies of ski helmet use suggests that helmets are effective in reducing the risk of head injury among skiers and snowboarders and found no significant association between helmet use and an increased risk of neck injury, according to an article published by CMAJ, the Canada Medical Association Journal. "Based on our findings, we encourage the use of helmets among skiers and snowboarders," the article concluded. "Additional, methodologically rigorous research is required to determine which types of helmets provide the best

protection." The results come amid continued debate in Canada and elsewhere about the wisdom of mandating helmets for younger skiers. "Estimates from numerous countries indicate that head injuries account for 9% to 19%, and neck injuries for 1% to 4%, of all injuries reported by ski patrols and emergency departments," reads the article. "Rates of head and neck injuries have been reported between 0.09 and 0.46 per 1000 outings.12 Head and neck injuries are disproportionately represented in cases of severe trauma, and traumatic brain inju-

ry is the leading cause of death and serious injury among skiers and snowboarders."The article dismissed the so-called "protective effect," which suggests that the use of helmets may increase the risk of neck injury in a crash or fall. Advocates also suggest the effect may be more evident among children because they have a greater head:body ratio than adults, and the additional size and weight of the helmet may increase the risk of neck injury in an otherwise routine fall.

Source : *SportsOneSource*

Renewing Hope for Haiti Act seeks to bolster Haitian Apparel Sector

In an effort to give Haiti a badly needed economic boost in the wake of devastating earthquake, U.S. Senators Ron Wyden (D-Ore.) and Bill Nelson (D-Fla.) introduced legislation to rebuild the country's apparel industry, which prior to the quake accounted for three-quarters of the nation's exports and employed more than 25,000 Haitians. Since the Jan. 12 earthquake, Haiti's apparel industry has experienced a nearly 50 percent reduction in capacity. At least one apparel factory was destroyed with more than 500 of its workers losing their lives in the collapse. Wyden's and Nelson's 'Renewing Hope for Haiti Act' aims to guarantee a future for this essential industry by providing the policy framework necessary to help Haiti get its apparel sector up and running. "The millions of aid dollars flowing into Haiti right now are essential to addressing the immediate crisis, but Haiti's long-term survival

depends on immediate steps being taken to protect its economic future," said Wyden, Chairman of the Senate subcommittee on International Trade, Customs and Global Competitiveness. "By renewing pro-Haitian provisions in U.S. trade law, streamlining customs processes and opening up avenues for foreign investment, the U.S. can have a significant impact on this fragile economy and restore a much-needed sense of normalcy." "Economic assistance for Haiti is critical right now," said Nelson. "That's because long-term stability there will be determined in large part by Haiti rebuilding a viable economy." Haiti's apparel industry has grown in recent years thanks to existing U.S. laws that allow Haiti to export apparel to the U.S. duty-free under more liberal rules than the U.S. extends to its other trading partners. The Renewing Hope Act will renew these trade laws, some of which were set to expire in September. Renewing

this law now will send a clear signal to U.S. retailers that they do not need to look to China and other Asian countries to fill orders but will instead be able to continue doing business with Haitian producers. The legislation also creates an executive branch task force which will be led by the Department of Treasury. This task force will be charged with identifying obstacles to foreign investment in Haiti and facilitating economic growth and poverty reduction. The Renewing Hope Act will also deploy resources and personnel from the U.S. Customs and Border Patrol to facilitate trade between Haiti and the U.S. and the Dominican Republic. Having Customs agents on the ground in Haiti will help Haitian producers fast-track their exports and secure their supply chain in order to get Haitian factories up and running again.

Source : *SportsOneSource*

Does your colleague know the WFSGI News Alert?

Tell them it's easy : go to on www.wfsgi.org and subscribe in one-click only !

Sustaining Members



Michael Phelps to endorse Under Armour

Olympic gold medalist Michael Phelps has signed a multi-year endorsement deal with Under Armour, according to a report in USA Today. Phelps already endorses Speedo swimwear, but will endorse Under

Armor's non-swim related products, according to the report, which was attributed to Under Armour SVP Steve Battista. Phelps, 24, holds the record for most gold medals won in a single Olympic games with his

2008 haul of eight at the Beijing games of last year.

Source : SportsOneSource

Invista launches Anti-Counterfeit Campaign

Invista said it is taking a stance against trademark misuse on behalf of its brands. The owner of the Lycra fiber brand is launching an advertising campaign to reinforce the importance of protecting the value of its trademarks. Following an announcement of two Italian court

rulings against importers of counterfeit goods bearing Invista branded names, the company has developed two advertisements for trade magazines worldwide. The first advertisement displays a security lock with the official Lycra fibre brand logo and the second advertisement de-

picts a knee-high motive accompanied by the trademark symbol. Both advertisements communicate the slogan "Protecting Lycra fibre from identity theft" with impactful supporting copy.

Source : SportsOneSource

Manfred Wutzlhofer, WFSGI Lifetime Member

The WFSGI was proud to present a "WFSGI Life Time Award" to Manfred Wutzlhofer for his outstanding efforts and support to the WFSGI and the Sporting Goods Industry. During the WFSGI Official Dinner on 6th February 2010 in Munich (GER), the "Life Time Award" was rewarded to Mr. Manfred Wutzlhofer as person of distinction who committed himself, a long time of his life, to the sporting goods industry. Mr Wutzlhofer was honored with the unique WFSGI diamond pin. In addition, Mr. Wutzlhofer was offered

the typical Swiss bell to ring in his retirement period. In the presence of 100 selected guests, John Larsen, WFSGI President and Klaus Dittrich, Chairman & CEO of Messe München, thanked Mr Wutzlhofer for his commitment in the sporting goods industry in the last decades. "His many contributions have been widely appreciated and his knowledge and experience have been a great benefit for the WFSGI and the sporting goods industry" says Robbert de Kock, WFSGI Secretary General. "We are very proud to have had the

pleasure to work with such knowledgeable person in our WFSGI Board and we wish him all the best in his already fully retirement agenda". Mr. Wutzlhofer retired in December 2009 from his position of Chairman & CEO of Messe München GmbH. Replacing Mr. Wutzlhofer in the WFSGI Board, we have the honor to present Mr. Klaus Dittrich, Chairman & CEO of Messe München.

Source : WFSGI

WFSGI QUIZ

Participate and win prizes!

1. See page 81 of the WFSGI Handbook (also available on WFSGI website here)
2. Answer question 1 (deadline 31 March 2010)
3. Send it back to quiz@wfsgi.org

Any question? Contact : **Ségolène Rouillon**, WFSGI Communication Manager
Phone : +41 21 612 61 63 / Fax : +41 21 612 61 69 / E-mail : srouillon@wfsgi.org

Sustaining Members



WFSGI JOB MARKET

*This section is displaying job positions offered by WFSGI members.
You can find these offers also on [www.wfsgi.org / Job Market](http://www.wfsgi.org/JobMarket)*

Project Manager Apparel - adidas Group - GER

[Read the full ad here](#) (click to link)

Director of Stores - Nike Factory Stores - Nike - NED

[Read the full ad here](#) (click to link)

Business Planner - Nike Retail - Russia Focus - Nike - NED

[Read the full ad here](#) (click to link)

Footwear Designer - adidas - GER

[Read the full ad here](#) (click to link)

Sales and Marketing Director - Switcher - SUI

[Read the full ad here](#) (click to link)

Manager/ Global Trade & Visual - Rockport - USA

[Read the full ad here](#) (click to link)

Head of Sport Marketing– adidas Group - RUS

[Read the full ad here](#) (click to link)

Retail Buyer - Nike Football & Basketball – Nike - NED

[Read the full ad here](#) (click to link)

UK Customer Services Executive – Mitre - GBR

[Read the full ad here](#) (click to link)

Job offers to advertise? Publish them here!

Easy : e-mail [srouillon \[at\] wfsgi.org!](mailto:srouillon@wfsgi.org)

Sustaining Members



SPECIAL**WFSGI HANDBOOK 10 EXTRACT****What is Green?**

By Andrew H. Dent, PhD., Vice President, Library & Materials Research, Material ConneXion

My tie is green. Plants are mostly green. You could even use the term to describe your thumb if you are gifted at gardening. Do not however, use it for your products, or your manufacturing, or your lifestyle. 'Green' is unquantifiable, therefore of no use when trying to explain your (or your product's) impact on the environment. To a certain extent, 'sustainability' is also a useless word. According to Patagonia founder Yvon Chouinard from an interview in Fast Company in August this year, "there is no such thing as sustainability". Strictly defined, sustainability is *the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs*, thus according to this definition, virtually nothing manufactured today can be classed as sustainable. There is always a trade-off, whether it is the gas consumed in transportation, the landfilled packaging, or the energy used during a product's lifetime.

So let's get real and work on what we can define in terms of our product's impact. Recycled content, carbon footprint, embodied energy, amount of VOC's (Volatile Organic Compounds – the 'fresh out of the box' smell); all these we can measure, and it enables us to find out if we are doing better than before.

Lowering the environmental impact of your product requires that you consider all aspects of the products life, from raw material extraction, through manufacturing to transport,

use and eventual disposal. Because this holistic approach also forces you to consider the total process, it can force you into some non-intuitive decisions. The one that we deal with most often is the fact that sustainable materials do not always make sustainable products. Using recycled materials or biobased plastics in a sneaker should only be undertaken if this actually lowers the impact of the product, considering the source of the recycled materials (is it toxic rubber from recycled tires?) or the total energy and recyclability/compostability of the bioplastic. Indeed, predominately organic materials are frequently described as being biodegradable, with the assumption that they will not persist in a landfill. All organic materials are biodegradable to some extent (that includes you), but this does not mean that they will break down completely, or that they will not leave potentially toxic remnants such as pigments and other additives once the organic matter has degraded. As a sustainable attribute, the term can be misleading because the timeframe for degradation is not given. Listing 'biodegradable' on a product just says that it is predominantly organic. Even Styrofoam is biodegradable eventually, though it can take up to 300 years to do so in a landfill.

A true understanding a product's impact on both environment and also human health requires Life Cycle Analysis or Cradle to Cradle assessment, both detailed and complex undertakings. However, for a

given material or product, single attributes of a specific material can often be more easily quantified, thus giving a basic, but realistic estimate of that particular impact without the need for a full lifecycle review. This should not substitute for a quantitative study of the entire product lifecycle, but it does allow us to assess similar products and make some initial informed and educated decisions.

No one said it was going to be easy; check, Chouinard has been trying for 50 years with Patagonia and is still not satisfied. But a clear admission of your product's current impact and a systematic and transparent attempt to reducing that impact is the best way forward. Set goals for improvements in the same way we have been doing for years with quality and efficiency. When you meet those goals (No solvent based glues! PVC free! All packaging is certified compostable!) tell everyone about it. Then set more goals. What they should be, how you should talk about them and what you need to be worried about on the way is what we have been advising footwear clients about for years. The latest edition of our Technology Trend Reports on sustainability can help you see what's next in this journey and how to ensure you keep going in the right direction. Just don't expect the word 'green' to be in it.

Sustaining Members

