RALPH LAUREN: SUPERBOSS

By Sydney Finkelstein

A case study based on research for the book, <u>Superbosses: How Exceptional</u>
<u>Leaders Master the Flow of Talent</u>. Portfolio/Penguin, 2016.

© Sydney Finkelstein, 2016

"Don't think for a moment that Ralph Lauren is merely a fashion designer...His prolific output has turned him into a real presence in the worlds of design and architecture—more influential, in some ways, than most of the people who spend their lives working in these fields. For in an age in which artifice often seems to become reality, Mr. Lauren has become the ultimate producer of a completely packaged, perfect life." 1
—Paul Goldberger, New York Times, February 2, 1992

"He was destined and is [still] destined for greatness simply because he fulfilled his lifelong dream by asserting himself in every aspect to try to make those achievements reality. He knew, as I would think that perhaps the Rockefellers or perhaps the Vanderbilts knew that they were going to be unique innovators in the world of purchasing railroads and getting involved in money, he knew." 2 – Sal Cesarani, former design and merchandising assistant at Polo

Dreams to Reality

Ralph Lauren grew up dreaming of the lives of movie characters he would watch at the local Bronx theater. His early fashion education was a "combination of movies and reading *Esquire*," Lauren says, "Whether that world exists or not, I don't know. I saw things as they should have been, not as they were." As the youngest of four children, Ralph Lifschitz, born in 1939, was often home watching the older children and dreaming of the lives of Cary Grant and Fred Astaire, his early inspirations. His father was an artist, a mural painter, who also painted houses on the side and his mother stayed home with Ralph and his siblings. Lauren attended Yeshiva Rabbi Israel Salanter and then the

¹ Goldberger, Paul. "Architecture View; 25 Years of Unabashed Elitism." *New York Times*, February 2, 1992, http://www.nytimes.com/1992/02/02/arts/architecture-view-25-years-of-unabashed-elitism.html?sec (accessed February 2010).

² Interview with Sal Cesarani, Designer and President Cesarani and SJC Concepts, Inc., July 31, 2008.

³ Koepp, Stephen. "Selling a Dream of Elegance and the Good Life." *Time*, September 1, 1986, http://www.time.com/time/magazine/article/0,9171,962179,00.html (accessed February 2010).

public school, P.S. 80 during his early education. For high school he attended one year at Manhattan Talmudical Academy and then transferred to DeWitt Clinton High School, the local public high school. He says even then he was defining his personal style, "I didn't know where I was going to go and didn't want a Cadillac. I wanted a Rolls-Royce. Kids were wearing leather jackets, and I wore a white tennis sweater."⁴

His first fashion job was to hang up returned items at Alexander's department store and at age 19 he worked for Allied Stores, as an assistant buyer. In 1960, Lauren was drafted into the Army, and upon completing his service found a job as a salesman at Brooks Brothers. He made several important connections there and his next job was in sales for A. Rivetz & Co., which made neckties for Brooks Brothers and other stores. There, the company head, Abe Rivetz, took the young Lauren under his wing, teaching him about fabrics, design, and style. It was at Rivetz that Lauren met the tailors who would later bring his ideas into reality. He says, "I was always the leader, in terms of what I wore, in America and certainly in my industry. Wherever I was people would say, 'Where did you get that?' I sort of felt like I had something that was different and special."5

Just as Lauren was beginning to help design ties and take on more responsibility at Rivetz, he faced one of his early obstacles. Lauren wanted to design wide ties with new fabrics. His boss replied, "Ralph, there's no such thing as a designer in this business. The world is not ready for Ralph Lauren." Frustrated, Lauren left Rivetz. The tie company Beau Brummel next hired Lauren in 1967 to start his own division, which he called Polo. "When I was thinking about a name, I talked to many different people. I've always liked sports and athletics,...So I came up with my own style, which was a sport and had an aristocratic image, and that was Polo."7

Uncompromising Vision

"The thing that set Ralph apart was his single-mindedness of purpose." Everybody else moved from place to place, from trend to trend. He wasn't

⁴ Lockwood, Lisa. "Ralph's Rule: Passion." Women's Wear Daily, November 18, 2002, http://www.factiva.com (accessed October 15, 2007).

⁵ Diamonstein, Barbaralee. "Ralph Lauren." *Fashion: the inside story.* (New York: Rizzoli, 1985), 131. Commonstein, Barbaralee. "Ralph Lauren." *Fashion: the inside story.* (New York: Rizzoli, 1985), 131.

⁷ Diamonstein, Barbaralee. "Ralph Lauren." Fashion: the inside story. (New York: Rizzoli, 1985), 132.

trendy. What he did might have been trendy, but he stayed with it. It's the single most important thing about him." Franklin Bober, former Polo executive

"I think the thing that really stands out for me about Ralph is his unwillingness to compromise...He really, really had a point of view and vision about what his statement should be and he never, never compromised, which I thought was really kind of exciting, wonderful, sometimes maybe not the most prudent thing from a business stand point but I think it is something that has made him the titan that he is today. His unwillingness to compromise with fabrication or price point or quality...it was always this is what I want, this is what I feel is important ... this is what I believe in and he really stuck with his guns...I would say that is really a hallmark of the man. His having vision, sticking to it, and not really yielding or bending to the passing fads and fancies of fashion. He truly believes that was what Polo was about and what he loves in terms of design whether it is home design or children's wear or women's wear." "-Jeffrey Banks, former assistant at Polo

When he began his Polo division at Beau Brummel, Lauren didn't even have an office; he operated out of a drawer at the company located in the Empire State Building. Lauren longed to sell to Bloomingdale's, which he described as "hip, young, and exciting," but Gary Shafer, the men's buyer, wanted him to narrow the ties and insert a Bloomingdale's label. "I walked out," Lauren says. "Because I believed in who I was." 11

Undeterred, Lauren went to other department stores, selling his first order of 100 dozen ties to Neiman Marcus. Six months later, Bloomingdale's asked to purchase his ties. "Ralph had a very specific point of view that he has never wavered from," says Joe Barrato, his early assistant, "Even when we were just starting out, Ralph would tell retailers, 'Let me introduce you to the world of Ralph Lauren' during sales presentations. I still get a chill up my spine when I hear those words."

As his ties gained acclaim from fashion insiders, Lauren was approached by menswear maker Norman Hilton about creating a line of shirts and ties. Lauren had bigger dreams, though; he told Hilton that he no longer wanted to work for others. Hilton

3

⁸ Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 154.

⁹ Interview with Jeffrey Banks, Founder Jeffrey Banks Ltd. and Jeffrey Banks International, July 2, 2008.

¹⁰ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 109.

¹¹ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 109.

agreed to finance him in exchange for 50 percent of the new business. With \$50,000 from Hilton, Lauren launched his first full line of menswear in 1968. Lauren then began hiring assistants and salesmen, many of them acquaintances from the industry and former peers. Joe Barrato had worked with Lauren at Brooks Brothers and then came to work with Lauren in 1969. Lauren surrounded himself with people who believed in and praised his work. "I loved everything he did," Barrato said. In 1970 Lauren won his first Coty Award for menswear and gained prestige as a top American designer. 13

Continuing with his rapid expansion, Lauren convinced Bloomingdale's to open the first-ever in-store designer boutique so that consumers could see how his whole look was put together. Previously menswear had been sold only by classification—with individual departments for ties, shirts, and suits—but Lauren felt that in order for his image to be appreciated, his various items needed to be presented as a coherent unit, together with the appropriate décor. Martin Traub, the chairman of Bloomingdale's at the time, said, "I first met Ralph in the late '60s because of his wide ties, which I felt were the first new direction that really changed the way men were dressing. It was a step from that to Ralph and I discussing the first shop-in-shop at Bloomingdale's. It was in the middle of our men's store at the Third Avenue entrance and it carried all of the nascent Ralph Lauren collections—his suits, his shirt and ties, and later sportswear. Ralph—in his own way—was on top of every detail of the wood paneling, the floors, and the look of the shop. It was an enormous success and helped position both Bloomingdale's and Ralph as leaders in the new direction in menswear." ¹⁴ Lauren also worked with Jerry Magnin to create the first freestanding store for an American designer on Rodeo Drive in Beverly Hills. Constantly growing and evolving his company gave Lauren a boost over the competition. While his looks were traditional, his business practices were constantly moving forward, looking for the next challenge to conquer.

In 1972 he introduced the Polo shirt. This was a reinvention of an old classic developed by Izod, which had replicated the piqué knit shirt worn by tennis player René

Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 124.
 The Coty American Fashion Critics' Awards began in 1943 and were given annually to American designers in various fashion fields up until 1985. The other top fashion awards are the Council of Fashion Designers of America (CFDA) Fashion Awards, which, when the Coty Awards were discontinued, became the industry's top award. The CFDA is a nonprofit group of over 300 American designers that nominates and selects winners for several categories of design each year.

¹⁴ Lauren, Ralph. Ralph Lauren. (New York: Rizzoli, 2007), 396.

Lacoste in 1933. The "Lacoste" shirt had a small crocodile over the breast because Lacoste's nickname was "the Crocodile." Lauren says he wanted to get a Lacoste shirt, and found it was only offered in three colors in polyester cotton. Sensing a gap in the market, he and his team designed a higher-quality shirt, replaced the crocodile with a tiny polo player, and came out with twenty-four different colors. This shirt would become "the most iconic item of the 'preppy look,' one of the styles Lauren is best known for." The polo player symbolized wealth and class, and wearers believed that those qualities rubbed off on them. Ed Carlo, former national sales manager of Polo said, "It was a really well-made shirt, but I told the people opening Polo stores across the country that the product itself didn't really matter. It was the image we were selling. We weren't selling body coverage, we were selling ego massage. There was a romance to that shirt, a romance to Polo because of that polo player. And there was no romance left to the alligator." Today, "polo" has become a generic name for this type of shirt and Lauren has introduced hundreds of colors. There is even a program on the website to create customized color combinations of shirt and polo player.

In 1974, Lauren hired Peter Strom, who had previously worked for Norman Hilton. They had stayed in touch, and Lauren trusted Strom. "He designs, he does advertising, public relations; I do the rest," Strom has said. With Strom in place, Lauren allowed himself to let go of some control of the management of the company. He let the professionals deal with finances while he focused on what he did best: designing and building the Polo brand. Strom began the company's restructuring by limiting Polo distribution to make it more exclusive and working with stores to improve product presentation.

The Ralph Lauren Innovation: Lifestyle Branding

"Ralph's innovation was to give American sportswear and fashion a strong identity. He is the American Gatsby-dream designer." 18—Phoebe Eaton, Harper's Bazaar, March 1, 2006

-

¹⁵ Lauren, Ralph. Ralph Lauren. (New York: Rizzoli, 2007), 401.

¹⁶ Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 260-261.

¹⁷ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 163.

¹⁸ Eaton, Phoebe. "Fashion's Number One: Ralph Lauren is the Biggest-Selling Designer in the World. He's Created Some of Fashion's Greatest Hits, and his Influence can be Felt Around the World. On the

"He is the creator of a lifestyle that you buy into. It's not just the product, it really relates to the way you live, what you eat, drink, wear, how you spend your time." Stanley Gellers, journalist

Lauren was able to identify what set Americans apart from the rest of the world in terms of lifestyle and transformed this into fashion. He defined American style and for more than forty years has preserved and strengthened his vision. "Americans are about the casual life. They love comfort and informality. When I was growing up people dressed for the weekends the way they did during the week. It wasn't until American life evolved and people started moving to the suburbs and having cookouts and enjoying more free time that there was a need for more comfortable clothes. I was creating American sportswear—clothes for every day, clothes for play, clothes for living as opposed to outfits for special occasions or work. Sportswear is about living, and that's where America has made its mark."²⁰

Before Lauren's innovations, designers made either formalwear (such as suits or ties) or sportswear, and a collection implied only one of these lines. Lauren combined the different genres into a cohesive collection that reflected the new American lifestyle. He believed that his customers—like him—wanted different outfits for work, home, and travel, and he brought them together for the first time, ushering in the era of lifestyle marketing.

Lauren created clothing that allowed anyone to become his customer. As Teri Agins writes, "Traditionally, fashion had derived much of its power and allure from being original, unique, and exclusive—from the fact that no two women will own the same piece of couture. But that fashion is over. The new fashion is about inclusion, belonging to a world or lifestyle that feels good, looks good, and above all else, is accessible. Like the American dream, the new fashion has to appear available to all—regardless of the economic reality most people live." Ralph Lauren understood this

Eve of his 40th Anniversary Year, he Reveals the Secret of his Staggering Success." *Harper's Bazaar*, March 1, 2006, 46, http://www.lexis-nexis.com (accessed October 1, 2008).

¹⁹ Interview with Stanley Gellers, Former Editor-at-Large *Daily News Record*, June 17, 2008.

²⁰ Lauren, Ralph. Ralph Lauren. (New York: Rizzoli, 2007), 36.

Agins, Teri. *The End of Fashion*. (New York: HarperCollins Publishers Inc., 1999), 85.

desire to belong—he had been trying his entire life—and successfully translated this desire to his own products.

Another Lauren innovation occurred in women's "sportswear." Lauren saw the discrepancy between men's sportswear and what the market offered women, which he described as "boxy, big, and not quality,"²² so he decided to bring men's tailoring to women's clothing. The first women's item he introduced was a tailored oxford shirt with a tiny polo player on the cuff. The shirt came in a variety of colors and patterns and proved so successful that often stores sold out just one day after the shirts had been displayed. Women were eager to buy well-tailored items, and Ralph capitalized on this hunger at just the right time. He expanded the line to include tailored jackets, pleated pants, and small sweaters. He also introduced active clothing for hiking and other outdoor activities. Lauren said, "No one did that stuff. It didn't exist for women. You can say there was Eddie Bauer or L.L. Bean, but I took a mood and expanded it and romanticized it with color and texture. America was my inspiration. Activities of life, not the activities of fashion. I was making that life exciting and working with it. That's what I ignited: American sportswear. And there was always a story."²³

As he defined his style, some people criticized Lauren for trying to be something he wasn't: a WASP. He responded by saying, "What I do is not apart from what I am. I was the guy looking at the magazines and movies, saying, 'Wow, that's where I'd like to be.' It's not just the car, it's where you're going in that car. I'm trying to paint a wonderful world. Maybe I'm redefining a life we lost. That's my movie. What is yours?" He created a world that he and others seeking a better life could be a part of by wearing the proper clothing. While some upper-crust people questioned his authenticity, many others wore his clothing, joining Lauren's movie. In the words of Joseph Abboud, "No one has done a greater job of inventing the myth of Ralph Lauren than Ralph Lauren."

²² Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 195.

²³ Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 196.

²⁴ Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 218.

²⁵ Abboud, Joseph. *Threads*. (New York: HarperCollins Publishers Inc., 2004). 104.

Lauren gained national recognition for his collections by providing clothing for the movies "The Great Gatsby" and "Annie Hall." He was introducing his clothes in the context of a lifestyle, and the movies displayed them beautifully. In the late 1970s he also began producing his own advertising. Up until that point, the stores carrying his products controlled advertising. ²⁶ Lauren prepared "mailers," multi-page, photograph advertisements displaying his collections in a cinematic style. His first ad portrayed a James Bond-like character wearing a white dinner jacket being chauffeured in a rugged black jeep. The line in the mailer read, "Style, not fashion."²⁷ These mailers were the precursor to his groundbreaking print advertising campaigns, which began in 1981. Lauren said, "The advertising campaigns became the movies in print. It wasn't about seeing a man or woman posing against an anonymous backdrop, but seeing him or her in a life doing something you could relate to or dream about. When you see a good movie, old or new, you become part of it; you have a dream. What I wanted to do with my ads was what I did with my collections—make people dream and aspire."²⁸ His dreams came to print with the help of photographer Bruce Weber. Weber turned down the normal male models being photographed at the time, models that were, "swarthy, European, and gigolo-ish,"²⁹ and instead found athletes, students, and other clean-cut Americans for his photos. He reinforced his themes by using non-professional models such as surfer Buzzy Kerbox and architect Tom Moore performing "real-life" activities for his consumers to relate to. These active young men portrayed the ideal look and lifestyle sought by Lauren and the look that so many people identify with today. In return, Lauren gave Weber a large budget and a great deal of freedom in creating his advertisements.

Lauren made another brilliant marketing move for his brand when he changed how advertising was handled between licensees and the main company. Previously, licensees paid for ads featuring their products and included their names as well as the designer's; sometimes, their names had more prominent placement than the designer's. Lauren told licensees that they would have to pay their share for advertising, but their names would not be included, nor would they have a say over the content. He was

²⁶ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 180.

²⁷ Lauren, Ralph. Ralph Lauren. (New York: Rizzoli, 2007), 410.

²⁸ Lauren, Ralph. Ralph Lauren. (New York: Rizzoli, 2007), 134.

²⁹ Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 208.

building a brand and wanted to create a coherent, bold statement. Peter Strom said, "Of all the things he did, we did, that was the most important. Everyone takes it for granted today. It came from his mind." 30

Ralph Lauren continued to make his mark on the fashion industry by opening more freestanding stores in prestigious areas. In 1981 he opened his first European store on Bond Street in London. In 1986 he opened his flagship store on Madison and 72nd Street in New York City in the Rhinelander mansion. The remodeling of the mansion was a huge undertaking and, once completed, reflected the image of the home to go along with his clothing. The store had "hand-carved mahogany balustrades, oak floors, marble fireplaces, Chinese vases, and fresh cut flowers throughout." Today Lauren has freestanding stores all over the world.

The freestanding stores and similar boutiques in department stores allow Lauren to present his clothing in context. "Rather than merely display a blazer or a shirt, he likes to present a whole pile of goodies. The side tables in Lauren displays are nearly always covered with rows of framed pictures that suggest comfortable surroundings of family and tradition." Similarly, his home collection is displayed as an entire package. Cheryl Sterling, one-time president of Lauren's furnishing division said, "People come into the stores and say, 'I want that bed, just the way it looks." These presentations of his home collection led to big changes in bedding as a retail category and in the mind of consumers. Whereas a bed once consisted of sheets, pillows, and a comforter, by the 1980s bedding was growing to include, "two standard pillow shams, two regular pillowcases, three decorative pillows, a cashmere throw, comforter, a fitted sheet, and a bedskirt that hands from the frame to the floor." Lauren provided all of these items in a cohesive look, organized by theme, such as "Thoroughbred," "New England," or "Safari." This look, sometimes called the unmade-bed look, spurred huge sales in the linens industry.

³⁰ Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 209.

³¹ Lauren, Ralph. Ralph Lauren. (New York: Rizzoli, 2007), 423.

³² Koepp, Stephen. "Selling a Dream of Elegance and the Good Life." *Time*, September 1, 1986, http://www.time.com/time/magazine/article/0,9171,962179,00.html (accessed February 2010).

³³ Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 267.

Diversification and Wealth

"He's always been alert and aware and has an uncanny ability for timing, from a marketing and product point of view. "34—Joe Barrato, longtime Polo veteran

Besides his men's and women's clothing lines, Lauren has consistently found other openings in the fashion market for his style. When his wife, Ricky, couldn't find appropriate clothing for their young children, Lauren launched Polo for boys in 1976 and for girls a year later. In 1978, Lauren launched his first fragrances, Polo for Men and Lauren. Fragrance is an important designer product because it allows people to own a designer-branded item at relatively inexpensive prices. It is both a promotional tool and a source of huge profits. As of this writing, Lauren puts his name to 16 fragrances for men and women.

While most luxury-goods companies diversify out of necessity rather than desire, Lauren sought to create products that were lacking in the market and that would enhance his lifestyle. Lauren continued his diversification into other products through the end of the twentieth century with Ralph Lauren Home, Polo Golf, Polo Sport, Purple Label, Ralph Lauren Paint, RLX, Blue Label, Rugby, and other divisions. Liz Dunn, a retail analyst at Thomas Weisel Partners, says, "Most luxury-goods companies start at the high end, and then they filter their brand downstream and do diffusion lines which they look at as a necessary evil. But Ralph Lauren strives to be excellent at every price point. They are maniacal in their focus on every category."35 This diversification also enables the company to sell to a wide variety of customers and to potentially keep them throughout their lifetime. Children may begin by wearing boys or girls Polo, then advance to Rugby as a teen, then to lower priced adult lines such as Chaps, and, as they grow older and make more money, move into the more expensive lines such as Blue and Purple Label. According to Joseph Abboud, "In a perfect world, you could have it all, but Ralph is the only designer who's successfully crossed all those channels of distribution...I'm still in awe of it. Would I love to be there, too? Absolutely. It's not an easy hill to climb."36

³⁴ Interview with Joseph Barrato, Former CEO Brioni USA, July 29, 2008.

³⁵ Brodie, John. "It's Ralph's World." Fortune, September 17, 2007, 66. Abboud, Joseph. Threads. (New York: HarperCollins Publishers Inc., 2004), 28.

36 Abboud, Joseph. *Threads*. (New York: HarperCollins Publishers Inc., 2004). 28.

One biographer likened his marketing strategy to that of General Motors, which has sought to keep customers for a lifetime, upgrading them from Chevrolets to Cadillacs.³⁷

With the company continuing to grow and with pressure from Goldman Sachs, which had bought 28% of the company in 1994, Ralph Lauren decided to go public in 1997. Lauren says, "Either I had to go public or I was never going to grow. It was Europe; I was going to take over Europe." The stock was initially planned to sell between \$22 and \$25, but there was so much demand that the stock was priced at \$26 and closed its first day of trading at \$31.50. Lauren held 46.7 million shares; as of closing that first day, his stake was valued at \$1.4 billion. Lauren had written in his high school yearbook that he wanted to be a millionaire when he grew up; now, he was a billionaire. As of December 2015, his personal fortune had reached \$6.4 billion; he was ranked #74 on the *Forbes* list of 400 Richest People in America. Even though there were many benefits to going public, Lauren had trouble adjusting to the daily evaluation reflected in his stock price. He told *W* magazine, "I hate being evaluated by the minute. It's so contrary to the way I've worked. I've been a hero my whole career. Now you're judged by Wall Street. Talk about trendy. Wall Street is the trendiest business around." *40

Company as Family

"Ralph is great but he also feeds off greatness as well and I think he recognizes that." —Joe Barrato

Lauren began hiring for his company by asking friends and acquaintances to join him. He surrounded himself with people that he knew and that believed in his work. Joseph Barrato has said, "The common denominator was that we all had a certain sensitivity as to the Ralph Lauren design concept." Former employee Jeffrey Banks concurs, saying, "He always hired the people who could carry out that point of view for

²

³⁷ Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 5.

³⁸ Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 338.

³⁹ Woodyard, Chris. "IPO Suits Polo's Stock Well." *USA Today*, June 13, 1997. http://www.lexisnexis.com (accessed November 18, 2007).

⁴⁰ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 350.

⁴¹ Interview with Joseph Barrato, Former CEO Brioni USA, July 29, 2008.

⁴² Walsh, Peter. "30 Years of Design: Polo-Rizing American Tradition: (Ralph Lauren's influence on American fashion) (1965-1995: The Designer Decades)." *Daily News Record,* January 18, 1995, http://www.factiva.com (accessed October 1, 2008).

him and he could interpret what it was that he was trying to do perfectly."43 Joseph Abboud agrees, "Ralph has a very strong personality and a very direct focus and he is a brilliant marketing guy and a great designer. So his instincts are very, very good. He had instincts about people and that is how he built a great brand."44 One of his first and longest-lasting employees, Buffy Birrittella, became Executive Vice President of Women's Design and Advertising. Lauren knew from her articles about him in *Daily News Record*, a menswear trade publication, that she understood his style; so he hired her to start writing for him, instead of about him. Former Vice President of Sales at Polo Marty Staff says, "He had a woman that ran, was a runway model for him, a woman named Tasha Polizzi, and he made Tasha head of women's design for no other reason than she seemed to get it. She got the clothes, she understood the clothes he was designing and knew how to do it as he would."⁴⁵ Former employee Robert Burke has said, "Ralph surrounds himself with people who understand his taste level. When he says 'Fred Astaire 1930,' a big picture goes up in your mind. When he says 'Montauk Weekend,' everyone has the same vision."⁴⁶ John Idol, a 23-year veteran of Polo, and current CEO of Michael Kors said, "He was the best brand builder in the world, and he instills that vision in all the managers around him."⁴⁷ For some, this wasn't necessarily a positive work environment, or one that encouraged creativity. Joseph Abboud recalls, "The Polo mystique possessed me. The aura there was so seductive, so addictive, that it was like being on drugs. Life in the cocoon actually started to limit my thinking."48

Nonetheless, as Lauren became more successful, young, eager designers clambered for a chance to work for him. As Kenny Thomas, former Polo employee and Senior Vice President for Lucky Brand Dungarees, said, "Ralph was fantastic at giving opportunities to people who didn't even know themselves what they were capable of. It

⁴³ Interview with Jeffrey Banks, Founder Jeffrey Banks Ltd. and Jeffrey Banks International, July 2, 2008.

⁴⁴ Interview with Joseph Abboud, Chairman Joseph Abboud Worldwide, Inc. and President and Chief Creative Officer HMX, LLC, September 29, 2008.

⁴⁵ Interview with Marty Staff, Former President and CEO Hugo Boss, May 28, 2008.

⁴⁶ Lipke, David. "Polo U; There Are No Classrooms, No Professors and No Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

⁴⁷ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

⁴⁸ Abboud, Joseph. *Threads*. (New York: HarperCollins Publishers Inc., 2004). 20.

wasn't about being a designer with a great book and sketches. It was about showing him every day that you had a great sensibility and great ideas about wearing classic clothes in an updated way."⁴⁹ In the same light, "A lot of managers or executives don't necessarily want anyone too bright underneath them because that could be a threat, but in Ralph's case that was never an issue. The more talent, the brighter his light shined and he was always aware that it was him first in terms of that it was his concept and his business; he always had the confidence to know that. But he did always want the best talent he could find."⁵⁰ The style factor was very important; Lauren wanted people with great taste that could inspire him and other designers. David Lauren explains how his father recruits: "He will look at someone and say, 'I love what you're wearing, I love the way you put it together, I'd love for you to come and work in design.' And they say, 'Ralph, I don't know how to design, I don't know the first thing about it.' He says, 'Neither do I. We'll make it work."51

Throughout his career Lauren has continued to hire people purely to inspire him.⁵² He once spotted a beautiful woman, Virginia Witbeck, in a burger restaurant in New York and loved her outfit: a man's jacket, old corduroy pants, and an old fur jacket she had turned into a vest. He approached her table and immediately offered her a job, telling her he wanted people with style. Though startled at the time, and with no fashion experience, she accepted a few days later and became Lauren's muse.

Lauren would pick favorites, often new hires, and turn to those few people for advice and ideas. Jeffrey Banks met Ralph Lauren when he was a teenager working at Britches of Georgetown in Washington, DC. Lauren was so enthralled with the young man's knowledge of fashion that he offered to give him a job when he came to New York to attend fashion school. Lauren quickly promoted Banks from sales to design assistant and put him at a desk back-to-back with his own.

⁴⁹ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." Daily News Record, July 22, 2002.

⁵⁰ Interview with Joseph Abboud, Chairman Joseph Abboud Worldwide, Inc. and President and Chief Creative Officer HMX, LLC, September 29, 2008.

⁵¹White, Lesley. "Made in America." Sunday Times Magazine (London), September 30, 2007, http://www.lexis-nexis.com (accessed November 1, 2007).

52 Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 169.

Marty Staff, a former Polo Vice President and former CEO of Hugo Boss USA, said, "When I joined the company, I would have worked there for free—the culture was so strong and the clothes so beautiful. I was there with Joseph Abboud, Robert Vignola, John Varvatos, Edwin Lewis, John Haarbauer—it was really an all-star cast that has never been repeated anywhere else."53

This quote also speaks to the collaborative environment of Polo, which some former employees refer to as a family environment. Ralph would ask everyone's opinion, including the receptionist and cleaning staff. An early employee imitated, "What do you think of this? Should I move to Palm Beach? What kind of car do you think I should have?"⁵⁴ Another of his early supporters, Robert Green, former fashion editor at *Playboy* described Lauren's approach. "He had a charming smile, an open quality which you discovered was a pattern probably set deep in childhood which he probably still uses. He would ask your opinion as though he couldn't make a move without that opinion. If you ask twenty-two people and you're a good editor, you will get a hell of a good direction for yourself. Everybody will contribute a little."55 Early Polo employee Sal Cesarani explains his boss's affection for employees, yet the unspoken pressure he exuded. "I'll tell you, he was always so soft spoken. He was never rude, crude or obnoxious. He was always the ultimate good person friend but he put upon you, as the assistant, or anybody else who was in my capacity the mental pressure that if he asked you to do something, you felt the need to accomplish that simply either because of his recognition to you or just because you needed to do that. It was the right thing to do."56 Raleigh Glassberg, a former Bloomingdale's buyer, portrayed a similar collaborative environment between Lauren and the various buyers. She said, "You'd sit in his office, you'd go through things together, he'd listen to ideas. It was very much of a partnership. You didn't influence his style, but you'd talk about what would be commercial and what wasn't in terms of timing and certain shapes. He had two floors, and people were bobbing in and out. You'd go for the afternoon kind of thing to look at

⁵³ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." Daily News Record, July 22,

⁵⁴ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 112.

⁵⁵ Trachtenberg, Jeffrey A. Ralph Lauren, The Man Behind the Mystique. (Boston: Little, Brown and Company, 1988), 53.

56 Interview with Sal Cesarani, Designer and President Cesarani and SJC Concepts, Inc., July 31, 2008.

preliminaries and work on the line, and it was as much a family relationship as you can have in business."⁵⁷

The company "is run in a loose and easy fashion by the designer and those whom he variously calls 'my team' or 'my family." Lauren's employees believed that their opinions were valued and Lauren often invited them out to dinner and on walks around the city to discuss ideas. He even gave several of his employees engraved gold dog tags from Cartier when he opened his first store in Beverly Hills. He wanted those around him to share in his success and stay close to him. One employee recalled, "We were on this incredible ride and he's say that this beautiful stuff wasn't him, it was us—the most talented people in the world were in this room. We were young, good-looking, a winning team. God, you'd have to pinch yourself!" Another former staffer said, "Ralph was always telling us that we're the standard, that everybody is always imitating everything we do, that everybody wants to be like us."

In the tight-knit, familial environment at Polo everyone tried to live the Ralph Lauren lifestyle. Joseph Abboud recalls, "It was very much like a cult. You wanted to be part of it. Ralph was our hero. We believed the myth; we dressed the myth. We were the legions. It was all-consuming, and you were sucked into it. It was a beautiful place to be. Tweeds and stripes and tartans and beautiful women and conspicuous consumption and the office was a beehive of energy flying." Often employees would become great friends and so would stay at work all hours because they wanted to. They thought alike, dressed alike and shared the same passions. John Varvatos, who now runs his own design company, reminisced, "Back in the '80s at 40 West 55th Street, it was like a big family. You were in a house, it was a brownstone, and I had a fireplace in my office. During my second stint at Polo, I reported directly to Ralph and saw him every day. He

-

⁵⁷ Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 94-95.

⁵⁸ Ferretti, Fred. "Fashion Profile." *The New York Times*, September 18, 1983, 112, http://www.lexisnexis.com (accessed November, 18, 2007).

⁵⁹ Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 246.

⁶⁰ Agins, Teri. *The End of Fashion*. (New York: HarperCollins Publishers Inc., 1999), 91.

⁶¹ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 219.

was very caring, and the warmth I felt from him made it very difficult for me to leave to start my own company."62

Sal Cesarani, Polo employee from 1969-1974, both while working for Lauren and after he made the difficult decision to leave the company.

"The love and trust, the camaraderie, the friendship...He made you feel you were so much a part of it...he was always giving me the accolades or whatever it was. He was always grateful and thankful so...it was just my time to leave him...children at home, my wife...and I wasn't getting home on time and I worked a lot of hours...He never jumped up and down but he would shake his head in disbelief that I betrayed him because he always felt that I was there for him. And, I really took enormous amounts of stress to decide what I wanted to do because I went to work for a privatetype public company and it was a men's clothing company and I certainly wasn't going to get the recognition. Inevitably it happened but it was just simply working for another company, working 9:00-6:00 or 7:00 or whatever time we had to work. In retrospect, it was a growing experience for me as a youngster and I did it with tremendous love and affection." 63 Sal Cesarani

Competitive Spirit

"... Each company was like central casting, just that Ralph was more Greenwich, Connecticut and Calvin was more, you know, SoHo." 64 -- Marty Staff

Lauren has a competitive streak that has hurt people at times, but has also made him incredibly successful. Sal Cesarani, his former assistant said, "Ralph has acquired enormous wealth because he has controlled every aspect of it. Competition is everywhere. He doesn't want to see anyone else succeed more than him. Of course, you sacrifice something. You can't allow people in your way. You have to be better than them. I was such minor competition, but that's the psyche. He constantly needs to win."65 Lauren often would take or buy from people items of clothing they were wearing if it was something that interested him. He once motioned to a waiter on a trip to Italy that he wanted his jacket; he was inspired and needed it immediately. In speaking about

⁶² Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry. Daily News Record, July 22, 2002. ⁶³ Interview with Sal Cesarani, Designer and President Cesarani and SJC Concepts, Inc., July 31, 2008.

⁶⁴ Interview with Marty Staff, Former President and CEO Hugo Boss, May 28, 2008.

⁶⁵ Gross, Michael. Genuine Authentic. (New York: HarperCollins Publishers Inc., 2003), 148.

competition with other designers, Ralph said, "If someone is out there doing something and gets a lot of notice, I say 'What is he doing that I'm not doing?' Or 'What am I missing' It gives you a little shot in the arm."

American designer Calvin Klein competed with Lauren throughout his career in fashion for advertising and employees. Jeffrey Banks has described the rivalry as, "Wanting to have it all, the best people, the best houses. It's a total, total rivalry. They never talk about it, but it's obvious. The fact that I worked for Ralph made Calvin salivate for me." The two came from the same neighborhood in the Bronx, born 3 years apart. As their careers developed, Lauren's company grew much larger and was more successful than Klein's, but Klein captured the public's attention with his provocative advertising and wild lifestyle. Also, Lauren found himself competing with Tommy Hilfiger in the 1990s, as Hilfiger based his lines on many of the same classics as Lauren and similarly utilized the American flag in many of his designs. Lauren said of Hilfiger, "I don't respect Tommy Hilfiger as a designer. Everything he did he got from me. He has nothing new to say." 68

Buffy Birrittella said of Lauren, "He's always hungry in the best sense of the word. Some people, when they achieve a success, say ok, I've done it. Great entrepreneurs are always looking for the next challenge. He challenges everyone around him to keep sharp and improve things because someone is out there, looking to top you—and you have to top yourself." Some employees felt motivated by the competitive environment. John Idol said, "Ralph and Peter [Strom] created a competitive but collegial environment, the best working environment I've ever been associated with." Joe Barrato concurs: "He drives you hard, but the smart ones learn from this in a positive way."

Alumni: The Superboss Who Spawns Talent

⁶⁶ Diamonstein, Barbaralee. "Ralph Lauren." Fashion: The Inside Story. (New York: Rizzoli, 1985), 134.

⁶⁷ Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 243. ⁶⁸ Agins, Teri. *The End of Fashion*. (New York: HarperCollins Publishers Inc., 1999), 80.

⁶⁹ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

⁷⁰ Interview with Joseph Barrato, Former CEO Brioni USA, July 29, 2008.

"Ralph Lauren succeeded in creating this fantasy Gatsby-esque world, peopling it with a rich case of characters...He also spawned a whole pond of polliwogs." Peter Walsh, Daily News Record, January 18, 1995

"Ralph has created a wealth of successful business executives, designers that started from his company. I believe that is because Ralph is a great leader and teacher ... you leave that place much better than when you started." Doe Barrato

Lauren has described his company as a family, saying, "This is a very personal company. It's very personal in that it is a family that has built a concept. When I say family I'm talking about a family of people who have grown here with a particular point of view. This is not a Seventh Avenue, bang-em kind of business." Lauren creates a special environment at his company, and the employees that grew up in it developed the same sensibilities about clothing, marketing and doing business. "He picked out people where he could speak shorthand to them, where he didn't have to explain things," says Marty Staff, "but they would just look at something and understand what it was in an identical or very similar way."

In many ways Lauren has created a family tree that now branches all over the fashion industry, with commonalities in style, advertising, and management linking them together. Stan Gellers, a long-time reporter for *Daily News Record*, said of Lauren, "His career is legend, but I think Lauren's greatest gift is spotting tomorrow's talent, and the list of Polo alumni is absolutely awesome."⁷⁴

Jeffrey Banks, who left Polo to finish college, worked for Calvin Klein and then later launched his own label, winning several menswear awards in the 1980s. Banks describes his interview with Ralph saying, "The funny thing was Ralph hired me without looking at my sketches. What we did was talk about clothes. Joe [Barrato] was wearing a round-collared shirt, an 1890s shirt with a white collar and a striped body, and I loved it. Ralph and I discussed the shirt and the polka dot tie with it, and it was a meeting of

⁷³ Interview with Marty Staff, Former President and CEO Hugo Boss, May 28, 2008.

⁷¹ Walsh, Peter. "30 Years of Design: Polo-Rizing American Tradition: (Ralph Lauren's influence on American fashion) (1965-1995: The Designer Decades)." *Daily News Record*, January 18, 1995, http://www.factiva.com (accessed October 1, 2008).

⁷² Interview with Joseph Barrato, Former CEO Brioni USA, July 29, 2008.

⁷⁴ Gellers, Stan. "I Knew Them When." *Daily News Record*, April 24, 2006, http://www.factiva.com (accessed November 13, 2007).

the minds."⁷⁵ Banks describes how Lauren would educate him by walking him through department stores and discussing fabrics and department layouts. He says about his mentor, "When you think of American fashion, Ralph is the quintessential American designer...I think he has achieved and far surpassed almost anyone in American fashion."⁷⁶

Sal Cesarani, Lauren's right-hand design assistant during the early 1970s, says he and Lauren would work late and walk home together discussing designs. He shared Lauren's attraction to the 1930s Hollywood look and he would sketch the ideas Lauren described. Cesarani now designs his own men's collection, of which he says, "I take traditional and change its attitude. It still has that silhouette that says classic, not Ivy League."

Joseph Barrato first met Lauren at Brooks Brothers and then came to work for Polo in 1968 as head of sales. He was Lauren's right-hand sales man during the late 60s and early 70s and was very much a member of the Polo family. In those early days Polo was a very personal business and Lauren gave Barrato gifts to show his appreciation. Barrato later became the menswear merchandise manager at Bergdorf Goodman, founded the trade show called the Designers' Collective and then worked for Oscar de la Renta. In 1986 he became CEO of Brioni/USA, growing the business from \$4 million to \$60 million in 2006. In 2006 he returned to Polo as President of Purple Label and Black Label, the most expensive of the Lauren brands.

Another early Lauren protégé was Robert Stock, who ran the Chaps division for several years in the early 1970s. He described working at Polo as, "an amazing experience. Ralph had an amazing amount of energy and the company had a tremendous amount of growth." Stock went on to start his own design company, Robert Stock

_

⁷⁵ Trachtenberg, Jeffrey A. *Ralph Lauren, The Man Behind the Mystique*. (Boston: Little, Brown and Company, 1988), 87.

⁷⁶ Interview with Jeffrey Banks, Founder Jeffrey Banks Ltd. and Jeffrey Banks International, July 2, 2008. ⁷⁷ Walsh, Peter. "30 Years of Design: Polo-rizing American tradition: (Ralph Lauren's influence on American fashion) (1965-1995: The Designer Decades)." *Daily News Record*, January 18, 1995, http://www.factiva.com (accessed October 1, 2008).

⁷⁸ Walsh, Peter. "30 Years of Design: Polo-Rizing American Tradition: (Ralph Lauren's influence on American fashion) (1965-1995: The Designer Decades)." *Daily News Record,* January 18, 1995, http://www.factiva.com (accessed October 1, 2008).

Designs. He won a Coty Award in 1978 and a Cutty Sark Award for outstanding U.S. designer in 1986.

Marty Staff was a member of Lauren's sales team for most of the 1980s. At Polo, he said, "The people who worked there were the best and brightest in fashion. It was the coolest clothes, and Ralph was setting his own rules. He was the best instinctive merchant I've ever known. He was unstoppable. So we were sort of chosen, everyone in sales was earning more money than they'd ever dreamed of." Staff went on to Calvin Klein, then became CEO of Hugo Boss, and in 2004 took over as CEO of JA Apparel. He is known as the party-giver in the menswear community and a hands-on executive.

Robert Burke worked for Lauren throughout the 1990s. He said, "Ralph really creates theater, and having the experience of working there really trains your eye." He used the skills he learned at Polo while working as Senior Vice President of Fashion and Public Relations for Bergdorf Goodman, and he now runs his own luxury consulting firm.

Another of Lauren's staff who went on to Bergdorf is Michael Bastian, who was the visual manager for the Polo home collection from 1997 to 2000. He describes the education at Polo: "Lifestyle merchandising is the cornerstone of Polo's business, and I'm constantly thinking about that at Bergdorf's. At Polo we were always creating lifestyle out of scraps of wallpaper or a photo from a flea market. Your eyes become open to inspiration." Bastian launched his own collection in 2005 with the help of fellow Lauren Robert Burke, who consulted on business development. He also accepted the menswear creative director position at Bill Blass in July 2007. Michael Groveman, CEO of Bill Blass Ltd. said, "Bill Blass has been in the men's business since 1967, and it started off at the high end. Over the years it got watered down. We wanted to go back into the collection and to do so, we needed a top talent, so we brought in Michael." **82**

⁷⁹ Gross, Michael. *Genuine Authentic*. (New York: HarperCollins Publishers Inc., 2003), 219.

⁸⁰ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

⁸¹ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

⁸² Karimzadeh, Marc. "Blass Taps Som to Head Women's." *Women's Wear Daily*, July 2, 2007, http://www.ebscohost.com (accessed November 13, 2007).

Joseph Abboud learned from Lauren to believe in your product. Abboud said, "If there were trends that seemed to be happening, he didn't care about them. If he wanted tweed jackets, he didn't care if the rest of the market was going to lighter weights. That taught me to really believe in your own concept." Abboud describes his four-year stint at Polo as his undergraduate training. He left Polo in 1984 and went on to design his own collection, for which he received the 1989 and 1990 CFDA's Menswear Designer of the Year awards. He sold his business in 2000, when revenues totaled about \$250 million, and recently began a new clothing line called Jaz.

John Varvatos worked at Polo for two separate stints before leaving to develop his own collection. Between the periods at Polo, he worked for Calvin Klein, where he launched both the CK brand and Calvin Klein underwear. He, like so many other Polo alumni has been incredibly successful and received the CFDA's Menswear Designer of the Year award in both 2001 and 2005, he praises Lauren for teaching him to, "always raise the bar as high as you can go. It taught me to really stand for what I believe in and to be strong with retailers in terms of space and respect [for our brand and product]." Lauren sent Varvatos a congratulatory note upon completing his first collection.

Varvatos recently added the Star USA label to his company, translating his comfortable, relaxed fits into clothing for younger customers. He is well-known and respected in the menswear industry and his company continues to grow.

Vera Wang worked as a design director at Polo from 1985 to 1990, before leaving to start her own label. Taking her cue from her former employer, in the fifteen years since she started her company, Wang has launched successful collections, including three bridal labels and several ready-to-wear collections, a home collection, fragrances, eyewear, jewelry, and lingerie. Also like Lauren, Wang recently signed a deal with Kohl's to design an exclusive line for the store. She cited Lauren as an example of successfully expanding a brand to include various price points. She has also opened a

⁸³ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

⁸⁴ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

freestanding store on Madison Avenue and bridal shops around the world. She was named Womenswear Designer of the Year by the CFDA in 2005.

Reed Krakoff, President and Executive Creative Director at Coach, referred to Polo as a "graduate school" and, based on his experiences there, holds beliefs about the quality of talent. He says, "I still call on people from Polo when recruiting for Coach, because I feel like I will get a certain level of quality." As Creative Director at Coach he has taken a Lauren approach to his job, becoming involved with every element including product development, merchandising, store design, and advertising. He even became photographer for several of the advertising campaigns after taking lessons at Parsons. He is credited with leading the company's evolution from a traditional collection of leather handbags to a highly desirable American brand. 86

Like other superbosses, Ralph Lauren not only created a successful business fueled by innovation, he helped spawn some of the best talent the fashion industry has ever seen. And that talent, in turn, helped Lauren become even more successful.

⁸⁵ Lipke, David. "Polo U; There are no Classrooms, no Professors and no Ivy on the Walls, but Polo Ralph Lauren has Long Been a Training Ground for the Men's Wear Industry." *Daily News Record*, July 22, 2002.

⁸⁶ Hessen, Wendy. "Reed Krakoff-Coach's Creative Director has Helped Transform the 60-year-old Company into a Must-Have American Icon." *Women's Wear Daily*, June 5, 2001, http://www.factiva.com (accessed November 13, 2007).