



# Flashback: 20th Century Fashion Influences

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Hello, again! This issue focuses on the 20th century fashion influences on today's styles. As someone with more than five decades' worth of experience in the industry, there is a lot I can say about today's roots in 20th century trends. But I am not going to talk about styles, because what does an accountant know about styling? If I were to like a style, my clients would pull it right out of the line. For sure, it would not sell.

**W**hat I can talk about is the history of the apparel industry in California and include some thoughts about the industry nationwide.

It was the early 1960s when two men moved from New York to Los Angeles to develop and grow the apparel industry in California. I refer to them as the fathers of the apparel industry. Sam Simon joined Manufacturers Bank and Bud Schoenholz was with United Factors. These two icons joined forces to provide the capital for entrepreneurs to start apparel companies that would grow into major businesses in the California market.

I was a young accountant in the 1970s, when I got a call from Sam Simon to come down to Manufacturers Bank at the corner of Los Angeles Street and Ninth Street. Sam would introduce me to a new client, and I would provide the financial statements and tax returns for the bank to rely on when making loans to these start-up companies. Sam would loan them \$50,000 for their start-up capital, which was a lot of money in those days. Then he would introduce the client to United Factors and Bud Schoenholz, and Bud would loan them money on the accounts receivable.

My accounting practice grew as the apparel industry grew. We provided the bank and the factor with monthly financial statements for all these companies, and the companies met with the bank and factor on a regular

monthly basis. Without these two icons, there would not have been an apparel industry in California. As the industry grew in Los Angeles, more factors from New York started opening operations in this market. Before you knew it, there were a lot of factors in Los Angeles. Then other banks in the area started to see the growth in the industry and began setting up apparel divisions themselves.

The industry continued to grow as New York apparel people began moving to Los Angeles. The weather was great, life was more balanced, and the California style was taking off across the nation. Surfboards, swimwear, and the casual look were all coming from California. Sorry New Yorkers, but who would not want to live in California?

I will continue the story in future articles, but I would like to use what space I have left this month to remind everyone about the Marcum Retail Symposium coming up soon in Los Angeles (details at [www.marcumevents.com](http://www.marcumevents.com)). This year's symposium will be held on May 4 from 4:00 p.m. – 7:30 p.m. at the E-Central Downtown Los Angeles Hotel. You can register online, and sponsorships are available.

It will be a perfect time to meet leaders in the consumer products industry from all sides of the business, including manufacturing, retailing, banking, factoring, law and accounting. It will be a great networking event with an outstanding keynote speaker (drum

roll, please!).

Marshal Cohen, chief industry advisor of The NPD Group, is one of our industry's true luminaries and an expert on consumer behavior and the retail industry. My dear friend, Jeff Mann, our presenting media sponsor, has arranged for Marshal to guide us through these difficult months for the retail industry. I expect he will be addressing issues such as the supply side difficulties everyone faced and the delivery delays that left manufacturers with excessive inventories that needed to be liquidated.

Marshal has followed retail trends for more than 30 years, at NPD and as the head of leading fashion and apparel manufacturers as well as major retailers. As part of his work at NPD, Marshal leads many top firms in long-range and strategic-planning sessions. He often utilizes motivational presentations to help launch corporate goals and kick-off meetings. He is also the author of two books, "Why Customers Do What They Do" (2006) and "Buy Me! How to Get Customers to Choose Your Products and Ignore the Rest" (2010). Whether you are a manufacturer, wholesaler or distributor, Marshal's perspective on the state of the industry will apply to your business.

Until next time, remember what I always say: if you're not having fun, then go do something else!