ORAL HISTORY PROJECT OF THE FASHION INDUSTRIES
FASHION INSTITUTE OF TECHNOLOGY

MORRIS MOSKOWITZ
MORRIS MOSKOWITZ, INC.

THE FASHION INDUSTRY LEADERS

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INTERVIEWED BY
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Morris Moskowitz started his own handbag business, Morris Moskowitz Corporation, in 1948 after a succession of jobs in various aspects of the accessories market starting in 1925. This Oral History deals with the segment of the industry devoted to high quality and high priced merchandise, primarily handbags and belts.

The Corporation remained privately held until 1982 when it was sold to Lane Wood, Inc. of Dallas, Texas.
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Q: Morris, would you start by telling us when you were born and where you were born, and something about your early life?
A: Well, I was born in the ghetto of Manhattan in 1911...
Q: By the ghetto of Manhattan, you mean the lower East Side?
A: The lower East Side. I was one of five children, the second oldest, the oldest son, into a very poor family. And I found myself having to earn the price of shoes and moving picture money... at the age of 10.
Q: Which was what year?
A: I was born in 1911.
Q: So it was 1921. Okay.
A: And finished elementary school, and at the age of 14 I left elementary school to go to work because the family needed whatever little money I could bring in to help support the family.
Q: What sort of work did your father do?
A: My father was a cutter...I guess that's a good description.
Q: That had nothing to do with the handbag industry.
A: Oh, no. Nothing whatsoever. He was so far removed from that...And I...An hour after I had my working papers I saw a sign, "Errand Boy" wanted, and I applied for the position, and I got this position as an errand boy and floor sweeper for a company by the name of "Dritz-Traun" Company....
Q: Would you spell that?
A: D-r-i-t-z hyphen T-r-a-u-n. And that's where I started.

Q: What business was that? What kind of business?

A: Oh, that business in those days was referred to as the "fancy goods" business. And you mention the "fancy goods" business, people look at you and say "What was that?" Well, that was in an era long before specialization. Whereas, as a "fancy goods" company, they were involved in notions, costume jewelry, gifts, imports, domestic linen things, and they were just one of many companies at that time who were involved in that kind of business. In other words, it takes us back into an era where the retailer used to come and buy his wares from wholesalers. Now, the outstanding firm in that field was a company that was long established by the name of Samstag and Hilder...don't ask me how to spell it. And merchants would come from all over the country and spend days at a company like that, buying all kinds of novelties and notions to fill their needs.

Q: So he was really a kind of jobber.

A: Wholesaler was a better word.

Q: Right.

A: It could have been imports, which would have not been a jobber. Wholesaler is the term to use.

So that's where I started. I started as an errand boy and floor sweeper and worked my way into the stockroom. I touched the various stations of activity in the company, and I guess I was just a hard working kid. As I got a little older, as I was growing, my ambitions started to go in the direction I wanted to be a salesman, because I wanted to see how much I could earn. And I knew that being locked in, doing clerical work, which
was what it amounted to, or an assistant being . . in the showroom, had its limitations. So in my 21st year I quit the job.

Q: You had been there for about seven years.

A: Seven. I'd like to talk a little bit more about this company I was with, because in their cross section of merchandise, I mentioned bead work, costume jewelry, notions....It gave me, without realizing it, a cross section of fancy goods. At one point I found myself in charge of a little costume jewelry department; finding myself the leader of thread, manipulating costume jewelry. Beads. And beads came because they used to sell to the art needle work departments. Loose beads. Because women used to make their own handbags. Also, I found myself in charge of their needlepoint department. Needlepoint, in those days, was tremendous, but not the kind of needlework we know today. The needlework then was tapestry that came from France, Austria...Germany...I was in charge of that department. I had a feeling for that merchandise. They would sell canvas patterns to the art needlework department, so women could buy the canvas patterns, and embroider them, like women do today.

Q: Were their customers generally retail stores?

A: In the art needlework departments, that stores have today. Of course. Specialty stores. For instance, Alice Maynard. That's a very famous name there. Or Peter Doeleger was also on 46th Street. I don't know if they're still in business. They were another one of those people. B. Altman was noted for art needlework. John Wanamaker of Philadelphia. So my ambition was to break away and become a salesman. So I decided to do that during the Hoover regime, when they were selling apples on the street corners. I went
out to apply...I was making $25 a week then. And I went out to apply for
a salesman's job. Incidentally, the reason I quit was I knew that the
opportunity would never come to me because the two members of the company
had sons who were just entering the business. There was no chance for me
then. So I had to let go of it, and take my own chance, and I decided I may
as find out what my capacities and capabilities were at an age when I could
afford to live on very little. We had lost our mother at an early age and
our older sister, who was giving up the houses...I lived with them. And
then when I said I quit a job, they said, "Are you crazy?" And I told them
I didn't think so because I wanted to know what I was able to do. So I quit.
And then I went out and...

Q: Where was this business located?
A: 258 Fifth Avenue.

Q: 258...Fifth Avenue...
A: They moved into 11 E. 26th Street...
Q: But that was approximately the area where that sort of
thing...?
A: Yeah...Well, as a matter of fact...I might mention this..
It'll add a little piece of experience...How they became the first distributor
for the Talon zipper to the retail stores only not the manufacturers. Why?
Well, because in supplying the art needlework departments, with the patterns--
the woman would make her own handbags or pillows, whatever and would need...
Either a handbag frame or a zipper to finish the product. So the retailers didn't
know where to get it, and they made an arrangement with Hookless Fastener for
the Talon zipper.

Q: Can you spell that?
A: Hookless Fastener owned Talon zipper. So all this that
I mention now, just enabled me to get a cross section and "fancy goods" experience. The same as a student goes to school. High school, college, and he touches various subjects. My learning came from the business world.

The company I went to work for, who gave me the opportunity to become a salesman, were making some little notions, and I was going to accept the position at 10% commission. And the earnings were like $20 a month. But I was satisfied because it gave me the opportunity to do what I wanted to do and thus expose myself to become a salesman.

Q: Do you know the name of that company?

A: William E. Flory. F-l-o-r-y. The notions they made were very limited kinds of notions. They made a hair curler made out of lead, and women would wear that.

Q: Did you sell those to the beauty salons?

A: No, we sold them to the notions departments. But it was on its last legs. It was a dying commodity. Then the owner of the business realized that he was going nowhere with it, he decided to remove the lead and substituted a cotton yarn coating it with a synthetic straw yarn. So from something dark and dismal we had something light and airy. And from the light and airy braid, they started making belts. So I was exposed to another lesson, all under the heading of "fancy goods." This lasted for about three years, and the gentleman I worked for then, he and his associate, were men in their late sixties. They felt they'd had enough and they decided they wanted to retire, and they asked me whether I wanted to buy the business. And here I was, at 25, with about a $100 bill. So I contacted another gentlemen and we joined forces and we formed a company by the name of G-a-r-a-y, and I borrowed $1,400 from
my sister, made my investment of $1,500 and I matched his $1,500 and the firm of Garay & Company was started, and the two principals were Morris Moskowitz and Arnold Garay. The name Moskowitz was not a "pretty" name, so we decided to leave it alone and not upset the apple cart and just call it "Garay." Eleven years later I divorced myself from it.

Q: That was about 1948?

A: 1948... Garay was finalized in 1937. Going back a little bit... from that "belt" business... it was Natalie Belts... we did an outstanding job from scratch. We took something from zero and built it into seven figures.

Q: You mean you were doing a million dollars by the time you left?

A: In the belt thing alone... In the latter period, the war broke. As a result, the import market, in novelty bags, was discontinued.

Q: But you had not been handling novelty bags, had you, for Garay? No.

A: I'm coming to it. When the import market in novelty bags stopped, and our belts were becoming so popular, we started getting calls to make bags out of those belts. No way could we see doing that. Because the belts were made out of little narrow strips of braids. Well, for about a year or two, I was--excuse me for using the word "I," because I happened to be involved in the front end of the business-- I was prevailed upon that we must get involved... I wish this were... . . .

A buyer finally came to me one day and she said, "Look..."

Q: This was a buyer for a store?
A: This was a buyer for A. Harris of Dallas, and her name was Ethel Simpson, she said to me, "Morris, I've made arrangements for you to see Joe Friedman of "Friedman-Lobells" ," who was then considered the largest fabric company in New York.

Q: Friedman-Lobells...

A: Lobells... "He'd be willing... He'd be very happy to make the bags to go with your belts, as an importer. He'd be very happy to make the bags for your belts. There's a need for them. Why don't you go see them?"

So I did. And when I showed Mr. Friedman a belt, he said that if I could supply him with the material in yardage form he'd be very happy to go about making the bags.

Q: But I thought he was a fabric man. I don't understand.

He wasn't a manufacturer of bags...

A: He was.

Q: I thought you said he was a fabric...

A: A fabric bag manufacturer.

Q: Ah.

A: Fabric bags. So we were making fabric novelty belts. And she sent me to a bag... fabric handbag maker. So when he saw these little belts, about this width, he said, "If you can give me the piece goods wide enough to make bags I'll make the bags." I didn't say to him, but I said to myself, "If I'm going to go to that trouble, I'm going to make the bags myself." And that's exactly what happened. So Garay got me started making bags. To go with our belts.

Q: And was your partner the production man? Was that how this worked?
A: He was supposed to be, but that gets into the personal story... That's why I divorced myself from the company, because within six months, although we were together for eleven years, I recognized within six months that it wouldn't do; I happen to be a perfectionist.

Q: But then you had to learn production.

A: Yes. I said, I happen to be a perfectionist. And I... just like I told you in this resume... the basis on which I tested my observation and my feel for fancy goods, and, excuse me for saying it, my innate feeling for style... just fancy goods, I guess... just led me on. I might also add at this point that I'm accused of being very extravagant liberal... I have not tried to get something for nothing. Along the line I found that I didn't know, naturally... go to school in New York in technical work... nor am I a technician now... But I know what I want. And I go after what I want, and I'm willing to pay for it. And over the years I've surrounded myself with everything that it takes to keep the thing going.

Anyway, I divorced myself in 1948, from Garay, and I started Morris Moskowitz Corporation. And naturally we started Morris Moskowitz Corporation with a different format. Of course it had to be, as I mentioned, best in quality. We were making similar type merchandise, we didn't get involved in the novelty end of the things because by the time I left Garay.... When I left Garay in '48 the company was doing over $2 million a year, and I had no intention at all of ever trying to compete with it, because when I was "divorced" I started a new life. I weighed the idea... And, of course, when I left Garay they were doing both bags and belts. And when I started this company, I realized that I couldn't go back in the belt business, incidentally, my brother was with me, and has been with me for years...
Q: What's his name?
A: Jerry.
Q: Jerry.
A: And I felt that it was just a small business for...a modest business, for my brother and myself, it would be sufficient. So we got started just on bags. And how we did that was make bags to start retailing at $5 and $7.95... They were fabric bags.
Q: Retailing at...?
A: $5 and $7.95... In 1949... That's a fact. But as I said a moment ago, I guess I'm a perfectionist, and I like to do things just a little bit better. And somewhere along the line... I'm sure Ethel Merman will forgive me if I borrow a phrase from her song when she sings, "Anything I can do can be better?" And I've sort of applied that. In our way of doing things, we strive to do things that are a little different, a little bit better, and that's what's kept us going. And our bag business got off the ground pretty good. In our first year we were just a dollar short of doing $1 million.
Q: Where were you located at that time?
A: Where we are now. One East 33rd Street. We started on 33rd Street with one half floor about 5,500 feet. We now have three floors, and from the time we started from a half a floor, to three floors, we must have spent at least $1 million, uninflated dollars, to put the three floors together, because we had bad conditions, and real estate was hard to get so we had to put a unit here and a unit there; it was put together piecemeal. But as the business developed, we never enlarged our business for the sake of
growing. After all, the business pushed us, rather than... It's a thing that came naturally. Other people say, "Now let's enlarge." We didn't... We did it the other way. We let the business push us. And over the years we just did what we thought was right. And of course, getting back to the start of our business, of our business life, and my "fancy goods" school, as I refer to it, my feeling for tapestry, jewelry, novelties... We have... my eye for quality, for style, color, proportion... was all put together. And, this is what developed.

Q: Tell me, how much did it cost to go into your own business in 1949?

A: We invested $70,000.

Q: Seventy thousand.

A: We had the benefit of the... my credit position that carried over with me from Garay--and that was a fortunate thing, because the bank, or the banker at the time, knew I was the signature to negotiate the loans--was fortunate to establish a credit line to go along with my original investment. That's the way we started.

Q: Could you talk a little bit, before we go on, tell me the special situation in your firm, can you talk a little bit about the industry itself at that time? Do you know... were they... Did the industry consist of a lot of...?

A: In the industry at that time, there was absolutely no room for us to get started. As a matter of fact, I'll never forget, when I opened my doors, there was one particular buyer came in to see us, and you know... you have to spar... She came in to pay a courtesy call and to review
our line after we were in it for about a year...And she was polite, and as we were working in the showroom, she asked, "Morris, why did you have to go into the fabric bag business? There are so many long standing professionals in it." Well I had to smile. Accept it. And I said, "Well, one has to earn a living, so we take our chances."

Q: Do you have any idea how many such firms there were? I have no notion of the scope of the industry at that time.

A: At that time, in fabric alone, there were lots. As I mentioned before, I think Friedman-Lobell was the largest. Lowy and Mund was a very established...

Q: What was that?

A: "Lowy & Mund"... Graceline was a very substantial firm. Dave...Inger was not as large...

Q: Dave and..?

A: David. D-a-v-i-d...Inger. I-n-g-e-r...Do you know Rose Wells?

Q: Yes.

A: I'm sure you do. She'll underwrite what I say. She knew them all, naturally.

Q: Altogether 25 firms. Thirty firms?

A: In the handbag business?

Q: Yes.

A: Seventy-five.

Q: Seventy-five.

A: When Dick Koret was alive he was considered the number one.
He had the flair, he had the courage. Great guy. Not, everybody liked him, but he had the courage. Great guy...Louis Coblentz...Blenen...Harry Rosenfeld...Dave Lewis. Oh gosh..Irving Pichel. . . There had to be a minimum 20 or 25 from Cadillac or top manufacturers. And that was an era when...

Q: Cadillac price range.
A: No. Cadillac quality. And price range. But that was an era where you had mechanics. You had the old world craftsmen, which don't exist anymore. Or whatever exists is shrinking very badly. Not only here but even in Europe. Things are changing. So I would say that 75 handbag companies were nothing. Easily...20-25 really top grade makers of handbags. And, of course, the technicians were there to supply the product.

Q: Now, at what point did you diversify from just fabric?
A: Oh, almost immediately, because as we...See, by nature I just like to keep changing. Just keep moving along. Knowing what's going on, what's happening, trusting, experimenting...This comes to my mind. This might be very interesting--a little anecdote...We had just completed redoing our showroom, and our walls were covered with Japanese grass cloth. A young lady came up one day with a little suitcase and she had some fabrics to show. And one of the boys in the company who used to look at suppliers was looking at her bag of wares, and I happened to pass. And I stopped, and I just looked at what was going on, and just minding my business, and I guess I was impatient so I put my hand into the grip to see what else was there, and my hand touched something and I pulled out this piece of fabric. And I looked at it and I looked at the walls, and I said, "What am I looking at?" And it was a grass
cloth, but it was raw silk. And I was intrigued. So I said, I inquired, "What is it," and the next thing you know she left me this shawl, which I paid for, because I wanted to test it to see what would happen. And then I had a handbag made.

Q: Out of the shawl.
A: Out of the shawl. And shortly thereafter...In those days we had started to do some pretty good work with Neiman-Marcus...When the then merchandise manager dropped in before the buyer to see what was doing...And I showed him this bag. He flipped. He went to the telephone and called Dave Evins, and he said, "Dave..." He didn't ask me. He said, "I'll be sending...Morris Moskowitz will be sending you a piece of material. I want you to make a shoe." And the next thing you know, we were making handbags, and Dave Evins was making a shoe. And that was the raw silk, that they introduced. The reason I mentioned the grass cloth...Our factory man at the time...I called him in to ask could he work with us, and he looked at me and he smiled, and he said, "Are you crazy? I thought you just finished decorating the walls. Why do you need this?" I said, "I didn't ask you that. I just wanted to know, can you use this for a handbag?" And he said, "Well, sure," and that's what happened.

Q: Did the frames for that kind of bag come from this country?
A: Oh, yeah. Yeah. Frames...At that time we had a number of solid frame manufacturers... One in particular was Rolls Ross. Not only were they good frame makers, but they were creative frame makers. You don't have that. You haven't had that since that company retired. As a matter of
fact, they sold that business to new people, and the new people didn't have the creativity, nor the desire of the people from whom they'd bought the business, but they had the dyes and the tools so they ran it on. And it followed along that their personalities were not as open minded as the previous people...That's a whole different...Some people are ambitious. Some people call it being hungry, and some people just sit on their fannies and do what they did yesterday. Now, I think I might have pointed out that. I don't think I can do what I did yesterday. I like to have yesterday's experience but I like to bring it forwards to today's way of life. And I like to think that's why our business has lived all these years.

Q: When did you go into leather?
A: Oh, I'd say 25 years ago perhaps. It's a round figure.... I went into business in '34...About 25 years...

Q: So you went...Initially...with fabrics, including the silks.
A: Any fabrics...Well, no. But prints, silks...See our original start in the bag business was strictly in bags to wear after 5pm.

Q: I see.
A: In those days, faille was a very accepted commodity for a women's handbag. You know, it was in that era. And that used to sell... Something that would sell. So we did faille, satins and peau-de-soies. That's what kept us going. And the novelties...And then, of course, getting back to my previous days of synthetic straws and novelties, we got involved in novelty fabrics for summertime, which we still do, right this minute. And in our collection we have novelty straws that I create ... We have them made for me
abroad, design them, and just do them here. . . I use a term "kitchen" very commonly to our business. Because we create everything and make everything. And, of course, to me that's the most important thing.

Q: So you design everything in New York? But you have a lot of things made?

A: No. No, we import leathers, supplies, ornaments. We go abroad for ideas and inspirations . . but we make everything here.

Q: So you have...There is no such thing as offshore production.

A: Not for us....

Q: Not for you.

A: I'll tell you why I never did it. I would never trust the next person. I like to be responsible, right here.

Q: What about this industry generally. Are there many handbags which are...I'm not, now, I guess, talking about the imports--those things which are imported by importers. But are there many things which are designed here, which are produced offshore, whether in the Orient or in Europe?

A: If there are, I don't know of any. Unless...I don't know ...Well, I think that would go under the heading of importing.

Q: Well...Except, that...For instance, in the garment industry, a lot is designed here...and often cut here...then produced overseas.

A: No. No, I think in the bag industry, it would be the same as an importer who would go over there and...Well, in the first place...Depending upon...You see, in the bag industry, I think the third countries are becoming a very important factor, which complicates our life...As a matter of fact,
in the Saks Fall Vogue, there is a bag they retail for $68 and ours retails for $20, theirs is made in Korea. So I only mention it to you as an explanation of where I think they would be going, but I don't think you can compare the bag industry with the ready-to-wear industry.

Q: All right. Well, before we go back to that....Let's talk some more about the chronology of the development of your own business.

A: Well, I can only repeat...

Q: You went step by step, right? From one fabric into...?

A: ...and leather. We are always testing...I just got back last week from Europe. Again...I went over there with ideas. Things were at the stage where I left ideas to be developed....

Q: And you go there to buy leathers? Fabrics...?

A: And develop fabrics. And to see....Now we're developing some ideas that involve leather, to be treated for us. So it's a constant cycle and movement. I mean, you're always doing something. Always doing something, whether it's stitching an ingredient, or treating it, or coloring it or something. I mean, you know, to do something to make our product attractive to beautiful women.

Q: What is your...Well, in the last year, you have sold your business...

A: Right.

Q: What volume had you reached at that point? And what price range?

A: Well, our volume was over $12 million. Over $12 (million). And our price range was up to....$600-$700.
Q: Your range reached $700 at retail, or... wholesale?

And where does it start?

A: Well, it starts around $100.... That's retail.

Q: And since... I assume it's keystone, that means $49.75, or thereabouts. And that's for what? A simple....

A: Well, it's a 9-5 bag. A dressy little 9-5 bag.

Q: And up to $500...

A: Five and over...

Q: With the major component in the price being what? The leather that's used, or...?

A: You got it.

Q: And you're making leather bags and silk bags and fabric bags of all kinds. The... Now, obviously there is... or appears to be a very dramatic rise in your price range. How much of it is accountable to inflated dollars, and how much to the changeover in the kind of thing you've been making?

A: Gee, it's hard to answer that...

Q: No, just approximately....

A: ... Inflation is, of course.... material and labor... But our standard method of operation hasn't changed. We've always operated very sensibly. So in answer to your question I might add whatever we turned out was... as one lady, one customer said, pricewise it is high but not expensive. That was a good way of putting it. Now, that may not answer your question, but I don't know how else...

Q: Well, for example, a leather bag... What's your leather bag
price range at this point?

A: Well, from $100-$500...
Q: From $100....Retail.
A: To $500.
Q: To $500. Retail. Now...How would that compare to the price range, say, ten years ago?
A: I'd be taking a guess...About 30%...? You know...I would just be guessing.
Q: Well, now, in this period of time, from the...what I have read, the percentage of domestic bags...The share of market of domestic bags and the import bags has shifted dramatically, over the past twenty years, with the import bags taking away more and more of that market.
A: Of course. Of course.
Q: Yes. And you account for it because of the rising cost of labor and the rising cost of materials?
A: Yes. Yes. And, of course....That is correct. And, of course...You see, when you ask that question, you break down then...you'd have to think about moralizing the question--which I'm sure you have--You take the whole bag business today--and I don't know what the percentage is total--But even years ago, when we didn't have the inflation, you'd find that the majority of the volume pieced bag business then was done in New York. So today, for that market, that still exists, but that price merchandise comes from places like Korea...which has affected the domestic market tremendously. It's like the shoe business, it knocked out the shoe business. The third world hasn't become a factor yet in the better market and I don't see them
becoming such in the near future. But when it comes to better merchandise
...Like Italy became a factor...
...quality leather and a lack of top management.

Q: Well, when you say top management. Management has been very entrepreneurial in this business. Right? For example, you went into the business having started as a long time ago.

A: Well, now we get on a subject that is very personal and it's very delicate. You have to analyze the people in the industry. The thinking, the attitude, the scope... But you don't have the dress men of Seventh Avenue. I know Seventh Avenue has been in existence too. But you're talking about an industry that does billions of dollars...

Q: I'm not even thinking of the garment industry...

A: I'm just trying to give you a...I'm trying to avoid...empty expressions.

Q: You're talking about management...Management is...

A: You've got management who don't understand. They're not interested.

Q: Are you now talking about conglomerates, or are you talking about...I don't know who you're thinking of...

A: Well forget the conglomerates. We don't have too many conglomerates in the handbag industry.

Q: Well, then where do the management people come from that you're talking about?

A: Well, that's just it. They're second generation. First generation is gone.

Q: You were saying that second generation doesn't really exist.
A: Who have it...Second generations who have taken over businesses don't have what the first generation had. Or in some cases... There are some people who bought a wonderful label are not performing and not living up to what made that original label so outstanding.

Q: But they are nonetheless making profits, and doing business.

A: Exactly.

Q: All right. Let's talk...Or rather, could you talk a little bit more about the labor situation, including unions. I don't know very much about the role of the union in the bag industry....Your union is Local #1 of the International....

A: Leather Goods Union.

Q: Leather Goods Union. Okay.

A: We find them very cooperative. Very....

Q: Have you always been a union shop?

A: Always.

Q: Always.

A: As I said earlier, I have never like to ... to cut corners. From the first day we started business we always had a wonderful working relationship, because my philosophy's always been to give what the next guy's entitled to, and to get what we're entitled to, so as a result you never have a moment's problem, ever. Ever. Ever. Anywhere in my life.

Q: In this industry, is the concept of the "inside shop" vs. the "outside shop"...Does that mean anything....?

A: No.
Q: All your production is done."
A: Yeah.
Q: ...inside.
A: Inside.
Q: So that you have those three floors in which the manufacturing is done as well as the designing and cutting.
A: That's right.
Q: What about...Do you know of any other manufacturers who use contractors, or the equivalent of contractors?
A: Well, yeah. When you speak about...We use a couple, because we have...You have to call them contractors, but we maintain two such ourselves. Because we don't have large enough facilities to keep up with our production, so we maintain two others exclusively for us...
Q: Oh, you do. In New York or New Jersey...
A: Oh, yes....As a matter of fact, they only do the middle. We do the beginning--we do the cutting, we do the finishing, we do the inspection--So it's still ours. Our interpretation is that you couldn't get everything on one floor, so we had another floor.
Q: But your contractors are not part of your setup. They're separate.
A: They're separate. Yeah.
Q: And your own three floors, are devoted to the cutting and...
A: ...and manufacturing...
Q: And manufacturing as well. Right. What about the...Can you relate the concepts of piecework and sectionwork....
A: Well, we never got involved with piecework because we felt that that would not give us the quality that we...it would look too cheap. Because it's only natural, when you give somebody piecework--at least that was our feeling--When it comes to our product, there's so many parts to it, that we just never felt it was the thing to do.

Q: So workers in your industry are all...
A: All week workers.
Q: Week workers. Are they?
A: Yes. Not in our industry. In our firm.
Q: And in the industry too?
A: I don't know.
Q: You don't know.
A: I don't know.
Q: But in your firm it's all...
A: All week work.
Q: What about the contractors? When you give them business?
A: We pay them per unit.
Q: I see...So...you pay them per unit, which is not, therefore, week work, in the sense that...so that you really have two systems of payment, depending on whether the things are made internally or...
A: Well, yeah...Because it's all figured....We do the cutting. The examining....So it's all figured accordingly.
Q: And, therefore, what you're paying them for is labor.
A: Labor.
Q: Of the sewing, and..
A: Exactly.

Q: Yes. Right. And...But you do not know if this is industry-wide or if it's your own firm only. Could we talk a little bit about how the ideas for a design...for fabrics...How they work in your firm. For example, when you started, I assume you did not have a designer or a stylist. You were your own stylist. Because you talk about how you worked...Was it with a patternmaker? How was it that you worked? And bring it up to date.

A: Well, we always had...Oh, yeah. Well, I always believed in having patternmaking. We had...We never had...Almost from the start I recognized that one patternmaker would not be able to keep up with us. So we had two. For the longest time, we have had three...four...

Q: And you were telling the patternmaking what to do.

A: Yeah. That's right. We operate by....in our ideas...In order to execute our ideas, everything is built in the flannel, then dummy stage. We built the most expensive dummy in the world.

Q: I don't think I've heard the term. I don't know the term flannel.

A: Well, we take a piece of flannel, or muslin, and we don't take paper, we just scotch tape it or cut it out and say, "Here, make this." So we had our patternmakers make what we call a "dummy." A prototype. And we use it as a "flannel," which is a costly commodity. However, how else can you see what you're going to achieve, other than the fact that you start that way to get the proportions.

Q: So that you work first in the flannel....

A: Right.
Q: To get the shape,.

A: Shape, proportion, trim. After that, if we like it, and we have a group of them ready to go, then we'll call to have the patterns made.

Q: And at what point do you actually have a model made? After the patterns?

A: After the patterns. Then we have it made—we have the pattern made. Then we call for it in whatever material we see fit to do it in.

Q: Whether it's leather or...

A: Whether it's this kind of leather or that kind of leather. Or whether it's... could be in a whipsnake. It could be woven. It could be in a... a quality leather that is as soft as a baby's tush... Then there are qualities that are not quite as good. You know? So it's just a matter of... See, our philosophy's always been to have a collection of merchandise for women of all ages to accommodate them for daytime into evening. For travel. That's the way we developed our business.

Q: So that at the beginning, when you first started, you... Did you work yourself directly with the patternmaker?

A: My brother and I...

Q: Your brother and you. How do you divide up your functions? Assuming there are administrative functions and sales... and merchandising and designing... and financing...

A: Well, well. We've been very lucky... I've been able to... Indirectly, I might mention to you that... Once upon a time... back in the
belt business of Morris Moskowitz Corporation, which was about twelve years ago, which means for about the first 20 years, we were not in the belt business, we didn't have any salesmen on our territory. So I'm trying to answer you indirectly and directly, as to how we divided our functions. First travel to Europe...Mrs. Liz Straus Newman...who joined our company for eleven years...has traveled the country. We were very close. That's why we had everything together. Like a restaurant...There was a "kitchen," a showroom where we worked with our customers, getting a feel for what was happening....

Q: So you and your brother did not divide up and say, "This one is going to do the administrative..."

A: Well, the administration was left to my brother-in-law. He was the administrator.

Q: Oh, he was in the business too.

A: He was the administrator...the finance end of the business. Assisted in purchasing. But between my brother and myself, we divided the rest of the business. My brother was in the design area with me. Of course, I would go to Europe...and obviously, I guess, we must have had some...

Q: Um hmmm. Now, when you started, you did not have a separate designer or stylist. When did you begin to work with a person who worked for you in that capacity?

A: Well...I guess about 1950 or '51. We had a young lady for about a year, and then Mrs. Newman, until she re-married, for about 12 years, and we've had people ever since.

Q: Um hmmm. Because, obviously, as the collections got bigger and bigger, and the business grew, I would think you would have to....
A: Well, you see, my philosophy has been that how can one operate without knowing what's going on in the world. And the world was around the corner, or overseas. And you have to be in touch. You have to have a feel. You have to have a feel overall. . . The young lady that we had prior to Liz, for about a year, was good, but. . . . But petered out after a year, and then. . . . Mrs. Newman, then Mrs. Strauss. . . catchy word. Dress industry, they make a beautiful sketch. But making a beautiful sketch for a handbag doesn't necessarily mean it's going to work as a handbag. Because you try to get people to sketch. . . beautifully but if you can't put it together.

Q: So you're saying that it's more. . . It goes far beyond sketching, it goes. . . A designer, I assume, probably has to have some technical background. . . in your industry. . .

A: You don't have to have. . .

Q: Is that not taught. . . in any of the schools? F.I.T., Parsons, Pratt. . .

A: I think it is, but after it's taught. . . It takes a lot of experience to put it to work. It's like anything else. A professional person. . . I say this with tongue in cheek. . . We have always been very liberal. Today we have young people on our staff that we are willing to train and expose, and we have people who have been with us who have branched out for themselves. But F.I.T. can give them. . . Pratt can give them some basic lessons. But then you've got the practical. . . Experience that comes in. That's something else again. That's very important. Artists, sketches. . . Yes. . . Fantastic. . . But unless you know whether it will work. . .
Q: You mentioned earlier there have been occasions when buyers had some influence in your life. How do you feel about your store relationships or the input that stores can give you, or did give you in the past, as compared with what happens now.

A: No comparison.

Q: Would you talk about that a little bit?

A: Yeah. Today I think that's one of the things that the retailing fraternity is missing...they can't help it, because they've grown so big and their budgets are so tremendous. And as a result...and the turnover of help is so big that it doesn't compare with the way...the relationship that used to exist years ago. It just....

Q: Could you describe the relationship years ago?

A: Well, as I mentioned earlier...The example I mentioned about...that I referred to about that raw silk shawl...and the merchandise manager who came in from Neiman-Marcus, who had a flair like....just wonderful. He saw something, and he immediately went to the telephone, and then when his buyer came in, he looked at her and said, "I want you to leave $5,000 on this group." Can't work today. Budget. The first thing the merchandise manager would have to do is to go back to see whether his budget permits. Whether it's a safe investment. Or whether it's going to be productive. Too many elements that come up today. Years ago you had the buyer as well as the merchandise manager....the buyer saw something...She was professional....But being a professional...she didn't have as many units to work with. So many stores, so many branches. The buyer today spends her time reading printouts and living on airplanes, going from one country to another country. She doesn't
have a chance to get a feel for the merchandise. As a result, everything is done on the run.

Q: What about the role of the magazine editors? Is there a role that they play? In product development, as well as other things?

A: Well, they try. Very hard. But it's really deplorable when you think how little recognition they get from the actual buyer, who pays them absolutely no attention. Maybe some of the top management of the top retail stores might sort of nod down to the merchandise manager and the buyer and say "Let's cover ourselves with a piece or so," but....

Q: Does the editor have input with you or with your designer to suggest ideas?

A: Well, we do work together. As a matter of fact, it starts more by their coming to pick our brains, and then it starts...then it's a matter of working together. But first they come to see us to see what have we assembled? What's on the kitchen table that we can start working with? What have you got new? What are you doing next?

Q: What about stores for show...Shows for stores. Do you do any of that?

A: Not many.

Q: No. So your relationship with the stores is essentially a buying and selling relationship.

A: Um hmmm.

Q: Right. And you don't do very much by way of participation with them.

A: We do some, yes.
Q: In advertising.
A: In advertising.
Q: Yes, Um hmm.
A: We do some.
Q: Um hmm. But not particularly in... It isn't a method of promotion to... go to stores and do shows...
A: We certainly don't do it for the purpose of their buying, that's for sure..
Q: Oh, I know...
A: But it's important to mention, because many will. The retailers in recent years.... It's commonly said that there's some retailers, or there are some manufacturers who do business on wheels.
Q: If you were going into business today, how much.... Do you think it can be done, first of all? And secondly, how much capital do you think it would take to go into business?
A: Oh, I happen to be a believer... I happen to be an optimist by nature. If I wasn't, as I look back, I never would have started from scratch, because.... Getting back to the time I quit my job back in the days I did... when I told my family I was starting the business in 1937, they said I was out of my mind. So, I say this... because I'm a believer and an optimist. Now, it all depends on the individual, the talents,....
Q: How much money would it take?
A: That becomes another question.... I don't think I can put a dollar sign on it.... I know it would take a hell of a lot of money.
Q: Would it take $150,000, $200,000...?
A: It seems to me that that would be minimum.

Q: It would.

A: It would seem to me.

Q: And now of course we're talking about going into your price range. Your production is done locally...

A: It would take every bit of that. Every bit of it... And, of course, you know, credit at banks... Bankers don't advance credit to a newcomer in business unless the business has a standard.

Q: Right.

A: At least, that's what I'm told, which is understandable. If you have a record with a bank, then they'll play along with you. So, you can get additional financing from bankers. I guess as to other means of getting financed. When the cost of money is very high, a lot depends upon the individual, the kind of business... What their focus is; the size of the business. A lot of little pieces to consider...

Q: And, just as a final matter to raise... again... Now that you have sold your business to Lane Wood, Inc. of Dallas, and while you are still participating actively in it.... Would you have sold your business if there were successors to you, who might be coming in?

A: Definitely not.

Q: If you had had... If you had successors, you would not have sold...

A: Definitely not. That's why I sold the business. My son-in-law has been with our company for 19 years, and he decided.... As a matter of fact he bowed out the year before I sold it, and when he bowed out, that's when
I became actively interested in selling it. My brother, God bless him, and my brother-in-law, are just...dynamic people, but there again...and my brother is eight years younger than I am, and still could be around. I say he's an excellent #2 man, so it was pointless.

Q: And so that really represents the basic reason for selling.

A: I would not...under no circumstance...sold the business, because my business...The business was just starting to go. I think it has a good reason for growing....

Q: And still has a very large potential, is what you're saying...?

A: Definitely.

Q: Yes. Right. Thank you very much. Appreciate it.
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