ORAL HISTORY COLLECTIONS, F.I.T.

THE FASHION INDUSTRY LEADERS

JOSEPH PICONE

Co-Founder,
Evan-Picone, Inc.

Date of Interview

March 16, 1984

Interviewed by

Mildred Finger
Evan-Picone was founded in 1949 by Joseph Picone and Charles Evans. Joseph Picone was trained in Italy from childhood as a tailor. When he emigrated to the U.S. in 1936 at the age of 18, he worked for custom tailors in New York, perfecting his skills. After a stint in the U.S. Army from 1942-1945, he again worked briefly for custom tailor, but then went into business in 1946 with two partners whom he bought out in 1947. Throughout his life he had worked only in men's apparel.

In 1949, he joined with Charles Evans in a venture that has produced a fascinating story in the women's sportswear industry. At the outset, Charles Evans invested about $10,000 while Joseph Picone invested his factory in New Jersey. In 1962, when the company's volume was about $14,000,000, Revlon acquired Evan-Picone. Several years later, Charles Evans left the business. In 1967, Joseph Picone bought back the business from Revlon when the volume had fallen considerably after a period when it had risen to $18-$20 million in volume but with diminished profits.

In 1973, Evan-Picone was sold to Palm Beach Company. By 1978, the volume had risen to $50,000,000. In 1981, the volume was over $200,000,000. In 1981, Joseph Picone retired as Chairman and CEO (Robert Ward holds those posts) but remains as a consultant.
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## JOSEPH PICONE

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Evan-Picone was sold to Palm Beach Company in 1973. Joseph Picone discusses pros of domestic production of better sportswear. By 1978 volume had risen to $50 million.

New activities since acquisition by Palm Beach: licensing diversification of product lines with a total of nine divisions.

Structure of the nine divisions: management, design staff

In 1981, volume over $200,000,000. Joseph Picone retired, but remains as consultant. Robert Ward is chairman and CEO. Richard Bangs is the President.
Q: ...Collections of the Fashion Institute of Technology, this will be an interview with Mr. Joseph Picone, co-founder of Evan-Picone. The date is March 16, 1984; the interviewer is Mildred Finger.

Mr. Picone, why don't you start by telling us where you were born, when you came to the United States, and how you began...what you began doing in your life.

A: Well, I was born in a beautiful little town in Sicily about 60 miles away from Palermo. I was born in 1918, and I went to grammar school. I went as an apprentice to a tailor shop after school hours.

Q: Right in your town.

A: Right in my town. My father at that time emigrated to the United States, and I was with my mother, living with my grandmother and my grandfather. I would go to school in the morning...I would finish with school around 12:00, and after school I would do my schoolwork; about an hour after that, I went to the tailor shop. At the age of seven I started to go to the tailor shop, and I would stay at the tailor shop from around 3:00 P.M. to around 7:00 P.M.

The first few months I didn't like very much going to the tailor shop; but after that they showed me how to sew, and I started doing a little sewing. I noticed that when I was doing the sewing, I was doing very well; and they all got to like me. From then on, I got attached to the tailor shop and I used to go almost every day after school.

I used to go to the tailor shop working after school starting at seven....
Q: And you really liked it and...
A: Yes. I noticed that I was making a lot of progress during those years. The facts are that before finishing grammar school I knew how to make a pants and a vest.

Q: In other words, when you said "a tailor shop", he made clothes to order?
A: Yes. He was a custom tailor. Then after finishing school, I started... at thirteen I started to work on a full time basis. I would go to work at 8:30 in the morning until 12:00 when I'd go home to lunch. I would come back at 2:00 and I would stay until 7:00. From then on, I started to work exclusively on learning how to make a jacket, and by the age of 15, I knew how to make a jacket for the suit. Then I felt I wanted to go to work in Palermo, a city where I could work in a very famous tailor ship, and improve and learn. And I had a little bit of a problem to go there because it was far away and...

Q: Really. What town were you in?
A: Castronovo. In the center of Sicily.

Q: Right. And Palermo is a coastal...
A: Palermo is the nearest city but it seemed far away. I remember talking to my uncle and my uncle didn't want me to go because I was too young, but then my grandmother, agreed, because she felt that I had a talent and was ambitious.

Q: Had your mother gone with your father to America?
A: My father had already gone to the United States....

Q: And your mother?
A: First my father came. My father emigrated to the United States in 1923. He left a very good position with the railroad. He left during the time changes took place in Italy when Mussolini took over. They had a lot of strikes at the time, you know, and he wasn't happy to stay in Italy and he emigrated to the United States.

Q: But your mother did not go with him?

A: My mother did not go. My mother stayed in Castronovo and we stayed with my grandparents. My mother was left with 5 children...

Q: Are you the oldest?

A: I was the third... We were five, and I was in the middle. My father came to the United States and he didn't do too well, because he didn't have a trade. It was very difficult for him to bring everybody to the United States, to bring the family to the United States. First he called my older brother, Vincent, to the United States. He was the first one to come. And then my mother and my sister, and then I came to the United States.

Q: What did your father do in this country?

A: He did different things...

Q: Yes. As you say, he didn't have a trade...

A: He worked in different factories...

Q: But he never became a tailor...

A: No, he was never a tailor, no. He was... He had a position, in Italy, with the railroad. When he came here it was during the Depression.

Q: Yes, yes...

A: In those days, you know...
Q: Sure.

A: And he had a tough time even getting a job at that time. Anyway, to come back to when my grandmother agreed to let me go to Palermo. I went to Palermo and I found a job there working in a very good tailor shop, a custom tailor shop, and then for the first time--at the age of fifteen--for the first time I started to earn a salary.

Q: For the first time. You had never been paid before?

A: No. Maybe I would get gifts during the holidays, when I was at Castronovo, but when I went to Palermo I started to get...They started to pay me four lire a day....

Q: In those days, do you remember how much the lire was worth, compared to the dollar, for example?

A: Ah...It was 16 lire to a dollar.

Q: Uh huh. So, I see...

A: The regular tailor used to make about eight lire a day. I got half of that....And so, I stayed in Palermo for about a year, and I did very well. I never lost a day, I worked every day, and I was very happy to work and have a little money.

Q: Were you able to live on that money?

A: I stayed with my aunt. I made enough to give it to my aunt. ...it was enough for me to get along. But even if I didn't make much money, I could still stay with my aunt. I was not under pressure to have to make money in order to get along, but I made enough money to...Whatever I made I gave to her.

So for about a year I was working in Palermo, and then I got
news from my parents that they were thinking about calling me to the United States. I thought at that time it was important for me to go back to my home town so that I could get my documents ready...I had to make an application. It was a long...

Q: Procedure...

A: ...procedure, because it wasn't easy...They didn't make it easy for people to emigrate to the United States....So it took about a year to get everything ready. At about the age of seventeen I came to the United States.

Q: That would be 1935.

A: 1936. It was September, 1936. When I got here, the first thing I had on my mind was to go to work. My mother wanted me to stay a little while and take a rest, and I said, "No, I want to go to work." I wanted to get a feeling, to see if I could make any money, or if I could not make money, and I wanted to learn a trade. So I talked to some of my friends (we used to go into the city; you know). When they heard about my wanting to work in a fine tailor shop, a custom tailor shop, they told me that that kind of tailor shop did not exist in the United States. They said here they work in factories. The factories are where they make pants and jackets. And this was a little bit of a surprise to me, because I did not want to work just on pants or jackets, only one section. And then I started looking at the newspaper to see if there were any custom tailor shops. Luckily, one day when I was reading Il Progresso, the Italian newspaper, I noticed there was a tailor shop looking for an assistant tailor. Looking at that, I noticed there must be a tailor shop, you know...And their address was on Fifth Avenue in New
Q: Were you living in New Jersey?
A: I was in Jersey City, yes. So I showed that ad to a friend of mine who knew a little bit about New York, and I asked him if he could take me to New York. I wanted to visit the tailor shop to see if I could get the job...

Q: Were you speaking English yet?
A: Not a word. Not a word of English. So, one day this friend of mine took me to New York and we went to visit this place. The address was 5 East 47th Street, the De Lorenzo custom tailor shop. I went there one day and I noticed they had about 10 tailors who worked there, and I noticed the work they used to do, beautiful work done by hand...I was just myself, I said I wanted to apply for the position of assistant tailor and they were a little skeptical of me because they thought I was too young. So they started questioning me; they said, "Well, what can you do?" And I said, "I can make a jacket." They didn't think I could make a jacket. I said, "I can make a jacket. Maybe not as good as this, but I can make a jacket." So they said, "Okay. We'll try you. Come Monday and we'll try you." The following Monday I went in in the morning and I started work. After a couple of days, they knew I was exceptional. For my age, I was....well...

Q: Extraordinary?
A: Extraordinary for my age...And I started to get $5 a day. Five dollars a day at that time was good money...

Q: And that was during the Depression, too...
A: This was in 1937...January, I started to get $5 a day. This was very good pay. Everybody in Jersey City, all my friends, were surprised
that I found a job and I was working for a tailor at good pay. I would
tell about some of the customers over here and about the tailor shop. I
remember having a customer in the shop who was the father of the President
...Kennedy....

Q: Oh, really. Joseph Kennedy...
A: Yes. Joseph Kennedy... He was an Ambassador at the time.

Q: England.
A: And I used to mention these names to my family, and, you
know, they thought I was very successful. And these were the days when
people say there was a Depression, and many people were without jobs. I
didn't even understand what the word "Depression" meant because, for me,
I felt I was on top of the world. Everything looked beautiful to me. I
was making money, I was on Fifth Avenue, I was so happy.... And from then
on, I had a great opportunity to advance myself. I wanted to be the best
tailor and someday have my own custom tailor shop....

But then during this time I meet some other people, some other
tailors, and one day another tailor asked me if I would go into partnership
with him, making jackets for custom tailors. I thought about it and after
a while I agreed. And I went with this gentleman; he was an old time custom
tailor. He was in his fifties. At that time I thought he was an old man!
So I started with him, and we opened up this little shop on 43rd Street and
Fifth Avenue on the ninth floor, and there I started in business. I was on
my own.

Q: Did you have to have money to go into it?
A: No. It was a matter of renting the place. There was no investment to be made.

Q: A couple of machines, maybe?
A: Yes. He had a couple of machines, and it was a matter of working, you know. And we hired, then, two or three people. We hired someone to make the hand button holes and the fellings and things like that. And we had two other assistant tailors, and I more or less ran the business.

Q: How did you get customers?
A: Well, this was work that we used to do under contract...some custom tailors work like that. We used to make 5-6 jackets for the same tailor.

Q: In other words they would give you a pattern and then you would cut it?
A: They would cut the jacket and then we would sew the thing together and finish it and send it to the tailor; they would try them on different customers and we would then finish them.

I started to be more or less in charge of running this small group of people, and my partner...He was a very good tailor but he was, as I said, an older man...he would concentrate on, maybe, doing sleeves or some of the finishing...But then I felt that I did not want to be in this situation. I wanted to be on my own. I felt that having people working for us and having a partner...I felt like I could have done this on my own. And after about a year, I started on my own. So I worked for De Lorenzo in 1937, and then in 1938 I started this partnership with Nick Amato, and after about a year, in 1939, I terminated the partnership and I went on my own...
Q: Amato was "A-m-a-t-o"?

A: Right. I went on my own. At the time I rent a space above another tailor shop, a tailor that I knew, Mr. Sperber, Sperber Clothing was his company. I think his name was George Sperber.

Q: I think so, yes.

A: And that was on 19 E. 47th Street. I always stayed in the area at the time... And I stayed there for a couple of years, but again I started meeting some very nice people. I was very busy...I remember making a full dress suit. I used to do work for people from Connecticut. They were all from New Haven, Connecticut. There they had a lot of customers, and one of the customers was Franklin Roosevelt, Jr., and I made a full dress suit when he got married. Another customer was the son of General Pershing. I was making some jackets... Getting involved in making jackets for these people, and I kind of felt I was on top of the world.

Then the war came in 1942, and I had to leave and go in the army. It didn't take much time. I was called and classified 1-A and after two months went in the army, and I was in the army from 1942 to 1945. I stayed a few months...First I was stationed in the U.S., then I went to England and then I was in on the African invasion. I was overseas about 18 months and after that I came back to the United States...

Q: Things must have been very different when you came back. Did the custom tailoring business still exist?

A: Oh, yes. Custom tailoring exists today. We still have many custom tailoring shops. Very good tailor shops.

Q: Like "H. Press"? That kind of place?
A: I would like to say that, when I came to the United States, people told me, "This doesn't exist", these tailor shops, in the United States. After working here for some time, I realized that the custom tailor shops here were better than anyplace in Europe, including Italy. They have the best tailors over here. They had tailors from Italy. They had tailors from Russia. They had tailors from Germany, from England. And they got tailors from all over Europe...They developed a system over here that I would say was a better system than in Europe, and using the best fabrics and buying the best fabrics from England and from Italy--mostly from England--they developed a system and made suits better than in Europe. I know there are people who don't agree, but I feel that this is true. Tailoring here was better than in Europe.

Q: I guess I'm trying to understand how you made the jump from tailoring--one person--to the kind of giant production you became involved in.

A: Ah! This is what....When I came back from the army, I had in my mind to go and get another position as a custom tailor, and I had offers to go into business with various tailors but I didn't like their quality, and I didn't want to get involved with them. But then I found a place, a fine tailor shop on 57th Street--I think it was 19 East 57th Street--the Teppel Clothing Company.

Mr. Teppel had at one time two very good tailor shops, one in Austria.

Q: How do you spell Teppel?

A: T-e-p-p-e-l, Teppel...19 E. 57th Street. He had a clothing shop in Vienna and Paris, and then he had to leave. He left, I think during the war. He emigrated to the United States and he opened up a tailor shop in
N.Y., and I really believe that tailor shop was the number one in the world. They did beautiful work. Never did I see before such beautifully made garments like at this place. They used to make mostly men's suits. And I found this position there. At first they didn't want to take me because I had just got out of the service and they didn't know anything about me. "Are you qualified for the job?" And I said, "Just try me," and they tried me, and after two months all my jackets used to go on display in the window. They had about fifteen tailors, and I became the number one jacket maker at that tailor shop. The designer there, his name was Angelo Spano and he, I believe, was the best technician that I've known.

Q: Angelo Spano?
A: Spano.
Q: S-p-a-n-o.
A: S-p-a-n-o. And they got to like me and we were close. So I used to do mostly ladies' jackets; and I would get $50-55 to make a jacket. They used to charge in those days—in 1945-46—they used to charge $350 for a suit. And the average custom tailor used to charge $125-$200, but this tailor shop charged $350 and up. That gives you some idea...

Q: Sure, sure.
A: And I stayed there for about...I worked there for about a year, a year and a half, and during this time I met another tailor from Fifth Avenue, his name was "Massa"....

Q: Was what?
A: Massa. Anthony M-a-s-s-a. I met him at different times and he had his own tailor shop on 46th Street, the label was "Massa of Fifth Avenue". And he asked me if I would come into business with him. He was head of this
tailor shop; he had another partner, and he asked me if I would go into business with him, and he offered me one third of the business without making an investment. I didn't want to go at first because I felt that what he charged for a suit was much less than Teppel, and I felt that I was better off to continue to work with Teppel, because I felt I had a better chance to improve my tailoring. But then, after talking to him at various times, and he told me that one day we could maybe start a factory of our own, he convinced me to join him and go into business with him.

But during the time I worked for Teppel, I asked the designer if he would teach me how to make patterns.

Q: Up until that time you did not know how to make patterns?
A: I knew very little. I had some lessons during the time I worked for Mr. Sperber. His nephew used to give me lessons, but I knew very little. But Mr. Spano started to give me lessons. I would go to his house at night and we would sit from 8:00 till 11:00 at night; I would leave New York and go to Ozone Park, and he would give me a lesson...

Q: That was very nice of him.
A: Very nice. He was...He was the best technician I have ever met.

Q: Really.
A: Yes. I don't think there's any better than he was. He was a top, top technician. In men's tailoring, you have to be a good pattern maker, you have to be a good technician.

Q: Sure.
A: Which means you have to know how to sew, you have to know how
to fit,...When you change your patterns according to the customers. To be a good pattern maker, you have to be a good technician. And he had all this experience. He was a very good tailor, he was a great pattern maker, and an immensely qualified designer. But then I decided to go with Massa. Spano wanted to talk me out of it. He said, "You stay here, you can become an assistant designer. Mr. Teppel has talked to me about it. Don't leave. If you stay here, some day he'll open a tailor shop with you in Milano. Anyway, my mind was made up to go with Massa, and I left them and I started with Massa.

At Massa, we were making mostly ladies' suits, and in a very short time, you know, we improved our quality. I made some changes. I tried to improve the quality of the suits and we were still doing very well, but at the same time Massa had in mind to open up a factory and make pants in mass production. I didn't think it was a good idea, but then he said, "Look, if you stay as a tailor, there's no future. You're always going to be a little factory. If we open up a factory we've got a future, and we can make a lot of money." Anyway, he convinced me and I said, "Okay." And we opened up a factory.

Now to open up a factory, you've got to have money, and we had to make an investment. And he had the money, he had a partner who had all the money. I didn't have any, so I had to apply for a loan. I applied for a G.I. Loan and we made an investment of about $7-8000. I got a loan for $1,800 and they put up the rest. We bought some machinery and we borrowed...Well, we got some machinery on credit and put a down payment on some sewing machines, and we started a little shop in West New York, New Jersey. It had about 20 sewing machines, and we started to make pants, number two pants. Number two, number
four, number six. Number six are the better pants. Number two would be pants that would be retailed at the time at $15.

Q: And this is all for men.

A: Only for men. Pants for men. We used to make these pants for manufacturers, and they....

Q: So you worked as a contractor.

A: We did work as a contractor. And after a while I just did not like it. Things did not go well, because I had two partners; we didn't have enough production to make enough profit for the three of us. And then talking to some friends of mine, and talking to some people in the union--because we were looking for work, sometimes we didn't have enough work--one day, I had a very good talk with someone at the union...

Q: At the ILGWU?

A: Yes. No, Amalgamated.

Q: Oh, Amalgamated. Of course, because you were a menswear firm.

A: I remember this gentleman, a very nice man, Mr. Blumerack.

Q: Blumerack?

A: Blumerack. I was talking to him and told him I was looking for work and he says, "Look, young man, I'd like to be of help to you, but tell me, how many machines do you have? Tell me your setup." I told him the setup; that we had about 20 machines and three partners. He said, "I can't really say you can do well because you don't have enough machines for big production." And he said to me, "With three partners, you have too many. Maybe two, but even with two, you would have problems, even if you increase your production." He said, "The best thing you can do is make a better quality. That is the only thing you
you can do and make a living." I said I would be better off to go back to tailoring on Fifth Avenue, to do something that I know and that I like...

So, anyway, during this time, I learned quite a bit about the section work; how things had to be worked on on a men's line, section work, the different parts of the pants, you know. Making men's pants is very difficult in mass production; more details, and the work has to be done very well....

Q: Very precise.
A: Very precise, yes. You have two pockets in back, and the side pockets, and...There's quite a bit of work to making men's pants. So then I felt that we couldn't get anywhere and I decided to have a talk with Massa, and I said, "It looks to me as though here we're not going to go anywhere." We didn't draw much of a salary. I think I used to draw at that time $25-30 a week. I could have done better on Fifth Avenue. Much better on Fifth Avenue. I told Massa I had made a decision that I would like to leave and would he buy my interest, because I would like to go back on Fifth Avenue. And I said, "If you don't want to buy my interest, maybe I'll buy yours." "I don't have enough money," I said, "But I'll give you some notes..."

Q: You're going to buy them out?
A: Yes. "You'll buy me out, or I'll buy you." One or the other. I didn't want to have any arguments, or a misunderstanding. So I said, "Let's talk about it," because at that point I didn't want to go on, because I knew we could never make any money. So we decided to discuss this again. Then I had a discussion with both of them; with Massa and the other who was an older man. They said to me they decided they were willing to step out, and if I
wanted to buy I could buy. Okay. So I said, "If you're willing to sell to me, I'd like to get back to you in a couple days." And then I had to look to see if I would have enough money to buy, and I managed to find the money. I borrowed some money, I gave them some notes, and I made a deal, I took over the shop and I was on my own, went out on my own.

We started the shop in 1946 and the partnership lasted about a year, and then in '47, after about a year and a half, I took over. And when I took over the shop, at once I had changed the pants we were making. From number two, I changed to number six. Instead of making popular pants, I was making better pants. We used to get $2.50 for the number two pants. For the number six, I was getting $5. And I started making pants for Brooks Brothers.

Q: Did you go out to Brooks Brothers and tell them that you could make it for them?

A: A friend of mine, one of the custom tailors, helped me to... He made clothes for Brooks Brothers, and Brooks Brothers started giving me work for number six pants. So I started making number six pants, and within two months the production went from 250 pairs...When we used to make popular priced pants we made between 250-300 pants a week. When I started to make the better pants, when I was on my own, I got to well over 500 pairs a week. I started to make money.

So, you're asking me where did I get my knowledge...working mass production...It was during that year or two year's time that I got the knowledge of working on mass production. And I started to do well, and it was during that time that one day Charles Evans came to see me. Charles Evans came to see me because his father was one of our customers at Massa of Fifth Avenue. And that
was where I met Charles Evans, because I would do the fittings for his father. And I did the fitting for him four or five different times, and I was making different suits, so I guess he was a little impressed with having this young man doing his fitting.

Charles came to see me. He told me that his father suggested he come to see me and he asked me if I could make a skirt... It was a very beautiful skirt, a very tailored skirt, and he asked me if I could make the skirt, and how much it would cost to make the skirt. So I looked at the skirt and I said, "Well, sure I can make the skirt." It had a lot of hand work in it, it had a couple of pockets, it had a couple of arrows. And I looked and I said, "No problem." Then he asked me how much it would cost. When I analyzed... looking at it... I was thinking of applying the same system that I had on the pants. So, I applied the same system to the skirt. I said, "Well, I think it would cost between $2-2.50." He was a little surprised. He expected me to say $5-6. But I said I thought I would be able to make it, and he was surprised.

Q: Not to cut, but just to make and sew.
A: Everything...

Q: To cut?
A: Cut and make.

Q: He would provide you with the fabric, and then you would do the rest...

A: Well, this was what he had in his mind, but at this point I didn't know what he had in mind. So he asked me if I could make the skirt, and how much it would cost. And when I told him between $2-2.50, he said, "Well, somebody told me it would cost $5-6." And I said, "Yes, but I can make it for
between $2-2.50." He said, "All right. When would you do this?" And I said, "Come tomorrow. I'll have it ready." He says, "Tomorrow?" And I said, "Yes. Tomorrow." So he left the skirt, and once I measured the skirt, I could make the pattern right away. With my background, I already knew how to make patterns, in men's lines, and it was classical work. Classical clothes. So I made the pattern right away, it didn't take me more than an hour and a half to make the pattern.

End of Side 1.
A: It took me a couple of hours to make the skirt and press it and then I costed it out. I applied the same section work process that I had to make the Number 6 pants. So then I knew it wouldn't cost him more than $2. So the next day when he came to see me I said, "Okay, here's the skirt. Look at the skirt." "Ah, beautiful. What will it cost?" And I said, "About $2." And he was really happy to hear this, you know. And it was right there that he said to me, "Would you like to go into business with me?" So I looked at him, Charles Evans...I knew his father but I didn't know Charles.

Q: What did his father do?

A: His father was a dentist. He had nothing to do with tailoring. So, I started thinking about it. Here I meet this young man, very handsome and he looks very bright and he looked to be very intelligent. And I asked, "What's your background? What have you been doing?" And he said he had some experience in selling blouses. And then the first thing that came into my mind was to go into business with him. He said if we went into business we could manufacture skirts and sell them to the stores, and the first thing that came to my mind was that here I had to make another investment. So I said, "Look. I don't have any money to invest in manufacturing." He says, "Money is not a problem. Don't worry about the money." So, I said, "If money is not a problem, then maybe I'll go along with you."

Q: And that was what? 1946-47? Is that what you said?

A: 1949. The summer of 1949. So, I said, "Okay. I am willing to start a business, and we'll meet again and we'll talk about it." After a couple of weeks, I remember it was in the summer and he was at the beach with his parents. One day Charles came with his parents, his father and his mother: They came to
visit the place and they were all very happy to see me again. I had a good feeling. I liked them; they were very nice. I got the feeling that we were going to start in business together. I felt good about that. Within a couple of months, we started the company, and then we had to look for a name, and Charles, one day, said, "Look. I've been thinking about a name. What about Evans-Picone, Picone-Evans...it doesn't sound right. I think it might be a good idea to make it Evan-Picone."

Q: With a hyphen.
A: Evan-Picone, he said, without the "s" in Evans.
Q: Yes. Just Evan hyphen Picone.
A: And he says, "This sounds good. What do you think?" And I said, "I think it's fine. Okay." So, we decided on the name, and within a couple of months, we had....

Q: Now, how much capital did that take?
A: As I said before, the only thing I had was the shop, and my knowledge.
Q: Did you keep the shop?
A: Oh, yes.
Q: Oh, you did.
A: We kept the shop. The investment Charles made was about $10,000.
Q: My goodness. When you think about what it would be today.
A: Ah! Don't think about it. So, it was about $10,000 and we started. It was the right combination, you know, because...
Q: It was what?
A: It was a very great combination, the two of us, you know. I didn't know Charles very well, and he didn't know me very well, but we had a
beautiful partnership. I think I got a great opportunity. I was only in this country a few years and I spent almost four years in the army—I was away from home you know. And then in a very short time, I find myself in partnership with a young man living right in New York City...

Q: He was very lucky to find you too. Very well trained....

A: Well, I really believe that without my knowledge of technique and custom tailoring and the knowledge that I acquired making pants in mass production, we could never have been able to manufacture that skirt.

Q: Yes. I agree.

A: That was it. And I must say that without the knowledge of Charles Evans...he had the looks, he had contact with the management of the stores, he had a very good education.

Q: He had a lot of charm.

A: He was ambitious, you know. I concentrated on my side as the inside man. I did the first sketch and pattern. Then I did the production pattern. I used to run the shop, and I started training more people. I started training some people making the "arrows"; and in order to do that you had to be a tailor. So, I was very involved.

Then, luckily, I had gone, I knew how to design. We didn't have any designer.

Q: Oh, you didn't.

A: No, we didn't have a designer. I did all the sketching.

Q: Did you pick the fabric?

A: Yes. Charles shopped for the fabric...Charles more or less was in charge of the merchandise, and with merchandising the line. And I would do
the sketching. I started making a couple of skirts, and then within a very short time we were making... We had 10-15 skirts in the line.

Q: And then jackets?

A: The first couple of years it was only skirts. So Charles would shop for the fabric. I would help in selecting the fabric, getting more involved in quality. I would say, "This is good," or "this is bad." The fabric, you know. But Charles had very good taste. He would select the fabrics and I would concentrate on making the skirt. And the first couple of years, he and I did everything. He had an assistant or two at the showroom. The fixed overhead was so small. This I think is one of the reasons we were successful, because we were able to make a wonderful skirt—we think it was the best for the money; no question about it. Overnight we were very successful, because they all liked the product, but this was not very easy to finance at first. Charles was involved with the banking. Because we didn't have any credit, the first six months were tough. But then I think Charles went to the bank and said, "Look, we have a tremendous amount of orders and we can ship and we can pay on time." so the banks started to give us credit.

Q: You didn't use factors.

A: Never factoring. We never factored. And we would run the business so well; our returns or markdowns in those years were no more than 2-3%. Very, very remarkable. We used to turn our inventory 10, maybe 12 times a year. Because we would have a fabric, and we would make, let's say, 4-5 skirts that didn't have to be coordinated with anything. They would take two weeks to make and ship. I believe we used to turn our inventory over at least 8 times. And this was tremendous because we made a beautiful skirt, and in a
very short time we became a very famous skirt maker, even if the volume was small. We used to deal with the best of the department stores and some boutiques, and we got to be very famous overnight.

Q: When did you start to make jackets? When did you diversify?

A: We concentrated on just making skirts for the first couple of years. We used beautiful fabric. It's more fun to deal with beautiful fabric. We used a flannel that was imported from England...Blackburn flannel from Scotland. And then we used to use some Forstmann flannel and some beautiful tweed and some cashmere made in the U.S. We used all this beautiful fabric and made these beautiful skirts. In 1951, Charles spoke to me about his brother, Bob, and asked me if we could start a company...make an agreement to start a company with Bob--a separate company from Evan-Picone--start a separate company to make pants.

Q: What was the company called?

A: When he spoke to me about it, I didn't know whether we should start another company or not. And before I said, "yes", I wanted to discuss it with some of my friends, and I said, "Maybe we're going to start another company," and they said, "Well, why do you want to get involved in another company?" And I said, "Well, you know..." Charles asked me if I would start another company with him. And Bob would have an interest in this company that would manufacture pants. So these friends of mine said, "Why do you want to get involved with two brothers? And you alone?" I said, "I'm not concerned. There could be ten brothers. I'm not concerned. I like Charles. I like the family. I'm not concerned about having any difficulty with Charles about running this company. I just want to know if it's a good idea to make pants." So
they said, "Well, if you're not concerned, okay. You'll make pants, skirts, maybe other things." So after a time I spoke to Charles again, and I said, "I think it's fine. I think we should start it." So in 1951 we started a company, making pants. And Bob had an interest in it. He had a one third interest in the company making pants. The name was Diva. We started Diva. We were looking for a name, and we looked and looked and looked for a name, and I thought about Diva. Diva is from the opera "Norma". Diva means "a star" in Italian. I thought it was a good name; they liked the name. So we started making Diva pants.

A year later we started "Epic", because by then we were making pants and skirts, so then we started to make tops. Blouses...to go with the skirts. And it was at that time...up to this time, I was making all the sketches for the skirts and pants; we didn't have a designer. Then, at this time we hired...we started hiring designers. We hired Stanley Willins.

Q: Yes, I remember it very well.
A: Then he started to be the designer...
Q: For all the divisions?
A: Right. But, in the beginning, he did not make too many skirts or pants. I was still involved in the sketching and making the skirts. Of course, after a couple of years I got away from it. The company grew and then we had 300 people and it was getting big. I was involved in making changes from a lower price to a higher price, and....

Q: And you were still producing in New Jersey.
A: It was always in New Jersey. Always under our roof. We used to be in Union City and we moved at least seven or eight times.
Q: When you got bigger...
A: Well, when we started... we had 30 people when we started. The size of the shop was 67' X 26'. Very small. Then we moved from West New York to Union City. We rented 5,000 sq. ft. After a year we rented another 5,000 sq. ft. Then, after some time, we rented another 5,000 sq. ft. on different floors. I was more involved, and I felt kind of like an architect. Always changing... and trying to make the changes without losing time, you know. But we always manufactured under one supervision, and more or less under one roof. And then in 1955, we moved to a new place. We had a factory built to order for us, and from Union City we moved to North Bergen.

Q: Excuse me. To where?
A: North Bergen.

Q: North Bergen. Yes. Okay.
A: In 1955..... At that time, we already had about 500 people. Everything was manufactured under one roof.

Q: Approximately how much volume were you doing then, do you know?
A: Well, Evan-Picone in ten years, from the date that we started, from '49 to '59, there was an increase of about $8-10 million. I believe we had an increase of about 30% yearly.

Q: Uh huh. Terrific.
A: Charles, and I too, did not believe in increasing growth to a big volume. Charles wanted to keep it small...

Q: So he could have control over what was happening.
A: Well, then it was difficult to find any contractor to work for us. The quality that we did could only be done on our own premises, because there was a lot of hand detail. But then it was very profitable. We had a
very, very profitable operation. I believe at that time we had an 8% after
tax yearly profit.....

Q: That's very large.

A: The thing is, I think we increased it from a couple of
hundred thousand to about $8-10 million...

Q: You were a private corporation.

A: We were private. We never factored. We had a very, very
sound, profitable company. And it was at that time that people started to
approach us about selling. They wanted to buy Evan-Picone.

I was always against the selling of Evan-Picone. Charles felt
that...it was his idea, actually, he would like to sell, because we got so
many very good offers. I remember it was in 1958 when Genesco wanted to buy
our company, and they made an offer to us for $8 million. And Charles was
talking to me about it and I said, "Are you going to make a good deal?" I was
unhappy about making the deal. I told him I was unhappy and he said we'd for­
get about it.

We never had a misunderstanding, me and Charles. Whatever we
did, it was always...There were very, very few words; we understood one
another. When I told him I was unhappy about selling, he said, "Okay. Forget
about it."

And then there was the time Revlon wanted to buy the company,
and the offer was much higher. And I tried so hard not to make the deal. I
tried very hard. And then they offered a very good deal, and I tried very
hard not to make the deal....

Q: How much did they pay for it, finally?
A: Well, at first they offered $11 million, and I said, I was not happy making the deal. They came again, and said, "Okay, you get more." And then I started to feel...I felt that: maybe...I started feeling responsible. If something would go wrong with the company, I didn't want Evans to have the feeling that I killed the deal. So I said maybe this time I should go along. Besides, a few years before that, Bob wasn't happy staying with the clothing. He wanted to be an actor and he went to Hollywood. He was doing so well, but he wasn't happy in the clothing business; he wanted to be an actor. So he got involved in Hollywood, and then he came back and still was with the company. But I felt that Charles didn't want to continue to be in the clothing business, and I felt that maybe it was the right thing to do. And then I went along with him and we sold the company to Revlon.

Q: For $12 million...

A: And it was a very good deal, and we sold the company to Revlon in 1962. At that time the company was very well known. It was the number one sportswear company. We had a very good name. We did a lot of advertising, we did national advertising. Co-op...

Q: And windows...

A: Yes. And then Bob Evans had been in Hollywood and got a lot of write ups. I think it was a help, to get tremendous publicity from Bob. And at that time Mr. Charles Revson felt that we had the best name.

Q: How many divisions were there at that time?

A: At that time we had Evan-Picone, Diva and Epic.

Q: Diva and Epic.

A: Yes. At that time, we started to make separates and coordinated...
Q: Related separates...

A: Yes...And when we sold the company and Revlon took over, we continued in the same positions. We had an agreement that we would stay five years with the company. Charles, Bob and I were supposed to stay five years with the company. At the time we sold to Revlon, the company was very profitable and the volume was about $14 million a year. And then the idea, I believe, was to increase the volume, and we started increasing the volume and it began to grow to $18-20 million. As I said before, we did advertising, but then Revlon had their own ideas about advertising. Sometimes people would say that they were interfering....I think the interfering was that they wanted to increase the volume but keep the same profit percentage....

Q: I was going to ask you what the differences were, as far as you were concerned, between running your business as a privately held company and running it as a division of a big company like Revlon. There were differences; there had to be.

A: For me, personally...as I said before, I never wanted to sell the company. I think a little bit was taken away from me when I had to report to somebody....

Q: Sure.

A: I was always on my own, and I got used to that. Then when we became part of Revlon, we made some changes. The change was to try to increase the volume. We started to do more advertising, and went as far as changing some of the names, like to advertise clothes under the name of Piconery. I don't know if you remember...

Q: I don't, no.
A: Piconery...
Q: Piconery. Yes....
A: Piconery, you know, was not a bad name. But one day I saw this name, and I said, "What the heck is this, using my name?" It made me laugh. So this was an idea to have a different approach to advertising, you know. Then we increased the management, because we had to put in some backup people. And Bob Evans, after a couple of years asked to leave because he wanted to go back to Hollywood. After he left, we started to get involved with different styles of clothes, like this "Piconery" look. I think that was a little bit more of a popular price, but at the same time, of course, it was going up...the cost of manufacturing. And we started having more competition. Things did not go well, and after about four years they...Revlon decided that they wanted to sell the company, or maybe shut down. And it was the year...The year was '67. I was already finished with my contract, and I was leaving for good, and then they called me up, people from Revlon. They talked to me, brought me up to date on the situation with the company, and for the first time told me that maybe they would sell the company, or they might have to shut down. They asked me if I could stay until the decision was made. And at the same time they said, "Maybe if you're interested in buying back the company, maybe we'll try to work out a deal for you to buy the company." This was another big headache for me. I was put under pressure; the idea that they would close down the company bothered me tremendously.....

Q: Of course. People you knew and...
A: And it had my name on it. I was always proud of my name, my accomplishment. That's something that money cannot buy. So, after taking all
this into consideration, I realized that if I didn't buy, they would shut down. So they presented me with a deal and I had to make a decision--and this was in 2-3 weeks time--I made the decision to buy it back. I bought back the company in 1967.

Q: That has to have been a good deal for you.
A: It was a good deal. I knew that I had to make a change. The first change I wanted to make was to cut down the volume. We had been trying to build to $20 million--$18-20 million--and I had to cut down the volume for me to be able to...

Q: Control the quality?
A: To have enough cash to...

Q: Oh, yes, yes.
A: So I cut down the volume and got back to making more exclusive clothes, and to making better sportswear. We didn't need the popular price.

At the time, you know, we had a very, very good staff, but Charles Evans, I think, had left the year before that. He had left the company. I was the only one of the original principals there, but we had very good staff. We had, at that time, four or five people in charge of various...

Q: Functions...
A: Functions, yes. Like, Irving Spitalnick; he was in charge of merchandise and selling. Richard Haders was in sales. Jerry Fishman was in sales. Harry Amdur was in charge of knits. Don Robinson was in charge of piece goods, and then we had Maggie Manila, in promotion and advertising.

So, when I took over the company I wanted to make better clothes. I felt I had a very strong staff to run the company. I went back to just Evan-
Picone, cut down the volume, and I think I did the right thing, you know. But in a couple of years I found out that the company was not profitable...

Q: Really.

A: No. It was not profitable. I think one of the reasons it was not profitable was that I had all those people in management, and the fixed overhead was very, very high.

Q: Now?

A: When I took over. I made better clothes. My cost of goods, I think, was all high in the better clothes. At that time, when I took over the company, we had tremendous competition. There were other people who started to copy Evan-Picone, and tried to do the same clothes as Evan-Picone at a low price—I'm trying to give you some names...Do you remember "Sport Tempo"?

Q: Sport Tempo...?

A: They made nice clothes, but they were low priced, with the pants and....Some other companies...

Q: Crazy Horse? Was that...?

A: Yes...There were quite a few, in the sportswear companies.... It wasn't a trick anymore to make a beautiful skirt and get away with it. It was now a matter of making sportswear, coordinated, and....I was still manufacturing mostly under one roof. My cost on the shop had to be very high, and even having these people in charge of sales, our returns and markdowns were all higher than ever. I would say that we lost a little bit of our touch.

You know, sometimes, I really believe that today, to have all this staff in the company, to have extra people, can work against you. Not "could"...it works against you! Because in this business you've got to stay
in it 18 hours a day, and no one else can do it for you. It's a very personal business. And when you start to have a lot of people, you're going to have a lot of problems. So, I had a lot of people and the fixed overhead was high; the cost of production was very high; and at one time I decided to eliminate manufacturing from North Bergen and move all the manufacturing to Hong Kong. I made a deal with a manufacturer in Hong Kong and I started manufacturing there.

Q: I see. Do you still do all your manufacturing in Hong Kong?

A: No. I started going to Hong Kong, but then I started having a problem with deliveries. I had a problem making coordinated clothes since I had a problem with delivery, so I...

Q: You'd get the skirts but not the tops...

A: Right. So, from there I decided I had to stop manufacturing over there... And at this time, we had to negotiate with the union...

Q: The ILGWU...

A: Right. And I spoke to the ILGWU. I wanted to start a shop again, and move production back to North Bergen. And I made a decision—with Irving Spitalnick—we made the decision to cut down the overhead to minimal. So the fixed overhead was... Irving and I were management and we had a few sales people, and Frank Smith continued to be with us.

Q: The designer. Yes.

A: The designer. With two sample makers. And this was the situation with Evan-Picone around '72... A very small group of management. And at that time we used to do around $5-6 million in volume. And luckily, wools started coming back.
One problem that I had during the years after I took back the company, knits were very strong. And I was not set up to make knits. If you remember, some manufacturers had their own knitting mills....

Q: Sure. Like Kimberley and...
A: And I could not get involved in knits. And that was one of the reasons we got hurt. There was another time, too, when they used to make a fabric stiff...pressed...what was it?

Q: A bonded fabric? Was that...?
A: No. It was a fabric that you would press, and it would crease, but it was too stiff and I refused to use this. I refused to do many things that were around then. As an example, during the Revlon years, we could have been in the business of jeans. I remember Revlon...one day, Charles Revson sent me a pair of jeans that Mr. Revson had brought from Europe, and I saw the jeans and I thought it was a pile of junk, you know. I knew that I could not make them in my own shop, and I refused to make it. I wouldn't make the jeans, so we didn't make any jeans. But it would have been the right time, I think, to start. Looking back, it was a mistake on my part, and I think I am partly responsible, but I didn't like the quality. And then at different times...

When I took the company back from Revlon, we had this problem deciding not to get involved in knits or similar fabrics, and I wanted to concentrate on making the wools. But the market was not there, you know. But then, around '72, wools came back. Now wools, they are number one, and there we got our break. A big break, because we were ready. As I said, we found ourselves with a designing room...Frank Smith with two sample makers, Irving was training a couple of schoolboys...he was training them to be salespeople....
I don't mean to say "boys"; young men, whom he was training to be salesmen. So we did very, very well. And we stayed with the same management for about five years, and during this five years, we went from $5 million we went to $50 million...

Q: Over $50 (million)??
A: Over $50 million.
Q: Good heavens.
A: So we did this with Frank Smith, with a couple of assistants; Irving Spitalnick, with a couple of assistant sales people... We cut down the advertising; no national advertising... Some co-op, and it was in 1973 that we sold the company to Palm Beach.

Q: Yes. Right.
A: I agreed to sell to Palm Beach because I didn't want to take anymore chances, you know.

Q: Really.
A: I felt that... I had been through a lot. When I moved back I had to start manufacturing on a different rate...

Q: Yes, yes. You had been out for some time...
A: I asked for reorganization, and I started manufacturing at lower rates.

Q: Were you still producting some of it in Hong Kong and some of it here?
A: No, I eliminated Hong Kong...
Q: You eliminated Hong Kong...
A: And I started in North Bergen, and I started again to make
the same quality--beautiful things--some of the blazers I got contracted. And we had better...good costs. I would say that when we started again, in those days, it was almost like it was when I was with Charles in the beginning. We had small overhead. We...

End of Tape 1.
A: Manufacturing here in the United States we were able to have a better cycle. We turned inventory 18 times when it was small volume. As the volume started growing, we were able to turn our inventory five or six times. So, with the same designing staff, we went up to over $50 million in volume.

Q: It's interesting...You're the first person I've talked to who apparently feels that with the right manufacturing setup in this country, you can do as well as you can in the Orient.

A: If I had to start all over again, I would start right in New York City. I would manufacture in New York City.

Q: Really?

A: Yes. Money today is very expensive. If you start here, and you start small, and you don't have a complicated line, you can start by having a small group and you can manufacture and have a manufacturing cycle of four to five weeks. You can turn over very quickly because you don't have a long period to...First of all, you don't have to make plans to manufacture overseas, where there is a timing risk in manufacturing.

Q: Yes, well you have to work so far in advance...

A: You have to work so far in advance. And then for shipping, you have a problem in shipping. They have strikes...I was involved...I had a problem getting shipments in the '60s; I had trouble getting the goods because they had a lot of strikes.

Q: Strikes over there.

A: Strikes everywhere. So, if you start with small capital and you manufacture everything here... If you know what to make, and if the
product is all right, I think you're better off.

Q: That is really very interesting, because you are the only one who's told me that. And I think that's a very encouraging thing for New York, because there is so much offshore production now. I'm glad you feel this way...

A: It's important that you...To start in business, you have to have an item. You have to have a product. If you have a product, it has to be a little better than everybody else has. I feel that in New York City, if you know what to do, you can have your own shop, if you know how to run the shop.

Q: And if you have enough people well enough trained to....

A: Well, yes, you have to know how to...You have to understand that part of the business. If you don't understand that part of the business, then you have to rely on other people. If you don't know the difference between good and bad, you may not get the right product, and you'll have problems.

Q: Sure.

A: But I think if you understand the manufacturing end of it, and you understand how to make a garment, I think it's possible to do everything in the metropolitan area, or Pennsylvania. I'm talking about union shops too. Give quality and charge accordingly. And then you can give better service.

Q: You can give reorders.

A: If you deliver on time, you know, you have a chance to get reorders. If you're late, you don't.

Q: Oh, yes. Well, you were talking about 1973 when you were
bought by Palm Beach. What's been the situation since '73? At which point were you doing $50 million?

A: Within five years we did $50 (m).

Q: You mean five years after you went with Palm Beach?

A: Yes, around 1978.

Q: Now, you were talking about what persuaded you to go to Palm Beach...to allow them to acquire you, after that bad experience with Revlon.

A: Well, the...

Q: I don't know of another company that's done that. You are unique.

A: Well, at that time, you know, I was talking with Irving Spitalnick, and he suggested that maybe it was better to try to sell the company so that we could have a better growth. I was the only one...I bought the company back. I was the only one to make the investment. So, at the time I had a problem; in order to increase in volume I would have to put in more cash or I would have to look for another partner with some cash...So this occasion came with Palm Beach...I could make a deal with Palm Beach. Knowing that Palm Beach was in the men's clothing business, I felt they were good people to make a deal with; people that know and understand the clothing business and know how to operate, you know? And I felt I was secure with the company, the name. I always felt I would like to see Evan-Picone go on forever. For me it's been an accomplishment, and I'm very proud of this accomplishment, this company. And I felt good about making the arrangement with Palm Beach, and this would be one reason, it would secure the name and
give it a better chance to grow. And this did happen, you know...

Q: Since then...it's been almost 11 years...right? As part of that whole company. When did they start licensing the name for other products? I know that you do...

A: Well, we started to license...I think it was about four years ago, we started licensing the shoes...

Q: And the stockings...

A: No, stockings we don't license. We own the business. We operate...

Q: Oh, really? Oh, you do it yourselves...

A: We operate...

Q: So you acquired, or you opened it yourselves, a business that was making stockings.

A: No, no. We opened it; we started it.

Q: You started it.

A: Uh huh.

Q: Because obviously Evan-Picone is a good name, and...

A: It's a very good name...

Q: Yes. Right.

A: By 1981, the company was doing a little over $200 million...

Q: Your company? Really?

A: I'm very proud of that.

Q: That it should be so different than the experience that you had with Revlon. To grow to $200 million, granting that the dollar is not worth what it was.....
A: Well, I don't think it has anything to do with the dollar amount....

Q: Really?

A: And I don't think it has much to do with....

Q: Palm Beach?

A: Well, it has to do with Palm Beach in the sense that when we became part of Palm Beach, we had no problem at all increasing our volume....

Q: But how do you go from $50 million to $200 million....in such a short time?

A: Well, after that...In 1980, I think we did...In 1980, the volume of Evan-Picone, and all the divisions, was about $170 million, and in 1981 it went to $200+.

Q: That's fantastic.

A: And this was...As I said before, we got a break. I believe that Palm Beach got a break too...We got a break when wools came back and the classical look came back.

Q: So you're saying that a good part of this is the fashion....

A: Yes, because we were in a position to deliver the best pair of pants for the money, the best skirt for the money, the best blouse and the best jacket, the best...I think we were the number one, the best to coordinate clothes.

Q: What is your price range today. I mean, approximately...

A: Well, we have different groups and different divisions.

Q: Well, what are skirts today? What's a wool skirt?

A: Well, a wool skirt...There are so many different prices.

Q: A grey flannel wool skirt...Just a simple grey flannel skirt.
I just want to get an idea of your price range.

A: It would retail for $75...

Q: But...Granting it's a price range, but you have skirts at $75, and I'm sure you have skirts at $150...

A: We have the Joseph Picone, and we have the Evan-Picone too, we have Austin-Hill.....

Q: How many divisions have you got?

A: We have nine. We have Evan-Picone Sportswear plus Classic Woman, is...

Q: Yes. Right.

A: Austin-Hill. Austin-Hill is sportswear, very....

Q: Conservative.

A: Conservative. And Gant for Women.

Q: What is it?

A: Gant for Women.

Q: Oh, Gant. Yes. I'm sorry.

A: Evan-Picone II...

Q: What is Evan-Picone II?

A: It's like a junior line and Lady Eagle...And we have Evan-Picone Dresses...

Q: You have a lot of divisions...

A: Evan-Picone Hosiery....And then we have the Joseph Picone Designer Collection...

Q: Which is...?

A: More expensive.
Q: Right. You still handle the production of all these things?
A: No. We have the original plant in North Bergen. There we have about 800 people in all, with shipping and clerical work and bookkeeping...
Q: Do you have data processing out there?
A: Yes, everything. At the plant, we have a designing room, production room...
Q: But I assume Frank Smith works in New York.
A: Frank has a studio in New York, but the sample room is in North Bergen.
Q: Yes. Right.
A: He does the shopping here for the skirts, and then he has to go to North Bergen to direct the pattern maker and the assistant designer about what to do...All the design rooms are in North Bergen. Each division has a president...
Q: Each division...Your management structure...I was going to ask you about that. Each division, like Austin-Hill...
A: Has a president.
Q: Right.
A: They're all part of Evan-Picone. Evan-Picone, up to 1981, was operating as a separate company. And in 1981 we changed it, and became a division of Palm Beach. All the Evan-Picone divisions under one roof; designing, production, planning, shipping, bookkeeping, everything...
Q: It must be tremendous, this place you've got out in New Jersey.
A: We have over 300,000 sq. ft. And this too has undergone a tremendous number of changes in the past 10 years. Where we used to be at
our original shop in North Bergen, we did up to $50 million. We were able to receive and ship in North Bergen. And then we had to move to our present place. We found another beautiful area in North Bergen, so we moved all the facilities over there. And then we started with about 150,000 sq. ft., and then we took another 50,000 and then another 100,000, and now we have over 300,000 sq. ft.

Q: How many designers are there all together?

A: Each division has a designer. Austin-Hill has a designer, and they all have a designing room in North Bergen. Having all the designers in North Bergen was always my idea. I believed that the designing rooms should be close to the production people...

Q: As long as the designers can get to New York often enough to see fabrics and go to fashion shows and....

A: Yes. They have time in New York as much as they need to spend. And then they have the studio right next to the showroom...They get in the car and in 15 minutes they go to the plant in N.J. and they do whatever they have to do. So, to me, this is important, because after they create something, when the first pattern is made, then they really decide what to do. When the sample room is next to the production people, the changes can be made within minutes, if changes have to be made...And you have better control, I think, of the product...

Q: And for fit...

A: And everything...Because, really, the design involves the production people. If they want to make a change, it still has to be approved by the designer. So, if they make a change, they won't change the look. And
they'll stay with what was put together. It's been working pretty well. I believe that one of the reasons we were able to do what we did with a very small group of people, when we grew from $5 million to $50 million with just the one designer, we were able to do this because we had the shop over there, too. With the designer next to the manufacturing, and whenever we find there was perhaps a need for a few things, we can use the shop to make special samples.

I can remember when I started in business, we had a sample room in New York, wherever Charles Evans was located. I was the manufacturer in North Bergen. We would always have an additional 4-5 people, and the communication was never as good as it was when everything was under my hands: I did the sketch, the pattern, the first sample, the production pattern, I made changes if I had to make a change, while things were in production. I knew what I had to watch, if there was something difficult to make and if I had to change I would change it right there.

Q: But, of course, when you got to be that many divisions, you couldn't have just the one person doing the designing, namely you.

A: I did then. But we have a designer for each division—a designer and an assistant designer. Today we have many sample makers also. Because if you just make a skirt, a simple line of sportswear, if you have two good sample makers that's enough. But today when you have to style a complete line each design room has five or six people making samples, because it's more complicated. We make a lot more styles and we have to make a lot more changes. But still, having the design room right next to the production place next to where all the goods are; where all the trims are; it works
a lot better than having them separated.

Q: Mr. Picone, do you do any private label merchandising? You know, you hear so much these days about private label with stores, and buying offices are all involved with private label merchandise...

A: Made for them? Manufactured for them? No.

Q: You don't.

A: Occasionally, maybe, we did, but very little exclusive...

At one point Saks changed the way they bought and it was really Mr. Gimbel.

Q: That was a long time ago.

A: They wanted to have the Saks label on the...

Q: Oh, yes. But that was a long time ago.

A: That was a long time ago. But we still had our label on the...We used to put the label, we used to use it...

Q: "For Saks."

A: For Saks. But that wasn't a private label...

Q: No, it wasn't. That's not what I'm talking about.

A: No, we don't...If we make it, we use the label.

Q: No, making a collection just for a group of stores, without the use of your name. You obviously don't...

A: No, no, we don't. Definitely not.

Q: Do you have a division that works for the discounters? That sells to the discounters?

A: No. With this volume business, we get rid of everything.

Q: What was your philosophy about adding new divisions? Have you bought them, or have you usually opened them, or a combination...?
A: We never bought a company....

Q: Austin-Hill, for example.

A: Yes. At the time we made the deal with Palm Beach, Palm Beach had two divisions of ladies' clothing and at the time we made the deal we took over Austin-Hill and Craig Craely Dresses. I don't know if you remember them?

Q: Yes.

A: We took over that division, and then we changed the name to Evan-Picone Dresses. We made these two divisions part of Evan-Picone.

Q: Has your part of the company ever done any exporting?

A: Very little. At different times we've exported a little to Canada and South Africa, a very small amount.

Q: Well, I think I've asked all the questions I wanted to ask, except... Licensing we touched on because of what you've been doing with shoes. But you said the other day that your really were... That there was something you were very interested in, and that was how young people should get their technical training. Early. Remember you were talking about apprenticeship.

A: I would like to talk to you about this, but it takes a long conversation. If you want to make it part of this...

Q: I would be very happy to. I mean, it's part of what your life is, and it's your story, you believe in this, so... when you...

Why don't we talk about the days of Palm Beach Clothing and what your present status is today.

A: Okay. We became part of Palm Beach in 1973, and in 10 years, reached... In 1981, the volume of the company was over $200 million....
Q: I think we discussed a little bit how that happened....
A: Yes...For the first five years we kept very tight controls on the overhead, small overhead. We used to turn our inventory 6-7 times a year. We had small markdowns. The markdowns were always kept below 5%. And we had, I must say, profitable years. Then starting in '81, we started to do national advertising and co-op advertising and today the company is doing over $200 million.

Q: And it was at this point that you decided...
A: At this point I decided to retire....

Q: So you retired, but nonetheless continued to come in....
A: Well, I continue as a steady consultant...Still going in North Bergen...and go in most everyday. Robert Ward is now the Chief Executive Officer and Chairman of the company...Richard Bangs is the President. And I think the company is in good solid hands...Some of the executives of Palm Beach, of course, are involved in the Evan-Picone operation....

Q: So at this point the management of Evan-Picone is really almost entirely in professional hands, as opposed to family hands or in the hands of the people who started it, right?
A: Well, of the people who started the company, the only one left is Joseph Picone.

Q: Right. And what is your title today?
A: Joseph Picone! No title. When I left the company, I was the Chairman and Chief Executive Officer. I was replaced by Robert Ward.

Q: Yes. Of the Ward family....Right. Okay. Well, I thank you very much, and I will talk to you again about the project of getting young
people into the production area of such clothing companies as yours as early as possible. Right. Very good. Thank you.