

TEXTILES

EASTERN EUROPE

Vol. 14 No. 11

November 2007

Tintoria Piana to set up dyeing facility in Hungary

TINTORIA Piana, a processor of textile-based components for the automotive industry, is to set up its first plant in Eastern Europe in Győr, northwest Hungary. The project, which will include a logistics centre and is set to be completed by the end of 2008, will cost an estimated HUF2bn (US\$10.9m).

Tintoria Piana has confirmed it has acquired a 18,400 m² plot in the Győr Industrial Park and is to launch work on the project next year.

Tintoria Piana's products are used in insulation and upholstery applications in cars. The company's oldest facility, Tintoria Piana Clerico & Figli, began activity in 1950, in Vallemosso, Italy, in Biella's textile region.

Tintoria Piana US, a stock dyeing mill for cotton, was established in 1995 in Cartersville, Georgia, USA, and represents the third facility created by the Piana family. The factory's capacity is 40 tonnes/day of dyed and blended cotton for ring and open end spinning, and it can also stock dye acrylic, polyester, wool and nylon.

The 5,000 m² plant in Győr, which will be operated by local subsidiary Tintoria Piana MGR Festöde, is scheduled to be operational by the end of next year. Initially it will have a staff of 60-70 employees, which will later be expanded to 150.

● Tintoria Piana Clerico & Figli SpA, Regione Rovella,

via Rome, I-13068 Vallemosso (BI), Italy. Tel: +39 015 702622. Fax: +39 015 703217. E-mail: pianac@biella.alpcom.it

● Tintoria Piana US Inc, 220 South Erwin Street, Cartersville, GA 30120, USA. Tel: +1 770 382 1395. Fax: +1 770 382 6457. E-mail: fiberdyer@earthlink.net

RUSSIA

Wild Orchid lingerie IPO

RUSSIAN lingerie retailer Wild Orchid aims to place 25-50% of its shares in an initial public offering planned for 2009. The company plans to list its shares on Russian exchanges and on the London Stock Exchange, said Wild Orchid president Alexander Fyodorov.



Alexander Fyodorov

He added that the company hopes to open its first store in Italy by the end of this year. The group operates around 230 stores, and sells clothing under the Wild Orchid, Bustier and Vendetta brands. Earlier this year, Wild Orchid sold for US\$50m a 20% stake to the Greater Europe Fund, an investment fund managed by Wermuth Asset Management, which has an option to buy a further 13%.

● Dikaya Orkhideya (Wild Orchid) ZAO, Leninskiy prospekt 90, RU-117334 Moscow, Russia. Tel: +7 495 946 2225. Fax: +7 495 540 1153.

● Wermuth Asset Management GmbH, Mainzer Landstrasse 47, D-60329 Frankfurt am Main, Germany. Tel: +49 69 9592 5478. Fax: +49 69 9592 5479. E-mail: info@wermutham.com

Inside this issue

Russia	3
Ukraine	4
Belarus	5
Slovakia	6
Poland	7-8
Serbia	9-10
Baltic States	11-12
Central Asia	13-14
Diary	2
Exchange rates	11
Retail clothing prices	14
Business opportunities	15

Monthly news of the textile and clothing industries in the emerging markets of Central and Eastern Europe and the former Soviet Union

RETAIL

Stockmann offer for Lindex

FINNISH department store operator Stockmann and Swedish clothing retailer Lindex have reached agreement for Stockmann to make a public tender offer to acquire all outstanding shares in Lindex, which is one of the largest fashion chains in northern Europe, and has stores in Estonia, Latvia and Lithuania. Stockmann sees the combination of the two companies as creating an excellent platform for growth, particularly in Russia and other East European markets.

- Stockmann, International Operations, Kutomotie 1 C, PL 147, FI-00381 Helsinki, Finland. Tel: +358 9 12151. Fax: +358 9 121 5250. www.stockmann.fi
- Lindex AB, Box 233, SE-40123 Göteborg, Sweden. Tel: +46 31 739 5000. Fax: +46 31 151495. E-mail: info@lindex.se

ROMANIA

Térom sold

ROMANIA'S Privatisation Agency has sold the industrial platform of man-made fibre producer Térom to plastics manufacturer Romcarbon for RON36.1m (US\$15.1m). Térom's land and other assets were sold at the same auction for RON4.3m (US\$1.80m) to Romania's International Import Export. This was the Privatisation Agency's third attempt to sell Térom's assets.

Big rise in online purchases

GECARD ePayment reports that the size of the e-commerce market in Romania is likely to reach EUR35m (US\$49.7m) this year compared with EUR9.6m (US\$13.6m) in 2006. The company said the main reason for the large expected growth is that confidence in online purchases has increased.

POLAND

Monnari expanding aboard

POLISH clothing company Monnari, which has 116 shops in Poland under the Monnari name, 15 under the Molton name and 11 under the Pabia name, has opened its first shop abroad at the Alex shopping centre in Berlin, Germany. Another store in Berlin is also due to open this

DIARY

- 26-29 February 2008** Bellegmash 2008, Minsk, Belarus. Contact: Minskexpo. Tel: +375 17 226 9940. Fax: +375 17 226 9858. E-mail: n_senko@minskexpo.com Website: www.minskexpo.com
- 4-6 March 2008** Intermasz 2008/Tex-Style, Poznan, Poland. Contact: Poznan International Fair. Tel: +48 61 869 2141. Fax: +48 61 869 2951. E-mail: intermasz@mtp.pl Website: www.fashioninpoland.mtp.pl
- 13-15 March 2008** Romania Fabric Days, Bucharest, Romania. Contact: Avanz Management Consulting. Tel: +40 1 317 7983. Fax: +40 1 317 7980. E-mail: info@avanz.ro Website: www.romaniafabricdays.com
- 16-18 April 2008** CAITME 2008 – 4th Central Asian International Textile Machinery Exhibition, Tashkent, Uzbekistan. Contact: ITE Uzbekistan. Tel: +998 71 113 0180. Fax: +998 71 152 5164. E-mail: gulnoza@ite-uzbekistan.uz Website: www.textileexpo.uz
- 27-29 May 2008** Techtexil Russia, Moscow, Russia. Contact: Messe Frankfurt RUS. Tel: +7 495 721 1057. Fax: +7 495 783 2326. E-mail: anna.shelkova@russia.messefrankfurt.com Website: www.techtexil.com
- 23-27 June 2008** Inlegmash 2008, Moscow, Russia. Contact: Messe Düsseldorf. Tel: +49 211 4560 7734. Fax: +49 211 4560 7740. E-mail: terviel@messe-duesseldorf.de Website: www.messe-duesseldorf.de
- 16-18 October 2008** Romania Fabric Days, Bucharest, Romania. Contact: Avanz Management Consulting. Tel: +40 1 317 7983. Fax: +40 1 317 7980. E-mail: info@avanz.ro Website: www.romaniafabricdays.com

month. The Monnari collection will be sold outside Poland under the Monnini brand.

- Monnari Trade SA, u. Radwanska 6, PL-90453 Łódź, Poland. Tel: +48 42 636 8787. Fax: +48 42 636 8762. E-mail: monnari@monnari.com.pl

BELARUS

Tax changes in 2008

ECONOMY Minister Nikolai Zaichenko says the Belarusian government plans to abolish the 1% tax collected from road users, but raise value added tax from 18% to 20%, in 2008. Zaichenko added that the overall tax burden will be reduced by 0.1% next year.

LITHUANIA

Real estate business

LITHUANIAN clothing manufacturer Lelija plans to expand its real estate business, including investing in a residential development in Vilnius.

- Lelija UAB, Paneriu 43, LT-2006 Vilnius, Lithuania. Tel: +370 2 330761. Fax: +370 2 235577. E-mail: info.lelija@takas.lt

Editor:
Geoff Fisher
Textile Media Services Ltd
2A Bridge Street, Silsden
Keighley BD20 9NB, UK
Tel: +44 1535 656489
Fax: +44 8700 940863
E-mail: gfisher@textilemedia.com
www.textilemedia.com

Reproduction and transmission in any form
without prior permission prohibited

Printed by Moorprint, Ilkley, UK


**TEXTILE
MEDIA
SERVICES**

ISSN 1354-5981
© Copyright 2007
Textile Media Services Ltd

Subscriptions and advertising:
Judy Holland
Textile Media Services Ltd
2A Bridge Street, Silsden
Keighley BD20 9NB, UK
Tel: +44 1535 656489
Fax: +44 8700 940868
E-mail: jholland@textilemedia.com
www.textilemedia.com

Textiles Eastern Europe is published 12 times
a year. For subscription details see page 16



Menswear market on the rise

By our Moscow correspondent

THE Russian menswear market is growing strongly, according to a study carried out by German fashion consultancy Internationales Textilmaking und Management (ITMM). Figures from ITMM show that clothing exports from the EU-25 to Russia increased by 32% to EUR2.2bn (US\$3.1bn) in 2006, with shipments from the EU-15 totalling more than EUR2bn (US\$2.8bn).

Menswear supplies rose by 30% to EUR350m (US\$496.4m). Among the EU countries, Germany is the leading supplier of menswear to Russia, accounting for 43%, followed by Italy with 39%.

ITMM estimates that Russian consumers are spending EUR6bn (US\$7.8bn) a year for fashion menswear. In particular, the demand for casual apparel is growing more strongly with growth of around 40% in 2006 and turnover totalling US\$5.5bn.

It is noteworthy that Russian manufacturers of casual clothing also focus on that growing segment. In 2006, they succeeded in attaining sales totalling US\$1.5bn for their casual apparel in the low to medium-price segment.

Within the structure of menswear retail turnover, luxury goods account for 10%, the upper and medium-price segment for 60% and the rest for the low-price segment.

● ITMM Internationales Textilmaking und Management GmbH, Olgastrasse 77, D-70182 Stuttgart, Germany. Tel: +49 711 210 3115. Fax: +49 711 232807. E-mail: itmm.g@t-online.de

Anti-Baltman posters removed

IN Yekaterinburg, Russia, an organisation called Bronze Soldier has spent RUR1.5m (US\$60,000) on an advertisement campaign mocking Estonian clothing manufacturer and retailer Baltika. Bronze Soldier was responsible for putting up around 100 6 x 3 metre posters in Russia to insult Baltman shops, a brand that belongs to Baltika.

The posters had slogans such as "Baltman get back to the Baltics", "Bought Baltman's clothes – helped the enemy" and "Baltman, on whose side fought your grandfather?"

The campaign was motivated by events that took place in Tallinn last April when the Estonian government decided to relocate a statue dedicated to Soviet soldiers who died during the Second World War. The statue was called Bronze Soldier.

Organisers of the campaign explained that in their opinion Russians should stop supporting "fascist businessmen" and buying goods from

"anti-Russian shops".

The posters were removed from the streets of Yekaterinburg after the Russian Prosecutor's Office intervened.

● Baltika AS, Veerenni 24, EE-10135 Tallinn, Estonia. Tel: +372 6 302731. Fax: +372 6 302814. E-mail: baltika@baltika.ee

First-half clothing sector profit

THE State Statistics Committee reports that Russia's textile and clothing industry recorded a total net profit of RUR900m (US\$36m) in the first half of this year, a year-on-year increase of 24.3%. Large and medium-sized textile and clothing companies had working assets worth RUR55.4bn (US\$2.2bn) and reserves worth RUR25.8bn (US\$1.0bn) at the end of June.

NFI Empik acquisition

POLISH retailer NFI Empik Media & Fashion has received approval from Russia's anti-trust authorities to acquire 43.3% of shares and 51% of voting rights in clothing retailer Maratex, which operates a chain of 58 clothing stores in Russia, Kazakhstan and Ukraine. Empik intends to have 70-80 outlets located in 12 or 13 Russian cities.

● NFI Empik Media & Fashion SA, Zurawia 8 Street, PL-00503 Warsaw, Poland. Tel: +48 22 583 3771. Fax: +48 22 627 4057. E-mail: info@emf-group.eu

● Maratex. Tel: +7 495 223 3482. E-mail: info@style-club.ru

Gloria selects Lectra PLM

CHILDREN'S and youth clothing maker Gloria Jeans is to use Lectra's product lifecycle management (PLM) offering for the fashion industry to speed up the development of its collections and help improve control of its sourcing.

With revenues in 2006 of nearly US\$170m, Gloria Jeans makes childrenswear and teenwear under the Gloria Jeans and Gee Jay brands. The company employs more than 15,000 people who manufacture 20m garments a year.

● Gloria Jeans Corporation CJSC, Prospect Stachki 184, RU-344029 Rostov-on-Don, Rostov region, Russia. Tel: +7 8632 227445. Fax: +7 8632 227446. E-mail: info@gloriajeans.biz

● Lectra SA, 16-18, rue Chalgrin, F-75016 Paris, France. Tel: +33 1 5364 4200. Fax: +33 1 5364 4300. www.lectra.com



Light industry's survival threatened by smuggling

ACCORDING to Valentina Izovit, chair of the Ukrainian Association of Light Industry Enterprises, the Ukrainian market for the sector's products is estimated by experts at UAH40-50bn (US\$8-10bn), with local products officially accounting for only UAH6.5bn (US\$1.3bn).

Smuggling and imports of goods without paying customs duties are destroying the local light industry, it is reported. The share of imported goods has risen to 80-90% of the Ukrainian market, with the bulk of clothing imports (up to 90%) coming from China and Turkey.

Large-scale imports of second-hand apparel are also threatening local producers, because they are supplied mostly without paying customs duties as well as being beyond sanitary examination.

Izovit stated that clothing imports of this type increased by three times last year, up to 77,000 tonnes. The main suppliers were the UK and Germany.

Alexander Sokolovsky, vice-president of the

Ukrlegprom association and general director of the Textil-Kontakt group, underlined that local producers are not opposing second-hand imports, but are standing up for regulation of that market by increasing, for example, the import duty on these products.

It is indicated that the relevant import duty in Russia is US\$2.13/kg, whereas the average duty in Ukraine is US\$0.15/kg.

Sales in 2006

THE State Statistics Committee reports that sales of textiles and clothing in Ukraine in 2006 totalled UAH4.19bn (US\$829m), compared with UAH3.63bn (US\$718m) in 2005 and UAH3.31bn (US\$655m) in 2004.

Clothing firm expands

UKRAINE'S Tyniakov garment factory is looking to enter the Russian and Kazakhstan markets, according to local sources.

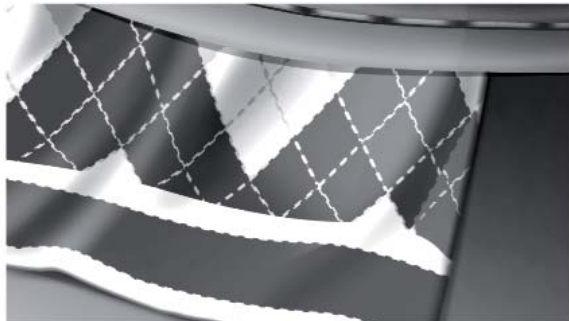
March 4-6, 2008 Poznań, Poland

Intermasz 2008 

International Trade Fair of Textile, Clothes and Shoemaking Machines

 **TEX-STYLE**

FAIR OF FABRICS, CLOTHING AND ACCESSORIES



Polish market is waiting for you!



Poznań International Fair Ltd., Głogowska Street 14, 60-734 Poznań, Poland
tel. +48 61 869 24 41, 869 20 39, fax. +48 61 869 29 51

www.fashioninpoland.mtp.pl



Bellegprom companies invest in upgrade projects

DURING the first nine months of this year, Bellegprom companies invested BRB57bn (US\$26.5m) in upgrade projects, which is 90% of the annual target, said chairman Eduard Naryshkin. Overall, a total of BRB100bn (US\$46.5m) has been allocated for modernisation projects in the Belarusian light industry. As a result, 6% of the branch assets will be upgraded. By 2010, about BRB500bn (US\$232.7m) will be utilised for this purpose and the depreciation of main assets will be halved.

According to Naryshkin, modernisation projects have helped improve the operation of several companies, including Baranovich Cotton Association and Gronitex, which have all become profitable.

Meanwhile, the Slonim Worsted Spinning Factory commissioned a new gas facility that will increase its energy efficiency, while Sopoteks has started implementing a technical upgrading programme costing BYR679m (US\$315,000).

The Ruchaika Kobrin Spinning and Weaving Factory will purchase equipment worth BYR3.7bn (US\$1.71m); Kupalinka will invest BYR3.1bn (US\$1.44m) in an upgrading programme, and KIM Vitebsk plans to purchase

equipment worth BYR1.15bn (US\$532,652).

Bellegprom reduced the number of its loss-making companies from 70 to 50 in the first seven months of this year. However, the decline in production at Orsha Linen Mill and Kovry Bresta is the main reason why Bellegprom will fail to reach all the production targets for the year, although all the other targets will be met, Naryshkin stressed.

- Bellegprom Concern, K. Tsetkin 16, BY-220050 Minsk, Belarus. Tel: +375 17 200 9813. Fax: +375 17 200 1630. E-mail: bellegprom@tut.by

- Slonim Worsted Spinning Factory JSC, 42 Brestskaya Street, BY-231800 Slonim, Grodno Region, Belarus. Tel: +375 1562 21083. Fax: +375 1562 25183. E-mail: skpf@yarn.of.by

- Sopoteks JSC, Grishin St. 89, BY-212030 Mogilev, Belarus. Tel: +375 222 263427. E-mail: sopotex@rambler.ru

- Ruchaika Kobrin Spinning and Weaving Factory, Sovetskaya St. 139, BY-225860 Kobrin, Belarus. Tel: +375 1642 40406.

- Kupalinka OAO, st. Zaslouova K. 58, BY-223710 Soligorsk, Belarus. Tel: +375 174 252869. Fax: +375 174 252852. www.kupalinka.com

- KIM Vitebsk JSC, Ul. M Gorkogo 42, Vitebsk, Belarus. Tel: +375 8021 233 1714. Fax: +375 8021 234 1024. E-mail: kim@vitebsk.net

- Orsha Linen Mill, 3 Molodezhnaya Str., BY-211030 Orsha, Vitebsk region, Belarus. Tel: +375 216 230695. Fax: +375 216 230695. E-mail: flax@linenmill.by

Successful competition



Vladimir Semashko

FIRST Vice-Premier Vladimir Semashko said Belarusian light industry goods are increasingly in demand on foreign markets. Exports of such goods were worth more than US\$400m last year.

Semashko added that while many countries are reducing their production of light industry goods as a result of competition from products made in Asia, the Belarusian light industry is increasing its production.

He indicated that government financial support to light industry will help increase customer preference for Belarusian-made clothing in the future.

However, Semashko criticised the work of the Bellegprom and the Ministry of Agriculture and Foodstuffs. The latter failed to supply Orsha Linen Mill with sufficient raw materials. It is more beneficial for Belarus to sell ready-made linen than raw flax, he stressed.

Flax industry measures

BELARUS' Vice-Premier Ivan Bambiza says the government is working out new measures to improve the fortunes of the country's flax industry.

Bambiza said two scenarios for flax industry development until 2010 have been prepared. Plans are to slightly raise purchase prices in the near future for flax supplied to the Orsha Flax Mill.

In addition, flax mills will be upgraded to increase the production and quality of long flax fibre. These measures should increase Orsha's production by around 50%.

Concerning equipment and machinery for the flax industry, working parties have been set up to compile a list of products that will be imported, said Bambiza.



Ivan Bambiza

Trade association reports major job losses this year

TEXTILE and clothing companies in Slovakia have laid off 13,000 people over the past five years, according to the *Pravda* daily. Experts say higher wages and a stronger crown have turned Slovakia into a country where it is not worth sewing large-scale orders.

The downfall of the industry is most visible in Trenčín, which used to be called the "City of Fashion". But Ozeta Neo, the city's biggest clothing maker, closed its plant in March, and Trenčín's vocational school did not open its clothing study programme this year.

Meanwhile, the Association of the Textile and Clothing Industry (ATOP SR) reports that three large textile producers have gone bankrupt in Slovakia this year and nearly 1,800 employees have lost their jobs as a result.

General secretary Dusan Gajdusek noted that smaller companies that can react swiftly to changes in market demand will succeed, while large producers will have to be restructured.

Clothing producer Makyta is planning to lay

off 100-200 staff in 2008, according to company sources. Makyta has contracts up until the end of February. It currently employs nearly 2,000 people.

ATOP SR data reveals 236 clothing and textile companies in Slovakia with more than 20 employees, and another 1,000 smaller clothing and textile companies.

- Ozeta Neo a.s., Velkomoravská 9, SK-91105 Trenčín, Slovakia. Tel: +421 326 562111. Fax: +421 326 523240. E-mail: oztrencin@ozeta.sk

- ATOP SR (Association of the Textile and Clothing Industry), Stefánikova 19, SK-91160 Trenčín, Slovakia. Tel: +421 327 437811. Fax: +421 327 431440. E-mail: atop@atop.sk

- Makyta a.s., 1 mája 882/46, SK-02025 Púchov, Slovakia. Tel: +421 42 463 2321. Fax: +421 42 463 1105. E-mail: sekretariat.gr@makyta.sk

Investment interest

AN official from the Slovak Investment and Trade Development Agency (SARIO) said eastern Slovakia is seeing increasing interest from investors, but that the region is short of green-field sites, modern offices and appropriate human resources. The official said smaller investors, mainly those operating assembly lines, or textile companies, would be among the most suitable types of companies in the region.

POLAND

Pani Teresa Medica IPO

MEDICAL textiles producer and distributor Pani Teresa Medica plans to debut on the Warsaw Stock Exchange in the fourth quarter of this year and raise up to PLN10m (US\$3.75m) from its initial public offering (IPO).

Funds received from the IPO will be used to complete a new production facility, expand production, develop the company's information technology system, and finance takeovers and acquisitions. Any acquisitions are most likely at the end of 2008, said the company. Pani Teresa Medica is also looking to increase its exports, which are mainly delivered to Ukraine.

Pani Teresa Medica recorded a net profit of PLN2.7m (US\$1.01m) on revenues of PLN11.3m (US\$4.23m) in 2006.

- Pani Teresa Medica, ul. Powidzka 50, Gutowo Male, PL-62300 Wrzesnia, Poland. Tel: +48 61 438 8314. Fax: +48 61 438 8326. E-mail: sekretariat@pani-teresa.com.pl

NEW 2ND EDITION

Get the facts on Central and Eastern Europe



The **Central and Eastern Europe Textile Business Review** is the unique reference source of the textile and clothing industries in Central and Eastern Europe including the former Soviet Union

Take advantage of this updated edition and...

- **Get the facts:** full statistical information on all countries in the region
- **Understand the market:** analysis of the current business environment
- **Know the competition:** information on leading companies

The publication price of EUR345 includes free postage and delivery (airmail)

For more information, visit our website www.textilemedia.com, or contact:

Judy Holland
Textile Media Services Ltd
Tel: +44 1535 656489
Fax: +44 8700 940868
E-mail: jholland@textilemedia.com

Trevira Neckelmann moves Danish yarn production

TREVIRA Neckelmann is to transfer production of yarn for the European automotive industry from Silkeborg, Denmark, to Poland during the next two to three years. The company blamed high salary rates in Western Europe and increasing competition.

"The decision regarding the transfer of production to Poland is regrettable, but inevitable," admitted Trevira Neckelmann director Peder Bækgaard. "Our prime customer is the automotive industry, which increasingly demands supplier's production to take place in low-cost countries."

As a result of the transfer of production, up to 200 employees in Silkeborg will be made redundant over the next three years. The transfer activities will start in the first quarter of 2008.

- Trevira Neckelmann A/S, Kejlstrupvej 84-88, Postboks 319, DK-8600 Silkeborg, Denmark. Tel: +45 89 223333. Fax: +45 86 803333. E-mail: poul-erik.joergensen@trevira.com

- Trevira GmbH, Philipp-Reis-Str. 2, D-65795 Hattersheim, Germany. Tel: 49 69 3051 8108. Fax: +49 69 3051 6341. E-mail: trevira.info@trevira.com

Elana strike continues

BORYSZEW, the owner of Polish man-made fibre producer Elana Torun, hopes the continued strike action at the plant will end soon thanks to a new development strategy. Under the plan, some workers will receive higher wages immediately and the remainder should get a rise at the beginning of 2008.

- Oddzial Elana w Toruniu, ul. M. Skłodowskiej-Curie 73, PL-87100 Torun, Poland. Tel: +48 56 656 2295. Fax: +48 56 656 1565. E-mail: sekretariat@elana.pl

Clothing market growing

THE Polish clothing market is among the most attractive in Central and Eastern Europe. According to International Service Check, the value of this market is estimated at around PLN15bn (US\$5.50bn) and is increasing by 8-10% a year.

Meanwhile, a PMR report entitled "Retail sales market of clothes and footwear in Poland", indicated that sales of apparel and footwear in 2006 increased by around 10% compared with the previous year, reaching PLN28bn (US\$10.3bn).

The Polish market is now the sixth largest in Europe. It continues to grow as earnings increase. In purchasing clothing and footwear, consumers first look for comfort (>80%), followed by price

(55%), elegance (<30%), fashion (>20%) and high quality (<20%). The purchase of brand-name clothing is sought by less than 10% of consumers.

In Poland are manufactured some of the leading global brands that are exported to all major markets worldwide, included Asia, which also imports top-quality European clothing.

Work in the Polish textile industry and trade is becoming increasingly attractive, with growing demand for specialists, who are being offered higher wages. At present, 5,000 seamstresses are required to satisfy increased demand in garment production and the average monthly wage being offered is PLN2,500 (US\$917).

Packaging plant

BELGIUM'S ConTeyor has opened a packaging factory in Lubaczow, Poland. By the end of the year, 150 people are expected to be working there. The factory produces industrial packaging formed from a textile base, in which the material is hung in specially designed pockets.

The packaging is designated for the transport of delicate articles, which are either painted, or those particularly susceptible to scratching during transportation, such as products for the motor industry, electronics or whitegoods sectors.

The ConTeyor Group already has one plant in Poland — in Czechowice-Dziedzice. The investment in the Podkarpacie region is intended to broaden operations for the remaining countries of Eastern Europe.

The company does not exclude further investments in Lubaczow; however, these are dependant on the establishment of a sub-zone of the Euro-Park Mielec Special Economic Zone.

- ConTeyor Multibag Systems NV, Burgemeester Maenhautstraat 44D, B-9820 Merelbeke, Belgium. Tel: +32 9 272.6952. Fax: +32 9 272 6960. E-mail: info@conteyor.com

Rescue tents from Lubawa

LUBAWA has delivered 10 sets of rescue tents to the Polish army. The value of contract was more than PLN400,000 (US\$145,000). The tents are covered by a two-year warranty and can be used in temperatures from -35 to 50°C. Lubawa is the largest Polish manufacturer of bullet-proof military vests, and also supplies rescue and logistics equipment.

- Lubawa SA, ul. Dworcowa 1, PL-14260 Lubawa, Poland. Tel: +48 89 645 5151. Fax: +48 89 645

2255. E-mail: a.milewska@lubawa.com.pl

Prize for tights

REWON has received a prize for its children's tights that are impregnated with nano-molecules of silver. The company won PLN20,000 (US\$7,300) and the Council of Lodz will help promote the product for one year. The tights have antibacterial, anti-mycosis and antistatic properties. Rewon sells the product in Russia, Romania, Croatia and the Czech Republic.

● Rewon SA, 8 Brukowa Str., PL-91341 Lodz, Poland. Tel: +48 42 272 3900. Fax: +48 42 272 3927. E-mail: rewon@rewon.pl

LATVIA

Glass fibre producer invests

VALMIERAS Stikla Skiedra (Valmiera Glass), which manufactures glass fibre and glass fibre products for use in thermal and technical insulation material, and as ready-made building materials, exports more than 97% of its products.

When the company was established in 1964 in Valmiera, Latvia was part of the Soviet Union. Three years after the country's independence in 1991, all production was being sold to Western markets and turnover reached EUR5m (US\$7.1m).

In December 1996, Valmiera Glass was privatised. German group Preiss-Daimler then invested DM35m (US\$17.9m) in the Latvian company, receiving a 49% shareholding. As a result, Valmiera Glass' turnover climbed to EUR15m (US\$21.3m), and reached EUR50m (US\$70.9m) in 2006.

Since then, the company has been developing its product portfolio in two main areas:

- glass fibre products (fibreglass, fabrics and mats) with heat resistance up to 600°C for thermal and technical insulation materials for various applications, such as building and renovation, electronics, agriculture, medical, automotive, aerospace and chemical;
- glass fibre products (fabrics and needled silica mats) with silica content, heat resistance up to 1,000°C, for high-temperature insulation materials for cutting-edge applications, such as metallurgy, military, protective clothing, aerospace and chemicals.

In 1995, Valmiera Glass was producing and processing glass yarn for building applications and wanted to establish new markets. So, it searched for machines able to fulfil the required technical performance. Then, company president Andris Oskars Brutans discovered an ARCT ring twister at a Belarusian company. "I immediately understood that this machine corresponded perfectly with our requests," he said. "We got the machine and it fully fulfilled my needs."

First-half foreign trade

THE Central Statistical Office reports that Poland imported textiles and textile products worth EUR2.41bn (US\$3.42bn) in the first half of this year, a year-on-year increase of 7.7%. Poland exported the same types of commodities worth EUR1.67bn (US\$2.37bn) in the January to June period, a year-on-year increase of 6.5%.

● The Central Statistical Office also reports that 7.1m units of bed linen were produced in Poland in the first half of this year, a year-on-year increase of 1.1%. Carpet production of 1.44m m² was 36% higher, while hosiery production was 19% higher at 56m units.

Since then, the relationship between both companies has strengthened, with Valmiera Glass following the evolution of French company ARCT through the brands ICBT, Rieter FYT and now RITM. Today, the Latvian producer has numerous ring twisting machines in its plants.

Discussing the future, Brutans emphasised: "We have to develop new products, with more added value. And, as Latvia is now engaged in the European process, it means also increasing wages, so we have to improve productivity."

Aware of the necessity to undertake new investment, he said: "We still have too many old machines and we will have to replace them to remain competitive."

● Valmieras Stikla Skiedra (Valmiera Glass), 13 Cempu iela, LV-4201 Valmiera, Latvia. Tel: +371 42 02216. Fax: +371 42 81216. E-mail: glassfibre@vss.lv

● Preiss-Daimler, P-D Management Industries – Technologies GmbH, Wilsdruffer Strasse 11, D-01723 Wilsdruff/Stadt Grumbach, Germany. Tel: +49 35204 9650. Fax: +49 35204 96566. www.pd-gruppe.de

● RITM – Research & Innovation Textile Machinery, 8 allée Charles Baron, Z.I. Les Auréats, F-26000 Valence, France. Tel: +33 4 7575 2600. Fax: +33 4 7575 2601. www.ritm-fr.com



Michel Pradel, glass yarn product manager, RITM (left) and Andris Oskars Brutans, president, Valmiera Glass



Yumco workers on strike

By our Belgrade correspondent

HUNDREDS of workers from the Konfekcija 5 production department of Serbian clothing maker Yumco of Vranje went on strike in early October, protesting against the company's decision to lend them indefinitely to its neighbouring company Zamber.

It is reported that all employees who failed to sign agreements with Zamber by 5 October would lose their jobs. The majority of the workers had refused to sign contracts with Zamber because of the poor conditions offered there.

Snezana Velickovic, president of the Association of Free and Independent Unions at Yumco, said the strikers were demanding the owner of Zamber, British businessman Jani Savas, abide by Serbia's Labour Act. Savas has been accused of paying low wages.

Of 520 Yumco workers who had temporary working engagements at Zamber for the previous eight months, contracts were signed by just 150 employees. Those who were not satisfied with the working conditions and contract offer-

ed have returned to Yumco.

Savas hired the Yumco workers for eight months, including the company's sewing equipment and production hall, and at the end of last year, through his company Alena, bought Yumco's Sloboda clothing department, which was demolished. By March 2008, a new clothing factory will be constructed on the site, which is forecast to become a major textile centre for South East Europe.

Zamber has been allotted EUR6m (US\$8.5m) from Serbia's National Investment Plan for construction of the factory and the employment of 3,000 workers.

However, Velickovic accused Savas of intimidation and incorrect behaviour towards workers of Konfekcija 5. She requested that Yumco eject Zamber from Konfekcija 5, which Zamber rents for EUR20,000 (US\$28,300) a month.

However, her accusations have been strongly denied by Zamber manager Sinisa Bundalo, who said the firm had good relations with two other unions at the factory. He added that requests for salary increases of unsatisfied workers were too high, about EUR300 (US\$425) a month, making any negotiations meaningless.

The monthly salary offered by Zamber to Yumco's workers is RSD12,500 (US\$217) or RSD71/hour, which surpasses the minimum wage prescribed by the government. In some periods of the year, workers can earn up to RSD18,432 (US\$320) a month, he said.

Bundalo added that the contract for leasing Konfekcija 5 runs until March 2008 when the new factory, which will produce 100,000 clothing items a week, will be finished.

● Zamber Co, Radnicka 5, 17000 Vranje, Serbia, Tel: +381 17 22041.

● Yumco DP, Radnicka 5, 17000 Vranje, Serbia. Tel: +381 17 22041. Fax: +38117 22041. E-mail: yumco@eunet.yu

Recovering jeans production?

AFTER the lengthy crisis in jeanswear production factories in Novi Pazar, workers are again being required. Tigrin Kacar, president of the association of textile and leather producers in Novi Pazar, said such factories could now employ all 1,000 unemployed textile workers in the town.

He added that Novi Pazar has a textile school producing trained personnel but that young people do not have enough interest to work in the

Sewing for Hugo Boss

DJORDJE Nicovic, the new owner of clothing producer Prvi Maj, has announced the beginning of co-operation with global apparel brand Hugo Boss as well as the engagement of an additional 400-600 workers, besides the 1,800 already employed at the factory



Djordje Nicovic

"We are now seeking workers, and have signed contracts with 60% higher prices than before privatisation, so that in the near future an increase in wages could be expected," Nicovic added.

Prvi Maj is already sewing garments for Armani, Dolce & Gabbana and Max Mara. The transfer of part of Boss's production to Prvi Maj is expected, as Slovenia's Mura has not been able to fulfil requests.

● Prvi Maj AD, Nikole Pasica 174, 18300 Pirot, Serbia. Tel: +381 10 333999. Fax: +381 10 335114.

● Mura European Fashion Design d.d., Pleše 2, SI-9000 Murska Sobota, Slovenia. Tel: +386 2 513 2100. Fax: +386 2 513 2857. E-mail: info@mura.si

textile sector. Kacar revealed that he has tried for more than a year to employ 50 workers in his firm Stig, but without success.

Textile factories from Novi Pazar have increased their business by producing for export markets, particularly for buyers from Croatia, Macedonia, Bosnia and Herzegovina, and Montenegro. However, for most jeans producers from Novi Pazar, exports to EU countries are still not possible because such exports requires the Euro 1 certification, which means the products have to be made from domestically produced material.

● Stig DOO, Save Kovacevica bb, 36300 Novi Pazar, Serbia. Tel: +381 20 312088. Fax: +381 20 331880. E-mail: stig@ptt.yu

Varteks agreement annulled

IN June, Croatian textile producer Varteks signed an agreement with Serbian firm Univerzijada Beograd 2009 to become the exclusive supplier of official clothing and footwear for some 50,000 participants, including members of the organisation committee and officials, of the summer Universiade, which is to be held in 2009 in Belgrade, Serbia.

However, the contract provoked considerable reactions from Serbian textile companies, who considered themselves more capable than the Croatian firm to produce quality uniforms for the Universiade.

Meanwhile, in September, Serbia's Ministry of Finance criticised Univezijada Beograd 2009, which was established by the Serbian government and the University Sports Federation of Serbia, for entrusting the production of uniforms, with business valued at EUR3m (US\$4.3m) to Varteks without tender.

Last month, the government ordered Universiade organising committee to cancel the contract with Varteks and dismiss Srdjan Boskovic, the executive director of Univerzijada Beograd 2009. Belgrade Deputy Sports Secretary Zoran Jovanovic has been appointed to fill the post



Srdjan Boskovic

● Varteks d.d., Zagrebacka 94, HR-42000 Varaz-

CONTRIBUTORS WANTED

Textiles Eastern Europe is expanding its network of correspondents in Central and Eastern Europe. Contributors are urgently needed in Romania and Bulgaria. If you have a nose for news gathering, a flair for writing, knowledge of the textile and clothing industries in the region, and are able to supply news items on a regular basis, contact: Geoff Fisher, Editor, Textiles Eastern Europe, 2A Bridge Street, Silsden, Keighley BD20 9NB, UK. Tel: +44 1535 656489. Fax: +44 8700 940863. E-mail: gfisher@textilemedia.com

din, Croatia. Tel: +385 42 377105. Fax: +385 42 377284. E-mail: info@varteks.com

● Univerzijada Beograd 2009, Kneza Aleksandra Karadjordjevica 51/1, 11000 Belgrade, Serbia. Tel: +381 11 369 9999. Fax: +381 11 369 9996. E-mail: info@ub2009.org

Knauf opens new line

THE Knauf insulation wool factory in Surdulica, Serbia, has installed a new production line in which the German company invested EUR16m (US\$22.7m). As a result, the facility will become one of the most modern departments for production of fibrous insulation materials in Europe.

The goal of this investment is to increase both production and quality in agreement with the relevant standards to protect workers and the environment.

Monthly production is 4,000 tonnes of insulation wool, which is sold in neighbouring countries, as well as former Yugoslav markets.

Knauf has been producing in Serbia since May 2005, when it acquired Vunizol of Surdulica, near Vranje.

● Knauf, Industrijsko naselje Belo Polje, 17000 Surdulica, Serbia. Tel: +381 17 815822. Fax: +381 17 815772.

● Knauf Gips KG, Postfach 10, D-97343 Iphofen, Germany. Tel: +49 9323 310. Fax: +49 9323 31277. www.knauf.com

BVK sale

SERBIA'S Privatisation Agency reports it has sold wool yarn and fabric producer Beogradski vunarski kombinat for RSD487m (US\$8.36m) to Vopex Trade.

● Beogradski vunarski kombinat, Visnjicka 15, 11000 Belgrade, Serbia. Tel: +381 11 754355. Fax: +381 11 761051.

● Vopex Trade DOO, Francuska 81, Beograd, Serbia.

Trikotaza to be auctioned

KNITTED clothing producer Trikotaza is to be offered for sale at auction. The new owner is expected to repay debts worth EUR280,000 (US\$397,000).

● Trikotaza, Pinkijev Trg 4, 22000 Sid, Serbia. Tel: +381 22 715861. Fax: +381 22 715861.

MOLDOVA

BGK Group investment

TURKEY'S BGK Group is to invest EUR800,000 (US\$1.14m) in launching textile production in the Ungheni Business free economic zone in western Moldova in 2008. The company will export its production from the zone to Turkey, Ukraine, Russia and the US.

BALTIC STATES

Estonia's Krenholm to outsource more production

BORÅS Wäfveri, the Swedish owner of Estonian textile producer Krenholm, has decided to sell Krenholm property worth EEK350m (US\$31.0m). The sale is to cover losses made by Krenholm in its textile production. The property will be acquired by Narva Gate, which is linked to Borås Wäfveri's main shareholders.

Krenholm's owners claim that selling the real estate, effectively to themselves, will help the company focus on textile production.

Krenholm also announced another reorganisation plan, in which about 400 people will be laid off by January. The latest plan — one of many during the past few years — focuses on outsourcing more products from Asia and Turkey and finding new partners in Europe.

The company has had various reorganisation plans during the past few years, but nevertheless Krenholm seems to perform worse every year. In 2006, Krenholm made a loss of EEK73m (US\$6.57m).

- Borås Wäfveri AB, Box 52, SE-50306 Borås, Sweden. Tel: +46 33 170300. Fax: +46 33 127017. E-mail: info@boraswafveri.se

- Kreenholmi Valduse AS, Joala 20, EE-20103 Narva, Estonia. Tel: +372 35 65636. Fax: +372 35 65963. E-mail: holding@krenholm.ee

Another Zara shop in Tallinn

SPANISH retail chain Zara will open its second shop in the Estonian capital Tallinn just before Christmas at Kristiine Keskus, on an area of about 1,000 m². Zara has more than 1,000 shops in 67 countries.

Meanwhile, Estonian fashion company KA Design is planning to open its first menswear store in Tallinn in the near future. Chief executive officer Aivar Roop said KA Design is waiting for the emergence of vacant retail space in various shopping centres. The Errorist brand was launched by the company in September.

- Zara International Inc, Edificio Inditex, Avenida Diputación s/n, E-15142 Arteixo, A Coruña, Spain. Tel: +34 981 185400. www.zara.com

- KA Design OÜ, Uus-Pärtle tee 5/4, Lubja küla, Viimsi vald, EE-74001 Harjumaa, Estonia. www.errorist.eu

Apranga subsidiary

LITHUANIAN clothing retailer Apranga has established a subsidiary called Apranga BEE in Estonia to operate its first Bershka store in the country in Tallinn. The store is due to be opened this month. Apranga BEE has a small share capital of EEK40,000 (US\$3,545).

- Apranga, Kirtimu g. 51, LT-2028 Vilnius, Lithuania. Tel: +370 5 239 0808. Fax: +370 5 239 0800. E-mail: info@apranga.lt

Milder on wages

MEELIS Milder, chief executive officer of Estonian clothing manufacturer and retailer Baltika told the *Äripäev* daily that the

TEE's GUIDE TO EAST EUROPEAN CURRENCIES

		US\$	EURO	£ STG	YEN (x100)
Albania	(Lek)	85.1500	121.343	174.247	74.0725
Armenia	(Dram)	329.000	468.858	673.249	286.199
Azerbaijan	(New Manat) ¹	0.8526	1.2150	1.7447	0.7417
Belarus	(Rouble)	2152.00	3066.71	4403.75	1872.04
Bosnia Herzegovina	(Marka)	1.3725	1.9558	2.8086	1.1939
Bulgaria	(Lev)	1.3725	1.9558	2.8086	1.1939
Croatia	(Kuna)	5.1525	7.3425	10.5437	4.4821
Czech Republic	(Koruna)	19.0948	27.2110	39.0746	16.6106
Estonia	(Kroon)	10.9797	15.6465	22.4682	9.5513
Georgia	(Lari)	1.6371	2.3330	3.3501	1.4241
Hungary	(Forint)	176.334	251.285	360.841	153.394
Kazakhstan	(Tenge)	120.640	171.918	246.872	104.945
Kyrgyzstan	(Som)	34.9000	49.7343	71.4177	30.3597
Latvia	(Lats)	0.4925	0.7018	1.0078	0.4284
Lithuania	(Litas)	2.4230	3.4529	4.9582	2.1078
Macedonia	(Denar)	43.1200	61.4482	88.2387	37.5103
Moldova	(Leu)	11.5078	16.3991	23.5489	10.0107
Montenegro	(Euro) ²	0.7017	1.0000	1.4360	0.6099
Poland	(Zloty)	2.5905	3.6915	5.3010	2.2534
Romania	(New Leu)	2.3660	3.3717	4.8417	2.0582
Russia	(Rouble)	24.8683	35.4386	50.8893	21.6331
Serbia	(Dinar)	54.2513	77.3108	111.017	-
Slovakia	(Koruna)	23.5055	33.4965	48.1005	20.4475
Slovenia	(Euro)	0.7017	1.0000	1.4360	0.6099
Tajikistan	(Somoni)	3.4393	4.9269	7.0494	2.9919
Turkmenistan	(Manat)	5200.00	7410.52	10641.02	4523.51
Ukraine	(Hryvna)	5.0370	7.1780	10.3075	4.3817
Uzbekistan	(Sum)	1278.42	1821.81	2616.09	1112.10

¹ Manat redenominated by factor of 5,000 on 1 January 2006

² Montenegro has adopted the Euro although not a formal member of the Eurozone

Source: Financial Times, 17 September 2007

biggest problems facing Estonian businesses in 2008 will be inflation and continuing wage growth.

Milder noted that wage increases are outpacing growth in productivity in Estonia.

● Baltika AS, Veerenni 24, EE-10135 Tallinn, Estonia. Tel: +372 6 302731. Fax: +372 6 302814. E-mail: baltika@baltika.ee



Meelis Milder

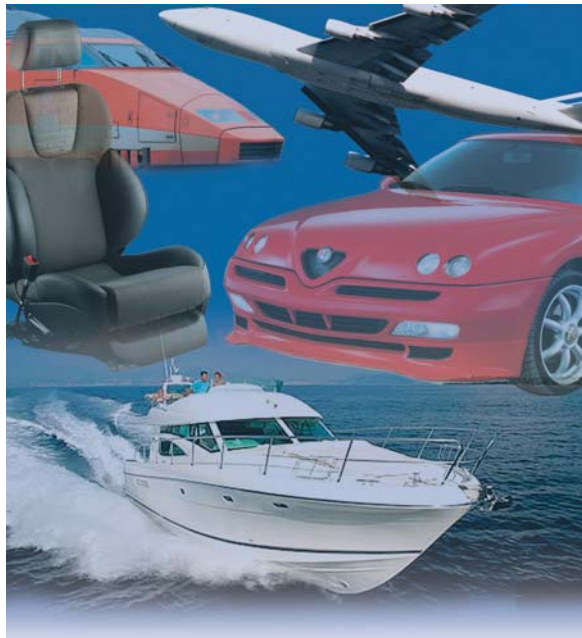
LITHUANIA

Silvano Fashion acquisition

THE Silvano Fashion Group (SFG) has acquired a 100% stake in Lithuanian lingerie retailer Linret LT. SFG said the acquisition significantly strengthens its presence in Lithuania, where it has so far opened three outlets.

Reports indicate the newly acquired stores already have strong ties to SFG, with more than 40% of revenues generated from sales of Lauma Lingerie-branded products. Following the acquisition, SFG operates a total of 94 retail outlets in seven countries.

● Silvano Fashion Group AS, Akadeemia tee 33, Tallinn EE-12618, Estonia. Tel: +372 6 710700. Fax:



MobileTex - News of the global transport textiles industry including the automotive, aerospace, rail and marine sectors. MobileTex is available monthly in an easy-to-read newsletter format and is aimed at producers and users of fibres, yarns, fabrics and end-products used in automotive and transportation textiles. For a free sample and subscription details contact:

Judy Holland Textile Media Services Ltd

Tel: +44 1535 656489 Fax: +44 8700 940868

E-mail: info@textilemedia.com www.mobile-tex.com

mobileTex

+372 6 710709. E-mail: info@silvanofashion.com

Problems at Plunges Tekstile

HOME textile producer Plunges Tekstile is reported to be facing problems related to rapidly growing production costs and high prices of linen products. Commercial director Arvydas Lapinskas said the company's sales have been falling over the past few years, partly as a result of workers emigrating overseas and higher labour costs. Plunges Tekstile, established in 1995, employs around 80 people, and exports some of its production to Scandinavian countries, the Netherlands and Germany.

● Plunges Tekstile UAB, Telsiu str. 26A, LT-90163 Plunge, Lithuania. Tel/fax: +370 448 71563. E-mail: ptextile@takas.lt

Flax industry crisis

LOCAL press reports in the Ukmerges region say flax cultivation in Lithuania has collapsed, forcing textile companies to import expensive material from Western Europe. For example, Ukmerges flax grower Linu Agroservisas has cultivated 20 ha of flax this year, compared with 300 ha in 2002. Production director Arvydas Kuliavas noted there is a market for flax, but that it does not pay to grow it when support is reduced. Support to flax growers in Lithuania has been reduced from LTL1,500 (US\$602) to LTL583 (US\$234) per ha.

● Linu Agroservisas UKB, LT-20321 Meilunai Ukmerges, Lithuania. Tel: +370 340 64855.

Klaipedos starts making flags

LITHUANIAN clothing manufacturer Klaipedos Dalia has started making flags for ships worldwide. Chief executive officer and owner Dalia Zagnoj said initially the company had made flags for schools but now manufactures flags for ships. Until now, the 15-year-old company has specialised in the making and repair of national costumes. Zagnoj noted that the profitability of clothing manufacture has fallen over recent years.

Gerard Darel clothing

LITHUANIAN clothing manufacturer Terina has signed an agreement to start producing clothing for French fashion house Gerard Darel. Terina recorded a turnover of LTL6m (US\$2.44m) in 2006. It has previously co-operated with companies in the Netherlands, Finland, Sweden, Germany and the UK.

● Terina UAB, Vytauto g. 18/2, LT-59117 Prienai, Lithuania. Tel: +370 319 60141. Fax: +370 319 60142. E-mail: terina@takas.lt

● Gerard Darel, 130 rue Réaumur, F-75002 Paris, France. Tel: +33 1 5580 5580. Fax: +33 1 5580 5571. www.gerarddarel.fr

TEXTILES

CENTRAL ASIA

Uzbek cotton processing planned to increase

ACCORDING to the US Department of Agriculture's Foreign Agricultural Service, as of 18 September 2007, based on the latest official estimates from the Uzbekistan Ministry of Agriculture, seed cotton production for 2006/07 has been revised to 3.67m tonnes and lint production to 1.19m tonnes.

Assuming normal weather conditions and minimal pest infestations, Uzbekistan's 2007/08 cotton crop is forecast at 1.15m tonnes and the planted area is estimated at 1.4m ha. In spite of rainy weather in early spring, which caused late planting throughout the country, the crop is reportedly progressing well under optimum growing conditions and in most regions there have been no major pest outbreaks. Independent industry representatives expect a good-quality crop as long as there is no significant precipitation during the mid-autumn harvest.

Domestic cotton prices for the new crop are set up as usual just before the harvest. The average procurement price for seed cotton (based on grade 2, class 5) was UZS306,000 (US\$240.75) per tonne in 2006/07, and the average wholesale price for lint procured for state needs was reportedly UZS1.35m (US\$1,062) per tonne. In 2007/08, cotton procurement prices both for seed cotton and lint are expected to rise by at least 10-15% compared with the previous year.

Consumption

In 2007/08, domestic consumption is forecast to increase to 249,550 tonnes. The growth will be fuelled by expected high prices for man-made fibres and yarns, and continued expansion in the domestic spinning capacity. By the end of 2007, 20 additional textile mills are planned to be opened with a total investment of US\$110m. As a result, cotton yarn production is forecast to rise by 50,000 tonnes, stockinet by 18,000 tonnes, fabric by 5.5m m² and knitted products by 7.7m pieces.

In 2007/08, Uzbekistan's cotton exports are forecast to decrease to 868,000 tonnes from

976,500 tonnes in 2006/07. At the 3rd International Uzbek Cotton Fair held in September in Tashkent, Uzbek cotton exporting companies reportedly concluded contracts for the sale of around 600,000 tonnes of lint.

Foreign Economic Relations, Investment and Trade Minister Elyer Ganiyev stated that lint production in Uzbekistan would total around 1m tonnes in 2006/07. Realisation of the investment programme to develop the local textile industry is thought to entail an increase in lint usage up to 50% of its production, which will result in a further reduction of its exports.

In particular, processing of lint is expected to rise to 300,000 tonnes in 2007/08 leading to a decrease in lint exports to 750,000-800,000 tonnes, said Ganiyev. In future, the most optimum proportion between local processing of the cotton harvest and its export is forecast to be 50:50, compared with the present 25:75.

Lower tax rate in 2008?

UZBEKISTAN'S draft state budget for 2008 envisages a reduction of the single tax rate applicable to micro-firms and small businesses from the current 10% to 8%. This would be an incentive for small business development and job creation, according to *UzReport*.

Land work needed

UZBEK President Islam Karimov said the fall in the amount of cotton sold to the state is related to outstanding land improvement work. Karimov added that the amount of state funding for such work will be substantially increased.

Orshah Textile launched

UZBEK-Turkish clothing joint venture Orshah Textile has been established in Margilan, Uzbekistan. The company will manufacture more than 100 types of clothing, including men's and wom-

en's wear, tablecloths, towels and other household textiles. Fuat Em, director, said the company will export products worth up to US\$4m a year to Russia, Japan, Italy, Turkey, Poland and other countries.

TURKMENISTAN

Rise in cotton production

ECONOMY and Finance Minister Hajamyrat Galdimyradov said cotton fibre production in Turkmenistan in the first eight months of this year was 13% higher than in the same period in 2006.

TAJIKISTAN

Cotton harvest

SHAKRULLO Rakhimnazarov, head of crop farming at the Ministry of Agriculture, said Tajikistan had harvested 229,589 tonnes of raw cotton as of 24 September. Rakhimnazarov added that this was a higher figure than at the same date in 2006, and equivalent to 41.7% of the full-year target of 550,000 tonnes. Tajikistan produced 440,245 tonnes of cotton in 2006.

This year, the Ministry of Education has ordered students to be sent to help with the cotton harvest, but local analysts say the cotton target will not be met without tackling the main problems of cotton growers' debts to traders and low wages.

KYRGYZSTAN

Zero profit rate?

PRESIDENT Kurmanbek Bakiyev said that in order to develop Kyrgyzstan's private sector, the profit tax rate should be reduced to zero for processing industries, particularly in the agricultural sector. This will facilitate capitalisation and reinvestment of profits, he said.

ARMENIA

Interest from Belarus

ARMENIAN companies are showing interest in proposals put forward by Belarusian producers of carpets, man-made fibres and trading equipment, according to the Belta news agency.

In September, Armenia's capital Yerevan hosted a business forum attended by top managers of the Armenian Chamber of Commerce and Industry, businessmen and governmental officials.

A Belarusian delegation headed by Vladimir Bobrov, chairman of the Chamber of Commerce and Industry of Belarus, was composed of senior managers of several companies, including Kovry Bresta (Brest Carpets) and the Mogilev man-made fibres plant.

Retail clothing price changes

(%)	Month-on-month			Year-on-year		
	Latest	As of	Over	Latest	As of	Over
Albania	+0.4	9-07	8-07	-0.5	5-07	5-06
Armenia	0.0	9-04	8-04			
Azerbaijan	+0.5	8-07	7-07			
Belarus	+0.6	9-04	8-04			
Bosnia-Herzegovina	-0.1	7-07	6-07	-1.9	7-07	7-06
Bulgaria	+3.6	9-07	8-07	+9.0	9-07	9-06
Croatia	+6.3	9-07	8-07	+3.2	9-07	9-06
Czech Republic	-0.7	8-07	7-07	-0.3	8-07	8-06
Estonia	+2.0	9-07	8-07	+4.8	9-07	9-06
Georgia	-0.4	9-07	8-07	-7.0	9-07	9-06
Hungary	+3.7	9-07	8-07	+0.3	9-07	9-06
Kazakhstan	+0.5	8-07	7-07			
Kyrgyzstan	+0.1	7-07	6-07			
Latvia	+10.3	9-07	8-07	+4.8	9-07	9-06
Lithuania	+3.8	9-07	8-07	-4.8	9-07	9-06
Macedonia	+0.9	9-07	8-07	+1.7	9-07	9-06
Moldova	+1.2	4-07	3-07	+10.4	8-06	8-05
Montenegro	0.0	5-07	4-07	+2.3	5-07	5-06
Poland	-0.1	9-07	8-07	-7.3	9-07	9-06
Romania	+0.3	9-07	8-07			
Russia	+0.5	8-07	7-07			
Serbia	+0.2	9-07	8-07	+3.5	9-07	9-06
Slovakia	+0.6	9-07	8-07	+0.7	9-07	9-06
Slovenia	+8.6	9-07	8-07	+3.1	9-07	9-06
Tajikistan	+0.8	8-07	7-07			
Ukraine	+0.3	9-07	8-07	+1.5	9-07	9-06
Uzbekistan	+0.2	10-04	9-04			

RUSSIA

Childrenswear trading net

TRADING concern Detsky Mir (Children's World), the largest Russian retailer of children's goods, is expanding its outlets net at a rapid pace in Moscow and various regions of Russia. In 2006 alone, 19 new stores were added, so that the number of Detsky Mir stores has increased to 65 in 27 cities and regions of Russia.

In the Russian capital alone, where the flagship store of the group is situated, there are already 15 Detsky Mir stores with a range including more than 70,000 articles from toys to specially designed childrenswear. Along with children's and baby's wear of own trademarks and Russian labels, all stores offer a wide range of international brands.

Detsky Mir - Centre, a subsidiary of the finance and service group AFK Sistema, earned a turnover of around US\$118m in the first half of 2006. The earnings for 2005 were reported at US\$208m.

● Detsky Mir, Teatralny Proezd, 5, RU-109012, Moscow, Russia. Tel: +7 495 781 0950. Fax: +7 495 7810865. E-mail: detmir@detmir.ru

All of the contents of this newsletter, either in whole or part, may not be reproduced, stored in a data retrieval system or transmitted, in any form whatsoever, or by any means, electronic, mechanical, photocopying, recording or otherwise without the written permission of Textile Media Services Ltd. Every effort is made to ensure that material appearing in *Textiles Eastern Europe* is accurate and up-to-date. However, the contents are intended as a source of information and no responsibility will be accepted for any consequences arising therefrom. The information is published in good faith, but without guarantee as to the accuracy of the reported claims made by, or on behalf of, any organisation whose products or services are described.

BUSINESS OPPORTUNITIES

SEWING

HUNGARY

Company manufacturing suits for boys and shirts in sizes 104-176 offers subcontracting activities. It also specialises in sewing sportswear.

Contact: Tiborne Szoke, Annbor EC, Hímzo u. 30, H-6400 Kiskunhalas, Hungary. Tel/fax: +36 77 421898. E-mail: info@annbor.hu Web: www.annbor.hu

CLOTHING

HUNGARY

Manufacturer of workwear, outerwear, and women's apparel is looking for trade intermediary services.

Contact: Adrienn Keszthelyi, Ke-Ko Media Lt, Megyeri ut 59, H-7621 Pecs, Hungary. Tel: +36 72 514531. Fax: +36 72 514532. E-mail: info@ko-ko.hu Website: www.ke-ko.hu

ACCESSORIES

POLAND

The Military Property Agency on behalf of the Ministry of National Defence has announced a public tender for the supply of textile accessories for the army. The total value of tender exceeds EUR60,000. The object of this tender is the provision of the following clothing accessories: field caps, handkerchiefs, work-gloves, slippers, woollen fabrics, hard hats, mixed woven fabrics, blankets. Contact: Marta Włodarczyk, Agencja Mienia Wojskowego, ul. Nowowiejska 26A, PL-00911 Warsaw, Poland. Tel: +48 22 314 9872. Fax: +48 22 314 9900. E-mail: mwlodarczyk@amw.com.pl Website: www.amw.com.pl

PRIVATISATION

SERBIA

Yumco of Vranje is a major domestic producer of yarn and fabric. The structure of the fixed capital of Yumco on 31 December 2006 was 99.79% equity capital and 0.21% other capital. In 2005, the Privatization Agency of the Republic of Serbia began the process of selling the capital of Yumco by public tender.

Contact: Zoran Andjelkovic, Managing Director, Eucons Group,

Companies are invited to provide entries on this page for business opportunities, services or contacts. For further information on costs and deadlines, contact the Advertising Department, tel: +44 1535 656489, fax: +44 8700 940868, or write to: Textile Media Services Ltd, 2A Bridge Street, Silsden, Keighley BD20 9NB, UK. E-mail: info@textilemedia.com

Kralja Milana 7/V, 11000 Beograd, Serbia. Tel: +381 11 324 6823. Fax: +381 11 324 6841. E-mail: azoran@eucons.co.yu Website: www.priv.yu

MACHINERY AGENT

RUSSIA

World leading European textile machinery manufacturer is seeking a qualified and motivated representative to service existing clientele and to acquire new customers in Russia.

Applications with full company description and listing of existing represented suppliers should be sent for the attention of Box 5352 by e-mail to: info@textilemedia.com

AGENTS REQUIRED

EASTERN EUROPE

B&S Textile Agencies (UK), one of the UK's leading home furnishings agencies, seeks agents throughout Eastern Europe. We are a family-owned business with more than 125 years of textile experience. We can offer a full home furnishings range from fabric to fully stitched product, including bed sets, curtains and blinds using jacquard, print and voile fabric. All our products are sourced via our exclusive routes in Asia and with more than 25 years experience in this region quality and service are guaranteed.

Contact: B&S Textile Agencies (UK). Tel: +44 1995 640881. E-mail: simon@bstextiles.co.uk

HOME FURNISHINGS

EASTERN EUROPE

Blumenthal, a large private textile company in the US specialising in home furnishings, is seeking reliable sources in Eastern Europe for jacquard ticking fabric and upholstery fabric. This third-generation textile company has excellent credit references, and is knowledgeable in impor-

tation of large bulk shipments. Please send proposals to: John J. Parrish, Director of Global Sourcing, Blumenthal Print Works Inc. Tel: +1 631 874 7198. Cell: +1 516 353 4903. E-mail: johnp@bpmnola.com

FABRICS

ESTONIA

Manufacturer of furniture fabrics and home textiles is looking for distributors of grey cloth and finished fabrics.

Contact: Anatoli Ilkevich, Promet Baltic OU, Kadastiku 57, Narva, Estonia. Tel: +37 235 76776. E-mail: promet.baltic@mail.ee

HOME TEXTILES

POLAND

Company specialising in home textile products, wholesale or retail trade of hosiery and underwear is interested in reciprocal agreements.

Contact: Piotr Jonczyk, Merkury, ul. Katopwicka 144, PL-41500 Chorzów, Poland. Tel: +48 32 736 6405. Fax: +48 32 736 6409. E-mail: puhmerkury@neostrada.pl

FIBRES AND YARN

ESTONIA

Company specialising in the manufacture of funeral tassels and fringes is looking for a supplier that can provide fibres and yarn.

Contact: Viivika Kalmus, Hansamarket OÜ, Höreda, Vaheri, EE-79004 Raplamaa, Estonia. Tel: +372 509 6637. E-mail: viivika.kalmus@mail.ee

FABRICS

ESTONIA

Manufacturer of furnishing fabrics and home textiles is looking for distributors of grey cloth and finished fabrics.

Contact: Anatoli Ilkevich, Promet Baltic OU, Kadastiku 57, Narva, Estonia. Tel: +37 235 76776. E-mail: promet.baltic@mail.ee

WOMENSWEAR

HUNGARY

Textile company active in designing, modelling, manufacturing and selling women's outerwear wants to be a subcontractor. The company would like to receive orders to utilise its excess capacities in the above-mentioned fields. It has a wide range of products from classical to sporty styles, with sizes from 36 to 52. It also undertakes tailoring as job work.

Contact: Zoltanne Rea, Szeged Bolero Kft, Danko Pista u. 27, H-6723 Szeged, Hungary. Tel: +36 62 552519. Fax: +36 62 552518. E-mail: bolero@t-online.hu Website: www.livello.hu

CLOTHING

HUNGARY

Sewing mill manufacturing women's and children's outerwear (coats, suits, costumes, dresses) offers its free production capacity (cutting and sewing) and its own products. The company is experienced in job work for foreign customers. It would also like to contact commercial agencies to help them sell children's clothing.

Contact: Judit Belles, Belles Kft, Istvan u 16, H-1078 Budapest, Hungary. Tel/fax: +36 1 281 9491. E-mail: belleskft@t-online.hu

Readers should make appropriate enquiries and take appropriate advice before entering into any binding commitment in relation to a listing. Textile Media Services Ltd shall not be liable for any loss or damage incurred as a result of accepting any invitations contained in Textiles Eastern Europe.

Companies in this issue

AFK Sistema (RU)	14	Hugo Boss (DE)	9	Orsha Linen Mill (BY)	5	(HU)	1
Apranga (LT)	11	International Import Export (RO)	2	Orshah Textile (UZ)	13	Trevira (DE)	7
Apranga BEE (EE)	11	International Service Check (PL)	7	Ozeta Neo (SK)	6	Trevira Neckelmann (DK)	7
Armani (IT)	9	ITMM (DE)	3	Pani Teresa Medica (SK)	6	Trikotaza (RS)	10
Armenian Chamber of Commerce and Industry (AM)	14	KA Design (EE)	11	Plunges Tekstile (LT)	12	Tyniakov garment factory (UA)	4
Association of Free and Independent Unions (RS)	9	KIM Vitebsk (BY)	5	PMR (PL)	7	Ukrainian Association of Light Industry Enterprises (UA)	4
ATOP SR (SK)	6	Klaipedos Dalia (LT)	12	Preiss-Daimler (DE)	8	Univerzijada Beograd 2009 (RS)	10
Baltika (EE)	3,11	Knauf (RS)	10	Privatisation Agency (RO)	2	Valmiera Stikla Skiedra (LV)	8
Baranovichi Cotton Association (BY)	5	Knauf Gips (DE)	10	Privatisation Agency (RS)	10	Varteks (HR)	10
Bellegprom (BY)	5	Kovry Bresta (BY)	5,14	Prvi Maj (RS)	9	Vunizol (RS)	10
Beogradski vunarski kombinat (RS)	10	Krenholm (EE)	11	Rewon (PL)	8	Warsaw Stock Exchange (SK)	6
BGK (TR)	10	Kupalinka (BY)	5	RITM (FR)	8	Wermuth Asset Management (DE)	1
Borås Wäfveri (SE)	8	Lectra (FR)	3	Romcarbon (RO)	2	Wild Orchid (RU)	1
Boryszew (PL)	7	Lelija (LT)	2	Ruchaika Kobrin Spinning and Weaving Factory (BY)	5	Yumco (RS)	9
Bronze Soldier (RU)	3	Lindex (SE)	2	Slovak Investment and Trade Development Agency (SK)	6	Zamber (RS)	9
Central Statistical Office (PL)	8	Linret LT (LT)	12	Sopoteks (BY)	5	Zara (ES)	11
Chamber of Commerce and Industry of Belarus (BY)	14	Linu Agroservisais (LT)	12	State Statistics Committee (RU)	3		
ConTeyor (BE)	7	London Stock Exchange (UK)	1	State Statistics Committee (UA)	4		
Council of Lodz (PL)	8	Lubawa (PL)	7	Stig (RS)	10		
Department of Agriculture (US)	13	Makyta (SK)	6	Stockmann (FI)	2		
Detsky Mir (RU)	14	Maratex (RU)	3	Terina (LT)	12		
Dolce & Gabbana (IT)	9	Max Mara (IT)	9	Térom (RO)	2		
Elana Torun (PL)	7	Ministry of Agriculture (TJ)	14	Textil-Kontakt (UA)	4		
GECARD ePayment (RO)	2	Ministry of Agriculture (UZ)	13	Tintoria Piana (IT)	1		
Gerard Darel (FR)	12	Ministry of Agriculture and Foodstuffs (BY)	5	Tintoria Piana (US)	1		
Gloria Jeans (RU)	3	Ministry of Education (TJ)	14	Tintoria Piana MGR Festöde	3		
Gronitex (BY)	5	Monnari (PL)	2				
		Mura (SI)	9				
		Narva Gate (EE)	11				
		NFI Empik Media & Fashion (PL)	3				

TEXTILES EASTERN EUROPE ORDER FORM

Textiles Eastern Europe is published monthly and is available by subscription at:

USD645/EUR505/GBP345

BY MAIL Simply complete this order form in full and send it together with your payment to:
Textile Media Services Ltd,
2A Bridge Street, Silsden,
Keighley BD20 9NB, UK

BY FAX For urgent orders complete this form and fax it together with proof of payment (copy of cheque or bank transfer request) Fax: +44 8700 940868
E-mail: info@textilemedia.com

BY TELEPHONE Call us and place your order directly. Just have your credit card ready (we accept Visa and Mastercard)
Tel: +44 1535 656489

I wish to take out a one-year subscription

BLOCK CAPITALS PLEASE

TEE/NOV07

PAYMENT METHODS:

Payment of enclosed (cheque in euros of pounds sterling payable to Textile Media Services Ltd)

Please debit my Mastercard Visa

Card number:

Expiry date:/.....

Signature: Date:.....

Where a personal credit card number is given, we require the registered card address:.....

I wish to pay by bank transfer in **euros** to:

Account no. 57645571. Sort code 40-05-15. HSBC plc,
PO Box 181, 27-32 Poultry, London EC2P 2BX, UK

I wish to pay by bank transfer in **pounds sterling** to:

Account no. 61348612. Sort code 40-26-01. HSBC plc,
36 North Street, Keighley, West Yorkshire BD21 3SF, UK

NAME

POSITION

COMPANY

ADDRESS

POSTAL/ZIP CODE

COUNTRY

TELEPHONE..... FAX

E-MAIL

SIGNED DATE

Canadian residents should add sales tax at the appropriate rate.

To comply with EU regulations we have to show on our invoices, our reciprocal VAT (TVA/IVA/MWst/BTW/MOMS) numbers. We hereby inform you that our VAT registration number is GB 797 3242 91.

In order to comply with EU regulations, please fill your VAT/TVA/IVA/MWst/BTW/MOMS number in the box below: