

## 75-Year Growth Analyzed

# Hart-Owned Stores Keep Competitors on Their Toes

[Second of Three Articles]

CHICAGO.—“The Hart-owned stores are fair, clean-cut competition. They keep us on our toes.” That’s what Fairchild News Service® heard from independent men’s wear merchants across the nation—men who do not carry the HS&M clothing lines themselves.

These retail executives\* elaborated this way:

“The men who run the Hart stores are keen, aggressive merchants and administrators, who seem to have greater autonomy than the personnel of other manufacturer-owned stores. They are all prominent and active in the life of their communities. And they operate with confidence. They are backed up by Hart’s capital, overall retail know-how and strong identification with the HS&M label. All that adds up to the kind of competition that makes us sharpen our own operations in order to stay in business, and to grow.”

Merchants, who are accounts of Hart’s, were asked why they feature the HS&M clothing line. These were their reasons:

“Hart’s offers retailer services of a breadth not readily available from smaller clothing manufacturers in the same price bracket.

“The company will supply its accounts with the latest information on retail administration procedures, display programs, store modernization suggestions, market research on new locations, advertising and promotional material — any up-to-date data on retailing gleaned from Hart’s close association with its accounts and the experiences of its company-owned retail store network.”

### Example Given

A young retailer gave an example of what he said is “Hart’s real interest in helping its independent accounts strengthen their operations.”

“Jack Gray, president, and Jerry Gore, vice-president, personally took time out from a busy day to spend an hour-and-a-half consulting with me on architectural and merchandising plans for the building of my new store.”

John D. Gray has been at Hart’s since 1946 and its president.

merchandising ideas” have been tried by them. Because Hart stores are decentralized, new merchandising concepts are individually selected for incorporation at other subsidiaries, depending upon the community.

### No Co-Op Ads

Hart Schaffner & Marx does not participate with its accounts in placing cooperative advertising. It never has. In the trade, Hart’s is said to be the only major manufacturer to resist the practice. But the company’s subsidiary manufacturing firm, Society Brand Clothes, continues to do so as it did when it was acquired in 1955.

Independent retailers, accounts of the company or not, said Hart’s could continue to ignore cooperative advertising because of its long history of national advertising. “It’s strong consumer identification makes the line almost mandatory for the quality specialty store and department.”

Hart’s retail advertising policies are unique in other ways too.

The company recommends to its suburban and neighborhood accounts that they refrain from advertising the HS&M line in metropolitan newspapers, when these media are used by large downtown accounts or Hart subsidiaries.

Hart’s research has brought out that such advertising for smaller outlying accounts is not economical. The expense of metropolitan advertising cannot usually be amortized by attracting a large enough increase in traffic. And even if customers found it convenient to come from the great area reached by the advertising, could the small store handle the wide-range demands for broader inventories than

And John Gray said that his company’s retail division is the most profitable group of retail subsidiaries in the country. He pointed to the 1961 consolidated net earnings report to bear out that Hart’s relies heavily on profits from retail operations as such. He emphasized that, historically, “Hart’s has not continued to operate stores that could not stand on their own feet.”

Early in its retail acquisitions program, the company reported that its individual units produced an annual volume of \$50,000 to \$800,00. Today, trade observers believe, the company would be interested in acquiring a single-unit store only if its annual sales were approximately \$500,000.

As in the past, Mr. Gray told Fairchild News Service®, new stores are usually acquired when a merchant approaches Hart’s with an offer to sell his business. In the majority of cases, the owners are ready to retire and have no one to whom to pass on their businesses.

### Flexible Program

For that reason, he said, Hart’s retail acquisitions program must be flexible. Expansion of existing operations, however, will move ahead as opportunities present themselves. A recent example was the opening of a new Baskin unit in Oakbrook Center, Oak Brook, Ill., near Chicago. Wallach’s will expand to Walt Whitman shopping center, Huntington, L. I., N. Y., and Hastings to Hillsdale Center near San Francisco — both within the next few months.

To some trade observers, manufacturer ownership of a retail store suggests a change from prestige merchandising to price promotion appeals.

Executives at Hart’s assert that their policies encourage not only their own retail executives, but merchants who are HS&M accounts, to upgrade continuously. Mr. Gray said that Hart’s is in an excellent position to make further progress in the upper retail bracket men’s apparel field.



1962

## 75-Year Growth Analyzed:

# Hart's May Cap Anniversary By Opening Plant in Europe

[First of Three Articles]

CHICAGO. — In 1962, Hart Schaffner & Marx may become the first major United States clothing manufacturer to decide to establish plants in the European Common Market. That would be in keeping with the tradition of the 75-year-old firm — tradition studded with innovations in one of the most stridently competitive of industries.

Hart's manufacturing "firsts" are well-known: A one price policy; labor arbitration; national advertising, and the introduction of a tropical weight suit.

But Hart Schaffner & Marx was also one of the early manufacturers to acquire and develop its own retail organization. Today, mergers and purchases involving manufacturers and stores have become commonplace. However, it was Hart's that set the pattern, according to spokesmen in the men's wear business community.

Fairchild News Service® interviewed John D. Gray, president of HS&M, and major merchants across the country to find out where the company is going and what its impact has been on the industry, both as a manufacturer and retailer.

One of the most striking features brought out in these interviews was the consistency of the Hart Schaffner & Marx image to merchants who neither carry the manufacturer's clothing line nor are part of its retail organization.

These men expressed admiration for Hart's fairness, progressiveness, and clean-cut competition.

John Gray attributes his firm's excellent image to the "corporate conscience." A conscience, he says, that has been heeded by everyone in the

And the new retail store acquisitions are under consideration in areas where the Hart Schaffner & Marx clothing line does not have current distribution.

Mr. Gray gives stress to the fact that Hart's primary interest is the manufacture of clothing. He points to enlarged and additional plant facilities, and to the continuous opening of new independent accounts for HS&M and Society Brands Clothes (a manufacturing subsidiary).

A new trouser manufacturing plant, with a capacity to produce 500,000 pairs of trousers a year, was completed at Rochester, Ind. late in 1961. Other manufacturing plant investments in 1961 included the purchase of air-actuated pressing machines and sponging equipment and new sewing and specialty machinery.

An analysis of Hart's independent retail accounts books shows that: "... the average years of association with all our dealers is just over 21 years which total includes quite a few accounts opened during the past few years ... We have a great many 40-year accounts. Quite a few have featured our line continuously for over 50 years. And there are some who started doing business with us in the last century."

Convinced of the loyalty of its long-time accounts and noting the increase of its independent customer list over the past few years, may have influenced Hart's executives to discuss the strength of its retail organization, according to leading merchants.

### Company Underestimated

President Gray, explained the

## Series on Hart's

CHICAGO. — The first in a series of three articles reflecting Hart Schaffner & Marx' 75 years in the men's apparel business begins here today.

Contributors to the series include the following staff members of Fairchild News Service® in the cities indicated: Kurt Gardner (Chicago); Mort Gordon (New York); Jack Hyde (Los Angeles); Dick Curran (Atlanta); Jack Robertson (Dallas); Al Morch (San Francisco); Constance Patterson (Seattle), and Bernard Shuman (Sioux City).

ing Co., Chicago, in 1926.

"In the beginning, Hart's lacked experience in the details of retail store operations and did not have sufficient competent management for the stores ... For the most part, the stores were not well established when sales volume and retail price levels started shrinking in 1929. In the ensuing years some of the retail store subsidiaries were liquidated or reorganized and also a number of individual stores were relocated or closed."

### Bad 10 Years

Hart's management of the middle '40's reported that the first 10 years of its retail program resulted in substantial losses. Weak retail store management, poor location, large fixed investments in occupancy improvements, and Hart's own inexperience were cited as contributing factors.

But the great strides taken to overcome these weaknesses are reflected in the company's current financial statement.

Hart Schaffner & Marx entered the retailing arena as a defensive measure. Beginning with 1926, "disturbances of previous customer relationships seemed imminent. (Other manufacturers acquired HS&M accounts) In a



## 75-Year Growth Analyzed

# Hart's and Labor At Peace for 51 Years

[Last of Three Articles]

CHICAGO. — A long list of industry "firsts" — one of the most fruitful has been its achievement of serene labor relations for 51 years — has served Hart Schaffner & Marx well in becoming one of the largest producers of men's clothing in the world.

This is the year of Hart's diamond jubilee. From small beginnings as a retail clothing store in Chicago, the firm has

developed into a major clothing manufacturer whose nationally advertised line today "occupies a dominant place in the \$80 to \$150 retail field." In addition, HS&M is a growing force in the retailing community with 78 men's and women's quality apparel specialty stores traversing the country from coast to coast.

For 1961, Hart's reported record consolidated sales of more than \$90 million. Over \$60 million of the volume was generated by its retail division — an impressive bulwark to the manufacturing division. Estimates are that 65 per cent of the clothing sold by its subsidiary stores carries the Hart Schaffner & Marx Trumpeter label.

John D. Gray, president, forecast that 1962 volume may rise 8 to 10 per cent over last year's record.

Hart's history is rooted in Chicago, but its success and growth have been nurtured through its business activities throughout the nation.

### In the Beginning

HS&M's beginning goes back to 1872, just six months after the great Chicago fire. In that year, Harry Hart, 21, and his brother Max, 18, opened a retail clothing store on State Street — Harry Hart & Brother.

Seven years later, their brothers-in-law, Levi Abt and Marcus Marx joined the Harts to form the successful partnership

of Hart Abt & Marx. In 1887, Joseph Schaffner replaced Mr. Abt and the present name was adopted.

It is that occasion that Hart Schaffner & Marx is commemorating this year.

The transition from retail to manufacturing operations evolved by chance. A down-state Illinois merchant saw the young firm's clothing made to sell in its own store and liked it so much that he ordered several garments for his own customers. The partners decided to find out if other merchants might be interested in buying their clothing.

Orders came in, and the wholesale business gradually overshadowed retailing operations. As the need for production facilities grew, HS&M provided the nucleus for the city's men's wear industry by being the first to build Chicago factories.

Soon the firm had its own salesmen on the road showing finished garments from as many as 20 wardrobe trunks. Later the company introduced the then-revolutionary idea of selling from convenient fabric swatches.

### Hillman and HS&M

Of all the noteworthy "firsts" linked to the name, Hart Schaffner & Marx, one stands out by virtue of its influence throughout the apparel industry. It was the labor agreement of 1911, initiated by Joseph Schaffner and developed in

cooperation with Sidney Hillman, a cutter in the HS&M plant.

Mr. Schaffner emerged from negotiations toward this agreement as a leader and humanitarian. He had been the first to translate his sense of strong personality toward improving working conditions into an agreement with the union.

Mr. Hillman had led the way for workers in the industry to cooperate with employers wherever possible. The 1911 agreement was considered as a way of approach toward industrial democracy. It was the foundation on which the Amalgamated Clothing Workers union was built.

The agreement became a working model first for the men's clothing industry and later for the women's.

In the 51 years since, Hart Schaffner & Marx has never had a strike or lock-out.

One of the most intensive periods of its growth came during the years from 1941 to the present.

TWO PRESIDENTS have headed the firm during these years. Meyer Kestnbaum joined the company in 1921, just out of Harvard's Graduate School of Business Administration.

He moved step by step through manufacturing, then administrative and financial posts, becoming president in 1941.

Mr. Kestnbaum died Dec. 14, 1960, and the company's executive vice-president, John D. Gray, was named chief executive officer.

The large and rapid strides Hart's has taken to climb to importance in specialty store retailing is seen as motivated by the experience and love John Gray has for that part of the company's business.

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name constantly before the public.

In 1918, HS&M was the first to "welcome" the homecoming "doughboys" with signs at European ports, proclaiming that "Hart Schaffner & Marx clothes are waiting for you in the good old U.S.A." Again in 1945, Hart's scored an international scoop with signs reading "Congratulations on a Job Well Done!" painted by a member of the Paris Underground to greet liberating American forces!

"How well the name and reputation is established can be judged from the fact that one out of three men, asked to name any men's clothing manufacturer, will reply: 'Hart Schaffner & Marx.'" Yearly surveys sus-

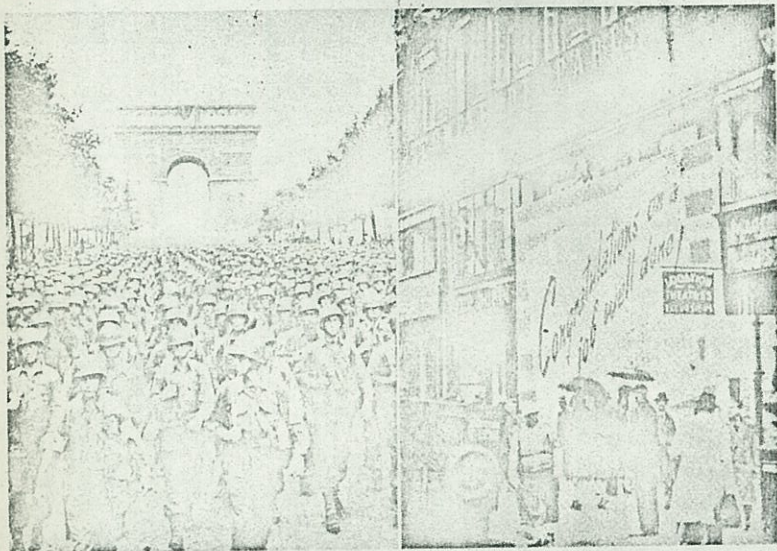
tain the fact.

Keeping its place as America's First Name in Men's Clothing is a continuing task for members of the HS&M family. It means maintaining the finest in fashions—and Hart's has always been in the forefront in fashion, scoring most recently with its "Trend," a new interpretation of the natural look in men's clothing.

On October 15 of last year, Hart's wrote another chapter in its story of growth by taking over the management of Society Brand Clothes, Inc., a 52-year-old firm with a fine name and reputation in the men's clothing field.

Scoring firsts is a habit with Hart's, and a well-ingrained habit that promises to continue.

American troops liberating Paris in 1945 found a welcome from HS&M awaiting them—this sign painted by the French underground, "Congratulations On A Job Well Done".



Acme

## A HISTORY OF FIRSTS WITH

HART

SCHAFFNER

& MARX





We've received many requests for material on the history of HS&M. Here is a capsule-type story we hope you'll enjoy reading.

In the early spring of 1872, 21-year-old Harry Hart and his 18-year-old brother Max opened a small retail clothing store on Chicago's State Street.

Just six months before, fire had ravaged most of the city. There was work to be done, and a spirit of optimism and intense activity

filled the gutted streets of Chicago.

Within a year, the Harts moved their store to S. Clark Street, and two years later opened a second store on the same street. Not long after, an out-of-town merchant asked the boys where they bought their suits. The brothers offered to sell him five or six suits—

and thereby embarked upon a new operation.

They set up a wholesale partnership with two brothers-in-law, Levi Abt and Marcus Marx. Eight years later, Abt left to start his own business and Joseph Schaffner, a distant cousin and close friend, joined the firm. "Hart, Abt & Marx" became "Hart Schaffner & Marx." (1887).

The infant firm found itself in a hotly competitive industry. Labor conditions were poor—the sweatshop was prevalent—and dozens of small manufacturers squabbled over local markets. If the products of the new firm were good, the vision of the executives was even better. They saw change coming, and time and again met change more than halfway.

At the turn of the century, HS&M began the first national advertising campaign in the industry, ending the conception that a clothing manufacturer could hope to capture only a local market. In 1906, they were the first to offer proportional fit in men's clothing—clothing made for men of different build as well as different size.

In 1911 the firm negotiated a labor agreement that became a model, and helped to sweep the clothing sweatshop from the American scene. The list of firsts grew ever longer: first to build their own factories in Chicago; first to develop the modern tropical worsted for summer wear (Dixie Weave, 1917); first to tailor a nylon fabric blend (1949); first with an Orlon blend (1950); first with a Dacron blend (1951).



By the early 1900's, Hart Schaffner & Marx was an established and respected name, not only in the industry, but also in the minds of Americans in general. Management took steps to make sure that the name stayed in prominence; first, by jealously guarding and maintaining its reputation for quality products, and second, by the use of an alert and resourceful advertising staff to keep the HS&M

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## HART SCHAFFNER &amp; MARX AND ITS MANUFACTURING DIVISIONS

## Divisions

Contacts: Robin Pendergast, Daniel J. Edelman, Inc.,  
221 N. LaSalle St., Chicago, IL 60601;  
Telephone: 312-782-9250- or - Larry Job,  
Advertising Manager, Jaymar-Ruby, Inc.



Silver/Gulfstream, Inc., 5000 S. Ohio St., Michigan City, IN  
46360. Telephone: 219-879-0621

Label: Silver/Gulfstream - dress and sport slacks

Contacts: Robin Pendergrast, Daniel J. Edelman, Inc.  
221 N. LaSalle St., Chicago, IL 60601;  
telephone: 312-782-9250- or - Tony Kalil,  
Vice President of Sales, Silver/Gulfstream,  
Inc.

M. Wile & Company, Inc., 77 Goodell Street, Buffalo, NY  
14240. Telephone: 716-852-8280

Labels: Don Richards - suits  
Country Casuals - sport coats

Contact: Fred Pepperday, Vice President

Johnny Carson Apparel, Inc., (subsidiary)

Label: Johnny Carson - (on 18 apparel  
categories from 11 manufacturers)

Contacts: Robert Connors, Hart Schaffner &  
Marx, 36 S. Franklin St., Chicago,  
IL 60606 - or - Kenneth A.  
Hoffman, Vice President, Johnny  
Carson Apparel, Inc.

Gleneagles/Great Western, Gleneagles Court, Baltimore, MD 21204  
Telephone: 801-828-7800.

Label: Gleneagles - men's weathercoats, jackets, casual  
coats, related sportswear and active sportswear.

Contacts: Robert Connors, Hart Schaffner & Marx, 36 S.  
Franklin St., Chicago, IL 60606 - or -  
John Robertson, Vice President of Sales,  
Gleneagles/Great Western

Austin Reed of Regent Street, 36 S. Franklin St., Chicago, IL  
60606. Telephone: 312-372-6300

Label: Austin Reed of Regent Street - suits, sport  
coats, outercoats, weathercoats and  
casual coats.

Contact: Robert Connors, Public Relations Director



Blue Jeans Corporation, 130 W. 34th St., New York, NY 10001.  
Telephone: 212-868-2500

Labels: Blue Jeans }  
Corn Cobbers } Jeans, jackets, bib overalls  
Bootleggers } and knit shirt coordinated  
Smokey the Bear } outfits.

Contacts: Robert Connors, Hart Schaffner & Marx,  
36 S. Franklin St., Chicago, IL 60606  
or - Richard Wasserman, Chairman,  
Blue Jeans Corporation, One Wilmington  
Rd., Whiteville, NC, 28472. Telephone:  
919-642-4118.

California Sportwear Co., 1024 S. Maple Ave., Los Angeles,  
CA 90015. Telephone: 213-747-0331.

Label: Californian - leather and suede sports apparel

Contacts: Robert Connors, Hart Schaffner & Marx,  
36 S. Franklin St., Chicago, IL 60606  
- or - Jerry Gallagher, California  
Sportwear Co.

Stuart Nelson Apparel Company, 8597 Santa Monica Blvd., Los Angeles,  
CA 90069. Telephone: 213-655-6825.

Label: Stuart Nelson - leather and suede sports apparel.

Contacts: Robert Connors, Hart Schaffner & Marx, 36 S.  
Franklin St., Chicago, IL 60606 - or -  
Stuart Nelson, Stuart Nelson Apparel Company.



OUR friends from throughout the United States, many of you who have traveled long distances to be with us during these days of celebration commemorating the Golden Anniversary of Hart Schaffner & Marx, in welcoming you we recognize with deep appreciation, first, the tribute of honor that you bestow upon the memory and the spirit of the founders of our business. And, second, we would with gratitude interpret your coming as a genuine indication of your loyal good will toward our organization of today. Your presence here and the many fine communications we have received from friends who could not come will remain an inspiration to us in our endeavor to continue to serve you, our dealers, and through you the buying public, in a manner that will be a satisfaction, a pleasure and perchance a profit to all.

Though remuneration may be its prime object, romance in business is a feature that lends zest to our occupations. Most of this 50th Anniversary program will be devoted to the romance of the present and the future but especially upon this occasion, attended by so many who intimately knew and loved Max and Harry Hart and Joseph Schaffner, the romance of today and tomorrow are so closely linked with the romance of the past that you will perhaps be interested in a brief retrospect of earlier days.

The advertising division in preparing the 50th Anniversary Announcement has chosen well, I believe, the line from Shakespeare, a portion of which has been placed upon the cover, and which reads, "How far that little candle throws his beams! So shines a good deed in a naughty world."



Because this is a 50th Anniversary, we think of our little candle of the past as casting its first beam in 1887.

The good deed, however, which has affected in a greater or lesser degree all of us here present and the thousands that are associated with us, the spark which first lit the candle was struck by one, Dr. Wolfsohn, in the year 1858, almost 80 years ago.

There lived at that time in a palatial residence in the great metropolitan city of Eppelsheim in Hessen on the Rhine, a husband and wife and their little family of ten children. The great metropolitan city to which I refer had a population of 400 or 500 people and the palatial residence with its thatched roof, its running water when the thatched roof leaked, and its two-car garage which housed several head of cattle, had rooms sufficient to shelter the entire family comfortably, provided there were several beds in each room, each of which was occupied by several children.

The great source of concern of the parents was the delicate health of the oldest daughter and after trying all other remedies that he knew, the community physician, Dr. Wolfsohn, concluded, advised and insisted that the only possible solution was an ocean voyage for the little girl. The family debate which followed was as to whether the parents should take the sea journey with the sick child and leave the rest of the family at home or pack the whole crowd upon the "liner," *Rufus Chote*, which was to sail from Havre to New York. Harry, who had reached the mature age of seven, they argued back and forth, was old enough for the trip but Max, age five, and

the rest of the younger children, would no doubt be a considerable burden.

The final decision, of course, was that all would make the trip and my father often related, with that twinkle in his eyes that many of you remember, how the "liner," *Rufus Chote*, a sailing vessel of early vintage, made a fast crossing in 60 days—how aside from rough seas and two fires aboard, it was a placid crossing—how they landed in New York Harbor in a beautiful garden, Castle Garden, how they were welcomed there by a government official, the immigrant inspector—how, almost satiated with the monotony of the sailing vessel's stale and meager menu, their eyes glistened when they approached the first restaurant they discovered on the sidewalks of New York—how they all marched in and when they were told that the only meal served consisted of ham, how they all marched out again.

Relatives who had already come to America were living in Philadelphia and were looking forward to the arrival of the German cousins, whose next stop was that Pennsylvania city. My father used to say, "What a pleasure it was for the cousins when we arrived and what a joy when we departed."

On July 10, 1858, the entire flock reached Chicago where the father almost immediately became a pioneer in the packing industry—or at least opened a very small butcher's establishment. The boys, Harry and Max, soon entered the Scammon School and after school hours delivered the packages to their father's customers. Were it not for the fact that a kindly police officer saved the life of little 8 or 9 year old Max when he found him ex-



hausted in a great snow drift while on his errands, there might have been no Hart Schaffner & Marx.

Early in their teens the boys were employed in mercantile establishments in the city. It was there that my father must have first been impressed with the value of a label for his first duty at Mandel Brothers was to apply labels to packages before their delivery.

Until Harry Hart reached his majority, it was the custom of both boys to turn over the contents of their pay envelopes to their father, to aid in the support of the family. On or shortly after his 21st birthday, Harry Hart was told by his father that he had saved a portion of the funds he had received from the two boys and that he wanted to give the money (a very few thousand dollars) to him to establish his own business. Harry Hart immediately refused unless, he said, he could send for his brother Max, who was then eighteen and working in another city. If they could start the partnership together, he would agree to accept of the generosity of the father.

And so in February 1872, the retail clothing store of Harry Hart and Brother was established at 436 State Street—a year later moved to 199 South Clark and in 1875 a second store was opened on the same street.

Not long after, a merchant from a neighboring city admiring their clothing stock, asked the boys where they purchased their garments and the two brothers offered to sell him five or six suits. That marked their first conception of the idea to enter the wholesale business. With their small accumulated funds and those of two brothers-in-law who had had similar stores in other towns, the

wholesale partnership of Hart, Abt & Marx was established in 1879. Eight years later Mr. Abt wished to establish a separate business of his own and withdrew from the firm.

At that time a very close friend and distant cousin, Joseph Schaffner, had been for 17 years employed in a credit and bookkeeping capacity in a wholesale drygoods house, also in Chicago. He had arrived at the conclusion that the opportunities there were limited, had resigned and was about to move to St. Paul to start in the mortgage business when by chance he met his friends, Harry and Max Hart, and asked them what they thought of his plan. The brothers knowing well his character, his integrity and his sound judgment, expressed the wish that he should not leave Chicago and invited him to join with them and establish the business of Hart Schaffner & Marx. This they did in 1887 and is the event which we commemorate today.

The fine relationship that was thus established, the harmonious manner in which they worked and the accomplishments they attained, permit us all, I believe, to view with pride the ideals and principles that they helped to establish in what at that time was at best a latent industry. They learned to feel and became more and more convinced that the degree of their success was dependent upon the welfare of all associated with them and also of the organizations from whom they bought and the customers to whom they sold.

If they refused unreasonable cancellations on the one hand, they also established the reputation which we enjoy and maintain to this day—that orders given to mills by



Hart Schaffner & Marx were firm orders, not subject to the abuses in this regard that were and still may be so rife in the industry.

They recognized that success and growth depended upon what at that time was almost unique in the clothing world—the creation of confidence based on a one price policy. The general practice of wholesale houses in the early days was to sell at the best price obtainable. The heads of the houses made the trades and bartered prices so that merchants would deal only with one or two members of the firm and the efforts of salesmen were ineffective. The establishment of a one price policy by Hart Schaffner & Marx made the salesman, whose prices were the same as the owners of the business, a real representative of the house and so tremendously increased the field of distribution.

Hart Schaffner & Marx were the first, I believe, to revolutionize the methods of selling to the retailers. Our older friends here will recall the days when every clothing salesman appeared in town with 12 or 14 trunks full of sample garments. When one of the firm of Hart Schaffner & Marx conceived the idea of selling on the road with swatches, grave doubts were expressed by all of the seasoned salesmen, but he tried the experiment alone the first season—not with swatches as we know them today, but small mill clips representing his purchases from the mill—and was so successful in the outcome that the procedure was soon adopted by all. The result facilitated the ease of buying and selling and was a great impetus to the development of style, both in pattern and models, which was previously exceedingly limited.

Of great importance to other fields of endeavor, as well as to our own, was national advertising, first developed in the clothing industry by Hart Schaffner & Marx. Today we look upon it as one of the important phases of distribution but in 1887 national advertising of clothing was unknown.

Soon after Joseph Schaffner became associated with the business, he realized the great merchandising abilities of his partners and recognized that their creed was volume obtained through high quality standards and low mark-ups. The customers that were already on the books knew the values, and word of mouth comment was helpful, but Joseph Schaffner wanted the country at large to be familiar with the Hart Schaffner & Marx product. With the hearty support of his partners, the first campaign was launched at the cost of a few thousand dollars. Other manufacturers viewed the innovation as almost an idiotic expenditure, a throwing away of profits to the publishing fraternity, and predicted a speedy failure, not only of the policy but of the firm. The experiment through several years proved, of course, the economic benefits of the theory, namely the increased demand for clothing of quality and style on the part of the consumer, increased sales on the part of Hart Schaffner & Marx distributors, increased distribution through confidence and demand, and reduction of cost through greater volume.

To insure the uniformity of standards, behind its publicity, Hart Schaffner & Marx was the first to inaugurate an "all-wool" policy and was also first, or among the first to establish its own factories. Previously work in the industry had been under the contract system, much of it in



sweat shops and in the unsanitary homes of the workers. This was the first improvement in labor conditions and later in 1911 Hart Schaffner & Marx were the first to become convinced of the justification of a more equitable labor arrangement. The great experiment of industrial relationship which was then inaugurated was successful because of the integrity of the leadership provided both by the heads of our house and by the heads of the labor organization.

To you, our distributors, because many of you have indicated by your cooperation the recognition that Hart Schaffner & Marx was first in improved merchandising, first in promotion of new ideas, first in raising of standards in the industry, first in national advertising, all of which proved of benefit both to us and to you, we owe an acknowledgment of gratitude.

We believe that the accomplishments of our founders and their principles which those who have followed are today carrying on, have created a national prestige which establishes your and our Hart Schaffner & Marx label as the clothing symbol most favorably known by the greatest majority in every community. Many of you have commented kindly on the fact that during the several years of the recent depression, each year Hart Schaffner & Marx has added to its quality. We believe that today and next year and for many years to come, you and we will reap the benefits of that policy. Many merchants tell us that each day persons who were buying price alone and who have learned the lesson, are again seeking quality and are turning to the label which they know bears the dependable symbol and name.

Our founders, you, our dealers, our co-workers in the plant of yesterday and our co-workers in the plant of today and of the future are responsible for the romance, the pleasure and the profits of our operations. We commence our second half of the first hundred years with ambition to serve you well and faithfully. We appreciate deeply your having come to our celebration, we hope that your visit will be pleasant and instructive and we believe and staunchly hope we may all continue to be glad that Dr. Wolfsohn in 1858 started that little family on its ocean voyage to America.



TO: Bob Connors  
FROM: Phyllis Tabor  
FOR: History of ready-to-wear

From Slop to Shop!

You don't have to join the navy to buy a ready-made suit but there was a time when sailors were the only ones who didn't have their clothes expensively made to measure by tailors!

The stores where the seamen bought their clothes were known in early America as "sloppshops," so called because the sailors stowed the clothes they bought there in slop chests during long sea voyages. And the clothes were ready to buy since no sailor was in port long enough for anything to be made to measure.

Men who take modern clothing shops for granted need only to look back into history for an appreciation of today's well-tailored, interestingly styled and reasonably priced men's clothes. According to Hart Schaffner & Marx, leading manufacturer of today's men's fashions, it wasn't always easy for a man to buy a suit. Probably, in the country's early days, he patronized his English tailor who provided him with rather expensive made-to-order suits.

Then suddenly in the young country, a need arose for second-hand clothing -- long before there was a demand for new clothes that could be bought in stores. So great was the need for second-hand merchandise that the dealers even bought unclaimed suits from tailors. It was the second-hand dealers who later had clothes made new by tailors, to be sold ready-made. And by the middle of the 19th century, at least half the men's coats could be purchased "off the rack."



Meanwhile, Southern plantation owners found themselves with a unique clothing problem. What to buy to clothe their slaves? They asked for and got ready-mades, of the poorest quality. Cheap clothing and ready-mades then became synonymous. Even a shirt factory sprang up so that complete wardrobes could be bought right over the counter.

Surprisingly, it was the Civil War which boosted the manufacture of men's attire. Factories were built to fill government orders for uniforms. And after the war was over, the men needed civilian clothing as they returned to their former lives. The quality of ready-made clothing was on the way up. The mid-1870's saw ready-made men's fashions take a turn for the better as men became more fashion conscious.

From the beginning of the 20th century to the present day of colorful, comfortable, wearable fashions, what men wore kept changing. During times of economic problems, menswear was simple and practical, fitted for work and travel but not for leisure and social occasions. When times got better, so did men's fashions.

During the depression of the late 1920's and early 1930's, our nation worked and pulled together for survival. French fashions for women sank to a low as patriotic Americans bought American -- and that included both women's and men's fashions. And the depression increased the demand for quality in what men bought and wore.

After World War II, nylon, <sup>polyester (acrylic)</sup> ~~acron~~, Orlon and other man-made fabrics arrived on the fashion scene so comfort was added to style. Men went from the Bold Look to the Casual Look to the Ivy League Look, then to the Slim Look and the Continental Look, all in ten years and before 1955! Style-conscious men got involved in fashion and were even buying ensembles so they'd have a total look, a look they liked.

And today, television keeps most men fashion conscious as a man at home sees what show people and others are wearing. And today, manufacturers of men's fashions look to Europe for styling ideas. London, where fine tailors still preside, and Rome, where youth means fashion excitement, are two of the cities that American companies watch carefully for styles. And today, our tailoring is native and the best in the world!



The biggest change is from slop to shop, where today the ready-to-wear is equal to garments from any fine tailor in England! By early in this century, men's fashions had improved to the point where <sup>Shops</sup> ~~they~~ sold made-to-order suits, one of a style garments called ready-to-wear, and "mass production," many styles alike and called ready-mades. Slopshops had changed!

Of course there's no need to join the navy just to buy a suit. But once it was the only way to get one without consulting your tailor. From slop to today's shops, men's fashions have come a long way and survived the battles of history!

# # #



# NEWS from Hart Schaffner & Marx • 36 S. Franklin St., Chicago, Ill. 60606

100 years of male fashions (with cut)

EXCLUSIVE IN YOUR CITY

Contact: Robert Connors  
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Fashion started with a fig leaf and has been changing ever since to meet the needs of the times. The cut of the clothes may change but down through the ages they have always fulfilled two basic requirements of men--function and decoration.

A hundred years ago, civilian dress still was influenced by the Civil War and the Reconstruction period. The image of the statesmen was an important factor--men wanted to look like Clay, or Webster, or Lincoln who had been assassinated a few years before. And that meant a black suit, white shirt and sometimes a black scarf tie.

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100 years of male fashions

In the late 1860's--when the U.S. purchased Alaska from Russia and Louisa May Alcott wrote "Little Women"--coats were long, buttoned high and accompanied by high-collar shirts and usually a vest.

In the 1870's, big things were happening in the world. Alexander Graham Bell made the telephone, Thomas A. Edison made the phonograph, and Custer made his last stand.

Fashionwise, the decade took its ideas from the '60's. Two new ideas on the scene were the derby, which hit it big, and the sack coat. The latter garment had been called eccentric just two decades before but now it was THE informal coat, typified by straight-hanging lines, and an unshaped waist.

The well-dressed man was still wearing the derby in the 1880's only he now accepted it in tones other than black. Blazers and cricket caps became popular and so did ornate gold watch chains and black ribbon fobs.

This was the decade when Mark Twain wrote "Huckleberry Finn" and when a new men's clothing company by the name of Hart Schaffner & Marx was born in Chicago. The suits of the day were square and still high-buttoned, SO high-buttoned that the shirt collar was almost invisible. Shirt cuffs were likely as not detachable fakes.

A common practice was to wear semi-cutaway coats with odd trousers. The high-laced shoe was still common, and the appearance of the Oxford shoe was still several decades away.

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100 years of male fashions

The big news in the 1890's was the discovery of the X-ray and uranium, Marconi's wireless, the bicycle which everyone suddenly was riding, and the trouser crease which was a success after 50 years of trying.

Some 30 years before the Prince of Wales had worn trousers pressed on all four sides, but now they were confined to fore and aft as worn by the officers of the British Army.

Every man still wore a derby unless he sported one of the new silk hats. Hart Schaffner & Marx, whose local dealer today is \_\_\_\_\_, was advocating three- and four-button sack suits, (STORE NAME) cutaway frock suits, and Prince Albert-styled coats. Trousers of the day were cuffless.

Meanwhile, with the birth of the new century, Carrie Nation started her anti-saloon raids and the Wright brothers took off for the first time. Underwear underwent alarming changes. The long union suit made way for the sports-minded man who adopted sleeveless undershirts and knee-length shorts. The latter first were tailored in white cotton but later in an array of stripes, plaids and prints.

The new century brought less formality in men's clothing. The broad-chested look was favored and brought with it wide shoulders. The jacket shortened to allow more freedom of movement, and cuffs were starting to make their appearance as "trousers turned up." They were also pegged. The Norfolk jacket was in vogue and so was the wide-brimmed, low-crowned hat. (The Norfolk is back and big currently.)

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100 years of male fashion

Americans started getting off their bicycles and into automobiles. About the same time Robert E. Peary reached a milestone, too,--the North Pole.

The 1910's found people dancing the Bunny Hug and Turkey-Trot, and snapping fingers to "Alexander's Ragtime Band." The Titanic sunk. The Panama Canal opened.

The natural shoulder suit debuted as men wanted relief from the over-padded, bulky-look suits of the previous decade. Hart Schaffner & Marx made its suit coats with "no padding or extra material--what we call a 'just-enough' coat." In 1917 the company also tailored its famous Dixie-Weave suit, the first tropical-weight garment which was a forerunner of today's lightweight clothing.

Nineteen-seventeen also brought war. And military costume affected civilian clothing as suit jackets became slim, fitted, high-waisted and sometimes one-buttoned.

The 1920's--and anything goes!...or went! Everyone swung with the Charleston and Black Bottom. Lindy's hop--the New York-Paris non-stop flight, that is--was news. The movies talked!

The trend to comfort accelerated rapidly during this decade. Jackets were cut to drape easily and some had belt effects. Trousers were wider and hung straighter. Knickers were having their day and slacks were born. And darker business suits gave way to lighter tones.

Then the stock market crashed, and America was in the Depression.

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Hart Schaffner & Marx, Chicago

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100 years of male fashions

It was the '30's when the English drape model captured U.S. fancy. It had a single-breasted jacket that fell loosely over the chest and was marked by its broad shoulders. The trousers were full almost to the point of bagginess and had a high waist. Outercoats went to the calf.

Two minor revolutions occurred. The low-cut Oxford shoe became popular and the American male disrobed to the waist to go swimming.

War clouds lowered over Europe as the '30's ended, and the next decade began with men wearing full-cut suits with an athletic look, wide ties bulkily knotted, shirts with spread collars and hats with wide brims. The first Bermuda shorts hesitatingly appeared.

Nineteen-forty-one brought war which eliminated such fabric "extras" as trouser cuffs, vests, and two-pants suits. Clothing was scarce and shoes were rationed. The Eisenhower jacket became a fashion feature, but the war stultified the styles otherwise.

Post-World War II styles saw the drape resume, but with a somewhat longer and less fitted jacket. Loafer shoes began to emerge.

In the 1950's jetliner passenger service began, the first hydrogen bomb was exploded, and man-made satellites went into orbit.

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Hart Schaffner & Marx, Chicago

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100 years of male fashions

In the fashion world, men began to drop the drape and adopt the natural shoulder silhouette. Continental styling became an important factor in fashion, and so did leisure wear because of the suburban boom. And Hart Schaffner & Marx brought out the first suit tailored of the now-famous Dacron polyester and wool.

The trim trend gained emphasis in the 1960's. President Kennedy gave the two-button suit the push it needed to make it popular. President Johnson's preference for the Western hat had little influence, however.

The blazer gained renewed attention--and is still holding it with new variations such as button-through pocket flaps and back knife pleats. Sport suits--sport jackets with complementing slacks--were born, and the shaped silhouette came on the scene. Bold-patterned and colored shirts were news.

They still are--and there's plenty more. Men today have a greater variety of dress than at any time in the past 100 years. The "uniform" is gone--the single-breasted, three-button suit, worn with white shirt and dark-toned narrow tie.

Not that the single-breasted three-button suit is out. It isn't. But it isn't the only thing a man can wear and be termed well-dressed. He can wear anything from a one-button, to a six-button (if it happens to be a double-breasted). And he can wear a patterned tie with a patterned shirt, an unthinkable combination a decade ago.

MORE



Hart Schaffner & Marx, Chicago

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100 years of male fashions

The latest trend is the shaped silhouette--a subtly contouring of the waistline which is enhanced by newly widened lapels, pocket flaps in proportion, and a deep center vent in the back of the jacket.

The wide-lapel look is now being felt through men's wear--from suits to outercoats, sport coats to casual attire. They're all handsome variations on that fig leaf.

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**The  
50 Years  
of  
HART SCHAFFNER & MARX**

*as told by*

**Mr. Abraham Hart**

in his speech before 250  
Hart Schaffner & Marx dealers  
at the Golden Anniversary  
Celebration in Chicago—

**APRIL 4, 1937**



## HART SCHAFFNER & MARX Good Things Come to a Firm Whose Name Is in Three



By JAMES K. WILSON JR.  
*Executive Vice President*  
Hart Schaffner & Marx

A season or two ago, a West Coast football coach was deluged with an irate fan's cup of beer. Inspecting his soaked garment, someone asked him, "What kind of suit are you wearing?"

The coach replied, according to a sports columnist, "A Hart Schaffner & Schlitz."

The story points up just how well-known the Hart Schaffner & Marx name is.

"The name caught on because of its rhythm," declared Edward L. Bernays, veteran public relations counsel, in his memoirs. The name also caught on with writers—and headline writers—because it affords quick, recognizable puns and references.

For example, a headline on a story about a man who urged that all dogs be clothed: "Hart Schaffner & Barks."

When a typographical error in a newspaper advertisement made us "Hart Schaffner & Mary," a columnist wrote that the firm was to be commended for "making the seamstress a full partner."

A fashion writer, decrying sloppy attire, decided such dress would

cause Hart Schaffner & Marx "to commit triple hara-kiri." So it goes!

In the fast-moving business that America's male apparel industry has become in recent decades, Hart Schaffner & Marx is, according to consumer surveys, far and away the best-known name. The firm is also one of the oldest and largest.

Its beginnings go back to 1872, just six months after the Great Chicago Fire, when 21-year-old Harry Hart and his brother Max, 18, opened "Harry Hart and Brother," a retail clothing store on Chicago's State St. Later, brothers-in-law Levi Abt and Marcus Marx joined the brothers, and the partnership was called Hart Abt & Marx. In 1887, Joseph Schaffner replaced Mr. Abt, and the present name was adopted.

The move into manufacturing as well as retail operations evolved by chance. A downstate Illinois merchant saw clothing the young firm had made to sell in its own stores, and liked it so much that he ordered several garments for his own customers. The partners decided to find out if other merchants might be interested in buying their clothing.

Orders came in, and the wholesale business gradually overshadowed retailing operations. As the company grew, larger production facilities were needed.

The firm provided the nucleus for Chicago's men's wear industry by

being the first to build garment factories in that city.

Soon, Hart Schaffner & Marx salesmen—with silk toppers, spats and walking sticks—were "on the road," showing finished garments from as many as 20 wardrobe trunks. Later, the company introduced the then-revolutionary idea of selling from more convenient "swatches," or small fabric samples. The innovation was widely adopted by the rest of the industry.

The firm has grown to the point where it now has nine manufacturing divisions operating 37 factories in 11 states and a network of 258 men's and women's apparel stores in 73 U.S. metropolitan areas. Sales last year were \$372 million, more than double those of a decade ago.

Under the slogan "America's First Name in Men's Clothing"—its registered trademark—Hart Schaffner & Marx produces what is generally conceded to be the most comprehensive selection of men's apparel of any manufacturer. Its divisions make everything from suits to slacks, sport coats to country casuals, weather-coats to jeans.

Its brand labels, in addition to Hart Schaffner & Marx, today include Hickey-Freeman, Walter-Morton, Society Brand, Graham & Gunn Ltd., Sterling & Hunt, Gleneagles, Great Western, Austin Reed of Regent Street, Jaymar-Ruby and Johnny



# NEWS from Society Brand, Ltd. • 320 W. Monroe St., Chicago, Ill. 60606

Society Brand, Ltd. history

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Society Brand, Ltd. was born because of a revolutionary idea on the part of a man named Alfred Decker.

Armed with but \$10,000 capital and a conviction, Decker started Society Brand Clothes at the turn of the century. His first staff consisted of two cutters and ten tailors. The "factory" was a small room in Chicago.

Decker's idea--very dramatic for 1902--was that he could make ready-to-wear clothes just as good as, or superior to, those tailored by the merchant tailors of the day. (Many considered merchant tailors the only ones who made good clothing in that period.) Decker also knew he could make such clothing more economically and with style features not offered by merchant tailors.

MORE



Society Brand, Ltd., Chicago

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Society Brand, Ltd. history

From its humble beginning, Society Brand Clothes began to grow as more and more style-conscious men were won over to this new concept in clothing. The company hired more employees, added more factory space, and originated new manufacturing and styling techniques.

Included in the list of Society Brand "firsts" are the raglan shoulder coat, the inside cash pocket, the hook closure for trousers and the famous Vac-Bloc armhole (a manufacturing technique which makes the armhole seam extremely thin and, therefore, more comfortable.)

Society Brand became recognized as a style leader, a reputation it maintains today through its trend-setting fashion, meticulous tailoring and the luxurious fabrics it uses.

Society Brand, whose name will be changed to Society Brand, Ltd., beginning with the fall season, was a pioneer in the field of national clothing advertising, too. Early magazine advertisements featured handsome clothing illustrations and the latest fashion advice. Society Brand advertising for fall will appear in Esquire, New Yorker, Newsweek and Men's wear magazines.

Society Brand is now associated with Nino Cerruti of Milan and Paris in the styling of fabrics and the designing of clothing. Cerruti, who has a couture house in Paris, also operates a textile mill in Biella, Italy, and a clothing manufacturing firm in Milan. Because of the new international character of the Society Brand line, the brand name was changed from "Clothes" to "Ltd."



## THE HICKEY-FREEMAN QUALITY STORY

A Hickey-Freeman suit, because of its high quality, sells in a price category which is amongst the more expensive clothing the consumer may buy. This quality superiority is not always recognized by the consumer - a fact which may prompt him to ask "Why does a Hickey-Freeman garment cost more?" This is a very fair question and one which can be honestly answered if you have the facts.

This company's basic philosophy, which is painted on beams throughout the shops, is "KEEP THE QUALITY UP". We endeavor to make the finest clothes possible and this requires substantial amounts of time and skill, each of which is worth money. Concurrently we avoid wasteful and unnecessary work. Each operation must make a definite contribution to the comfort of fit, permanence of shape and the stylish smartness of the garment. Each must be done in the most economical manner consistent with giving results which meet our high standards. No work will be done which serves only as a useful selling aid, but which does not add to the intrinsic value of the garment.

Quality clothing must provide fabrics, patterns and models which are stylish, and there must be a wide selection from which to choose. Hickey-Freeman meets these specifications by having a fabric line which has over 1,000 patterns, many of which are confined to us exclusively. There are, in addition, approximately 50 different suit and sport coat models, many of which are each available in 275 variations including regulars, shorts, extra shorts, etc.

A fine suit must contain the finest fabrics available. However, this alone means nothing without equally fine tailoring. A good example of this twin need can be taken from the watch industry. The number of jewels which a watch contains is often used as an expression of its quality. Two time-pieces can both be 21 jeweled, and yet one be vastly superior to the other because of the care and accuracy with which its parts are put together. This better-made watch will be more expensive, yet at the same time, will render far better service and give the consumer much greater satisfaction.

The characteristics of fine tailoring are several - uniformity of size, a coat or trouser which hangs straight and does not twist, the patterns of the various parts so matched as to present a harmonious picture, and a good fit, comfort and durability of shape. Lastly, but equally important, a garment must have an esthetic quality - one obtained through hand craftsmanship and the graceful combination of all previous skills.

Uniformity of size requires proper sponging of the fabric and an ability in tailoring to handle different fabrics differently. The variation in the elastic and resilient properties of different kinds of weaves and of fabrics is substantial. This results in the need to handle a 100% silk and a shetland very differently if nearly identical size 42's are to result.



It is possible with machine pressing to take a finished garment and give it an outward appearance that is the same as fine clothing. However, because each part has not been shaped individually the garment will retain its appearance only briefly.

The substantial amounts of hand work present in our clothing is there for only one reason. These hand operations add a fineness to the garment which no machine yet devised can duplicate. An excellent example of this is lapel padding. ("Padding" refers to the hundreds of quilting stitches inside each lapel which unite the inner lining with the suit material beneath it. ) Fullness must be worked in between each stitch to make the lapels roll inward toward the shoulder so that the lapel corner will hug the body snugly and smartly indefinitely. It is impossible to distribute this fullness properly and thereby obtain the hugging results by machine.

It should be emphasized at this point that hand work does not necessarily impart fineness to a garment. It can be meaningless and often times a sham. It is only when it is skillfully done that it is of value.

The same principle applies to pressing - an operation extremely important to the art of tailoring. Underpressing, or pressing in process, refers to the job whereby each part of the coat is pressed into a certain pre-determined shape from the inside during the process of making. This is separate and distinct from the off-pressing, a labor of an hour and twenty minutes, which represents the final pressing after the garment is entirely completed. These two operations compliment one another. Good underpressing makes possible better off-pressing, and good off-pressing preserves the graceful shaping and the molding that have been put into the garment by the underpressing. (You may be surprised to know that this pressing accounts for approximately 30% of the cost of making a Hickey-Freeman suit coat.)

Our concept that hand tailoring is meaningful only when properly performed, requires us to maintain in our shops a staff of over 80 supervisors whose responsibility it is to examine continually work in process. Each one of these individuals is an expert tailor and specialist in his particular field. Collectively, they have an equal responsibility not only to examine, to count stitches, to probe seams and to judge the pressing, but also to make sure that each one of the workers is properly instructed in the most efficient and satisfactory manner of performing the operation entrusted to him or to her.

Hickey-Freeman garments represent one of the best values of the clothing market today. They contain the finest materials available, including not only the external fabric but also all the component parts. These materials pass through a multiplicity of operations, skillfully and carefully done, and exactly supervised. Hickey-Freeman clothing is stylish, fits well, is comfortable and retains its shape because the quality is built in.



The prevention of distortion in the way a coat or trouser hangs is the result of proper sponging, cutting and tailoring. All materials are basically the same, with threads forming the warp running lengthwise and threads forming the filling running crosswise. Distortion will occur where the filling and warp are not at perfect right angles to each other. If a garment is cut from a fabric where the filling is not perpendicular to the warp, the material will by itself eventually return to the way it was originally woven. If this should happen when it is part of a suit it will produce results which you have often observed - trousers whose creases do not hang straight and coats which will not button in the center of the body. Careful sponging helps correct this problem, but equal care in cutting is needed too. The cloth must be carefully placed on the table and distortions corrected before the patterns are chalked in.

The matching of various parts, to present a harmonious completed garment is done when the pattern is laid on the cloth. Where a high degree of matching is necessary, as with certain stripes and with all plaids, our garments are cut one at a time. This enables the cutter to arrange for all the stripes to be equally distant from the center of the back as well as from the center of the front; to be sure that the stripes on the lapels are parallel to the edge and the same distance therefrom; to see that the stripes at the top of the back are so spaced they will blend with the top collar which overlaps it. This type of cutting is expensive because the marking time is the same for one suit as it is if they are piled 50 high, and there is little difference in cutting time.

Another element of quality which also increases costs is the fact that a suit that is properly cut will require about one-quarter to three-eighths of a yard more cloth. This is needed to straighten properly the material and to enable laying the trouser so that the crease runs parallel to the stripe.

Good fit, comfort and shape retention demand complete harmony between the outer material, the inner lining and all the component parts. This necessitates doing everything possible to eliminate shrinkage in process. This means, that in addition to the outer fabric, we pre-shrink all other components that show any disposition to shrinkage during work. Each part must then be superimposed over another with each having been molded in the same shape before they are put together. For example, the canvas foundation and fronts of the coat are each molded to the ideal shape of the human body before they are basted and then firmly tacked together. This same procedure is equally true for the shoulders and the armholes, the facing and the collar, etc. A garment so built will retain its shape indefinitely.



Ed Brun - 716-467-7240

### THE HICKEY-FREEMAN STORY

The Hickey-Freeman story is one of millions of hand-stitches that have built an organization on a foundation of uncompromising quality.

The first chapter started in 1899, when Jeremiah G. Hickey, Jacob L. Freeman, and George A. Brayer left their employer and organized a new company with a capital of \$25,000. This capital represented their lifetime savings. In the first year, the business did a volume of \$93,695.

The next important step was taken in 1908, when the Hickey and Freeman Company consolidated with another Rochester clothing manufacturer, the Beckel-Baum Company, in which Emmett Baum was the principal partner. At that time, the name Hickey-Freeman Company was adopted.

The new corporation determined that the great opportunity for it was in the production of a quality product - one that would compete favorably with the custom tailor. Ready-to-wear clothing had been made for many years, but the consumer who wanted to dress well continued to have his clothes made to individual specifications. Feeling that the economy would support a much larger proportion of fine clothing, particularly if its cost could be reduced by large scale operations, the Hickey-Freeman group set this as their ideal - and started to work toward it.

In those earlier years, only a portion of the clothing was made on the premises. For the rest, the contract shop was employed. This was the common practice in that decade...and in New York and Philadelphia a large volume of clothing is still made on the contract system. Under this system, the manufacturer buys the material and cuts it, but the garments are actually manufactured by a tailoring contractor who is paid for each garment that he produces. The manufacturer then, of course, does all of the selling and has all of the customer contact. It is evident, however, that to develop a uniform, high quality product the management has to have complete and direct control of all operations. Larger quarters were taken, but with volume continuing to expand, the contractors still had to be used.

It was not until 1912, after many years of accumulating capital out of retained earnings, that the Hickey-Freeman Company erected a new, daylight building at the corner of Avenue D and Clinton Avenue North in Rochester, New York. This permitted a great forward step toward the quality ideal - the gathering together of all the workers under one roof. Before the site was chosen, a study was made - locating on a city map the home of each worker. It was found that the large majority of the workers lived within walking distance of the Avenue D location. This insured the retention of these trained employees, and also the availability of additional workers as the business grew. The contractors that we had been using took on work from other clothing manufacturers, since the Rochester market was growing in importance.

The clothing produced in this new environment was well received by the outstanding quality retailers - and the Hickey-Freeman distribution moved across the nation. The first real "break" came with the scarcity period that grew out of World War I.



For any quality producer, boom periods and depressions are the times that try men's souls. In the 1917-18 era, many of the clothing manufacturers who had reached maturity did not stick to the standards that had brought them their success. They succumbed to the pressures for volume and profit. Hickey-Freeman seized upon this as an opportunity. It was determined that they would not use any materials that were not all wool and made with fast dyes. Keep in mind that America was importing a large proportion of its wool and practically all of its fast dyes. As the war progressed, these materials became less plentiful - and substitutes came into use.

In order to augment their output, some makers resorted to shoddy materials that tended to fade when exposed to sunlight. Hickey-Freeman shunned these materials and, as a result, made a good impression on the many new retail stores that took on the Hickey-Freeman product. With confidence developing in this new source of supply, many quality retailers started to feature the Hickey-Freeman name in their advertising and continued to do so when wartime scarcities were over. During all of this period, Hickey-Freeman took every opportunity to improve its product...and its slogan KEEP THE QUALITY UP was imprinted on all the girders in the factory as a constant reminder to all in the organization.

In 1919, Hickey-Freeman and most of the other clothing manufacturers in Rochester became affiliated with the Amalgamated Clothing Workers of America. This union, headed by Sidney Hillman, had withdrawn from the United Garment Workers in 1914 and reorganized on the industrial union principle. The U.G.W. did not have responsible leadership. In fact, the Rochester manufacturers had a bad experience with them when, in 1913, the workers were called out without any prior notice having been given or any demands being made by the union. The strike was bitter and lasted over twelve weeks. Mr. Hillman, on the other hand, had a reputation for being a responsible labor leader even in these early days. He made a fine impression on the Rochester manufacturers.

During the Fall of 1918, there were many negotiating sessions. An arbitration committee was formed with Professor Ripley of Harvard as chairman. On April 1, 1919, a contract was signed without a strike. This was the beginning of a labor arrangement that has meant peaceful conditions in the clothing industry in Rochester, which means so much to the workers, to the city, as well as to the retailers and consumers.

When World War I ended and the men returned from overseas, the pressure of demand on short supplies brought on a sharp inflation. In 1920, Hickey-Freeman's volume increased over 40% - but prices went up 33-1/3% in that year. By 1921, volume had returned to the 1919 figures, but so had prices...so you can see that unit production was scarcely effected. This sharp inflation and deflation had little impact on capital, since the majority of the markdowns offset paper profits which had resulted from prior inflation of value.

Despite these readjustments in our national economy, Hickey-Freeman continued to grow steadily each year as it cashed in on the reputation for quality and fidelity which it had earned during the wartime period. This encouraged the firm to make its product better and to bring its merchandising up another notch to compete more favorably for the custom tailor's clientele. In 1923, it added an additional 52,000 square feet to the factory.



In that same year, Hickey-Freeman determined that it would intensify its bid for the business of those men who patronized the custom tailor. It decided to enter aggressively the British woolen market and to persuade the mills, who at that time were distributing their fabrics only through woolen jobbers who supplied the custom tailor, that its product was worthy of their consideration. How successful the company was in this (although it took much selling effort) is indicated by the number of foreign fabrics that today are exclusive in its line and the large percentage of its wools that come from the British market.

Since 1923, executives in charge of woolen purchases have journeyed abroad twice each year to develop exclusive styles - the only interruption being during World War II. This has helped to round out assortments of unusual design and exclusive fabrics, many of which fabrics have been featured over a thirty year period under trade names that Hickey-Freeman controls.

With these exclusive fabrics and with the unusual styles that it was able to develop, Hickey-Freeman's business grew until, in the year 1929, it did one hundred times the volume done in 1899. It continued to make progress in placing label and advertising rights in the "blue book" retail stores of the country and was approaching the point where it was nationally known through dealer cooperative advertising and the word-of-mouth advertising of satisfied consumers - all without the use of a single national ad. Mr. Hickey and his associates succeeded in placing the label in city after city...but still had New York City to crack. In 1928, they arranged with Mr. Free of F. R. Tripler & Company to feature their clothing in New York - and the country had been spanned.

Following the boom period of 1929, the country went through a severe trial which left a deep mark on the men's clothing industry. Between 1929 and 1932, Hickey-Freeman's business dropped 50% in units and 70% in dollar volume, prices having dropped nearly 40% in this period. The company was under great pressure from its retailers to bring prices down still further - even if this had to be done at the expense of quality. Similar pressure was brought on other quality producers - many of whom developed a second label for merchandise that did not have the amount of hand-tailoring that they had used before. In this way they hoped to hold their quality business and yet increase their unit volume.

In its deliberations, Hickey-Freeman determined that no company could sell two product qualities successfully - and would not sacrifice all that it had built. It made clear to its customers that it would never lower quality standards to meet a price. Steps were taken to bring expenses down as much as possible - and resulted in making a profit from operations all through the early thirties, except in 1931 and 1932, during the period when the sharpest inventory losses took place. The only other loss year it has had in over a half a century was a small one in 1938.

The confidence in Hickey-Freeman integrity was greatly enhanced. Nevertheless, it realized, in 1935, that "prosperity was not just around the corner" and that a sound readjustment of operations had to be made. Before approaching the Union for any help they could give, a merchandising plan was developed which would retain quality but reduce overhead expenses by readjusting the organization to a sharply reduced volume.



After taking all the steps possible, the Union was told what cut in wage rates was considered to be the fair share for the worker to assume in this new sales program, and they agreed. The line that was developed for the new season was well received, and the 20% increase in unit volume - on which prices had been set - was secured. By the time the depressed period was over, Hickey-Freeman had entrenched itself as the top producer of quality clothing, since so many others retailed only the lower quality business done on what started out to be their second label.

Now we come upon another wartime period which brought new problems and new opportunities. Hickey-Freeman had always struggled against any feeling of complacency in what it had accomplished, realizing that each year it must justify the difference in the price of its product and the product turned out by other manufacturers. It follows closely the new trends in fabrics and garment design to keep its product in step with the current preferences of an exacting clientele.

The firm kept this very much in mind when new periods of scarcities developed out of World War II. It had very fresh in its memory the progress that the small Hickey-Freeman Company - coming up in the World War I era - made at the expense of well-established companies who took too much for granted. It determined that neither through omission nor commission would it make it easy for some new, small company to creep up and overtake it.

By 1942, a more logical system of drafting men made it possible for the individual to plan his future. The demand for civilian clothing, therefore, increased at the same time that materials for civilian clothing were getting scarcer. The War Production Board Conservation Order helped to make the cloth go further in terms of garments, but gradually supply became inadequate. The ground work was, therefore, laid for taking extra profits if a company was so inclined.

Hickey-Freeman looked upon this period as another opportunity - which comes all too infrequently in business - when one can cement still more closely one's relationship with the retailer and the consumer. It made up its mind to continue to give good intrinsic values by deliberately pricing merchandise so as to avoid falling in the excess profit bracket. It felt that investing these potential profits (of which so little could be retained) in customer good-will would mean much more in building for the future of the company.

One field which concerned the company particularly was that of officers' uniforms. At a time when so many young men were making sacrifices, it felt the industry should price its officers' uniforms - which the individual had to purchase - on an attractive price basis. In the early period, prices on uniforms were even higher than prices on comparable quality in civilian clothing. It seemed to Hickey-Freeman that if it would put out an extraordinary value, this would tend to put a ceiling on the price of a good uniform. Therefore, it worked out an arrangement with its dealers, giving them a substantial discount from regular price (which already was comparable to that charged for similar quality in its civilian presentation). They, in turn, brought their retail



price down. The result was a big increase in the number of uniforms sold - which helped to offset a declining civilian volume - and a substantial addition to good-will from the young men who were most likely to be the customers of Hickey-Freeman's customers after hostilities ended.

During the course of the war, materials became less plentiful and the firm could not supply its dealers' needs. It seemed necessary, therefore, to work out a program for the equitable distribution of what it could produce. A sales quota for each retailer was developed, based on his average yearly purchase over a two-year period. At the same time, it took on no new accounts, so that it did not dilute the units available for old-established dealers. No change was made in advertising policy or no cash discount, and clothing continued to be priced so as to bring the retailer the markup which had been historic in the preceding period. In other words, the company conducted itself as if normal competitive conditions were governing distribution. This was in sharp contrast to many companies in the industry and also to many companies in other industries.

Rochester was a tight manpower area throughout these years, and the work force shrank 25% by 1945. With the advent of V-E Day, Hickey-Freeman felt it should make plans for rebuilding its labor force. It reasoned that with a one-front war, men would be released and the wool fabrics required by the military would be substantially less. It knew that this would mean additional civilian fabric availability and that it should prepare for that time. Naturally, it did not foresee that V-J Day would follow so quickly, so the plans made served even better than had been anticipated.

A training school was set up in the plant, and by September 1945, when the first G-I's were released, Hickey-Freeman was ready to take them on - and to train them in the art of tailoring.

In the clothing industry, the number of women workers represents a very high percentage. With Hickey-Freeman, because of the great amount of hand work, it runs about 65%. In order to balance the work that the G-I's would be doing, it was necessary to increase substantially the women workers. It did not feel it could do this successfully in the city of Rochester, so the firm determined to explore the possibilities in several of the smaller communities within 30 miles of the city. The tailoring staff and labor-management people researched several towns and decided to start hand-needle shops in Albion and Mt. Morris. Then as more women were needed to match the increasing unit demand, additional shops were opened in other towns. These include Hornell, Buffalo, East Rochester and LeRoy.

These steps planned in 1945 were of great benefit to Hickey-Freeman and its customers almost at once. In 1946, its shipments totaled 30% more in units than those made in 1945. With the needs of the returning servicemen so pressing, this additional quality production made an important contribution to fill the void that would otherwise have existed in its distribution. By the end of 1947, studies indicated that increased production in the clothing industry had made up the under-production of the scarcity years. Therefore, Hickey-Freeman planned its 1948 production to a lower key, concentrating



efforts on training and on raising the quality standards of the new workers. During this period, it also brought pressure on sources of fabric, lining, and other materials, to restore the old-time qualities which it had been using before the war. Many of these qualities had been dropped as soon as the war-time pressures developed.

Despite the efforts to build its work force as each year has passed, the problem of replacements and additions has become more pressing - until it reached an acute stage in the fifties. When additional immigration was permitted under the Displaced Persons Bill of 1948, Hickey-Freeman cooperated with the various religious groups to place any persons with tailoring talent. Over the ten-year period, it has added more than 700 persons through this activity.

It was not, however, until the McCarran Act was passed that the opportunity was given to get highly skilled tailors, brought up under the apprentice system in Italy. These tailors would fill an important gap in all that had been done to date. The G-I's, the women in the small towns, the DP's that had been added could fit well into a particular tailoring operation, but a fair percentage of all-around tailors was needed who would add flexibility to the work force.

And what of the future? To match the replacement of skilled men, Hickey-Freeman is adding younger men and training them for the responsibilities that they will have to assume. It considers that the investment dealers are making in the promotion of its product places an obligation on those who are now in executive positions to see to it that the organization is properly staffed to carry on in the future. It is giving these men an opportunity to study the quality that goes into our clothing, so that they, in turn, will develop, deep down, the quality heart which is a prime essential in carrying on the Hickey-Freeman tradition.

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In 1964, Hickey-Freeman merged with Hart Schaffner & Marx on a pooling of interests basis. Hickey-Freeman continues to operate as a completely autonomous company under the presidency of Walter B. D. Hickey. The quality standards that unfailingly characterized Hickey-Freeman production in the past will not only be maintained, but raised to higher levels wherever and whenever opportunity presents. This program will redound in no uncertain ways to the benefit of all - and particularly the consumer. Strengthened by broader and deeper relations in the apparel field, the ability to progress in every phase of operation becomes doubly assured.