ORAL HISTORY COLLECTION, F.I.T.

THE FASHION INDUSTRY LEADERS

STANLEY LOVE

President,
Joseph Love, Inc.

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Interviewed by

Mildred Finger
Stanley Love is the president of Joseph Love, Inc. and one of the sons of the founder. Joseph Love, Inc. was founded 62 years ago. It is still a privately held company, manufacturing children's dresses. For many years, several family members shared ownership, in some instances participating in the management of the business. Stanley Love bought out the shares owned by his family and took over the business in 1974.

Joseph Love, Inc. has seen fluctuating volume and profits as the fashion cycle has fluctuated. In the past few years, there has been an interesting phenomenon with the success of one dress in particular which illustrates the marketing capability of an entrepreneurial firm.
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Q: ....for the Oral History Collection of the Fashion Institute of Technology. This will be an interview with Stanley Love, President of Joseph Love, Inc., and son of the founder. The date is May 12, 1983; the interviewer is Mildred Finger.

Stanley, could we start by your telling us about your family? About your father and who he was, where he came from, and how he happened to go into the children's business?

A: First of all, I was born in New York City in 1926. My family was quite well off. I remember living in an atmosphere of wanting nothing and having the best in education and always being encouraged and to seek whatever I wanted to do. I was a bookworm...

Q: Could we go back...Excuse me. Could we start with your father? What year was he born?

A: My father was born in Bialystock, Poland, which at that time was Russia. Czarist Russia. He was brought over as an infant in 18.... He was born in 1891 I believe. He was brought over as an infant. He was the second oldest of a family of five or six children. They were very, very poor, and my grandfather, I believe, was a green grocer, and they had a little store in Greenpoint, in Brooklyn, and both my father's mother and father died when he was about 14 years old, and left these children penniless and without any family. So some of the children were farmed out to...An older sister took a couple of them in, but the younger boys were put into an orphan asylum. My father, I think, was just barely old enough to be on his own. He was 15 or 16, and he started as an errand boy. He went to some business school.
I don't think he really had any high school education. He learned how to type and various things. But he was always, how do you say? A go-getter. And when the war started in 1917, he was inducted into the 77th Division and sent overseas in the American Expeditionary Force, where he rose to the rank of Waggoner, which was the equivalent of a Corporal; which meant driving a truck, full of ammunition, to the front lines. And he was very proud of the service to the country, and it was always a determining factor in his life. He was a super patriot. And this service affected his life very, very deeply.

When he returned from the war in 1919, he received a mustering out pay of $200, and he, I believe, had been in the children's wear field in some capacity before he went into the army. And he returned to this field and worked for a while in the field, and decided to go into business with some partners. And taking his $200 (or whatever the mustering out pay was), he formed a company called Storkline. And he was the sales end of the business, but of course he really knew everything: how to manufacture, put the whole thing together.

Now, in those days, the children's wear industry was basically an emerging industry. Most mothers thought it was a sin to buy store bought clothing for their children. They would stay home and sew and the first thing they did was make little babies' wear and children's wear for their children. However, due to the changing economics, the women went into the work force, so they no longer stayed at home and there was a tremendous demand for children's wear, of all different types. Because of the working woman, there was a decline of the stigma attached to store bought clothing. And in those days,
most children wore white. That was the standard of the taste and the times.

Q: Was this babies, or young children?


And it has been said that my father thought it would be nice to put them in pastels. So that was one of his great innovations, apparently; putting them in pink, blue, maize—the different colors. He used to travel upstate New York and his first order.....The way they used to buy in these small towns was that they would...When he went to these stores, the owner of the store would call in the person who handled the children's wear and he would say to the lady (it usually was a woman) who supervised the children's wear area, he would ask her how many births were there in the town that year. "Go check the church, and see how many babies were baptized." And that would be their open-to-buy. So, this was the usual way they merchandised how many infant's dresses to buy. And apparently he did so well he was encouraged to go into business on his own. I believe there had been a disagreement with the partners and since he was a minority partner he was, in a sense, thrown out, and he started his own business in 1921...I believe it was Storkline Infant's Wear, and it was changed to Joseph Love back in 1921. We are, I believe, the oldest company in the children's dress classification that is still operating under the original family. We are also...We have the distinction of having a collection dating from the 1920s at the Metropolitan Museum of Art. When we were doing our various moves to various locations (as the industry changed we would move with the industry), we kept finding these boxes of old costumes, and one day my father asked the Costume Institute, "Would you like some

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children's dresses from the '20s?" And they were happy, so tickled to get it. And they said, "Why not?" So we made a presentation of our fashions, which are today in the Costume Institute, and we are today the oldest company in all areas--women's, men's, children's-- having a continuous selection of styles dating from the '20s on up to today, of children's dresses.

Q: At the Museum.
A: At the Museum. Yes. At the Metropolitan Museum. I'm also doing this with F.I.T. now, getting into a little later.

I'm very interested in the arts, and I'm very interested in cultural activities, and I feel that this is a very important thing. Because we don't realize...Our eyes are used to, we don't see the change. But when you look back 20 or 30 years, we see the change. And, unfortunately, things that we take for granted disappear and we never have a chance to reconstruct them. We see movies of how people dress, but that really isn't a reflection of what people did and what our thinking was. When we look back at things we did in the '20s, it's very definitely the flapper era, but nobody thought of the flapper era. In children's wear. And this is the interesting thing about it.

Now, there are gaps in the collection, because we didn't really get into it until the '30s and '40s, and unfortunately nobody ever saved a day to day dress. They saved the party dress, or the big event dress, so while it is the oldest collection, there are a few gaps, and I'm always trying to find...Once in a while I do happen upon an item, like four years ago we found a Jane Withers dress, a child movie star. And I presented it
to the Met as a 1936, a little pinafore, and they were tickled to get it. Now, we make a determined effort that every year we call the Metropolitan and they come down and make a selection of what they think is the most unusual look, of which they don't have a duplication. And it goes right into the collection. There is... So the last... There's been a solid record for the last 15-20 years of fashion. Which I think is an interesting thing, to see the changing times and taste. And also fabrics too. Because you have great cycles in our industry, which I'm going to get to, in this discussion.

Anyway, getting back to the 1920s, as I remember, I was born in the middle '20s, and I grew up... I was born in New York and we moved to Yonkers. And grew up in that... In those days, that was suburbia. I went to Horace Mann school. First I went to public school. P.S. #3, in Yonkers, and for some reason my teachers thought I was bright so I skipped a grade, so I was a little young for wherever I was. And I entered Horace Mann School for Boys, which was in Riverdale. I went there the full six years. And... I was a good student. You know. B-B+. Except in history. I was crazy about history, and crazy about anything military. I had a big collection of soldiers and books (I was very bookish. I loved to read political history). I was involved also, of course, in the history of the arts, which I consider related. You can't know one without the other. And upon...

Q: Excuse me. Before going on with your schooling... During these years, did you have any contact with the business?

A: Well, I used to go to the plants. Of course, my father was very, very involved in the business, which had grown continuously. I don't
think there was a year we ever had...that we didn't go forward in volume and bottom line...And it was a very burgeoning industry, because the birth rate, even though it was....Even through the '20s and '30s, there were a lot of children. And the prices ranged, retail, from about $1.98, even 98¢, $1.98, $2.98, and we used to sell...some of our pricing, I think it was $9.50 a dozen, $12.50 a dozen, $15.75...I definitely remember a dozen dresses for $15.75. But in those days, everything is relative. 5¢ for coffee, 5¢ for a subway ride, etc., so, putting everything in context, we made millions of units, all through the '30s and the '40s, every year. The Love dress was a byword.

And in those days, if a girl wore a pair of pants, she was a tomboy. 90% of the girl's wardrobe was dresses. You open a closet and there were 10-15 dresses. And the big seasons were back-to-school dress, which was usually a gingham plaid, check or something in dark tone, and there was the Christmas season, which was third in importance, and then there was the spring season, which was second in importance because of Easter; everybody would have a nice dress for Easter. And then summer, which was a relatively low end period. But also, everybody wore a dress. No matter what. Pants were out.

Q: In those days, who were your father's customers? Were they primarily department stores, or mom and pop stores, or...?

A: They were both. Our industry is known for mom and pop type of stores basically, because the children's operation requires so many items. It is like a miniature department store. And this requires a lot of detail.
work for a relatively low price, because the mother in America was conditioned to having the child outgrow the dress and go on to something new. But what they did insist on in our industry was quality, because the mother bought the dress, didn't wear it but had to take care of it, so everything had to be washable. The child gets dirty every day. So all these dresses that were dry cleanable, although they were gorgeous, we just eliminated, and we left it to the very top end of the business (which was extremely limited), because the mother somehow has a thrift concept when it comes to children's wear--they don't want to spend as much--because they realize the child is going to outgrow it.

Q: Was the big part of the industry in New York City?
A: Yes. A big part. And the production was here. The center of the industry at one time was on Madison Avenue, in the '20s and '30s. That shifted...

Q: Where the lingerie industry is now.
A: Yes. That shifted and that was where our first office was. That was before my time. My...The office I remember, our major unit, was at 1333 Broadway, which is between 35th and 36th Street. We moved there, I believe, in about 1928-29, and we stayed there, going to two full floors...The building runs the length of the block, and we had two floors and we used to manufacture there, press and ship. And I remember, as a little boy, going in and seeing thousands of dresses hanging there. And the buyers used to go in the back and pick out what they wanted....

Q: It was a stock house.

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A: Yes. Stock. And ship it right out. Ultimately, we bought a plant in Yonkers and started manufacturing there. Then, when we sold our plant in Yonkers, sometime in the late '40s, the plant was moved down to Prince Street. Then we had a plant in...We moved up to 33rd Street, away from our central headquarters, where we just had designing and headquarters. But we did have the whole floor; we always maintained a floor. And this lasted until 19....About 1978. And for reasons which I'll talk about later, we moved to 112 West 34th Street, which is where we are now.

Getting back to the industry...Naturally, in those days, since every girl wore a dress, the brand name in the dress industry was extremely important. It transcended any designer name, even in ready-to-wear. Because we were selling millions of units, and when you said...Wherever we went, I always remember, everybody said, "Oh, you make Love dresses, and we just love them." And this was a constant adulation that surrounded my father. And my mother...I always remember people saying, "That dress is so fabulous, I wonder if I can afford it?" And I think it was selling for $2.98 or $3.98, and it had a mystique and aura around it which transcended price. But the fact that it was so special, and it really was...Looking back, I only wish we had that aura today. But, as I say, the industry has changed so much that...And, of course, the birth rate has dropped.

Q: Approximately how much volume was being done at the time of the Second World War, about? Just to get an idea....

A: I think we were doing...After the end of the Second World War, something like $6-8 million.
Q: That was a big business.
A: It was a big business. A lot of units.
Q: Oh, yeah.
A: A lot of units. $6-8 million. And...
Q: That was bigger than most ready-to-wear firms.
A: Oh, yeah. A very, very big business. And we lived in...

As I remember, not that I was ever spoiled or anything like that. But it was always... My mother was a very wonderful and beautiful lady, and she would always make sure that we were dressed properly and well mannered, well turned out, and she was a demanding person in the sense that she wanted us to be the best.

Q: Yes. She was not in any way in the business?
A: Well, she had stock in the company. My father gave her stock through the years. She was in a sense the official hostess. And I think she was a Vice President too. She was not active. She was a Vice President but not active.

Q: The firm was incorporated apparently.
A: The firm was incorporated. And she was active in the sense that being extraordinarily gracious, charming and quite beautiful, she was, I thought a very great asset to my father, in retrospect, when he entertained, which we did quite often. And I think it is an important aspect to a business which is so personalized, to have a rapport with the people that you deal with. It gives them interests; people are interested in people. We had a very large home in Yonkers, which was often the scene of parties... and
quite a nice life style. Anyhow...

Q: I'm sorry. Before you go on...How did your father develop what must have been managerial skills to be able to take a business to that level. Somebody who started out with probably not much education.

A: No, no. But he was very smart. He was very intuitive, and he was very demanding on everybody and to himself. He was I would say a workaholic in many cases. He would devote himself to the business; he would travel a lot. But in the meantime, as the business prospered, in the business, was a brother-in-law, who was married to a sister of my father, whose name was Sam Landorf, who took over the 1-6X area. The 1-6X area is about age one to five. And my father took over 7-14...That's the older girls. As the business evolved we went away from the infant's wear and into sizes. WE had babettes, 2-4, 4-6X, 7-14, and that was the sum total of the business, with my father taking 7-14 and the financial area. My father was a genius with figures, I must say. Very, very good. And he always had the standard formula of a third and a third and a third. A third for the piece goods, a third for the labor, and a third for the overhead. I think that was the formula. He always tried to keep everything within that basic framework. But he had very good style sense, and he would listen to the buyers for ideas. We had about eight designers at the time.

Q: I was going to ask about that.

A: ...grinding out all these fashions. And he was always in the back of the designers. Whereas my uncle--Sam Landorf--from whence Youngland comes, would be more in the front, of the sales, working with people.
But we had at the time close to 300 employees. And we had plants in Hagerstown and Laredo, Texas and I think there were about 13 plants at the height of my father's leadership.

Now, I had gone off in different fields. After Horace Mann, I attended the Citadel for a year in Charleston, South Carolina. The war had started. I was 16 years old. This was 1942. So, I had to go to college. And after the pandemonium on the campuses of the United States...Everybody was being drafted and volunteering. And I being sixteen, I was not really involved too much with this problem, so I thought the best thing...My family and I, and I being crazy about the military and crazy about history and all that, my family thought it might be a very good idea if I went to military college, and if the war was on when I graduated, I would be an officer. That made sense. And since I liked the whole life, off I went to Charleston, South Carolina. To the Citadel, which was the military college in South Carolina.

Which turned out to be probably a most interesting experience for somebody who grew up in a relatively sheltered life in the New York area. To be suddenly thrust into a Southern military college, and surviving all that...Well, one of the reasons I survived was that I had a fabulous Northeastern prep school education. So going to a Southern school was like doing high school all over again in the first year. So I got all A's....

Q: Well, academically I can see that...

A: And militarily, while it was difficult, the war came into... The immediacy of the war in 1942...when the Allies were at the lowest ebb. The government just about took everybody it could take out of these schools and commissioned them--especially military schools--so we were left with just
the 16-17 year olds, and everybody else left. So there were no upper class-
men. So I spent a relatively nice six months of the balance of the year. And
at that particular time my father said, "Would you consider West Point?" And
I said I would like to go take a look at it. "Yes, I'd love to do it," be-
cause I always remembered my father being so involved with the military and
things like that, as I mentioned. He always went to the Army-Navy game, he
always went to see Army play at the polo grounds and Notre Dame, and...But I'd
really never been to West Point. I was very familiar with the situation. And
since I'd done so well at the Citadel, I thought, "Well, I really should go up
and take a look."

So, during Christmas leave, I went to West Point and...Some
family friends who had a cadet there, took me there, and I was just crazy about
it. Absolutely wild about it. And I came back and I said, "Yes, I want to
go." So...In any case...I did go. I did graduate. And I went overseas. I was
commissioned in the artillery. I went overseas to China and Japan, and served
in the Occupation army. And while there, I became enamored with the Far East,
and in those days everybody was pretty frightened of the power and the might
and the glory of the United States. But nothing really happened except that
you had an opportunity to live in a foreign country, in a style that will
never ever happen again, I think. And yet, to have a chance to learn about
the people. Because the Occupation Army was extremely...Not tolerant...But
extremely good for the people, as it turned out. History will be very kind to
the Occupation, and it has been. It turned out to be an opportunity to get to
know the Japanese. And get to know something about another part of the world.
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Which was very, very rare at the time, and will never...We'll never have this opportunity again, as far as I can see.

And you must remember...In those days, Japan was flat on its back. Think of what Japan is today. So there I was on the ground floor of the Japanese management technique, not realizing what was going on, but observing and learning how the Japanese do things. And I got to admire them, even though they were a defeated country. I thought the people were wonderful, and to this day I have many, many friends dating back to the Occupation days. Japanese people have risen to great, great heights in their own country.

I came back. I became rather bored with this life for 2 1/2 years. I had also, during this period, started to collect Oriental art...

Q: I'm sorry. I missed it. Did you finish at West Point?
A: Oh, yes. I was commissioned into the artillery and went to Fort Sill and all the schools and then...toward the end of the 2 1/2 years, I was writing home and there were family problems.

Q: This was now 19...?
A: 1948-49. I had been completely disassociated from the business. Was not interested in it at all, because I just didn't think it was...I don't know. I just didn't think it had the cachet and the glamour...Whatever it was, I just knew it wasn't for me. My older brother was in the business. My older brother, Matthew, was in the business. And I really didn't particularly care for the whole thing.

However, my mother, you know, kept me abreast of things. And
then she wrote me there had been a lot of family problems, within the business, because the junior partner, Sam Landorf, had been pressing for equality insofar as control of the business. And the business was doing fabulously well; volume was still going up. The bottom line was very, very good. (They didn't call it bottom line then.) But, we had a lot of uncles...We had two other uncles in the business, and...It was a tremendous family, living off this business.

Q: Which by then, as you said, was about $6-8 million.
A: Yes. Something like that. In that area. Maybe even more.
Q: It was not a public business.
A: No, no.
Q: It's still private.
A: Private company. Private company. We ...And this is 1948. And I believe at that time the stockholdership...My father had about 55% of the stock, my mother had 15% of the stock, and the Landorf group had the balance. And my father was very interested in politics at the time. And, in fact, was a very good friend of Harry Truman who was then in the White House, and he was involved with democratic politics. He was an elector, a delegate to the Democratic convention. And this intrigued him; this whole thing. And he was paying less and less attention to the business, and Mr. Landorf was paying more attention, and Mr. Landorf felt that perhaps he should have equal partnership. And this was not to be. There was a split, and Mr. Landorf left the company...

Q: And started Youngland.
A: And started Youngland.

Q: Youngland.

A: Youngland Dresses. And took with him various of the relatives--not too many--but left us, in 1949, before I returned from Japan. The company then devolved upon my father again, who had to re-enter and take very active management of the business.

This was the halcyon period of the business, because this was just before the pants revolution, when changing tastes swept the nation. We did well in spite of the fact that we lost very qualified people. Youngland did well. They did well, they got Helen Lee as their designer, who had worked for Joseph Love. Just about everybody had gone through Joseph Love, but she was one of the several designers. And Sam Landorf, who is a very, very capable and a very brilliant man, got Helen Lee, and they started to promote her name; she got the Coty award and all that. They did very, very well. And, of course, there was a tremendous family friction going on when this happened.

But, despite it all, we prospered. And I came back and my father paid attention to the business. But of course all the headlines were Helen Lee, Helen Lee. And we were involved in many, many interesting promotions, which I'll go into when we discuss merchandising. I just wanted to give you a brief history of the company.

Now, I returned from the Far East in the very end of '49, and upon returning, I was very unhappy with what the army had in store for me for my career. so I resigned.

Q: You were still very young.
A: I was twenty...

Q: Two.

A: Twenty-three I think. Let me see. And I decided I had...I decided I wanted to go to law school. So in order to make law school, I resigned my commission with the regular army at the very end of '49 and entered New York University Law School. However, after a year and a half, I found New York too distracting. I just couldn't concentrate, and I left law school after a year and a half. And not really...really having any particular skill, my father said, "You should come into the family business, because there's plenty of room for you to learn everything, and after all, who is it all for?" At that time, there was only my older brother. It still was a very big business. And he immediately started me at the bottom.

So there I was. Fresh out of West Point, Occupation Army, leader of troops, New York University Law School, packing dresses. I used to sit there and put dresses in a box. And I said, "What the hell am I doing here?" But, I did it, and I went through all the different phases, mostly in sales and finance and advertising/publicity/promotion. No production, because that was my brother's bailiwick. And very little design. So I had...I went on the road with the Sales Manager, to places I haven't been back to since. Like Buffalo. I haven't been back there since. I remember going to all of these towns. And we'd do it classically. I went to all these stores, so I knew who everybody was, and in those days the stores didn't have branches. As a matter of fact, I always tell Rich's that one of my trips I took was the introduction of color television in Atlanta. And I remember it was the first time I'd ever
gone out on a trip on my own, and to promote color television, which Rich's had set up in banks of ten. We had a special color promotion, and Rich's gave me what I thought was the biggest order I'd ever gotten--30 dozen of every style that they were going to advertise. I called and I said, "You can't believe the size order I got." Which happened to be a very large order. And I always tell Rich's that subsequently, even with all of their stores, they never buy 30 dozen anymore. Of a style...

Q: At that time they had only one store.
A: One store. You see, when they advertised, people called up and got the dress. But today, we've made shopping supposedly easier, so they go to the branch and look at them. They don't order by mail as much as they used to. So, this is true all over, as far as marketing goes. Because they're everywhere now, and shopping has become a question of going in and looking if somebody runs an ad. So no store really supports an ad anymore. They put it in the branches, and if it sells they ask for more.

Anyhow, that's how...Being familiar with the South (I've got to get back to my South Carolinian year), I always had an affinity for the South, and it really did help going around...I think that's something that everybody should consider. You can't really...We have such a terrific country, and when you just say, "New YOrk is it," or wherever you are, it's not true. When you get around and see where everything is and how everything works, it's fabulous. I just love it. I think America's sensational. Everywhere you go there's something good to find, or something interesting to do. You must make an effort to do it.

Anyhow. This is the formative years...However, I was not, shall
we say, enthralled with the business. It was okay. It was okay. I didn't feel it was intellectually stimulating. My interests lay in other areas. I was always interested, again, back to the Oriental art. I became involved with the Japan Society, and the Asia Society, and went to Europe. I was indulged by my family; they always let me take off for a month, when I was single. I went to Europe. I went to Venice, all the great tours. First every other year, then every year. And I really did Europe in depth. I had been to Europe in the '30s, as a student, when I was 11 years old. But this time I came home with this enormous Oriental art collection. Returning officers were allowed 2,000 lbs. of baggage. So I brought back 1,000 lbs. of art. From Japan, I came home with crates of jades, ivories, screens, and my parents took one look and thought I had gone crazy, so the whole thing went downstairs. So I thought, maybe I went a little crazy, so I started collecting European art. I was having an enjoyable life, but I wasn't really, shall we say, so enamored of the children's dress business. It was a living and that was it.

In 1959, I got married to Diane Love, who is a designer in her own name. At that time she was a student at Barnard, and we had two children, and they're now in college. And we had a very pleasant life together, and I still travel extensively to Europe and it's very nice. But nothing pressing. The business went on, it had its ups and downs. And...I was more in the Sales and Promotion/Publicity area. Mostly in that area. However, in the mid-'60s, the life style in the United States changed and it changed drastically. No longer were dresses the king pins. No longer was a dress essential for a girl. The school codes changed. They allowed people to
wear pants and the jean revolution swept in and the status and the volume and the demand plummeted in relationship to other areas, which soared, such as jean manufacturers, top manufacturers, sportswear manufacturers. And the business encountered difficulties in the sense... While we were always on the plus side because my father had built a tremendous area, a tremendous financial heft where we did no borrowing, without this I don't think we would have been able to continue, like other companies who were thinly financed. But we did have the backup. My father was extremely conservative in running the business, and did build up a rather large surplus, through the years.

Just before the '70s, we had started to reduce our manufacturing operations with the fall in demand of the product, and business became extremely difficult because of this extreme drop in demand. Where we had been the kingpins and the ones sought out after, we had to seek out the stores. So we sought out the stores, and it became more and more difficult to maintain volume and market share because of this change in taste, and our ability to go into sportswear was severely limited because of our pricing structures. Frankly, older companies are penalized in this business by percentage increases brought on by unions and...

Q: Are you members of ILG?

A: We are a member of the ILGWU, and we were non-competitive, but all these new companies were springing up around the country, and, of course, imports started to come pouring in. Especially in the sportswear area. Not in the dress area, to speak of. And this all took part of market share. And things were getting more difficult, so we kept reducing, reducing, reducing.
And doubling up. So instead of me having my own secretary, there were fewer and fewer people around to do this. And, of course, while we didn't have inflation, particularly, the personnel to run the company kept shrinking.

Q: Was your father still active?

A: Still active. He was still active '69-'70, then he became ill, but still active and still had the last word on everything. He ran the show. And, of course, you can never argue with success. Him being successful so many years, what you wanted to do was somehow never the right thing, in a sense, and he always had a better way to do it. I must admit, it was the better way. It was. You know, there's always two sides to every story, and of course, unless you'd done it your way you'd never really found out, so you usually ended up doing it his way. So I found that frustrating, but was never really...I went off and did my own thing as far as what I wanted to do during my free hours, and I just didn't eat, sleep, breathe the business. It was a way for me, and I was really in another status. My wife was quite successful and I became very interested in Oriental art and got involved in that area.

At the particular time, '70-'71, my father became ill. We had the phenomena in our area called polyester knits, which came into our market. We saw the utility of having polyester doubleknits, for children's wear, because our market, again, requires extremely washable garments with very little ironing if necessary, and we seized upon this as a vehicle to... My brother, my younger brother, Robert, was now coming in from Union College, he went to Union College. He came into the business and went to design school, and became supervisor of the design department. I was in Sales and Publicity...
and my brother, who had been designated President, was in Production.

Q: That's Matthew.

A: That's Matthew. He was designated...That was the chain of command. I was the Treasurer, my brother was Secretary, and my father remained Chairman of the Board. So it looked like a good team on the surface. But there was a lot of dissension....

Q: Excuse me. What was the level of volume, about, at that point?

A: The level of volume was somewhere in the area...It fluctuated at $5-6 million. At the time. In 1971, my father died, after being ill a relatively short time, and my mother, who had been ill for quite a long time, to the point of being semi-invalid, by operation of the will, was left with the company. An inter-family fight broke out immediately on what to do. My... Everybody had a different point of view, and the one that had the ear of my mother was my sister, whose husband was not in the business. But we all had equal shares, relatively speaking, equal shares in the business. But my mother was the controlling factor, but she was a very sick person. And at the urging of my sister, an attorney was brought in to administer the estate, which led to an uproar in a month. The sons, the daughter, the mother--a classic setting for a battle royal. And controls were instituted by the lawyers on the business to protect the estate, which I found extremely onerous because, if you know the business, you know you can't go to the lawyer every time you make a purchase. And it was so unbelievably difficult to operate during the '71-'72 period, that it was extremely frustrating.
I have to backtrack a little bit. My brother...My older brother...had left the company about a year or two years before the death of my father due to...

Q: That's Matthew?
A: Yes. Due to a family squabble. He had been, in a sense, paid out. Shares retired, and had nothing to do with this. So all that was left was Robert, myself, and my father who was running the whole show. And with the...my father's will...In retrospect, definitely he received some very bad advice, but when you have a family with very strong parents, you don't tell your parents what to do. And the instruction, the meaning of the will, was that the business, in a sense, had to be sold in order to liquidate the estate. Because he left everything in trust, not really being too enamored of all of his children in the sense of thinking they had any brains, although he said that I was okay. He treated everyone alike. So he left everything in trust....

[Side 2]

A: There was no way out of this impasse: liquidating the company and selling it to somebody, and the decision was made to offer it to our Japanese licensee, which was Kanebo. We have a licensing agreement with one of the major textile companies in Japan, which has gone on since the early '60s. And they were interested in entering the American market, and I indicated that I would not work for any company, but my younger brother said he would stay and run the company, and I said I would leave.

At that particular time, however, we had an amazing occurrence. The polyester knit craze, which I mentioned briefly, had just started.
and he found that...

Q: This was around 1970....

A: Now 1972. The demand suddenly started to come in very heavily. Before, we had to run after the stores and increase the volume; this became an effortless thing. There was nobody that could keep the polyester knit dresses in stock.

Q: And you were just doing dresses at this point.

A: Just doing dresses. And the demand started coming in, and the stores started calling, and the buying started to rise precipitously. We were operating under a servitor installed by the attorney. We were operating under all these constraints, and it was the most frustrating, harrowing situation, and it just rankled me. Because I saw the potential of recouping the volume, and the bottom line, and everything, and here we were being hobbled by the restraints of people who knew nothing about what was going on in this area.

So, it just got to be a terrible scene, every time we had a Board of Directors' meeting; every time we had an estate meeting. It was a hassle, and the family broke into two factions with my poor mother in the middle of it, being pulled every different way. And my mother, unfortunately, passed on six months later, after the death of my father, which complicated matters even more. Now we had a double estate. However, my mother, realizing the impossibility of the will, insofar as keeping the company going, left everything in equal shares to the children outright. And since she controlled the business, the necessity for selling the business became, shall we say, unimportant, if anybody wanted to carry on. But the problem was that by then
there was so much bitterness involved, that nobody would take an order from anybody else.

Q: Was Kanebo part of it at this point?
A: No. We decided not to sell. My mother died, and then the question became whether to sell or not to sell. Meanwhile, business had started to go up in spite of it all because we were getting more and more involved in the polyester knit boom, which had just really started. So the problem was how to settle the estate without passing control. My sister, in actuality, through the lawyers, controlled the whole thing. But the moment the estate was settled, her lawyers advised her that I, Stanley Love, would have control, even though I only had a quarter share. And one of the reasons was that, by accident or whatever it was, we have a family foundation--the Joseph Love Foundation--which endowed F.I.T. with a room for the study of children's wear. And I was the only member of the family on the Board of Directors that was left. My mother, my father and myself. I was put on the Board very early and my father never put anybody else on the Board. None of my siblings. and the way the stock fell, the Foundation had the determining vote on who would control the company, when and if the shares were passed. So, for four years, my sister did not settle the estate, because she felt that I would take over once control passed. And there's no democracy in a corporation. But she felt that she would be stuck in a situation where she couldn't get out, what she considered her share, and...

Finally, a decision had to be made what to do with the company, because control had to be passed...They had to settle the estate sooner or
And at that particular time, I offered my younger brother...

I said, "Look, let's buy the company. We're doing well. Let's buy it for ourselves. However, there are certain things that I would require being a partner with you..." Nobody's perfect; everybody has a problem; my brother had his little problems. And I said, "You'd have to sign an agreement that you couldn't borrow from the company, and couldn't do this and couldn't do that." But whatever it was, he decided that he would bail out too. So, in 1974-75 I bought the company from everybody. I bought everybody's shares out. A simultaneous transaction. Where we settled the estate and I bought everyone out, and there wasn't one second where anybody was in a minority position. And I went to the bank that financed the whole thing, because in settling the estate, all the capital was depleted to pay off the estate taxes. And I had to pledge my art, my personal investments, etc., etc., and I took control, and everybody in the family left. Left me alone. And that was 1974?

Q: Do you still talk to each other?
A: I talk to my brothers and I talk to my sister now, coolly. We're now talking. So things have progressed slightly. We're involved in other projects, so we have to talk to each other.

My brother left and went off and now lives in Santa Fe, and has never really done too much, though now he's in Real Estate. My older brother, who had been out and came back by operation of wills, of course, was anxious to get his money out to run his business.
My sister got her money out. I paid everyone out. I went to the bank and I had the company factored. Now, factoring is an operation where you pledge your accounts receivable to get the money up front, and it's a disastrous thing for our type of business, where we have multiple transactions. But, the polyester knit boom came on and on and on, and our volume skyrocketed, and the bottom line was spectacular. And one year--I can't discuss volume now, because I'm getting into... But we did make over a million dollars in one year.

Well, to say the least, in about one year I was out of the factors, out of the banks, and the company was restored to glowing health, and it again became a byword in the industry, but I went narrow and deep. In other words, I decided to let my competition have the woven classification and I would take the knit classification. And I told the buyers, "If you want to have a knit business, you must come to me." And they did come to us. And it was... I am a firm believer in two types of operations. I like the Japanese system of consensus, especially in a fashion business, because I can have a customer in one booth saying, "It's too old," and right next door they'll say it's too young. And if you know anything about dresses, dresses are probably the most fashionable area of a children's area or a department store area, because there's variety and novelty, as compared to the pants and tops sportswear. And dresses are really the cutting edge of fashion. The windows are prettier... It causes more excitement.

So I... We reorganized the company when I took over...

Q: This was now '74.
A: '74. In a sort of a Japanese...I like the Japanese system, where we would have consensus...And I could be overruled. I wouldn't say, "You've got to do this," because if they all said, "We have to do it this way," I would listen to them, and finally we'd all come to a meeting of minds and we'd go forward.

Q: Now, who...what...?

A: I had a production manager...I was still handling the sales. And the finance. I was doing both. And we had our merchandising and design. Most of the things we made were pretty bread and butter, I would say. Pretty classic type of polyester knits, because that's the way the fabric lent itself. We made little shirt dresses, and we put "Love" on the logo, right on the dress itself. And, it turned out, of course, that this was the decade where "Love" became...It had all sorts of connotations, and we had the registered trademark, dating back to the '20s.

Q: Spelled "Luv"?

A: L-o-v-e.

Q: Excuse me. L-o-v-e.

A: It was registered. And we had it in a variety of logos and everything, so we played that up, and we sold thousands and thousands. One particular style I think we sold over half a million units over the space of a year. We pleated the polyester knit, and, of course, it wore like iron. It never wore out and nobody had to iron it at all. And there's a very utilitarian...

Q: How much was it?

A: We retailed...They retailed anywhere between $12 to $20.
Most of our business, about 90% of the business, was the department stores-specialty stores, but we did do some chain business. We had a page in the Sears Catalogue. We did some Penney business. And we went into another area that we'd never done before. We went into half sizes for girls, or chubbies. And this was really our entree into the Penney business, trying to get this particular market. So I really was the person who added chubbies, and Lane Bryant was a customer—at that time they carried girls' half sizes. But, as with everything—nothing's forever—the polyester knit boom faded in ready-to-wear, under the barrage of press and fashion reports, while we hung on for, say, 2-3 years after the bubble had burst in the ready-to-wear area, because the utilitarian feature ultimately started, our customers started to drop out. First we lost the Avenue, which started dropping polyester knits. And all this volume that had built up in acceptance started to fade away. And we are now into 1978-79....

Q: Would you give me a ballpark figure—I know you're a private company—but about how much volume were you doing?

A: When? In the polyester knit?

Q: Yes. Say '77.

A: About $8 million. In that era. Very, very profitable though. More profitable than any other eras of our business. Because what we did, we'd take big positions in polyester knit market and keep feeding off the inventory, because we had an ability to come in very fast. But, the polyester knit boom came to an end, and we were left with an enormous inventory of forward polyester knit goods. And as all fashion dies, it dies from the top.
And finally the chains went off polyester knits. We ended up doing more and more chain business, but that was really nowhere. The demand even had dropped in their area. So I was faced with a situation where we were right back where we started in 1965, when the life style changed; 1964, whenever pants came in. And we moved from our 1333 Broadway headquarters to 112 West 34th Street, which became the center of the industry, and we took a showroom there. And we consolidated our position and started to rebuild our woven business, and for the last three years it is extremely difficult. Extremely difficult. And for the first time, we've shown losses, and we've never had losses in 62 years. And it was to a point where I had contemplated perhaps it's time for me to go on to other fields. However, we have commitments—union commitments and things like that. We approached the union and they allowed us to reduce our work force about two years ago, because of this problem we were having, drastic problem of decline of dress demand.

At that particular time, I started going back to mainland China. I decided to start manufacturing operations there. Because I felt that one of the problems with dresses was that the price had gone so high that it was discouraging the mother from buying. And we could do things in China that we could never do in the United States anymore. We put back all the detail that had been taken off. We put back pockets on the dresses. We put little keepers to hold up sashes. We put four inch hems in, and we were able to market them at a price that was really extraordinary. So our first efforts were tremendous. We sold out...

Q: Were you able to work easily in China?

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A: No. It's extremely difficult. But I felt at home in the Far East, so it really... And my brother, Robert, came back and supervised for a month in China, getting off the first launch.

It was very exotic and very exciting, and immediately people came flocking back to see what was going on, because we were really the first ones to go back... Dresses are extremely difficult to do overseas, because of our requirements. We do not take what they have. We design what we want to do. And we made liberal use of the hand embroidery and things like that. It was introduced by Altman's and Saks bought it. All over the country. Literally, we sold over 100,000 units of these hand embroidered dresses in 1980. Which gave us back a status in the industry, which had gone through severe... which was having severe problems... Tremendous attrition rates. Cinderella went into Chapter 11, and a lot of companies disappeared. So we were hanging in there, but barely. And things... Then the recession hit. The recession has affected middle America the most. This one. And we had never felt any recessionary problems, but this one did affect us, and the demand plummeted. Our volume plummeted. The bottom line disappeared, and I was really up against a situation about which I really didn't know what to do. Because everybody was having the same problem in the dress classification. When all of a sudden, last year, we introduced one style...

Oh. Incidentally... The embroidered dresses, of course, went into the Metropolitan Museum of Art collection. They do have them there....

Q: And is there still a 42 1/2% duty on embroidery?

A: Yes, but we are able to bring them in and market them way
below, way below our current domestic price. So the value...

Q: Even with the...

A: Even with the duty. Because in China, labor does not....

They don't count the labor. Everybody has to work in China, so, therefore, there's no cost for labor. So what you're really paying for is fabric and labor is thrown in.

Q: How much were these dresses retailing for, with the embroidery?

A: They would retail between $20-30 for a one piece garment, and if they're a two-piece garment, or a fully lined garment, we retail them for $30-40. That's a double dress. All hand embroidered, four inch hem, pockets, extraordinary. But they're very classic, and we don't know when we're going to get them. We could get them a year later, or two years later, so you can't really go too wild.

But, what actually happened...In October, while wrestling with this problem..

Q: Of what year?

A: October of last year.

Q: '82.

A: We introduced our spring collection, and business had been dreadful. And it was dreadful all through the industry. We weren't the only ones. Everybody had problems. And we introduced one style--a very classic, basic style in our collection, Size 7-14--and four extraordinary things happened. Number one, we got a long distance call from Caracas, where one of our customers--our foreign customers--requested this dress; requested 60 pieces more. Which is a very unusual situation, to get a long distance call from a foreign
country. I can't remember when we last got one. He said, "I'm coming up to New York in November. Please hold 60 pieces for me." Subsequently, we got a call from Macy's-San Francisco, who had bought the style off the early spring line for delivery, and they said, "We'd like 360 pieces of this style in November." Which was very unusual, because we never get a 360 piece order. I mean, I have to go back to Rich's the last time I got a 360 piece order. And then Macy's-New York called us and said, "You know the dress that we bought early, to get a little cruise wear look? We'd like 300 of them." So. Really extraordinary. That we would get a call from a tropical place, a temperate climate marketing area, in New York where it's cold, a short-sleeved, little light dress with ribbon decoration.

Q: Which was retailing at that point for...?

A: Which in 7-14 retailed for $27. Macy's took an extra dollar. They marked it $28. But they were all sold out immediately. In the space of a week. So I thought this was very unusual, because I had never seen, in all the years that I had been in business, where we had such an early reorder situation, from three disparate locations, at the extreme beginning of a spring season. So I went to Lord & Taylor, which has a fabulous dress operation... And I told the buyer, "Something unusual is happening. I'd like you to test this out. And try it, because you have what I want. You have a spread in Houston, in Detroit, Florida...You give me the rest of the United States. I want to see what happens." So they said, "Okay. We'll take 160 pieces, spread it." And in one week, she came back to me and she said, "I don't know what you gave me, but it's gone, and I'd like 360 pieces more. At that particular time, I decided this
is a perfect marketing test that I had. I didn't need a computer. I had four key areas—all the United States, plus the tropical climate, which, ultimately, Florida and the South become. And I've got Hispanic taste; I've got taste from the Bay area, which is informal. I've got New York. At Christmas, selling something that a normal, New York store would never buy. And I got Lord & Taylor, which is a Fifth Avenue store with an upbeat taste. So I said, "This is my big opportunity." I saw no way out of the other way we were going, just floundering around. I said, "This can be the making or breaking of the company." I've got my test; now what to do with it? So...

Q: Incidentally...You had enough stock to...?
A: No. I only had one style...
Q: Yes, but you had enough stock to give these people who wanted 300 pieces...
A: Yes, because we thought it was good. We had some early sales results, so when it comes in early, we usually hold the shipment. The normal shipping period for this type of dress would be January. A lot of stores, most Northern stores, would not take a short-sleeved white dress so early, but Macy's-New York took it, and nobody else would.
Q: And you had ordered sufficient...
A: We had, let's say, 100-200 dozen in work. It was a very good seller because it was very low priced in comparison to the rest of our line, which retailed between $30-50. This was a $27 retail. It was way below...
figures and it looked all right, so we said, "All right, we'll have it."
It was sort of like an oddball.

So, at that particular time, I said, "This is a wonderful thing. We've got a handle on a dress. I'm going to call it 'the ribbon dress' for easy identification." I said, "It's a marketing dream. We have a breakthrough. I know it's good everywhere. We're right at the beginning of the season. Here is our biggest chance to clean up." So I went in and I told my people; we had a conference. And I threw out the idea to my people, and I said, "Go ahead. We'll make 6,200 pieces of the 7-14 number, and we'll deliver it in December." Which is still early...

Q: But you were making it in China.
A: No, no. This is domestic.
Q: This is domestic!
A: Domestic. Domestic. And I was leaving for China. I had to go on a trip to China in late December. I usually try to go when things are quiet.

Q: Well, that's why I wondered how you were able to...so fast...
A: No, no, no. This is a domestic maker. And I had about 2,400 to satisfy this early interest thing. So I said, "All right. We're going to go ahead and make 600 dozen of these." It was an enormous quantity to make at the beginning of the season, and people said, "Don't do it, you'll be wrong." I said, "Do it anyhow." I overruled the Board. There's my whole Japanese mentality out the window. And I said, "This is our big chance. We're going
to call it the "ribbon dress."

Well, every time we shipped it, we started getting staggering reorders from the stores. And I went off to register the trademark and applied for a patent on the item, because we had a design concept where we had three tricolor ribbons on the skirt and on the bodice, and we made a belt out of the matching ribbon, which was the unique feature. Nobody had ever really done it. The simplest things are the best things.

Q: So were you able to get a patent, because you can't ordinarily...

A: It's pending. But that gave us some....And we caught the market flat footed. Business had been so bad for everyone, they had cut off spring rather early--like March 15th. Everybody was sold out, but us. We kept on this dress. We started adding sizes. We added pre-teens; we added chubbies. We added 4-6X and we had a toddlers, and we went back into the infant's business--something we hadn't done in 25 years. And here we are in May, 2,400 miles of ribbon have been consumed. We shipped over 240,000 units of this item, and nobody can keep this dress in stock. Our volume is skyrocketing. Our bottom line.....We're out of the banks. All our loans are paid off. The company is restored to a point where I would say we are the byword and talk of the industry. We've revitalized the entire dress classification, because the stores are doing such tonnage in the area that we have had such a procession of top management coming in that I cannot believe it was the same company in October that it is today. Last week I had a delegation from Altman's--the President, Vice President, the GMM--to see how they can even
do more. Lord & Taylor has sold over 10,000 units; cannot keep it in stock. I called Bloomingdale's for four months, pleading with them to take the dress. Finally, last week in Women's Wear there was an article, "Macy's vs. Bloomingdale's," so I called her up and I said, "Am I doomed always to be a Macy's resource? They've done somewhere in the area of 10,000 pieces." She bought the dress, and one week later she came back and said, "I apologize. We're sold out."

Q: How about Saks Fifth Avenue?

A: They bought the dress, sold out, did not reorder. Because they don't know what they have. But we are doing business with Saks. They bought the fall version. Every store in New York has had this dress; every store has reordered it. Except Saks, who said, "It's too much." Well, I would say, Saks sold out but they decided they wanted two newer versions. They did not stay with it. But every other store stayed with it: Gimbel's, A&S, Bamberger's -- every store in New York has it; every store in Philadelphia. Top and bottom, around the country. And nobody, to this day, can keep this item in stock. The original dress that we started out with we just recut again. It is an unheard of thing in the industry, that we kept with the dress.

Now, one of the reasons for this phenomenon is that I think that the marketing of children's wear has advanced so far out of the season that if a mother wants to buy a dress for graduation in June, if she doesn't buy it before Easter, she's not going to find it. I think this is one of the problems of merchandising, whether it's children's wear or regular wear, is that the stores want to be early, early, early, and they never really have what
you want when you really want it. And this is always a complaint. But this time we stayed with it, and we're into May, where the stores are actually empty of anything that has any dressy look, and of course the price is very good in relationship to the regular price structure. We have a window at Cerutti's right now, on Madison Avenue, with this particular ribbon dress. It is one of the highest priced children's stores in America. And they're selling it out; they've reordered it. Well, we touched something in America. I think it looked like a gift wrapped dress. Everybody who buys the dress for her daughter thinks she'll be giving her a gift.

Q: Every grandmother must be buying it.

A: Everybody's buying it. We've seen no end in sight of this item. And although we make a full line of everything else, we now have a long sleeved version, we are selling our new versions for fall, with fall colorations, we've already sold between 10-20,000 pieces of the style. Which is unheard of. Unheard of. Since the earliest days of the business. I don't think we've ever made so many of one style. We never made, in our 62 year old history, we've never made so much of one style in such a short period. Of the same style. And we are still making it. And I don't know...I'm in uncharted territory. So are all the stores. Business actually got better after Easter, which is the traditional cutoff of spring. And summer is a very low end, cheap, cheap area. But it's just the wildest thing I've ever seen. And it's causing us to rethink our whole position about where the dress classification is going, how important is it; I think it's been neglected terribly by the stores. Of course, we have a change again, a phenomenal--not phenomenal--an interesting change in the psychology of style and look. If you go out of New York today you will see that most women today wear dresses, or two piece
sets. The pant suit looks old and tired. And these are the people who buy children's wear. Children don't buy children's wear; the mothers buy children's wear. Or grandmothers. Or it's a gift. But suddenly, in the last year or so, there is a return to dressing up. You also have a birth rate boom, which has started in the last three years, which is affecting certain classifications of toddlers and 4-6X. And, the people want quality; they want style. They're looking for something... I think they're looking to dress up a little bit and have a little fun. Even in a depression period.

Well, it's been the most exciting period of my entire business career, the last six months.

Q: Well, what's happening with China?

A: China is still going... China is extremely difficult. And the domestic business is not so good. I'm sort of... I see the potential of our domestic business as compared to the Chinese business, and the fact that China can't give a reorder. It's like a one shot deal. While it's very nice, it will never have the excitement of the domestic business; the ability to turn and deliver fashion when the consumer wants it. This was actually, this whole marketing thing, was done over the heads of the buyers. The buyers could not comprehend that such volume could be done on dresses. They were used to sportswear, and they used to program. But they never had it in dresses. There's a whole new breed of buyers. They're all in their 20s and 30s. They don't understand it. And you know something? I don't think I understand it. But that's what the consumer wants, and that's what I got to give them.

Q: You know, it's interesting that you were able to pick up
something which would become such a dramatic item. Because the ability to pick up something and run with it is an ability which no computer really....

A: No, the computer would never have picked this up. This was only one of 300 styles, and I just think...I don't know what made me do it. Because my people would never have said do it. They said no. In fact they were still saying no....

Q: But the interesting thing is that you are still in a position, in your position, you are still able to spot a dramatic kind of small but significant selling of something, and you were able to pick it up yourself. Nobody brought this to you, apparently. None of your financial people came and said...

A: I give credit to my designer. The person who designed it is Joan Bellew...She was with Kate Greenaway, one of the companies that went out of business. One of the old line companies. And I always liked her styles. Very professional. She created the original style. But I merchandised the balance, and that's where the tonnage came. She gets all the credit for coming out with it.

The ability to spot...I don't know what possessed me to this day, but I remember...

Q: Do you ordinarily look at computer sheets and what's going on?

A: Yeah, we look, but it's too late usually. You know. You have to know who's buying.

Q: But how did you happen to pick this up? That's what makes it exciting as far as I'm concerned.
A: I picked it up because I knew who was buying it, and from my marketing, from knowing the areas, I knew...I said to my people, "Your tongue would be hanging out by Easter if we don't have tens of thousands waiting. Because once we go to season..." That's the biggest season today. Spring's the biggest season.

Q: Okay. Ordinarily, in that collection, you would be doing how many styles?

A: In the 7-14, it would be about 50 or 60 styles.

Q: So to pick out one...

A: One. So if we did 400 dozen it was a fabulous number.

And we're now, in that one coloration--of course, we made other colorations--but the one we're still cutting...

The original one was white with colored ribbon. And we're still making it, in all size ranges.

Q: Were the ribbons any particular colors?

A: Well, they were mostly in green, purple and lilac. Bright satin ribbons. Shiny ribbons. That dress, incidentally, is also in the Metropolitan Museum of Art. In the collection for 1982, even though it was a 1983 dress. But we shipped it in '82.

I find today...This is the exciting...I am enamored of the whole scene, of the children's thing. Because I see that from a very small, insignificant detail, if you have the...If you can recognize it...Of course, I'm a hero now. But if it was wrong, we'd be sitting with several thousand pieces. And I've been wrong...I haven't been wrong on this item, because to
me it was a classic battle. I compare it to a battle because I think we scored a breakthrough. And I have to go back to my military training, that when you have a breakthrough, you exploit it for all it's worth. We caught the market completely flat footed. Nobody had anything like it. We knew it was good. We got a name, a gimmick, a handle, so it would be easy to identify, instead of a style number. And it's become a byword of our industry. Now, how long will it last? What are you going to do next? That's the question. Everybody who comes in. So I...We have variations. I think we're good...These cycles go a year to two years before they sort of peter out. One of the advantages of this item is that the price is very good. There's no closure; it's over the head.

Q: Do they keystone in your industry? Is it $13.50 or something like that?

A: Keystone. But lots of stores took an extra dollar. $2-3 everybody sold them...No matter what the price. I didn't get one complaint on the pricing of it, because everybody sold out. So how could anybody complain about the retail. And anyhow, they're not supposed to, under the Federal Trade Commission. But, they still complain. But, I said, "Listen, do what you wish with it. Everybody's selling it out, and if you don't want to carry it, if you want to be foolish, don't." They reorder it anyhow. It's been the most incredible success in the entire children's industry. Bigger than designer jeans. Bigger than tops. Bigger than anything. Which just shows that a girl is still a girl, and will always wear a dress. It just shows that the market is there is you give consumers what they want.
As I started to say, I went over the buyer's head. I didn't realize how many merchandise men and GMM's I knew who started out as children's wear buyers, who remembered what a big business the dress business was. And I went to them, and I said, "I can't explain to your buyers what's going on, because they wouldn't understand me. But we have a phenomenon going on." And many GMMs ordered their buyers to buy it. Those buyers are my best customers today. We did more in one month with stores than we've done in a year. There's so many of them. I was supposed to give figures to AMC. I said, "I don't want to give you figures, because I've already done more this year than I did last year. What are you going to do? Put me down as a bad resource for 1982, because I didn't do any business? Today I'm your number one resource." We're so far ahead, we've exploded the whole area, as far as the dress classification goes, that all management is agog. It's astounding.

So, it's been a marketing coup. We've licensed the dress with McCall's Patterns. We are manufacturing the dress. We now have licensing deals in Jamaica, for the Caribbean market. We are involved in discussions with Canada this year, and now we're going to go into licensing in Canada, which we haven't done in about ten years.

Q: Incidentally, what we're going to do in our next session--because there is going to have to be a next session, of course--a whole list of individual things to go over with you: offshore production, licensing, etc., etc. So that there is another whole thing. And one of the things that I am going to be...I would love to get your answer about when we talk next...
is what made you decide not to go into children's sportswear, when that
certainly appeared to be where it was all at, for a while. And I'm sure
you made a very conscious decision not to, and I am interested to know
why. I recognize what you said about the union. But there still have to
be other reasons. So, I thank you very much for this. I think you've covered
the chronology. And now, next time, I want to get into more specifics....

[Tape 2/Side 1]

Q: This will be a continuation of the oral history inter-
view with Stanley Love, head of Joseph Love, Inc. The date of the interview
is May 19, 1983.

Shall we talk first about the seasonal aspects of your busi-
ness? When your showing times are and how many times a year you show, or-
dinarily, and so on?

A: In several...Decades ago we used to have four seasons,
coinciding with the seasons of the year. The most important season in my
father's time was the back-to-school season, which corresponds with Fall. We
would show in May and June, and deliver June, July and August. And the tra-
dition was when Labor Day arrived, the first school bell arrived, that was
the end of the season, and we would go into Holiday or Christmas season then.

Q: So your lead time, the lead time you needed, was not
really that long was it?

A: It was not that long. We would pile season upon season.
The buy for the Holiday season would be August-September, and we would ship
September-October-November, and then we'd go into spring. We would show in
November and then we would deliver January-February-March, and the signal
for the ending would be Easter. Then we would go into summer. We would show
that in February, and that would be for the after Easter period, May-June.

Now, as I said, the back-to-school season was the biggest
season of the dress classification, because every little girl had to have
a new dress to go back to school, which was in September. And that would mean
...And, if you remember, in those days, all little girls wore dresses. There
was not such a thing as pants. You wore pants...

Q: How many years ago are we talking about?
A: I'm talking about before the schools changed the dress code.
I would say it lasted about up to the early 1950s, when there was a radical
shift in consumer preference, taste, etc. The Holiday season....Well, first,
the Fall season was characterized by a dominance of plaids, dark cottons--
mostly washable; we very rarely made woolen. We did make some woolen dresses for
Best & Co., which at that time was the premiere children's wear operation in
the United States. We were involved in catalogues and big ads and promotion.
And that was a byword for children's wear, more in the classic tradition.
But with the demand for washable fabrics we phased out of the heavier woolen
type of things, and, of course, with the heating in houses and the better
insulated outerwear, the demand for this kind of product faded away. We did
go into synthetics--acrylics, things like that; wool type fabrics that were
machine washable. But we really stuck mostly to the wovens and the cottons
and the polyester coming in, easy-care of the post-war period, that became very important to our particular market.

Now the Holiday season was characterized mostly by long sleeved light fabrics—taffetas, jewel-toned fabrics, dressy fabrics—to wear for Thanksgiving and Christmas. And the stores...gimmick dresses, like a dress with a bag or a dress...I remember we had one promotion, a dress with a hat-box for travel, after World War II, that had stickers on the hat box--Paris, Rome, London--and that was very successful. And we were also very interested in merchandising; e.g., in conjunction with Lord & Taylor, we re-issued the original Alice in Wonderland look. They did a newspaper ad with a sketch, showing the Alice blue dress and pinafore. And that kind of merchandising we liked very much. One of our biggest success stories is merchandising in conjunction with "The Sound of Music," where we made peasant type of dresses, tying in with a very, very good movie, which won an Academy Award, all the music and so on.

But this is very good for our market. This kind of a tie in, and we were one of the pioneers in this type of merchandising. We did originally have, in the pre-war, pre-World War II period, we started with the movie star craze. We did have Shirley Temple, originally, through an agent, and I always remember we had her under contract, and my father took the train to California to renew the contract, and meanwhile Rosenau Brothers (they had Cinderella) took the plane, which was rather avant garde in those days, and they got Shirley Temple, which turned out to be a tremendous merchandising feat. And it propelled Rosenau Brothers, relatively (it was a Philadelphia based operation), into national prominence. They went public on the basis of their Shirley Temple...
dresses. We in turn settled for Jane Withers, who was at that time a second star. And we also had Deanna Durbin dresses. This was during the '30s, when every little girl wanted to emulate what was being shown on the silver screen. It was a different type of world at that time. I know tremendous quantities were sold in units, because if you remember our pricing structure, it was rather low and our volume, for those days, rather large.

Incidentally, four years ago we did find, somewhere in one of our boxes, an original Jane Withers dress, which is now at the Metropolitan Museum of Art, so we do come upon these things, with the original Jane Withers label in it. In fact, Jane Withers asked me for the dress, and I said, "It's too late. It's in the Met."

Now, getting to Holiday. That was, as I said, a very dressy, short season, because of the time. And we went into spring. Holiday was the third most important season. Then spring was the second most important season in volume, and interest. The spring line was characterized by pastels—lilacs and pinks and blues and yellows. We had hat dresses, with the matching straw hat. We had parasol dresses with the little parasol...

Q: Easter Parade...

A: Very Easter Parade type of thing. And the tradition—which is still a tradition—that every little girl had to wear a dress to church on Easter Sunday. That was the big moment. No matter who they were or where-ever they were, that was dress up time. And, of course, the weather was warming up so they wanted to show off their Easter finery. The Easter parade was a big deal all over America. You could get dressed up for the beginning of
springtime. Then we would go into summer, which would be characterized by sleeveless sundress types of thing. Relatively inexpensive. That was the fourth important season.

In the late '50s, with the change in consumer preference, we had a shifting of importance. As pants became more and more popular--pants and tops and jackets and the dressing became more casual, the back-to-school season began to lose its importance as the number one season, because of the fall off into sportswear.

Q: In other words, your product mix was still what it had been.
A: But, we found that the demand shifted from the number one season to the number two season. In other words, the spring season started to become more and more important. Because one thing they didn't wear were pants to church. During that Easter time, the demand for dresses skyrocketed in comparison to the other areas, which were slipping. So, today, we have a spring season, which is number one. The summer season lost importance because the retailers, in order to fill the demand for dresses, had to force the sale and became very price conscious. So they are always demanding concessions and closeouts and things of that type. So the season really became so non-productive that most upstairs manufacturers eliminated it, or made sleeveless and summer dresses--or what we call cruisewear, January-February, so we could sell better goods early, and get out of it by Easter. And there became a gap in merchandising requirements for the stores--and the stores themselves are a lot to blame for what happened--where a consumer could not really find anything choice between the end of Easter and the so-called back-to-school

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season. In the dress classification. And this has been going on now for the last ten years. And unfortunately, the consumer could not find anything—for instance, for a June wedding, graduation, things of that type. And this year, we finally came to the moment of truth, where we had an early Easter, which turned out to be pretty strong economically, where after a recession of a couple of years, where the stores were extremely cautious, where the stores actually ran out of merchandise. And had nothing to offer the customer who wanted to buy things, and this has been going on since this March. And I think this is part of the phenomena that we're facing now, of having an item called a ribbon dress.

Q: Yes, we talked about that.

A: We talked about that. But what happened was, there's nothing in the stores to fill this demand, and the stores have suddenly realized that they're missing an awful lot of business in our classification. So there's a whole re-thinking of where we're all going together, and our back-to-school business, which we are now busily booking, is enormous in comparison to...

Q: And it's still just on dresses.

A: Yes. Well, we did have...

Q: When did you make the decision (which was obviously a conscious one) not to enter the sportswear field?

A: Well, sportswear being a relatively new factor in the business in the '50s, we were able to set up on-line factories in the South, mostly away from the unions, or go overseas and make straight line, what we call straight-line operations, where they could grind out a tremendous volume of
pants and tops without any real change in design, dresses being a lot more complicated to do. That's one of the reasons it's very difficult to do dresses overseas. Because we're always changing little details. So we were faced with the jeans makers--and the enormous ones are computerized and technically very advanced in the manufacture of soft goods--And we were just always priced too much. It was just the decision that every time we made sportswear, we had a great problem getting any long runs on it, and they would always compare us to these straight-line operations. Coupled with the fact that merchandising was different in the retail stores. They always had a sportswear buyer and they had a dress buyer, and the dress buyer usually bought coats, if they did vertical buying. And the sportswear buyer never thought of us as a sportswear house, because we were actually basically a dress house. Double sales...

Q: With your great feeling for promotions and so on--I don't mean to belabor the point--But it just seems to me that, you know, you had Sunflowers in the David Crystal operation, in children's wear, which includes sportswear...

A: But they're making it overseas. It is a price problem in children's wear. Children's wear is very, very price conscious. The basic market is price conscious. Basically because the mother knows the child is going to outgrow it. Yet, they demand top quality. And, of course, the mother takes care of the item, and doesn't want it to fall apart on her.

Q: So you just felt you could not compete.

A: I could not compete, and it required a double marketing effort, because we had to go into the sportswear buying--buyers and merchandisers--and it's a completely different type of...It's more of a commodity
business than the dress classification. The dress is individualistic, and it does have seasonal changes. Plus it also has regional ones, but I did not get into that, and I'll just briefly touch on that.

Like the South...The South is considered more dress oriented than the rest of the country. I think it's just the Southern Belle tradition. But more dresses...And also it's much more church going too. And much more....Social events are much more important to the South. So our areas of biggest demand have traditionally been the South. And today, of course, the Sun Belt has grown even more in importance in the entire economy, so we do have a tremendous request for dresses in that area. More than in the other areas.

Q: Do you have a sales force?
A: Yes we do. We have...Our sales force are independent outside of our New York showroom, and our representatives carry other lines, and they maintain showrooms around the country...

Q: Atlanta and...
A: We have Atlanta and Dallas, Los Angeles and Baltimore and Chicago and Philadelphia as the main areas of marketing. And these regional markets have assumed greater importance in these last several years because the cost of traveling has gone up, the cost of hotel rooms, and it's just become easier for the regional stores to go to the regional center and book in. And these markets have turned out to be very important to us because a lot of our business is what we call mom and pop specialty stores. And they just can't come to New York every three months to rework the market. Especially in our type of classification, which keeps changing with the season. Pants
and tops they can sort of make out. There’s not that much to change...

Q: But I assume...Do they come to New York anyway, to make plans for...?

A: A good specialty store will come to New York, no matter from where. If they have a big enough operation, the New York market is still a kingpin and it is always open. The regional markets, such as Dallas, which I would say is the number two market today, has one big week a season, where the stores flock in and they've got to wait on line, and they will only see what's shown in Dallas. And there are a lot of good lines that do not have sales forces around the country that these specialty stores want, to be distinctive from what everybody else is seeing in Dallas. So...Using the example of the Dallas market, I would say if you want to be a leader in the area, you should come to New York. It's very, very important. No matter where you're located. It’s worth the trip. New York is still the center of the fashion industry.

Q: But do they come...?

A: Yes. If they're a good operation. They will come. Now, most of these good specialty stores have New York representation. Their buying offices, such as the YOuth Fashion Guild, which has over 400 specialty stores...

Q: Oh, I see. There is a group...

A: They keep them informed of what's going on. Unfortunately, they have their regional...their quarterly meeting, they'll keep the buyers occupied for about three out of five days, so when they do come to New York, they're sort of force fed what the office feels. But it still performs a
very important function for the smaller retailer, which is very, very important.

Q: That means that the specialty store is still important to you.

A: Very much so. In our market. Very much so. Because you see, when you're dealing with children, it's, frankly, a pain in the neck to shop with them. You take a child who's wiggling to begin with, bring him in the store, and start trying on all classifications--sportswear, tops, things like that--In 15 minutes the child is wild and the mother can't stand it. And especially in the big stores, it's all self-service. So she runs in, buys one item, and runs out with the kid. Or hopefully she can park them in some type of nursery setup with supervision while she goes shopping herself. But it's very difficult to shop with a child, for herself, and it's very difficult to shop for a child, period. The specialty stores give the mother the ability to sit down and get waited on, have the child try things on. So the specialty store really makes much more sense. You're paying the same thing anyway, so you might as well go to a specialty store. It's easier to shop for them. It's absolutely horrendous to shop for a child, because of all the classifications that are usually done at the same time.

Now, for her child, the mother always has to remember that the ease of care is uppermost in her mind. That's why brand names are very important in our market, as compared to designer names. Because the mother knows that a name...She sees the label every time she has to wash it. Her child gets dirty every day, so she has to take care of whatever the child is wearing. She picks it up, she takes care of it, and she puts it back. So she
becomes very familiar with brand names, such as Health-Tex, or Love, or Carter's—these names have become sort of generic, for her. In other words, I'm always astonished that wherever I go, the one...People ask me what do I do, and I tell them, and I get a blank stare. Because I realize the only person who knows my product is the mother with a daughter. So I always ask now, "Do you have any children?" And if they say yes, I say, "Do you have girls?" And if they say yes, then I say, "Well, I make Love dresses," and I get this, "Oh, how wonderful!" But if I say it to somebody who only has boys, or has no family, I get a blank stare. So we are important just to a mother with a daughter.

Q: That surprises me. Because the name is so well known.

A: It's point of purchase. It's known if you are involved in buying a product. That's the way it is in America. It's become...It's become, it's completely diffused as far as brand identification, if you're only making children's wear. Now designers have surmounted this area by heavy TV advertising. And press exposure. We don't show...Children's wear just isn't glamorous enough...It's cute. You'll always get good pickup and publicity and promotion, if we send out mailings. But we really don't get the rock...The solid attention of the American press in fashion reporting. Basically because...it's sweet; it's nice, but it's not sexy, let's say. It's not news making. It's not avant garde. It's not kooky. Because a mother basically does not want to embarrass her daughter. She's not out to put some peculiar colors on her or make her the object of scorn or derision. She wants to be middle America, you know. She wants her to be sweet, and loving, and she doesn't
want to do too much. And that's always the basic philosophy in our design. I won't go in for anything that's a little too far out. It just doesn't work. It's all right. It makes news. But it doesn't really sell. When you really get to the store.

Q: I'm not sure if the last time we touched on licensing. I think we did. Have you licensed in other countries, or have... What happens with licensing vs. exporting?

A: We probably have the oldest licensing arrangement in our field. I'm not quite sure about ready-to-wear, because in the post-war period we were approached by Kanebo in Japan, who made children's dresses in Japan. And is still, in effect, and we sent our designs over there, and they made kind of... Kanebo sub-licensed our product for the sale in the Japanese empire. And it's still going fairly well. I can't say that I'm... We have a lot of... Japan actually is uniquely qualified to make just about anything that is made here. They have a very sophisticated textile industry, especially in trimmings. And they can make our product. It may cost a little more, as their wage scales rise. But they're just about the only country that I can think of...

Q: Have you sent them the ribbon dress yet?

A: Yes. I'm waiting for a result. The seasons are slightly different from ours. They actually sell during the time of want. We have advanced our period... And their tastes are definitely different from Americans in that we like bright and bouncy colors for children, and they're much more muted and subdued, and much more European, I would say, in taste. But there
are differences, but basically what's good here is good there, in the long run.

Q: Do you license anywhere else?

A: We had a license in Canada up to about 15 years ago, when our partner retired, and without the supervision of somebody in Canada, it just didn't work, so we discontinued licensing them. However, we're just about to re-license again. This will probably be next month, where we'll start manufacturing again in Canada. We have a licensee for the Caribbean, which we've just started. So we're getting more active in licensing. I think people realize that the designer name doesn't give anything insofar as direction and production and continuity and styling. You know what to avoid. After all these years, there are certain things we do avoid, and we just don't get involved in. We'd rather say... We just say no on certain designs or certain types of things. We know what to avoid fabric wise. And I think a 62 year track record is something.

Q: Yes, you mentioned last time that you once had a design staff, which I think was as many as eight, if I remember correctly.

A: We're now down to one chief designer and with an assistant. And we don't make the big line we used to make. We used to have 400-500 new styles a season. Today we have about 140. And a lot of them are just re-interpretations. In those days, we made a design, we'd make it in let's say two or three colors. In those days, the '30s and the '40s, we'd make a dress in pink and blue, let's say. Today we number every one individually because we let the buyer... If she likes the pink combination, she'll buy it and if she doesn't she won't, but she may like the blue combination. So there

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are a lot of second and third colors. When we say we make 150 numbers, of
those 150 numbers we may have 40 in the same design but in different colors.
The same body. But we find this is the only way to get around this multiplicity
of fashion, which requires different production. We have to make new patterns
every time, and it gets to be a very expensive thing. And we still are, again,
very price conscious in the children's market.

Q: What is the story with financing?

A: Well, until the death of the founder, we never borrowed.

My father ran a very conservative business and built up a surplus, and we
never went to the banks; it was all internal. When I took over, the liquidity
was affected because of the settlement of the estate. The money came out of
the business--the government got most of it--And in order to finance the
operation of the business, aside from my personal pledging, we went to a
factor, which...Chase Manhattan Bank, which was our lead bank at the time,
and we went on a borrowing basis for...

Q: That's factoring against accounts receivables.

A: Which is very unsatisfactory for our kind of a business,
because we are basically not in the commodity business, such as the textile
area. We make so many individual styles, and there are so many little problems;
e.g., the return of one style. We make so many styles, and there's so many
individual transactions--special orders--which we still continue to do,
which is very unusual. We'll take a special order for a $5 dress, because
I feel customer service is the backbone of the specialty stores. And the box
may even cost more today than the special order, but we do it, and if we can
accommodate somebody, I'll do it. My aim is always to make our company an easy resource, so people come back. They know...You know, you've got to do business. You've got to make it as easy as possible for everyone. And if you do that, people come back. They have no trouble with Love, and that's the kind of resource that everybody wants. They just want to feel at ease, and to be able to relate to each other. We do take special orders. But, in the factory, it gets to be a nightmare. And I was very unhappy with the arrangement--it lasted about a year--But we did so well in one year we were able to eliminate the factoring, and go on an open line of credit, with Chase. Today I don't bank with Chase. I find the New York banks have become so impossible, with a lot of their requests and their procedures that...I'm now with Chemical Bank, which was our second bank, which I find quite satisfactory today.

Q: Do you have a special division for the chain stores?
A: No...We don't...I don't believe in a multiplicity of labels. I'm not one who creates new divisions at the drop of a hat. I just think Love is a good enough name for everything we do. Now, in regard to chains, we don't do too much chain business. A very, very limited amount, because chain business has a tendency to go up when they're enamored of you, and when they're not enamored of what you're doing, they'll drop precipitously and be eliminated, and this is something my father said, that you can't really depend on the chain for the steady source. The rock bed of children's dress operations really is the specialty and the department stores. To take the time to show it properly, and romance it. And this is an area of romance in the children's
wear area. The dresses, really, are the best foot forward of the whole department, and you just don't get that much—although they're enormous; the chains are very important—we don't really go after them as a need. We'll take it if we...If the mood strikes us. We're a little more independent about the chain stores. And we don't usually give them the label. Sometimes, on special requests, we might, but...

Q: Private label...

A: Well we just don't give them the label, or we give them one of...We give them their own label or...

Q: But you do private label?

A: Yes. Yes. Or no label. Just make it without a label. We would do that. But this is a very small part of our business. No more than, today, 5%.

Q: Yeah. Well, actually, at this point, when I say private label, I'm no longer talking about the chain stores. I mean that, at least in ready-to-wear, women's wear, it is a growing tendency to the stores or buying offices to buy with their own private label. Do you do any of that?

A: There is some of that, in other areas. But actually, they want our label. Most of the stores want our label. So we don't have too much of that in the dress classification. I think it's more prevalent in ready-to-wear. Ready-to-wear and in outerwear. Children's outerwear. Not in dresses. Dresses are a little peculiar, because of the seasonal change. And seasonal change and regional preference also makes it very difficult to really program for the entire country. Until this year. Again, I have to come
back to this incredible phenomenon...very unusual.

Q: We talked a little bit last time, but not on the record, about succession, and I wonder what your thoughts are on the subject.

A: Well, the old saying about the best laid plans of mice and men...but in the succession...In our family, the succession was done sort of through who'd been longest in the business. When it passed from my father...Unfortunately, my older brother didn't get along too well, so he left, so the succession devolved on the two younger...Myself and my younger brother. But, in an estate problem, which I went into, which was really no succession, it was really just a struggle...Nobody wanted to take a second position. In this particular case, I have a problem, and I'm mulling it over at this stage as to what to do. As I said, I have two young children. A son 19 and a daughter 22, who have shown absolutely no interest in the business, or any type of business. But, I can't say that's the last word on the subject. But right now, in my business, there really is no one. There are people who are most capable, but they're actually older than I am. Not much older, but all in the same age area. There are...I do have an assistant, who has been with me for about half a year, and he is basically someone who speaks Chinese to help us in our overseas operations, which I'm going to touch on now.

Q: Yes, please do. Talk about China...

A: We have never gone overseas to manufacture until about four years ago, and one of the reasons is that our competition has traditionally been heavily involved in the Philippines, which has been known for its handwork and infant's and toddler wear--In fact, I'd never been to the Philippines
until this last January of this year. But a lot of our competition is involved in manufacturing in the Philippines, which, until recently, had favorable entry rights and also a tradition for beautiful handwork, a children's specialty. But there's a flood of business coming in from the Philippines, just adorable, and it's all over the market. Well, I'm one to always go where nobody is. I want to be different. I don't want to follow the crowd; I want to be the leader. And when mainland China opened up, I was immediately interested in manufacturing there because of my military experience, I had been in the Far East, in the '40s, I'd been in China in the '40s, and I was always intrigued by their workmanship and their detailing. Obviously they had that in China. So, as soon as I got the opportunity, I contacted the People's Republic, and we arranged, through their office here, to start manufacturing. We took some of our old Best & Company smocked dresses and gave them to them to copy. And, unfortunately, doing business with mainland China is a long, hard road to follow, because
the language problems, coupled with the cultural differences, makes it ex-
tremely difficult. Something as technical as a dress...You may not think a
dress is technical, but it's much more difficult manufacturing dresses than
pants or tops. Because it's a new ballgame. Every time you make a change,
it changes everything. So, after our first attempt, we decided that we'd
better cancel the whole thing because it just got more and more mixed up
and complicated, and we made our first trip to China...I actually called my
younger brother, who had run the design department, who had left the company,
and gone to Santa Fe, ...to come along so I would have a design concept. So the
two of us went off to mainland China and did a survey, in China, which turned
out to really not be one country. Every province is different, and everybody
...due to the communications and transportation, you've got to take fabric
that you find in the province you're going to manufacture in. So, the idea
is to match up the facility for the manufacturing with the textiles available.
And it requires some in-depth looking. We looked...And I actually had to go
back and run the business; I left my brother there. He stayed on another month
and looked around, and he actually placed orders and designed some dresses
there. Which arrived and did very well. The first shipment arrived in '81.
We sold over 100,000 units, and it was like...It was...I was agog, with the
price, the value, and we rebuilt into the dress everything we'd eliminated
due to rising costs here. We put back four inch hems; we put back pockets.
We put back all the little details that nobody wants to pay for anymore,
but we...The pricing structure in China is so good that basically they don't
charge for labor...
Q: You had mentioned that...

A: The reasons are they've got to go to work, see. What's the difference, whether they put a pocket in or they don't? So we had great success. Our second round... It was so successful, I remember having so many problems with domestic production, that we then decided to expand the operation and we went back, made other things, which, basically, were not as successful as our first try. Number one, the price had started to rise. Number two, in order to get lower prices, we didn't put in all the detail. We didn't make double dresses. We lined the first group; we did not line the second group. And it was not as well received. But still, interestingly enough, it was still of interest to us, because we still could do things we couldn't do here. But the time lag in communication became more and more difficult. We're over a year away, so when you design, you must only design party dresses with a lot of detail. I can't do fashion type things, because of the time lag. And we're still there. We still have our problems in communication. I have somebody who works for me who speaks fluent Chinese and American, and it's been a great help. I now find that I must go with my own translator, because what they say in English is not what they say in Chinese. I found that out. There's a lot of things going on, so if you have somebody with you who does speak fluent Chinese, then that helps. I like the Chinese operation basically, because the challenge... You don't see the results for a year. And if it's good, you've got to wait for another year to get more.

Q: Well, I would assume that represents a very small percentage...

A: A very small part...
Q: Let's talk a little bit about what this...where you do manufacture.

A: We manufacture domestically (and this has had an enormous increase last year due to a resurgence of interest in the dress, domestically), and our coming up with this fashion and having universal acceptance. We have a...Our main unit is in College Point, which is one of the areas in Queens. We have a 55,000 sq. ft. plant all on one floor. It's a very, very beautiful plant, and at one time we occupied the whole thing, manufacturing children's dresses. We had about 175 employees altogether there, including a large manufacturing operation coupled with complete pressing and sewing and shipping facilities. We have an IBM computer System 32, and this was done under...The plant was bought in the '50s, and I upgraded the computerization of the plant in the late or early seventies, when I took over the company. However, with the shrinkage of units, we found our cost got out of hand, and we were stuck with a union situation where....I don't know if you know, but the ILGWU does not allow you to lay off anyone. Everyone must share the work. So there was less work to do, naturally nobody's in a rush to make anything, so your costs really go out of hand. So we approached the union last year, in the last two years, and showed them we had had financial problems, with the dropping in the demand for the dress classification, that we had to have some relief from the restriction that the contract placed on us, and they were cooperative. And they allowed us to eliminate our interior shop, and to reduce our cutting staff, so today we have...We're down to a total company size of about 75 people, including executives and our New York personnel. But, of course, we
don't utilize the plant now so we're just renting out the space. There are other areas...

Q: Is your distribution done from out there?
A: Our distribution and pressing are all done there, and we do have a small sewing plant for samples. We have to make sample lines for all our...

Q: So your design room is not in New York?
A: We design in New York. The design is done in our New York showroom, which is 112 W. 34th Street where we also have...And I also have a private dining room...

Q: Yes, you do. I forgot to mention that.
A: So, it's a good setup. We have much too much space. We could probably get along with 25,000 ft., but the move today is so...

Q: You have 25,000 feet...
A: We have about 25,000 ft. in our plant in College Point. We have about 3,500 ft. in our showroom, at 112 W. 34th Street.

Q: So you have your design room there. You do your selling there. But you do your cutting out at the plant.
A: All the cutting is done at the plant. Our control of purchasing...Purchasing is done in New York. We look at the lines in New York.

Q: Just as a ballpark figure, what's your volume today?
A: I can't discuss it...It's on the way up. We're running about....We will run, this year, 50% ahead of last year. Next year we think we'll probably double, at the rate we're going. We're running 2-300% ahead...
for the past two months. In comparison with last year. And if we keep on
going the way we're going...We're actually in the explosive stage of growth.

Q: What does happen in a stock house like yours? What happens
when you are left with merchandise?

A: Lately we're not left with anything, because the demand
is so strong, so we're coming out pretty even. But we do...When we have left,
we give the stores 20% off sometimes; 25% off for store promotions. They
always ask for it. They always want our samples or...So there's a big market.
There's a demand for our products all year 'round. And stores, you know, promote.
And they always want a special. When you're in a position of delivering goods
that are selling so rapidly, what's the difference to the store as long as
they get their keystone markup. And they're all selling out, so we're a hot
resource. We're not going to argue about it. They want more. That's the name
of the game. Bottom line performs.

Q: Would you talk a little bit about the kind of advertising
and the kind of publicity program that you have developed over the years?

A: Well, one of the reasons for the great name in the minds of
older people was that Love was always a heavy advertiser in the New York Times.
We used to run programs in the '40s and '50s, in the Sunday Magazine Section
of the New York Times, color page ad. And we would have the support of the
fabric people--the Wamsuttas, the Celanese and DuPonets--who did an extensive
children's wear campaign during the '40s and '50s and the '60s. We would
run color page ads week after week, or every other week. And you must re-
member, at that time the birth rate was booming, everybody wore a dress,
and the ads at the time cost about $5,000, for which we would have cooperation from our resource structure. Or they would give us a quid pro quo, another ad. So our name was very, very well known, and it would pull tremendously. We would list stores at the bottom, and there would be romantic color pictures or drawings or photographs, and this was a great tool for promotion of the name.

Unfortunately, the birth rate started to decline, and the dress again became not the predominant fact. And, the cost of the New York Times went through the roof, so it came up to $15-$20,000 a page. I don't even remember what it is today because I don't do it anymore. And it just wasn't worth the cost, because every dress is individualistic. You never could recoup out of cost. Of course it was image...This classification was weakening, but you can't eat image.

Q: Have you ever experimented with TV?
A: No. Though we did have a Celanese...Sometimes the fibre people do promotions on television. Which have been all right. You know, the stores supported it. But again, the dress is individualistic, and everybody's got a different idea about what to do, about what they really want. They want to go in and look. And, of course, with the rise of shopping centers, people go in and look and they see what they want. When there was only one downtown store, they would call in from an ad; they would order. There was a lot more mail order coming in, in the dress classification. Because everybody wore dresses. So today, we're just mostly trade ads. We run beautiful color pages in the trades, to set the mood on what we feel is important. And that's...
where we're really at.

Q: As you advertise to the trades, you must have a pretty fair sense of what is happening in relationships between buyers and store management, or whatever, and manufacturing. Do you have the same kind of personal relationship with...

A: I find it returning lately. Or maybe it's because I'm re-involved in merchandising a line personally. I find it very important to talk to buyers for playback; to find out what is needed. What...Unfortunately, most buyers today have grown up without any dress experience; they didn't even wear dresses themselves. And they're much more sports oriented and you know the old saying that if they're good they go right up. Up the ladder in our field. I mentioned previously, there were so many people running stores today who started out in children's wear. So I do have a good contact in top management, which seems to be coming back with the emphasis...With the birth rate going up, top management is getting very involved again. And in the children's wear area, I found there was a big layoff in the area in the last 4-5 years. Now it's returning. We have a steady procession of GMM's and Presidents now, in the last 4-5 months. So it's been very gratifying, renewing old acquaintances. And we're getting the buyers interested in the classification, because it's moving so rapidly. So there is a more of a feeling of "we're all in this together" type of thing; "Let's see what we can do." Everybody keeps asking me what I'm going to do next year, and I keep saying, "It's going to be a later Easter." I don't know what we're going to do next year; nobody knows the future.

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Q: Do you ever take any suggestions from the buyers about...?
A: We do. We listen to buyers...Certain buyers...

[Tape 2/Side 2]

...but it's an idea that you have to adopt. I very often call on Joan Bellew, who is our chief designer. She originally was with Kate Greenaway; that was one of the very old line firms which doesn't exist today. But she...You have to be sensible in children's wear. It's probably the most sensible area of softgoods in the entire spectrum. Because we're dealing basically with a mother who wants her daughter to look good. That's her most precious possession. But we're more conservative. So we have to adapt what the buyer says, and while we have certain fashions....For instance, for this fall we had a bubble pattern--a bubble dress--and while it was big in ready-to-wear, it just didn't sell.

Q: I'm sorry. I don't know what a...
A: They call it...It's like a balloon skirt, it balloons into...
Q: That sounds very high fashion.
A: Oh, it was. And it looked wonderful on. But the stores...

They look at it, and they say, "That's nice," but they buy...

Q: Or else they buy it for the window....
A: Yeah. Well, one of the buying offices made a big bulletin about it, but we didn't get any orders, so...wasted all the duplicates and everything. But who's to say?

Q: Yes, sometimes you have to do those things.
A: You have to do it. But we don't do it too much. But the buyers...Some buyers I will listen to, and I find them...The give and take of what the consumer wants. I mean, this is really our...We don't get on a floor. The buyer goes on the floor and knows what's going on. Specialty store buyers are very good in playing back. But some of the department stores are very good if they have any experience in the area.

There's one thing that, in the design and merchandising of children's wear...We're always talking about seasons, but we also have to remember—and this is always in the back of my mind—what important event is coming up in a child's life. The first communion, they have to have white dresses at a certain time of the year. We need dresses for birthday parties all year 'round. We have to have for June wedding, graduation...There are events that superimpose themselves on the normal cycle of the buy. One of the good examples is that this particular year, the calendar for the Jewish Holidays is extremely early; it lands on Labor Day. So we now have an extreme interest on the parts of the stores for dressy, what we call holiday dresses, for delivery in August, in order to get them into the system to meet the demand for dressy dresses extremely early in the holiday season. In other words, they don't want a back-to-school dress; they want a dressy dress. The customer. So we have to...Now we have to suddenly rush in, get an early holiday collection ready for delivery in August, so they'll all wake up in August and suddenly realize they don't have anything on order. So this is something we have to do in our merchandising thoughts. To superimpose the important event upon the normal cycle.
We are a stock house. We did just touch on that, but a stock house... We're one of the very few firms where stores can walk in and pick up goods for immediate delivery. And that's why we do a good foreign business. We sell all over the world. We sell the Middle East, we sell... I've got customers from Denmark, a big store....

Q: They come here?

A: They come here. Because we can't really send samples over there because of the change in seasons, it doesn't make sense. We're out of it before they even make up their minds. So the customers either let us pick out something, or, on the other hand, come in and pick up as you go. And that's how we really operate with our foreign customers. We sell Singapore directly. In fact, some of the goods we make in mainland China are sold back to the Singapore department stores. Because we make only exclusive models, and it's still less than they could buy it for if they bought directly from mainland China. But we sell Hong Kong, Singapore, the Middle East, Europe, Africa, South America, when they have the money. One of the problems is that the exchange rates are... And continual economic crises around the world. But just this week we got two customers, one from Singapore and one from Denmark. It's still a lot.... American dresses... Our particular classification does not exist in the rest of the world except in Japan, in the quantity and variety. In the dress classification. So, if they really want to do well, they come here. Unfortunately, we could do a lot more in Europe. But the emphasis of a European store planning an American trip would be to send the ready-to-wear buyer to America. They rarely send the children's wear buyer. They just don't think it's important. It is, if they realized that the mother is buying her children's wear in the stores. She's going to buy something else in the store in ready-to-wear.