

THE ORAL HISTORY COLLECTION, F.I.T.

THE FASHION INDUSTRY LEADERS

ROBERT BENDHEIM,

Chairman of the Board
Lowenstein, Inc.

Date of Interview

January 30, 1984

Interviewed by

Mildred Finger

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FOREWORD

ROBERT BENDHEIM

ORAL HISTORY

M. Lowenstein & Son started in the fabric business in 1898, with an investment of \$2,500. The firm was listed on the New York Stock Exchange in 1946. The volume in 1983 was approximately \$550,000,000.

The Lowenstein Corporation is one of the four largest in the United States. They manufacture apparel fabrics, fabrics for the home, and industrial fabrics.

Q: ...for the Oral History Collection of the Fashion Institute of Technology, this will be an interview with Mr. Robert Bendheim, Chairman of the Board of Lowenstein, Inc. The date is January 30, 1984; the interviewer is Mildred Finger.

Mr. Bendheim, would you tell us a little bit about the history of this company. When it was started and by whom?

A: The Company was started in 1889 by Morris Lowenstein. He was associated either originally or shortly thereafter with his two sons, Leon and Abe.

Q: Abram, was that? A-b-r-a-m?

A: Abram. They started in as jobbers and then as time progressed...

Q: Would you explain what "jobber" is in this industry, because it seems to vary from one industry to another.

A: A jobber generally is someone who buys and sells, and in this classification, they started out in this respect, and then later they developed as converters...A converter...

Q: They started with grey goods? They....I still don't know quite what they were doing; what part they were dealing with as jobbers.

A: They were dealing with finished fabrics. They then later developed as converters, and the general meaning is that they purchased grey goods, styled and designed, sent the goods outside to be finished, and then sold to the customers.

Q: The customers were manufacturers of apparel and...

A: The customers, when they developed as converters, were man-

ufacturers, by and large, of apparel. . . Leon started in 1898. He attended City College of New York, and left to join his father and brother. His brother, primarily, focused on the sales end of the business, and Leon was involved in the administrative and general part of the business.

Q: Where were they born?

A: They were both born in New York City. Their father, although he was in New York, was born in Germany.

The business continued to grow over the years and Leon had a statement which he was very fond of. The opening statement in 1889 had a balance sheet of \$2,500, with \$50 cash in pocket.

A significant change in the business came in 1928, when they opened a printing and finishing operation at Rock Hill, South Carolina. This enabled them not only to convert but to do the printing and finishing themselves. This operation grew from very small beginnings to where, ultimately, there were 65 roller print machines at its peak. In 1936, the company purchased two small mills in Alabama, called Saratoga Victory. One mill was in Albertsville and one mill was in Gunnersville. These plants subsequently were sold. Following this, the Huntsville Manufacturing was purchased. This was an old operation that dated back to around 1900. Subsequent to that, the Orr Lyon's Mill was bought from the Hamricks.

Q: I'm sorry. Would you spell the name of the mills and the name of the owners?

A: O-r-r L-y-o-n-s. Two words. Owned by the H-a-m-r-i-c-k's. They currently own other mills in South Carolina, operated by subsequent generations.

Q: Was it shortly thereafter that the firm went public?

I have the date as 1946.

A: In 1946 the company went public.

Q: And approximately how much volume were you doing then?

A: Approximately \$250 million. With reference to the Rock Hill operation, this continued to expand under Archie Joslin, who was one of the principals...one...who eventually became president to the company under Leon.

Q: When Leon was Chairman?

A: Yes. When Leon was Chairman. He made a major contribution in developing the printing and finishing end of the business, which was his expertise. He originally came from Providence and was associated with another finishing plant up in that area. The company then, subsequently, continued to grow and purchased the Lyon Printing and Finishing Operation...which was the cotton division of the old Pacific Mills, which had been bought by Burlington. This added another dimension to the company, which included industrial fabrics and sheets. . . This was followed by the purchase of the Wamsutta Mills from the Axelrods in New Bedford. Over a period of time, the plant in New Bedford was closed and the unit that was added that was part of Lyman continued until at a later date a new plant, consisting of a sheet division and a heavyweight fabric division was built in Anderson, named Wamsutta 1 and 2, in 1955.

This was 1965....just going back...In 1960, the company started a fibre glass industrial division, with two partners, one, Jack Schwebel, came from Stevens, and another, Ray Clarke came from Burlington. Not too long after that Ray Clarke passed away and Jack Schwebel continued to run and

expand this operation until the current date.

Another manufacturing firm was purchased around 1974 from Arnold Doblin, who had gone into bankruptcy, making jacquard fabrics. He continued to run the operation for our company and it became a successful unit. He passed away about five years ago. With reference to the overall company today, it is comprised of three major areas including fabrics for apparel; this includes the menswear division, women's wear division, and over the counter division.

Q: All known as Lowenstein.

A: All known as . . . principally under the Wamsutta name. There is also a smaller unit which comprises specialty fabrics, including bandanas, flags and other specialty uses. This unit also comprises some specialty fabrics such as bias fabrics for shoes and for industrial purchases, including "silver cloth". The women's wear division sells to most of the major trades, from dresses to sportswear to lingerie.

Q: Is it primarily printed goods, still?

A: These fabrics consist of printed fabrics, plus solid color fabrics. Another of the principal divisions is the home furnishings division, which manufactures Wamsutta and Pacific sheets and accessory fabrics, such as bedspreads, comforters, pillow cases, and other allied products, including juvenile patterns. In this division, also, are some fabrics such as fabrics from the Doblin division which are jacquard fabrics for the upholstery and jobbing trade.

Q: And these are sold under the name of Doblin?

A: These fabrics are sold also under the name of Wamsutta Doblin.

Another principal division is industrial fabrics under the Clarke-Schwebel name which represents an affiliate of Lowenstein, directed by Jack Schwebel. These fabrics, for the most part, are fibre glass. There have been in more recent years the manufacturer of Keblar fabrics, which goes into...bullet proof vests and helmets...

Q: Would you spell "Keblar"?

A: K-e-b-l-a-r. They are a DuPont fabric. The headquarters of the company is at 1430 Broadway and the various plants cover from North Carolina to Alabama.

Q: Do you do any production overseas?

A: There are a couple plants involved in industrial fabrics division overseas, one in Belgium and an affiliation in Japan, where we own 39% interest.

Q: So it's a joint venture with somebody.

A: It's a joint venture with the Asahi Chemical Company.

Q: Oh, Asahi.

A: The headquarters are located at 1430 Broadway, a building which we put up in 1954. At a later date we sold the building and the building has been resold. In 1978 we again acquired a 50% interest in the building, which we still have today. We are also located at 111 W. 40th Street, where we have our home furnishings group, and then our Wamsutta Doblin is located at 41 Madison Avenue. The company, over many years, has seen all kinds of economic conditions. They've been into a number of different ventures that did not work out, which has also happened to a good many other companies in our industry.

Q: Well, the business is very cyclical isn't it?

A: After going through a couple of very difficult years in the late '70s, the company currently, in 1983, had a record year.

Q: What was your volume?

A: The volume currently is about \$600 million.

Q: Which is a long way from \$2,500.

A: Well, \$2,500 was the balance sheet.

Q: Yes, right.

A: We still own approximately 45% of the stock interest in the company. Mr. Abram Lowenstein had two sons-in law, one of whom passed away who was with the business, and the other son-in-law, Mr. Goldberger, has been Treasurer of the company but is currently retired and on the Board. He's Vice Chairman. Also, the other son-in-law's son is currently on our Board, Allan Stewart. Son of the late Milton Stewart.

And the other son of the family, Leon's side, my brother and myself, followed his interest. My brother, John, currently is retired from the Board.

Q: There is a Lowenstein Foundation which is very interesting.

A: Yes, Mr. Lowenstein created a foundation called the Leon Lowenstein Foundation, which also has a substantial stock interest in the company.

Q: Can we go back just a little bit and talk some more about the family history? The business was founded a long time ago and by a very interesting family.

A: Morris Lowenstein founded it in 1918, and Leon and his brother, Abram, continued the business. Leon's brother, Abe, died in 1936, and the

company continued to grow under the dynamic leadership of Leon. Leon was one of the elder statesmen in the industry, and had a dynamic personality.

Mr. Lowenstein was also known for many of his pithy remarks, and also was very outspoken in saying what he thought. Some of his expressions will also be remembered, such as "the devil you know is better than the devil you don't know". There are also a number of amusing anecdotes that he would tell, such as one time he had a merchandise manager who headed up the division. He called the man in and he said to him, "I have never heard anyone make an unkind remark or say anything against you. Sometime, I would like somebody to come up and say something about you." Maybe it wasn't just in this vein. He said, "Show me the man who's never made a mistake, and I'll show you a man who hasn't done anything." Mr. Lowenstein was also an extremely charitable individual, even though he was outspoken. He supported many charities and worked for the development of Hillside Hospital, where there are three buildings in his name...his family name. There is a hospital in Miami which he helped to support, and he also was one of the strong supporters and founders of the Anti-Defamation League, among many other activities.

Q: So he really was following a tradition, and I assume that the tradition has continued.

A: Well, he wasn't following a tradition; he developed it.

Q: He developed the tradition. And that tradition is continuing through the foundation.....

We haven't heard very much about you, yourself, Mr. Bendheim.

A: As for myself, I graduated from Princeton and then subsequently...

Q: In what year?

A: In 1937, and then subsequently went down South to work for Walter Montgomery in Spartan Mills. I went through each operation in the mill. This was after initially going there and trying to work the first day from 5:30 in the morning till 6:00 at night, and feeling that with all the noise in the weave room, I wasn't sure I could make it. However, what they called the "coke" wagon along, with coke, and I felt considerably better; even though half the day had passed by originally before I had the coke, I was able to finally make the day.

Q: How many years did you stay down in that area...?

A: A couple of years, in the South, moving around from one operation to another, and then working in Spartanburg, and over in Greenville for a short period of time, and then finally I wound up at Rock Hill.

Q: So you really had technical kind of training as well as what you had gotten...

A: And subsequently I went to Harvard Business School and then came back to New York and worked here, again, through the various operations. I worked in the mail department, the sample department and so on, through the Claims and Adjustment department, and then finally to the manufacturing end of the business.

Q: So you really served an apprenticeship, if you will, in just about every aspect of the business.

A: Yes. And then I subsequently became President.

Q: After Mr. Joslin retired?

A: Mr. Lowenstein appointed Donald Tansill...

Q: How do you spell Tansill?

A: T-a-n-s-i-l-l as President, followed by Everett Drake. These periods of presidents were relatively short lived, and then Mr. Lowenstein finally decided he would appoint me as President.

Q: What year was that? Approximately?

A: '72.

Q: 1972. And then you became Chairman...

A: And then on Mr. Lowenstein's death in 1976, I became Chairman. . .

Q: With reference to the three divisions.

A: . . . which I discussed previously, I might add that in the apparel end of the business, we were always regarded as high performers, printers, in the field, specializing in printing, with a very large staff of stylists and colorists, developing the styles and prints that were acquired by the individual patterns. . . Some of these were in the studio in New York, and this studio has been of a very substantial size.

Q: Does it continue to be very substantial here?

A: The print operation continues still to be the substantial part of our Lowenstein operation, although the number of print machines, roller print machines has diminished, since the peak.

Q: Well, this has really been very interesting. I thank you very much.