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**Qingdao adopts new machinery for textile industry**

DATE: 2007/11/22

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QingDao Dongjia Textile Machinery Company of China has successfully completed the development of two new textile equipments namely FB series and FN208X series. The former is known for making use of waste materials and can qualify for being eco-friendly.

After tests and verification, the technological equipments have reached the international advanced levels and in the long run, it will assist in instant adjustments of textile industry of Qingdao city and increase the competition of local textile products in international markets.

Experts believe that it is very important for textile machines and clothing enterprises to constantly update and incorporate the latest technologies for the development of the industry. Textile machines industry of Qingdao city has always kept pace with the changing needs and demands of the industry. Reports also confirm that two other textile equipments are being introduced in China. Textile enterprises in China have already started placing orders for the FB series of equipments and Vietnam is also adopting these machines for its textile industry.

Source: Fibre2fashion

**China to Further Tighten Credit, Impacting Textile Sector**

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China's Central Bank has instructed banks to further cool loan growth. This directive, known as "informal guidance", actually appears to be the toughest measure taken to cool loan growth. The Central Bank had previously raised the benchmark lending rate by 1.12 percent and increased banking reserve ratios; but despite this, banks have issued 3.5 trillion yuan or approximately 471 billion in new loans during the January through October period.

The government target of 15 percent loan growth has already been exceeded; thus, the Central

Source: China Textile Network Company

Bank is now seeking new measures to slow bank lending, which could, in effect, mean a de facto "lending freeze". This will impact the cotton and textile sectors. Mills already report very difficult conditions in obtaining new loans for cash flow and inventory requirements; and in some instances, mills are having trouble drawing down credit lines already setup but unused. Any loan restraints will likely encourage mills to maintain very low mill inventories.

*Source: globecotnews*

### **Textile Index Indicates Weaker Conditions**

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China's weekly textile index took a plunge during week ending November 16, with the overall price index falling .51 percent to 97.13. This weakness occurred in the apparel price subindex, down 1.18 percent at 98.08, and the accessories index, down .90 percent at 103.41. This downturn reverses the price strength exhibited during the previous week.

*Source: globecotnews*

### **Textile industry profit loss: 42.1 billion yuan**

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Loss of China's textile industry profit reached 42.1 billion yuan (US\$5.67 billion) in the first eight months of this year due to monetary factors and trade policy, according to the Beijing Times.

Exports growth dropped 5.21 percentage points year-on-year due to lowered export quantity, said the latest report released by the National Development and Reform Commission. The export quantities slack while the prices rose. China's textile exporters still enjoy stable development and remain in first place worldwide for textile exports, according to the report. Comprehensive competitiveness is also rising. Influenced by renminbi appreciation, export rebates policy adjustment, rising cost of factors of production and trade barriers, textile enterprises have experienced heightened competition pressure internationally and exports have suffered as a result.

*Source:ChinaDaily*

## Retail seminar held to promote development

DATE: 2007/11/21

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*Chen Shujin, vice-chairman of the China National Textile and Apparel Council, addresses the Retail and International Brand Development: Shaping the Industry, November 9, in Beijing.*

A seminar with the theme of retail and international brand development, part of the Beijing Fashion Week, was held on November 9 at Beijing's Yan Club Arts Center.

Value Partners Management Consulting organized the seminar together with the China Fashion Association and the China-Italy Chamber of Commerce. The most relevant issues in the Chinese luxury market were shared and discussed by international brands with presence in China, retailers, and local real estate operators.

China's textile and apparel industry has made significant progress since the reform and opening of the country, said Chen Shujin, vice-chairman of the China National Textile and Apparel Council, adding that the overall consumption capability of Chinese people is growing gradually due to continued economic development. Both domestic and global brands are finding more room to grow and expand.

The current Chinese demand for luxury goods and high-end products keeps on increasing, said Chen. There is huge potential for high-end domestic and global brands, and of course China welcomes international brands, he added.

Giacomo Santucci, advisor to Value Partners' Luxury Practice, compared Europe's shopping mall format to the latest available Chinese retail experiences in his speech at the seminar. A round table discussion was also held during the seminar.

Source: chinadaily

Source: China Textile Network Company

## Protecting IPR is key

DATE: 2007/11/21

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The protection of intellectual property rights is important to the country's sustainable development and must be enhanced, says an article in Global Times. The following is an excerpt:

During a recent interview, Long Yongtu, secretary-general of Boao Forum for Asia, said he wanted to improve the protection of intellectual property in this country. "Without strong protections for intellectual property rights (IPR) in our country, the Chinese will not have enough incentives to be innovative," he said. IPR protection is an integral part of a country's development. As one of the most developed countries of the world, the United States has a tightly knit system for protecting intellectual property. As former US President Abraham Lincoln said: "The patent system added the fuel of interest to the fire of genius." That is true. Only with reliable protections will the fruits of innovation and creativity be safe, and further innovation encouraged. Otherwise, people will see no point in being creative and will simply copy from each other.

In the current environment, many Chinese businesses rely heavily on the intellectual property from other countries for their commercial survival. Cell phone manufacturers and computer makers have to pay 20 or 30 percent of the revenue they earn from their products to overseas patent holders. Textile factories do not have their own brands or designs that are accepted in the international market even though Chinese businesses account for 24 percent of the global textile trade. All these facts suggest that it is of the utmost importance to the country's sustainable development to have our own patents on technology and design. And a comprehensive network for protecting intellectual property is a precondition for achieving this goal. As a developing country, China should be no less concerned than developed countries about these issues. We should also try to take timely steps to protect our own intellectual property as well as our wealth in the future.

Source: *ChinaDaily*

## Huan to house 2007 mulberry base project

DATE: 2007/11/20

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The 2007 mulberry base project has finally found a landing ground in ShuanFeng, Huitong and Li county of Hunan Province. Chinese Government will provide funds of 2 million yuan and technological assistance to each of these mulberry bases. The project was in operation since last year and aims to shift the production base of silk raw materials to Provinces located in the central and west of China. The project will optimize Chinese silkworm and mulberry industry and will increase the value of Chinese silk in the international market.

At present, Hunan province owns 113000 mu of mulberry plantation and it is planning to own 230000 mu of mulberry plantation by 2010.

Source: *Fibre2fashion*

## **Europe Retail Apparel Outlook: Retail Sales Slow in UK, Surge in Netherlands**

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The brisk retail sales environment in the United Kingdom (UK) has given way to much slower sales. Retail sales of textiles, apparel and footwear only posted 2.1 percent growth in October, which was the slowest growth in three months. The U.S. housing sector problems appear to be impacting the UK as well. In the Netherlands, textile and apparel retail sales dropped 2.9 percent in August, marking only the second time sales have declined this year. However, sales had a major comeback in September, with textile retail sales soaring 14.2 percent, the strongest monthly gains in over three years and apparel sales surging 16.1 percent, the highest level of growth since March 2007.

Source:Globecot

## **Converse and Target to Launch “One Star” Exclusive Sportswear and Footwear Beginning Spring 2008**

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Corporation have reached an innovative partnership agreement to offer One Star vintage inspired sport lifestyle apparel and footwear exclusively at Target stores nationwide beginning in February 2008. The One Star collection will be supported by an integrated marketing campaign. Select sportswear and footwear styles will also be available at Target.com.

"We are very excited about this tremendous partnership celebrating Converse's iconic One Star label with a world-class retail partner like Target. One Star has been a successful part of the Converse family for more than 30 years. This collaboration will enable us to deliver an innovative, premium head-to-toe lifestyle product collection while creating an exclusive One Star offering for Target guests, " said Jack Boys, Chief Executive Officer, Converse Inc.

Target will offer One Star exclusive lifestyle and vintage inspired contemporary sportswear collections for men and women, including denim, non- denim bottoms, knits, wovens, graphic tees, sweaters, dresses, skirts and outerwear. One Star footwear includes exclusive and limited edition product for men, women and children. "We are thrilled to bring Converse One Star products exclusively to our guests in new and exciting ways, and we look forward to creating a unique in- store experience that embodies the One Star lifestyle, " said Gregg Steinhafel, president of Target. "This partnership is another way in which we strive every day to bring our guests differentiated merchandise at a great value." The One Star label made its debut in 1974 with a low cut, suede version of the original Converse basketball oxford with the iconic Converse five-point star design on its side. The One Star shoe quickly became a national phenomenon. It was adopted by the West Coast surf and skate scene of the 1970s and 1980s, and later by the grunge music scene of the 1990s, as a badge of honor -- a retro statement of their alternative and rebellious lifestyle. One Star continues to be an influential part of Converse's rich heritage in sports and music as the Converse brand celebrates its centennial in 2008. One Star has been a successful franchise and has enjoyed strong international growth in recent years. Converse's partnership with Target will bring new energy to the One Star brand in the United States, introducing the iconic shoe to a new generation of consumers and Target guests. One Star will continue to be offered internationally through other retail partners.

Converse's legendary Chuck Taylor All Star and other Converse footwear and apparel such as Dwyane Wade performance basketball product and Converse by John Varvatos men's and women's apparel will continue to be distributed in the United States and internationally through a broad range of retail channels. About Converse Converse Inc., based in N. Andover, Massachusetts, is a wholly owned subsidiary of Nike, Inc. Established in 1908, the Converse brand has built a reputation as "America's Original Sports Company"(TM) and has been associated with a rich heritage of legendary shoes such as the Chuck Taylor(R) All Star(R) shoe, the Jack Purcell(R) shoe and the One Star(R) shoe. Today, Converse offers a diverse portfolio including premium lifestyle men's and women's footwear and apparel. Converse product is sold globally by retailers in over 160 countries and through 25 company-owned retail locations in the U.S. For more information, visit Converse on the web at <http://www.converse.com/> .

#### About Target:

Minneapolis-based Target serves guests at 1,591 stores in 47 states nationwide by delivering today's best retail trends at affordable prices. Target is committed to providing guests with great design through innovative products, in-store experiences and community partnerships. Whether visiting a Target store or shopping online at Target.com, guests enjoy a fun and convenient shopping experience with access to thousands of unique and highly differentiated items. Target gives more than \$3 million a week to its local communities through grants and special programs. Since opening its first store in 1962, Target has partnered with nonprofit organizations, guests and team members to help meet community needs.

*Source: China Chamber of Commerce for Import & Export of Textiles*