

NEWS ALERT

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2010 FIFA World Cup™ already sales success for adidas

For adidas, the 2010 FIFA World Cup™ is already a success in terms of sales. adidas is now expecting record sales of at least 1.5 billion Euro in the football category. This represents an increase of more than 15% compared to 2008, the last year of record adidas sales in football (1.3 billion Euro) and an increase of 25% compared to the year of the last FIFA World Cup™ in 2006 (1.2 billion Euro). In the first quarter of 2010, sales of football products were already up 26%. With more than 6.5 million replica jerseys sold, the number of jerseys has more than doubled compared to 2006 (3 million). This includes bestsellers such as Germany, Mexico, South Africa and Argentina with sales of around 1 million units or more each.

"No matter how you look at it: In terms of sales, market share and visibility - adidas is and will remain

the leading football brand. It has become something of a tradition that we further strengthen our market leadership with every tournament. Following the German team's excellent performance in the first game, the sales figures for our football products even match those of Germany's summer fairytale in 2006," Herbert Hainer adds. According to independent market research, adidas holds a market share of 34% and is thus the world's leading football brand. In Europe, adidas holds a market share in football of over 38%, in some core markets such as Germany and the USA the figure is over 50% (sources: NPD Sports Tracking Europe and SportScan). In 2010, adidas will also sell more footballs than ever before as adidas provides the match balls for all important tournaments and leagues worldwide, including the

Official Match Ball for all UEFA competitions, the Africa Cup of Nations and the Official Match Ball for the German Bundesliga, the "Torfabrik", which was presented last week. More than 13 million of the 20 million footballs sold feature the design of the JABULANI, the Official Match Ball of the 2010 FIFA World Cup™.

"Football has become ever faster and more dynamic in recent years. World-class players like Lionel Messi therefore appreciate that we offer them products such as the ultra-light F50 adiZero that help them to enhance their performance. The World Cup is the ideal stage to present such innovations and our brand to a broad audience," explains Markus Baumann, Vice President adidas Global Football.

Source : adidas

Sustaining Members



Acquisition of Haglöfs Holding AB by ASICS Corporation

ASICS Corporation is pleased to announce that it has entered into a share purchase agreement to acquire 100% of the shares in HAGLÖFS HOLDING AB (hereinafter referred to as "HAGLÖFS") on July 12, 2010, following the resolution by the board of directors at its meeting held the same day. HAGLÖFS is an outdoor products company headquartered in Sweden. Established in 1949 with the founding spirit to contribute to the healthy growth of young people through sports, ASICS has always pursued products that create value for customers. Today, we provide highly functional, high quality and highly value-added sport shoes and many other products to sports lovers and health-oriented people around the world. Under the mid-term business plan called ASICS Challenge Plan 2010, we are currently focused on further growth and expansion of our business on a global basis. Specifically, we are expanding our apparel business by introducing in the market high quality and functional novel products,

while securing further growth of our core business of running-related products. Moreover, we are aggressively exploiting opportunities of M&A including the alliance with other companies to boost or supplement the existing businesses within our group. HAGLÖFS is an outdoor products company established in 1914 in Sweden, and it is renowned as a premium brand in the market, mainly in Nordic region and also in Japan. The company is aiming to expand and strengthen the sales and marketing of its highly functional outdoor products not only in Nordic region but also in other regions in Europe as well as in Asia. Synergy benefits between HAGLÖFS and ASICS, are expected in areas such as management, technology, know-how, production bases and sales channels which should add further corporate value. ASICS had multiple discussions with Ratos AB, the owner of HAGLÖFS, and as a result, reached the conclusion of a share purchase agreement. The outdoor products sector is an im-

portant category that can meet growing demands of consumers in all of our three business domains that are athletics, health/comfort and sports lifestyle. The background factors for this trend are the boost of outdoor enthusiasts, the growing needs for health and comfort through outdoor activities, and the increasing demand for outdoor products featuring the aspect of fashion. Through HAGLÖFS, ASICS Group will be providing a wide range of outdoor products to meet such consumer demand. HAGLÖFS is highly valued because of its strategy of always meeting the needs of high-level users and providing them with functional and value-added products for demanding outdoor activities. Such a strategy has been maintained since its incorporation. It is essential for its future growth and perfectly matches with our corporate philosophy to pursue and own products that create value for customers. We will be working jointly to improve our corporate value.

Source : Asics

Under Armour launches UA Freedom Initiative

Under Armour announced the July 2nd launch of UA Freedom, a brand initiative developed to honor and support US Military and public safety officials. The UA Freedom initiative will include a comprehensive website located at <http://www.underarmour.com/freedom> as well as offer continuous monetary, product and volunteer support to military troops, police officers, firefighters and paramedics at home and abroad. The center of UA Freedom will revolve around an interactive website called UA CENTCOM, the military term for central communication. Upon visiting the site,

users will have the opportunity to join the effort by purchasing exclusive apparel, gifting a wounded service member with a backpack, volunteer for upcoming events and share stories of personal triumph. The site will also feature the "Faces of Freedom," which will highlight the inspiring stories of our national heroes and wounded warriors. Through the brand's partnership with the Wounded Warrior Project, a non-profit organization that provides programs and services for injured service members, Under Armour will create specially designed Wounded Warrior Project

apparel that can be purchased through the UA Freedom website. A portion of these proceeds will be donated to the Wounded Warrior Project and aid in their mission of honoring and empowering wounded warriors. Consumers will also have the opportunity to purchase an Under Armour Wounded Warrior Project Backpack that will be presented directly to an injured service member recovering in an overseas military hospital.

Source : SportsOneSource

Sustaining Members



Accell Group's profit up 9% in first half year

Accell Group N.V. booked a further increase in turnover and profit in the first half of 2010. Turnover was up 3% to € 342 million, compared with € 333 million in the first half of 2009, due in part to the effect of (minor) acquisitions. Net profit rose by 9% to € 24.1 million from € 22.1 million in the same period of 2009. René Takens, Chairman of the Executive Board of Accell Group: "In the first half of 2010, we saw a number of important trends continue. Consumer interest in the environment, mobility, health and active recreation remains high. This is leading to greater use of our products. There is particular interest for our innovative sports bicycles and electric bicycles. The first half year was however characterized by a very long winter and subsequent bad weather in May, a very important month in the cycling sales season. As a result less traditional bikes were sold. Also, the limited financing possibilities of our dealers were apparent. Our dealers have lowered part of their electric bicycle inventories, while simultaneously sales of electric bicycles to consumers continued to increase. Sales of bicycle parts, accessories and fitness equipment were also up. Despite the limited turnover growth, we are satisfied with our performance given the current market circumstances. Our strong brands in the various segment in which we operate, as well as our geographical spread, mean we can respond quickly to changing market conditions and opportunities. We will continue to actively seek acquisition candidates during the remainder of the year. Barring

further economic developments and unforeseen circumstances, at this point in time we expect a higher turnover and an increase in net profit of approximately 5-10% for the full year 2010." **Bicycles / bicycle parts & accessories**

In the segment bicycles / bicycle parts & accessories turnover rose by 2% to € 328.1 million in the first half of 2010, compared with € 321.4 million in the first half of 2009. The number of bicycles sold (circa 580,000) and the average sales price (€ 456 ex-factory) remained stable. Turnover of bicycle parts & accessories rose by 11% to € 64.0 million. In the Netherlands, the long winter and the bad weather in May affected sales, in particular traditional bicycles. Also, there was a shift towards bicycles for special target groups. The sales of electric bicycles to consumers increased by approximately 10%. Due to inventory reductions by dealers, Accell Group supplied dealers with less electric bikes than in the first half of 2009. The sales of repair parts rose substantially. Many consumers who did not buy a new bicycle had their existing bicycles repaired. The turnover development at Accell Group's companies was in line with general market developments. Turnover increased in Germany, due in part to the acquisition of Batavus importer Bäumker in January of this year. The sales of electric bicycles were up in Germany because this product is relatively new to this market compared with the Netherlands. The sales of the innovative sports bicycles of Ghost, Hai Bike and Winora also increased. The turnover in bicy-

cle parts & accessories developed well in Germany and France (from Germany). Sales of the French top brand Lapierre were up, primarily due to exports. The turnover in bicycles and bicycle parts for commercial city projects fell in the first half of this year, because there were relatively few new projects. In Scandinavia, the integration of Tunturi and Hellberg, which Accell Group acquired in June 2009, is virtually complete. The integrated organisation will make it easier for these companies to market their products. The bicycles of the acquired Hellberg (Nishiki brand) will also be sold in the Netherlands and Germany. Accell Group is currently examining further export possibilities for this brand. Sales of bicycles in Scandinavia, Austria, Spain and the UK increased significantly in the first half of 2010. Turnover at SBS in North America rose primarily on the back of increased sales of the BMX brand Redline. The downturn in the sales of bicycles in North America seems to have come to an end. There is enormous interest in cycling and consumers are also buying new products. On 13 July 2010, it was announced that the European Commission will be investigating the effect of the current anti-dumping measures imposed on the import of bicycles from China. These measures are based, among other things, on an ordinance that lapsed on 15 July of this year. The current (antidumping) rates will not be adjusted during this investigation (length: 12-15 months).

Source : Accell

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Sustaining Members



Taiwan Bike Exporters and SRAM donate to Bikes Belong

The Taiwan Bicycle Exporters Association (TBEA) has committed \$50,000 per year for three years to the Bikes Belong Foundation. The investment will go toward Bikes Belong's Bicycling Design Best Practices Project, which works to increase bicycle use in America by adapting and implementing state-of-the-art international best practices in infrastructure and urban design to make bicycling safer, more comfortable and more appealing. The SRAM Cycling Fund has matched this \$50,000 contribution for 2010. In countries such as the Netherlands, Germany and Denmark, the percentage of daily trips taken by bicycle is 20 to 30 times greater than in the United States. The use of

bicycles is an everyday, mainstream transportation choice for men and women of all ages. While global in scope, the Best Practices Project focuses on exporting and "translating" the cycling experience from these countries to the American context. There are two key tactics to the Best Practices Project: 1) Organizing and leading study tours and workshops that bring key U.S. transportation professionals and policymakers together to examine, experience, and be inspired by the most advanced bicycling environments in Europe and North America; and 2) improving U.S. design manuals and professional guidance by cataloging and publicizing the best innovative bike facility designs that

are already making bicycling better in some big U.S. cities. The Bikes Belong Coalition is the U.S. bicycle industry organization dedicated to getting more people riding bikes more often. Bikes Belong works to increase federal bike funding, awards grants to support innovative bike projects, promotes bicycling and its benefits, and backs crucial national efforts such as Safe Routes to School, Bicycle Friendly Communities, and the National Bike Summit. The affiliated Bikes Belong Foundation focuses on improving bicycle safety and enhancing children's bike programs.

Source : SportsOneSource

Li-Ning unveils rebranding strategy

LI-NING unveiled a new logo and slogan in a relaunch of China's dominant domestic sporting goods apparel brand timed to coincide with its 20th anniversary. Founder and former Chinese Olympic gymnast Li Ning appeared Wednesday to personally unveil the company's new logo and slogan at Li-Ning's Beijing headquarters. A large group will gather at the LI-NING Centre to celebrate the launch including LI-NING Company executives, investors, representatives from each of LI-NING's five gold medal-winning teams, and many other VIP guests. The brand relaunch follows three years of intense market research into the maturity cycle of the market, industry growth drivers, competition landscape analysis and positioning and consumption trends, the LI-NING

brand proactively adopted a reinvention approach. LI-NING's new slogan is "Make The Change." The new logo displays a modern interpretation of the iconic attributes of the original logo in a modern design language that spells out a global perspective. Not only has the new logo narrated the rich visual heritage of the classic "LN" symbol, it has also abstractly outlined the "Li Ning Cross" gymnastic posture invented by Li Ning. The new logo also resembles the shape of the Chinese character "Ren," which means people, encouraging everybody to express and actualize himself through sports. It features a cleaner cutting to convey a tough, motion- and energy-rich silhouette. The new slogan "Make The Change" is adapted from a new brand manifesto that speaks

out the evolution from "dare to think" to "dare to do," encouraging everybody to embrace changes and breakthroughs. It is a calling to a new breed of consumers, the "Generation 1 Creators." Li Ning advertising will now focus on the company's evolution since the 1990s. During that period the company systematically upgraded its sports events planning, geographic planning and product research, development and design. The original logo and the legacy "Anything is Possible" slogan of the LI-NING brand are not retiring. They will become part of the Group's brand assets and be appropriately deployed.

Source : SportsOneSource

Sustaining Members



TaylorMade-adidas Golf takes global golf market leadership

"We are proud to announce that our golf division TaylorMade-adidas Golf has achieved global market leadership and is now the biggest golf company worldwide," Herbert Hainer, CEO of adidas AG said at the TaylorMade-adidas Golf Pro-Am Tournament in Herzogenaurach. During the tournament, hosted by Herbert Hainer, TaylorMade Tour Staff professionals Sergio Garcia, Paul McGinley and Retief Goosen played together with guests from sports, business and entertainment. Taking global market leadership, TaylorMade-adidas Golf is the number one in terms of sales, bolstered by TaylorMade being the unrivalled market leader in the key golf category - metalwoods - in the world's biggest golf market, North America. In addition, adidas Golf together with Ashworth has become the

global market leader in golf apparel. Also golf ball market share at the end of the first quarter 2010 has doubled compared to the prior year. In the first quarter of 2010, TaylorMade-adidas Golf revenues increased by 16% on a currency-neutral basis - rising from € 194 million to € 223 million in euro terms in the prior year. Since the acquisition by the adidas Group in 1997, TaylorMade-adidas Golf sales have increased continuously, most recently increasing to € 831 million in 2009. "Innovation and cutting-edge design have always been the main growth factors for our golf equipment and apparel brands," said Mark King, "We fully expect this success story to continue." Earlier this year, TaylorMade launched new drivers such as the Burner SuperFast TP or the R9 SuperTri. In addition,

since the acquisition of Ashworth in 2008, the apparel product offering is now also expanding into the lifestyle segment. Also in Herzogenaurach yesterday, adidas Golf kicked off its biggest digital campaign ever: Wear in the World. Two job candidates set off on a journey across nine countries on three continents in 50 days where they will be testing adidas Golf apparel under some of the world's most extreme weather conditions. Both candidates will share their experiences online via social media channels such as Facebook or Twitter. The winner will be offered a job to become TaylorMade's Social Media Catalyst.

Source : adidas

Bluetooth® Technology Conference in Taipei

Bluetooth organized a Bluetooth Technology Conference in Taipei on Monday 19 July where Mr George Wood, Chairman of TBS Group Corp. and of TSMA (Taiwan Sporting Goods Manufacturers Association) was speaking in the name of the WFSGI.

The *Bluetooth* specification defines a uniform structure for a wide range of devices to connect and communicate with each other. At the *Bluetooth* technology conference in Taipei, you will have the opportunity to learn about the latest achievements within *Bluetooth* technology. While exploring the general aspects

and advantages of *Bluetooth* technology and its different specifications, the main focus of the conference will be on the new *Bluetooth* low energy technology. Existing scenarios around devices such as mobile phones, watches and computers are enhanced by bringing in very low power, sensor-type devices. Small, unobtrusive, wireless sensors can keep track of a person's medical status, send real-time information on any training performance, enhance automotive safety and even ease daily household routines. Thus *Bluetooth* low energy technology can be regarded as an

engine for the technical revolution in the consumer electronics, health care, automotive, and automation industries. The Bluetooth SIG invites you to take part in this international *Bluetooth* conference where top class industry representatives will provide background information on this exciting technology and give an insight to future applications and business opportunities.

More info on www.navispace.de

Source : Navispace

Sustaining Members



Nearly 80% of Americans participate in a Sport, Fitness, or Outdoor Activity

While more than 50% of all Americans are considered 'frequent' sports participants, 12% are classified as 'regular' sports participants and 15% are active on a 'casual' basis. Unfortunately, 23% of all Americans are not active at all -- according to the Sporting Goods Manufacturers Association's Sports Participation in America report (2010 edition). In all, 92 activities

are featured in this annual report on athletic, recreational, and exercise trends in the United States. For each sport listed in this study, there are a series of statistics that showcase total and 'core' participation; participation based on gender; the average age of the participant; the average annual household income of the participant; the average number of days of play per participant; and the

percentage of participants that played that sport for the first time. This study - an expanded version of SGMA's Sports & Fitness Participation Topline Report released in March -- also reports on some other factors which are having a significant impact on the activity levels of all Americans.

Source : SportsOneSource

Under Armour's Q2 Profits Increase Two-Fold on 24% Revenue Gain

Under Armour reported earnings more than doubled to \$3.5 million, or 7 cents a share, from \$1.4 million, or 3 cents, a year ago. Revenues climbed 24%, driven by 34% apparel and 60% direct-to-consumer growth. The company also raised its revenue and EPS outlook for the year. Second quarter apparel net revenues increased to \$150.2 million compared with \$112.0 million in the same period of the prior year, driven primarily by strong growth in both the Men's and Women's apparel businesses. Direct-to-Consumer net revenues grew 60% year-over-year during the second quarter driven by new Factory House store growth, strong retail comparable store sales, and sustained strength with the Web business. Footwear net revenues in the second quarter of 2010 were \$35.8 million compared with \$37.5 million in the second quarter of 2009. The company had previously indicated that Running and Training footwear revenues were expected to decline in 2010 compared with 2009.

Kevin Plank, Chairman and CEO of Under Armour, Inc., stated, "The Under Armour Brand continues to resonate with consumers, demonstrated by consecutive quarters of 30%+ apparel growth. By addressing the athlete's needs through a combination of technology, fit and design, we have become the dominant player in Men's performance apparel and are being embraced by a growing number of female athletes each and every day. This leadership will provide the framework for our continued push into new and expanded categories, distribution, and geographies. "For the second quarter, operating income rose 104% to \$6.9 million compared with \$3.4 million in the prior year's period. Gross margin for the second quarter of 2010 increased to 48.8% compared with 44.8% in the prior year's quarter primarily due to increased sales in the higher margin Direct-to-Consumer channel, improved apparel mix and sourcing, and lower markdowns. Selling, general and administrative expenses as

a percentage of net revenues were 45.4% in the second quarter of 2010 compared with 42.7% in the prior year's period as a result of increased investments in product creation and supply chain as well as continued expansion of the Factory House stores. Marketing expense for the second quarter of 2010 was 13.4% of net revenues compared with 13.3% in the prior year. For the first six months of 2010, net revenues increased 19.1% to \$434.2 million compared with \$364.6 million in the prior year. Net income for the first six months of 2010 increased 98% to \$10.7 million compared with \$5.4 million in the same period of 2009. Diluted earnings per share for the first six months of 2010 was \$0.21 on weighted average common shares outstanding of 51.0 million compared with \$0.11 per share on weighted average common shares outstanding of 50.5 million in the prior year.

Source : SportsOneSource

Sustaining Members



Puma set to launch Project Pink Initiative

On the heels of the biggest soccer event in the world, sportlifestyle brand Puma is set to launch a new initiative that links women's soccer with a well-deserving cause: launching this month, Puma's Project Pink will strive to raise awareness — and funds — in support of the fight against breast cancer. In conjunction with their partnership with Women's Professional Soccer (WPS), Puma will outfit some of the best female players in the world in special Project Pink kits for five WPS matches. The brand has also created a range of Project Pink merchandise that will be available for purchase beginning this summer and continuing through Breast Cancer Awareness Month in October.

Profits from the sale of Puma's Project Pink gear will be donated to a nonprofit committed to breast cancer awareness or research; the beneficiary will be named as the

result of a national online voting campaign. "Giving back is an integral part of our brand DNA at Puma which comes to life through our Project Pink program with Women's Professional Soccer," explained Tara McRae, senior director of marketing for Puma North America. "Project Pink has resonated with the players, the fans, and our company. There's a lot of personal passion driving this program forward, and we're looking forward to finally taking it public and getting consumers involved." It's not all about us, though. In true Puma fashion, with an eye on both engaging and empowering the female soccer community, the brand is giving consumers a voice. Launching July 31, Puma is hosting a forum at wps.pumafootball.com/projectpink that invites interaction with the Project Pink initiative. The site allows for the nomination of breast cancer charities with nonprofit status; supporters can then

log on to vote for the winner, who will ultimately receive a donation consisting of 100% of the profits from the sale of Puma Project Pink product. WPS teams including the Boston Breakers, Washington Freedom, FC Gold Pride, Philadelphia Independence, and Sky Blue FC have joined with Puma to rally behind Project Pink, designating matches in July and August to help raise awareness for the cause. Players from each home team will sport special Project Pink kits developed by Puma, and PUMA's Project Pink match ball will be utilized throughout each game. Project Pink-themed activities will also be hosted in pre-game Fanzones and throughout the matches. WPS teams the Atlanta Beat and Chicago Red Stars will also support Project Pink with events later in the season.

Source : SportsOneSource

AD-HOC: adidas Group announces preliminary half year sales and earnings

In line with adhoc regulations stipulated by §15 WpHG (German Securities Trading Act), Management is providing preliminary half year and second quarter figures which are materially above market expectations. In the first half of 2010, Group revenues increased 7% on a currency-neutral basis or 11% in euro terms to € 5.6 billion.

In the second quarter, adidas Group sales increased 11% currency-neutral or 19% in euro terms to € 2.9 billion. Net income attributable to shareholders reached € 295 million (2009: € 13 million) in the first six months and € 126 million in the second quarter (2009: € 9 million). Diluted earnings per share amounted to €

1.41 for the half year (2009: € 0.10) and € 0.60 for the quarter (2009: € 0.06), respectively. More detail on the Group's performance in the first half and outlook for the remainder of the year will be given with the publication of quarterly results on August 4, 2010.

Source : adidas

New chemicals added to EU REACH SVHC List

The European Chemical Agency (ECHA) on June 18 approved the addition of eight chemicals to the list of candidates for the designation of Substances of Very High Concern (SVHC) under REACH. The new SVHC chemicals are Trichloroethylene,

Boric acid, Disodium tetraborate, anhydrous, Tetraboron disodium heptaoxide, hydrate, Sodium chromate, Potassium chromate, Ammonium dichromate, Potassium dichromate. Companies selling products in Europe containing chemicals on the

SVHC candidate list must make available that information to customers and consumers upon request. The candidate list now totals 38 chemicals.

Source : AAFA

Sustaining Members



NPD releases Global Sports Estimate Report 2010

The NPD Group, Inc., a leading market research company, released the results of its fifth annual study on the global sports market, Global Sports Estimate 2010. This year's report shows that the worldwide sports market has declined for the first time since 2005. Accordingly, global sales of sports equipment, apparel and footwear is valued at 282 billion USD (€213 billion) for 2009, which is a 2 percent decline from 2008.

NPD's Global Sports Estimate

Percent Change	
2009 – 2010*	1%*
2008 - 2009	-2%
2008 - 2007	0%
2007 - 2006	4%
2006 - 2005	4%
*NPD's Forecast based on current trends	

As we are seeing the signs of recovery in 2010, so too is there evidence that the global sports market will bounce back in 2010 with a forecast of an increase of 1 percent globally.

"We have just ended the 2010 World Cup and we know that from past tournament years this is a key driver of sales in the football market and in turn that will help to push the overall sport market back into positive territory," says Vaschalde, "In addition, the U.S. market is expected to stabilize and potentially grow in 2010."

*Exchange rate calculation: 1€=\$1.32

** GDP per capita measured in purchasing power parity.

Source : NPD

Garment and textile exports reach \$5.87b in Vietnam

The garment and textile industry is estimated to have achieved revenue of US\$5.87 billion in the first seven months of this year, up 17.3 per cent over the same period last year, according to the Ministry of Industry and Trade of Vietnam. The ministry added that in July alone, the industry earned \$1.05 billion from exports, a month-on-month increase of 23.5 per cent. "In the first seven months, the industry has seen rapid growth in almost every market," said Le Quoc An, chairman of the Viet Nam Textiles and Apparel Association (VITAS). An said South Korea had become a lucrative new market, with exports estimated to have increased by 80 per cent in the first seven months. "Trade agreement between Southeast Asia and South Korea has come into effect so tariffs have dropped to nearly zero. Thanks to that, Vietnamese textile and gar-

ment products in this market have become more competitive," An said. South Koreans, he added, had started to use Vietnamese products. "In the past, South Koreans often imported Vietnamese products to export. Now, they are selling and using our products," An said. Following South Korea are ASEAN countries, the US and Japan with growth of 30 per cent, 23 per cent and 15 per cent, respectively. "In the US, we remain the second after China, but we're trying to widen the market in ASEAN along with developing traditional markets such as the US and the EU," he said. While achieving high growth rates in almost all countries, exports to the EU have slowed due to the region still being affected by the world recession. "In seven months, exports to this market increased only 1.5 per cent. This market has not really recovered, so de-

mand remains modest," An explained. With these numbers, the association is positive that the country will fulfil the year's target which was set at the beginning of this year. "We believe that the country is capable of obtaining revenue of \$10.5 billion for the whole year, a year-on-year growth of about 15 per cent," said An. In June, the country earned nearly \$850 million from exports, earning \$4.8 billion in the first six months of the year alone, an annual increase of 17.2 per cent. Besides the export market, garment companies have recently focused on the domestic market. They have cooperated with each other to open more distribution systems and organising promotion programmes. The companies recently achieved an average growth rate of 15-18 per cent, the association said.

Source : Vietnam News

Bangladesh to raise minimum wage in garment industry

The Bangladesh government announced July 29 that the minimum wage for readymade garment (RMG) workers will rise November 1 from Taka 1,662 to Taka 3,000. Ini-

tial reaction to the decision has been mixed. It remains unclear whether the announcement will stem the widespread labor unrest that has taken hold in Bangladesh over

the last two months.

Source : AAFA

Sustaining Members



Africa 's efforts to combat fake trade during 2010 FIFA World Cup applauded

World Customs Organisation Secretary General Kunio Mikuriya acknowledged and applauded the sterling actions of Customs, police and other officials in Africa to stem flows of counterfeit and fake merchandise entering South Africa during the 2010 FIFA World Cup. According to the South African Revenue Service, the efforts made by Customs in combating counterfeiting and piracy resulted in an increase in seizures of 23% from the previous year. This commitment continued with the vigilant policing of FIFA related items prior to and during the 2010 World Cup resulting in the interception of numerous shipments of counterfeit and fake items associated with the event worth millions of South African Rand.

In April 2010, prior to the FIFA World Cup, the WCO in cooperation with the Customs services of Namibia, Mozambique, and South Africa ran a special FIFA-dedicated Customs operation, code named "Goals 2010", which targeted counterfeit FIFA goods in the main seaports of

the region. The five-day operation resulted in 24 containers being stopped for examination with more than 100,000 items of counterfeit or fake goods being intercepted. These goods included toys, shoes, sportswear, labels, bags, and accessories for computers and mobile telephones. Operation Goals 2010 was undertaken as part of Operation Vala, a wider ongoing project initiated by Customs administrations in the East and Southern Africa region in January 2010 which now includes 36 countries in Africa, Europe and Central America as well as the participation of the WCO's Regional Intelligence Liaison Office (RILO) network. Vala, a Zulu word which means "to close or clamp down", targets all kinds of counterfeit products including other dangerous goods such as illicit drugs as well as alcohol and tobacco products. To date, Customs authorities participating in Operation Vala have reported approximately 70 seizures covering heroin, cigarettes, cannabis, cocaine and pain relief medication such as bu-

prenorphine to name a few. Counterfeit goods related to the 2010 FIFA World Cup that have been detained include famous brand names associated with footballs, soccer boots, caps, sportswear, mobile phone covers, handbags, and a host of other products. The combined effects of these two operations caused a warehouse in Johannesburg to run out of space to accommodate the wave of counterfeit and fake goods being brought into South Africa. Clearly, criminal gangs had every intention of trying to make and launder as much money as possible during this global sporting event but decisive action by Customs dented their expectations and put a spoke in their illicit activities. Mr. Mikuriya said, "Fighting the trade in counterfeit and fake goods, particularly those that affect public health and safety as well as jobs and government revenues, is an important issue that requires affirmative action across the globe."

Source : WCO

Shimano sales rise 46% in first half

Shimano Corp. said consolidated net sales increased 15.9% in its first half ended June 30 to ¥104.4 billion (\$1.14 bb). Consolidated net operating income doubled to ¥17.9 billion (\$195.8 mm) and ordinary income rose 58% to ¥14.4 billion (\$157.5 mm). Net income increased 46% to ¥9.6 billion (\$105.0 mm). Sales at the company's Bicycle Components business rose 19.8% from the same period last year to ¥81.6 billion (\$892.7 mm), while operating income rose 91.8% to ¥52.0 billion (\$568 mm). After a slow start in January and February because of unusually harsh winter weather in the northern Hemisphere, sales recovered and continued to be upbeat thanks

to good weather in most of Europe and North America. OEM shipments exceeded Shimano's plans as worldwide distribution inventories of bicycles returned to nearly normal levels. The company reported brisk orders for its new 105 series for road bike components and Deore XT and SLX for mountain bike components. Sales in Shimano's Fishing Tackle segment increase 4.4% to ¥22.3 million with operating income of ¥1.4 million, up 168.8%. Sales in Japan were driven by 2010 models of the STELLA flagship spinning reel series, which were remodeled for the first time in three years, and a mobile phone sized personal fish detector equipped with a camera

called the Tankenmaru MINI. Shimano said the device is the latest addition to its Tankenmaru CV personal fish detector system which is becoming popular with anglers in Japan and driving increased sales of fishing tackle. In North American sales grew with the recovery, but the company said there is growing concern that the Gulf oil spill could impact the fishing tackle industry. The company's revised 2010 forecast calls for net sales of ¥208 billion, operating income of ¥32 billion, ordinary income of ¥29 billion and net income of ¥20 billion.

Source : SportsOneSource

Sustaining Members



NSGA announces formation of new Hockey dealers association

The National Sporting Goods Association (NSGA) launches the Hockey Dealers Association (HDA), which will operate as an NSGA division.

The HDA is being established to:

- Create a platform for hockey retailers to share views and ideas;
- Provide information services;
- Provide market research; and
- Create a collective voice regarding vendor relations.

"Information, hockey-specific market research, a first-ever cost-of-doing-business benchmarking sur-

vey for hockey retailers, peer social networking, and a members-only website are important elements that would be available to HDA members," said NSGA President & CEO Matt Carlson. "Our discussions with hundreds of hockey dealers gave us a clear message that an association devoted exclusively to hockey dealers was needed, and NSGA has the structure already in place to effectively manage such an association." The following hockey dealers have agreed to serve as

founding members of the HDA Advisory Board: Michael Benoit, Total Hockey, St. Peters, Mo.; Fred Berry, Hockey Haven, Inc., Brookfield, Wis.; Lenny Grigorian, Hockey1, South Windsor, Conn.; Rob Howland, Pure Hockey, Franklin, Mass.; Scott Maki, Play It Again Sports, Minneapolis, Minn.; Bert Post, Hockey Headquarters, Sioux Falls, S.D.; and Wayne Zwicker, H.A. Zwicker, Bedford, Mass.

Source : *SportsOneSource*

Sports Chalet Shrinks Q1 Loss

Sport Chalet reported first-quarter sales increased 0.4% to \$79.7 million from \$79.4 million a year ago. The increase is primarily due to improvements in the Team Sales and Ecommerce Divisions partially offset by a slight decrease in comparable store sales of 0.2%, a result of continuing macroeconomic weakness in the company's markets which provided no catalyst for improved sales. The retailers also said it continues to exceed the requirements of its bank loan agreement. The quarter ended June 27. Gross profit as a percent of sales increased to 28.3% compared to 26.4% for the first quarter of last year. The increase was primarily a result of decreased rent expense from successful landlord negotiations as well as improved merchandise margins from better inventory management. Selling, general and administrative expenses ("SG&A") as a percent of sales increased to 26.5% from 25.1% in the same period last year, primarily due to increases in workers compensation

expense, labor costs, payroll taxes and advertising. Depreciation declined as a percent of sales to 3.3% from 4.4% primarily due to impairment charges incurred in the previous two fiscal years as well as lower capital expenditures. As a result of increased gross profit and reduced depreciation, partially offset by increased SG&A expenses, net loss for the quarter ended June 27, 2010 was reduced to \$1.9 million, or 14 cents per diluted share, compared to a net loss of \$3.0 million, or 21 cents per diluted share, for the quarter ended June 28, 2009. Craig Levra, Chairman and CEO, concluded, "We continue to improve the efficiency of our business, while leveraging the factors that differentiate Sport Chalet in specialty retail. The trade areas in which our stores are located continue to suffer the most from the economic downturn; every indicator suggests that California, Arizona, and Nevada, where 98% of our stores are located, will continue to be

the hardest hit. That being said, we believe that our business has stabilized and will continue to deliver positive EBITDA and positive cash flow. The stability of our comparable store sales attests to our efforts to align our operations with the current economic realities of our markets." Our focus now is to profitably grow top-line sales, and many initiatives we began 24 months ago are now beginning to positively impact our sales, including Action Pass, with well over 1.1 million members, our new website at sportchalet.com, which provides a fully integrated online/offline shopping experience for customers, our growth in Specialty Services, as many customers want to try before they buy, and our P-59 skate shop initiative. Our Team Sales Division continues to deliver improved results, even as the state budget crisis in California, Arizona, and Nevada impacts school spending on athletics."

Source : *SportsOneSource*

Sustaining Members



Pakistan leather garments export continues to slide

Export of leather garments continued to slide during the last fiscal year as it registered a fall of 10.31 percent to \$860.244 million from \$959.146 million in the previous year. Pakistan's leather sector export had stood at \$1.25 billion in 2007-08. But it has been on a downward course ever since owing to the economic conditions of the country and the impact of war on terror. The average unit prices of our products have also fallen. The provisional figures released by the Federal Bureau of Statistic show that only the export of raw leather increased during 2009-10. It was up by 12.57 percent to \$337.145 million from \$299.494 million in the previous year. But the unit price of raw leather fell to \$14.17 per square meter from \$15.33 in the previous year. Export of raw leather including wet-blue and wet split increased last year as demand from China, India and Vietnam for shoe manufacturing increased significantly. Agha

Saiddain, a former chairman of Pakistan Tanners Association (PTA), said that India imported raw leather from Pakistan both directly and indirectly. He said that consumption of red meat in India was lower than Pakistan as cow is a sacred animal there. So the Indian industry faces a shortage of raw material and imports raw leather from Pakistan. It also uses the Dubai route for its import. He said that overall export of leather sector items including leather garments and gloves had declined. The main reason behind this is the global recession, which has squeezed the purchasing power in the West. "They now prefer cheaper products made of polyester, cotton or artificial leather," he said. He added that export of gloves declined owing to the closure of industries in the West. "Pakistan mainly exports gloves that are used in industries, but owing to the economic meltdown there have been a huge number of layoffs and industries in

the West have reduced the procurement of industrial gloves," he added. He further mentioned that a number of gloves and garments units had closed down in Lahore, Saikot and Kasur owing to the lack of demand. Leather apparel and clothing export declined by 10.71 percent to \$343.333 million last year from \$392.536 million in the previous year. Export of leather gloves registered a 15.74 percent decline to \$96.081 million last year from \$152.258 million in the previous year. Export of leather footwear recorded a fall of 6.34 percent to \$70.468 million last year from \$102.884 million in the previous year. Export of miscellaneous leather products, however, grew by 10.38 percent to \$13.217 million last year from \$11.974 million in the last year.

Source : The International News

Census of Retail: 2002-2007 Sporting Goods Store sales up 38%

Sporting goods store sales grew 38% in the United States during the five-year period 2002-2007, according to an NSGA analysis of just released U.S. Census of Retail data. Sales in sporting goods stores, which include full-line and specialty sports shops, rose to \$34.49 billion in 2007 versus \$25.02 billion in 2002. The 38% growth was far stronger than the 4.4% U.S. population growth in the same timeframe. "Major contributors to this growth were the expan-

sion of the fitness equipment market with the attendant carryover into fitness footwear and apparel, as well as the increased market share attained by full-line sporting goods stores," NSGA Vice President of Information & Research Thomas B. Doyle said. "According to NSGA Sporting Goods Market reports, the size of market grew 17% between 2002 and 2007. In that same five-year period, full-line sporting goods stores increased their market share

from 21.3% to 28.3%." Sales growth was stronger in the full-line store segment, up 44% to \$18.66 billion in 2007 versus \$12.98 billion in 2002. Sales in specialty sports shops rose 31% to \$15.83 billion versus \$12.05 billion in 2002. In the previous Census of Retail, sales had also grown more rapidly in full-line stores than in specialty sports shops, 39% versus 12%.

Source : SportsOneSource

Sustaining Members



Foreign investment in Indonesia up 49% in First Half

Indonesia experienced a surge in foreign direct investment in the first half of the year, creating expectations that the total for the year may exceed earlier forecasts. Investors from Singapore, Hong Kong and the United States topped the list, with most of the capital coming from expansion of existing operations, according to Gita Wirjawan, chairman of the board, also known as the BKPM. FDI totaled \$7.8 billion during the first half of the year, an increase of 48.7 percent over \$5.3 billion recorded during the same period last year, the BKPM said. Gita said he expected the full-year FDI figure to reach \$13.1 billion in 2010, an increase of 25 percent from last year's realized investment of \$10.5 billion. Previously, the government projected FDI to increase 15 percent this year. The first-half figure for this year topped the \$6.5 billion invested in the same period of 2008, prior to the outbreak of the global financial crisis. The transportation, warehousing and telecommunications sectors combined to attract 40 percent of the total FDI in the second quarter, while the mining sector attracted 17 percent during the same time. Gita said expansion of existing facilities was complemented by new investment in the textile and footwear sectors, especially factory relocations to Indonesia from Vietnam and China. "It indicates a rising trust in Indone-

sia's investment environment among both local and global players," he said, adding that Indonesia's competitive wages were a major attraction. Rising wages in China and political uncertainty in Thailand are seen as contributing to investment in Indonesia, which has low wages, abundant natural resources and a huge domestic market. The Indonesian Footwear Association (Aprisindo) told the Jakarta Globe last week that six footwear manufacturers would relocate from China and Vietnam to Indonesia this year, investing a total of \$550 million. Aprisindo chairman Eddy Widjanarko told the Globe that he expected another 20 such relocations next year. Carmaker Nissan last month outlined plans to double its production capacity and more than quadruple its sales in Indonesia by 2013, adding that it would consider making the country its export hub for Southeast Asia. Gundy Cahyadi, an economist with OCBC Bank said: "In general, the total investment growth in the first half does suggest that investment climate has improved in Indonesia. Certainly, this strong number is partly caused by the low basis effect from the financial crisis that was still prevalent in early 2009. But no doubt the fact that investors are returning to look into Indonesia is a positive for the growth outlook." But Gundy added that investors would continue scru-

tinizing domestic policies and the success of the government's reform agenda. Enrico Tanuwidjaja, a regional economist at OSK-DMG Group in Singapore, said the encouraging investment data strengthened the group's forecast for Indonesia's economy to achieve 6 percent growth this year. "It is encouraging also to see more investment, both domestic and foreign-origin, fall into the transportation area and our hope is for the investment to improve upon the efficiency of cross-provincial transportation system so as to reduce the transportation costs and consequently lower food prices" and the prices of other related items. Gita was optimistic that the FDI figure would continue growing strongly for the year. "There are \$10 billion of investment that could be pledged and signed in the second half, mostly from abroad, like Asia and Europe," he said. Local investors seem to share their foreign counterparts' bullish view, as they reportedly invested Rp 21.9 trillion (\$2.4 billion) in the first half, dwarfing the Rp 1.9 trillion in the same period a year ago. Total investment in the first half rose to Rp 92.9 trillion, up 40 percent from the year-earlier period. In 2009, total investment reached \$14.9 billion.

Source : Jakarta Globe

WFSGI QUIZ

Participate and win prizes!

1. See page 81 of the WFSGI Handbook (also available on WFSGI website here)
2. Answer question 3 (deadline 30 September 2010)
3. Send it back to quiz@wfsgi.org

Sustaining Members



China to drop Tariff on Taiwanese Bike Parts

China and Taiwan signed a landmark trade agreement that will greatly lower tariffs on Taiwanese bicycles and bicycle parts imported into China. China now collects a 17% tariff on bicycles and bicycle parts imported from Taiwan. Under the Economic and Co-operation Frame-

work Agreement, that tariff would be eliminated over three years. In an interview with the Financial Times, the CFO for Giant Manufacturing, the world's largest bike maker, said the deal would enable it to export more carbon fiber bikes to the mainland. Giant currently makes

it high end bikes in Taiwan and uses factories in China for more moderately priced aluminum and steel framed bikes.

Source : *SportsOneSource*

China SportShow – LifeStyle

Please find here some information about the China SportShow—Lifestyle, organised by CSGF:

1. Name: China SportShow – LifeStyle—China International Sporting Goods Show 2010 (Winter)
2. Dates: 15-17 October, 2010
3. Venue: China National Convention Center , Beijing
4. Address: No.7 Tianchen East Road, Chaoyang District, Beijing, 100105, China
5. Categories

- Travel Destinations and Camping Sites
- Ski Resorts and Related Facilities
- Winter Sports Gear
- Outdoor Sports and Travel Goods
- Sports Car ,Caravan and RV
- Yacht and Water Sports

6. Participation Fee:

- Standard Booth: US\$2,000/each
- Raw space: US\$200/m²

7. Attendee Information

Over 50,000 visitors expected, including professional buyers (from ski resort, travel agency, shopping center, retailers, agent, distributor, government, education institution and others), sports enthusiasts & fans;

8 . Exhibitor Information

About 200 exhibitors expected, including over 100 brands from about 20 countries and regions.

9. Contacts:

Ms. Justine Guo, Project Manager

China Sporting Goods Federation

Address: #3, Tiyuguan Road, Chongwen District, Beijing 100763, China

Tel: 0086-10-87183960

Fax: 0086-10-67102689

Email : guochao@sportshow.com.cn

www.sportshow-lifestyle.com

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

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