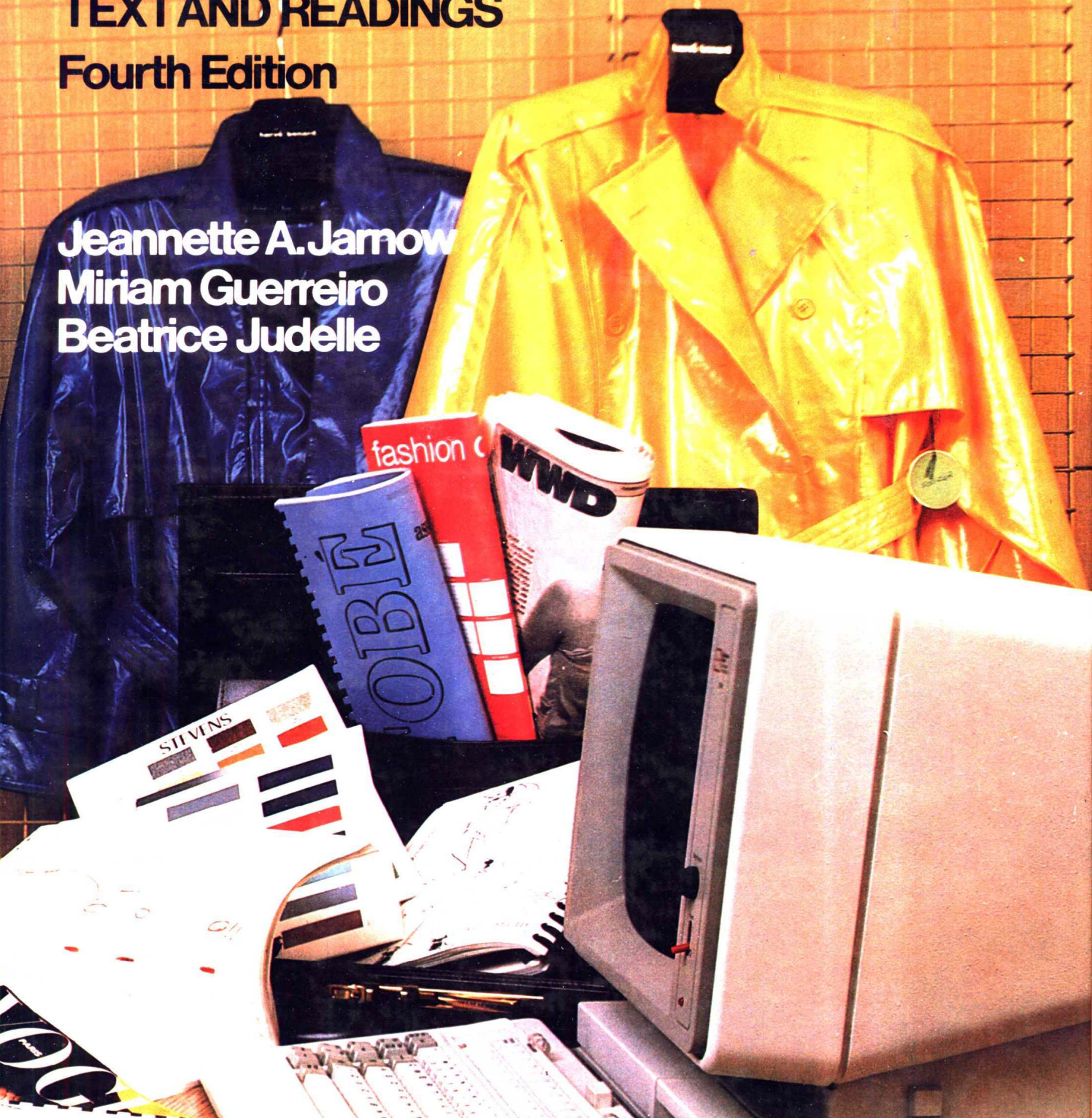


# Inside the Fashion Business

TEXT AND READINGS

Fourth Edition

Jeannette A. Jamow  
Miriam Guerreiro  
Beatrice Judelle



# Inside the Fashion Business

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TEXT AND READINGS

Fourth Edition

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# Preface

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Volatile, exciting, challenging—that is the fashion business. It is a business that changes rapidly, yet the career-oriented student must be knowledgeable on current problems, strategies, and opportunities in order to make a good start on the road to success. Thus, this new edition of *Inside the Fashion Business*.

Our book is dedicated to providing a knowledge of the workings and interrelationships of the many different industries and services that comprise the fashion business. By providing a comprehensive and up-to-date treatment of the complex of enterprises involved in the design, production, and distribution of men's, women's, and children's apparel and accessories, we hope to provide an understanding of the widely varied career opportunities in the fashion field and to help fashion business aspirants achieve faster career advancement.

In addition to the organized factual material in the chapters, the book contains a series of trade articles that discuss the inner workings of the industry.

## ORGANIZATION AND CONTENT .....

Each chapter is an organized presentation of the facts about a specific segment of the business. In each case, the text is followed by carefully chosen readings, which describe the operations of leading companies in their respective fields. These are discussions of how they function under conditions vastly different in many respects from those that prevailed even five or ten



years ago. Then, to facilitate further research into the field, each chapter has a bibliography, a list of trade associations, and a list of trade periodicals appropriate to its subject. Each chapter concludes with a series of suggested student learning experiences that require review, interpretation, and application of knowledge. Following the final chapter are three appendixes and a fashion business language guide.

Here is a brief summary of the chapters.

Chapter 1, *The Business of Marketing Fashion*, presents an overall view of the U.S. fashion industry, its scope, economic importance, and marketing practices.

Chapter 2, *Principles of Fashion*, discusses the generally accepted definitions of fashion and the principles governing its origin and dynamics, along with the implications for the marketers of fashion. It also discusses the role of designers today.

Chapter 3, *The Materials of Fashion*, examines the industries that provide the raw materials from which apparel and accessories are made: fibers, fabrics, leathers, furs. Each is discussed in terms of its economic importance, its method of operation, and its tactics for meeting present conditions.

Chapter 4, *Women's and Children's Apparel—USA*, discusses the design, production, and marketing of women's and children's apparel. It includes the history, development, growth, and practices of this segment of the fashion business, along with the methods used to meet present-day challenges.

Chapter 5, *The Menswear Industry*, reviews the growth of this industry, its adaptation to the influence of fashion, and its changing methods of operation.

Chapter 6, *Fashion Accessories and Intimate Apparel*, recognizes the increased fashion importance of these industries by treating them in greater detail than was necessary in earlier editions of this book.

Chapter 7, *Foreign Fashion Producers*, deals with the importance of foreign fashion producers in the American market, ranging from the inspiration of internationally famous designers to the competition of low-wage countries.

Chapter 8, *Imports*, discusses the extensive penetration of fashion imports into the United States, the reasons therefore, the procedures involved, and the applicable government import regulations.

Chapter 9, *The Retailers of Fashion*, explains different types of retailing, the circumstances and periods of their origin, the part that each plays in the business of fashion, and how they are changing.

Chapter 10, *Auxiliary Fashion Enterprises*, covers the service enterprises that contribute to the effective functioning of the fashion business, such as news media, fashion advisory and information services, advertising and publicity agencies, and resident buying offices, among others. Special emphasis is given to the burgeoning area of fashion information services.

Appendix A is an annotated list of influential designers.

Appendix B, Sources of Current Statistical Information, provides information for those who wish to keep current and update the figures presented in this edition.

Appendix C, Career Opportunities in Fashion, is a roadmap for those seeking a niche in the fashion business. Entry-level opportunities are discussed in terms of personal qualities, skills, and preparation.

The authors feel strongly that readers need statistical yardsticks against which to measure the importance of the various industries, trends, and individual enterprises in the fashion business. This we have sought to provide in the text, within the limits of what was available up to the time of publication.

A fashion business language guide follows the Appendixes.

## ACKNOWLEDGMENTS .....

Each of us wishes to stress that this book, as with its predecessors, reflects the thoughts of many other people. We are grateful to the business leaders who shared their knowledge and experience with us and to the publications and organizations that granted reprint permissions for readings. Also, we thank the faculty members, students, and library staff of the Fashion Institute of Technology for their continuing support and suggestions. Thanks are due also to the patient and willing help of the librarians at the U.S. Department of Commerce office in New York. Finally, we thank the many friends in the academic and fashion worlds who gave advice and counsel. These people helped us shape the previous editions and encouraged and guided us once again in this new work.

**Jeannette A. Jarnow**

**Miriam Guerreiro**

**Beatrice Judelle**

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# THE BUSINESS OF MARKETING FASHION

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Fashion in the United States today is big business. Its component parts—the design, production, and distribution of fashion merchandise—form the basis of a highly complex, multibillion-dollar industry. It is a business that began with small entrepreneurs at the turn of the century and today is a huge, many-faceted business. It employs the greatly diversified skills and talents of millions of people, offers a multitudinous mix of products, absorbs a considerable portion of consumer spending, and plays a vital role in the country's economy. It is, moreover, a business of curious and exciting contrasts. On one hand, there is the rarefied air of Paris couture salons presenting collections of exorbitantly priced made-to-order designer originals; at the other extreme are giant factories that mass produce and distribute endless quantities of low-priced apparel to towns and cities across the country. It is also international in nature, since the United States both imports and exports fashion merchandise.

This chapter presents an overall view of the U.S. fashion industry, its scope, economic importance, and marketing practices. It also introduces the reader to the person who occupies the key position in the entire group of enterprises that constitute this business: the consumer. The readings that follow illustrate marketing strategies in the industry.

Subsequent chapters will discuss in detail the various industries that are concerned with the production and distribution of fashion merchandise: raw materials, apparel and accessories production, foreign sources, retailing, and auxiliary enterprises.

## THE BUSINESS OF FASHION: AN OVERVIEW .....

The impact of fashion is all-pervading, but when we speak of the *fashion business*, that term is generally understood to refer to all companies and individuals concerned with the design, production, and distribution of textile and apparel goods. Unlike industries such as tobacco or automotive products manufacturing, the fashion industry is not a clearly defined entity. It is a complex of many different industries, not all of which appear at first glance to have anything of fashion among their products.

### Scope of the Fashion Industry

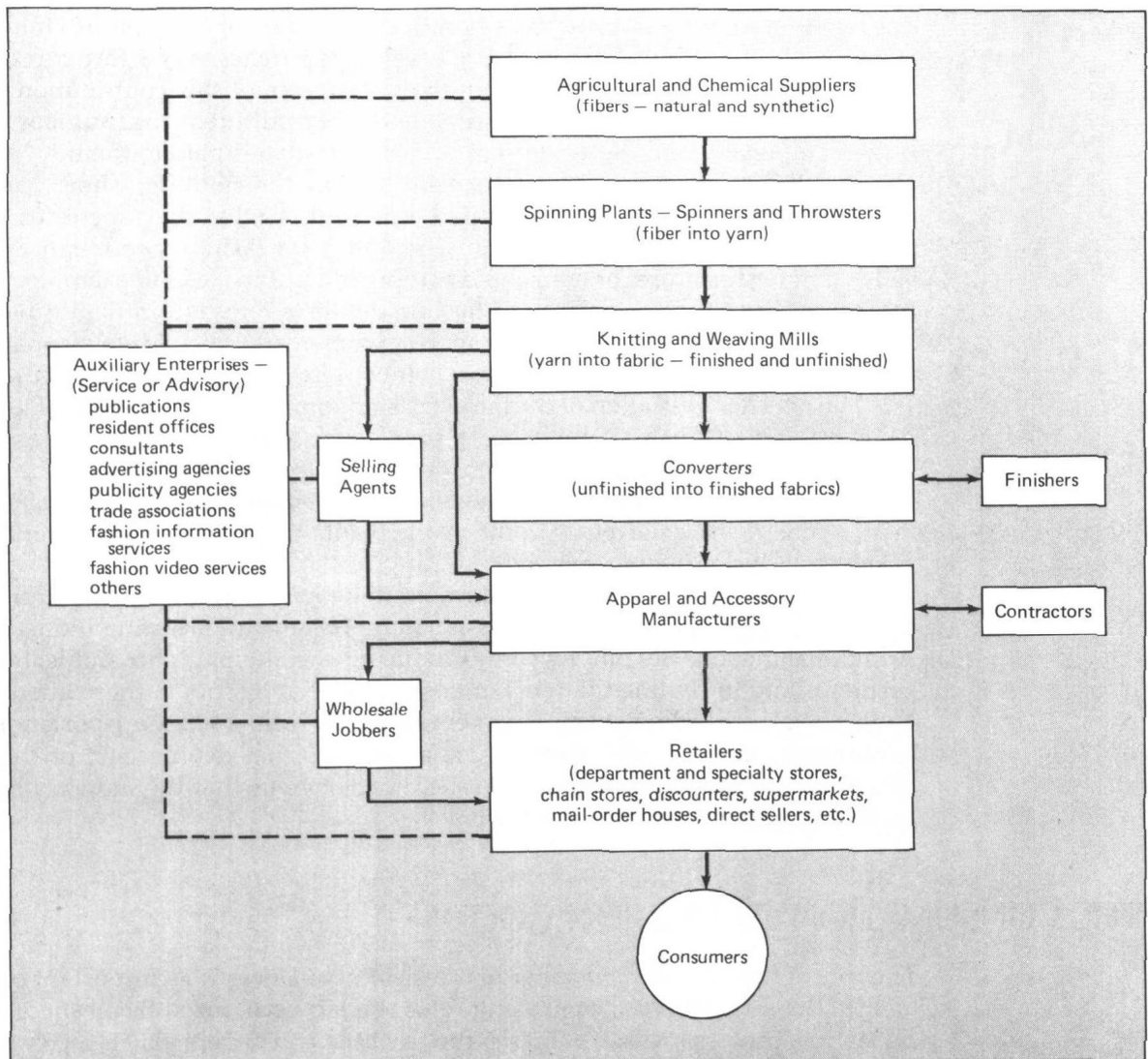
Plainly recognizable as part of the fashion business are industries devoted to the making of inner and outerwear articles of women's apparel; those involved in the production of men's wear; those that make children's apparel; and those that make accessories such as scarfs, jewelry, handbags, shoes, gloves, wallets, and hosiery. Some of these industries serve one sex or the other; some serve both sexes.

When one moves back to an earlier stage of production, to the fibers, fabrics, leathers, furs, metals, and plastics from which the finished products are made, the line between what is and what is not the fashion business becomes harder to draw. Some textile mills that produce dress and coat fabrics also produce bedsheets, carpets, or industrial fabrics. Some chemical companies that produce fibers that are eventually spun and woven to make garments are also producers of explosives, fertilizers, and photographic film. Some producers and processors in fields normally remote from fashion find themselves temporarily with one foot in the fashion business when prevailing styles demand such items as industrial zippers, decorative chains, quilted fabrics, or padding materials, for example. A season or two later, these people may be as far removed from the fashion business as ever but, for the time being, they too are part of it.

The fashion business also includes different types of retailers, such as stores that sell apparel and accessories, and mail-order catalogs from which many consumer purchases are made. It includes businesses that neither produce nor sell merchandise but render advice, assistance, or information to those that do.

In this last category are consumer publications that disseminate news of fashion, ranging from the daily newspaper to magazines devoted primarily to fashion, such as *Vogue*, *Harper's Bazaar*, or *Gentlemen's Quarterly*. Also included in this category are trade periodicals that carry news of fashion and information on production and distribution techniques to retailers, apparel manufacturers, and textile mills. It includes also publicists and advertising



**FASHION INDUSTRY FLOWCHART**

specialists, fashion consultants, and buying offices that represent retail stores in the vast wholesale centers.

All these and more are part of the business—farms and mills and factories, union labor and white-collar workers, tycoons, and creative artists. All play their parts in the business of fashion.

## Economic Importance

The business of fashion contributes significantly to the economy of the United States, both through the materials and services it purchases and through the wages and taxes it pays. In assessing the importance of this contribution, it helps to consider such factors as consumer expenditures, the number of people employed, and the amount of wages and salaries paid to them.

In 1985, Americans spent over \$155 billion for clothing, shoes, and accessories, an amount that constituted 6 percent of what they spent for all purposes from food to foreign travel. The outlay for fashion goods ran well above that for furniture, or household equipment, or tobacco, for example.<sup>1</sup> A further index of the importance of fashion goods is reflected in department store figures. Typically, the sales of men's, women's, and children's apparel and accessories account for well above half the total volume of such stores.

Still another indication of the industry's importance is the number of jobs it creates—and it creates them in every state of our country. Of the millions of people employed in factory work in the United States, better than one in every ten is employed either in those industries that produce apparel for men, women, and children or in the textile plants that produce the materials from which the garments are made.<sup>2</sup>

Apparel production alone employs more people than the entire printing and publishing field and more than the automobile manufacturing industry. Additional millions are employed in producing such items as fur and leather garments and in staffing the retail organizations that distribute these goods.<sup>3</sup> To this total, add some share of the employment in finance, transportation, advertising, utilities, and other essential services that devote part of their efforts to the fashion industry, and it becomes obvious that the industry has an astounding impact on our economy.

## THE CONSUMPTION OF FASHION GOODS .....

The role of the ultimate consumer in the fashion business is an important one and, in the final analysis, controlling. This is a fact recognized by all successful fashion professionals. Ordinarily the part that consumers play is a passive one. People do not actually demand new products and designs of which they have little or no knowledge; neither do they demand change. Their individual and collective power is exercised in the selections they make, on the one hand, and in their refusals to buy, on the other. It is by their acceptance or rejection that they influence the goods that will be presented for their favor and even the methods of presentation.

The controlling role of the consumer is not unique to the fashion industry. Every business that serves the public has to guide its operations in the light of consumer demand. The fashion industry, however, moves at a