

VAN HEUSEN

THE MARKET

In the United States, a shirt and tie is still the expected dress in many business environments — and in places where corporate casual has taken hold, dress shirts are often the top choice, even if the tie is left behind. Dress shirts have also become a stylish option for leisure time. Paired, untucked, with jeans and sneakers, the narrower silhouettes of dress shirts signal a migration away from the more casual, baggier styles of the late 1990s.

As is often the case in core fashion items, consumers seek reliability, dependability, and a name that they know and can trust. *Van Heusen* is one of those brands. It has instant recognition in the United States, particularly as a men's dress furnishings and sportswear brand, and holds significant positions in Australia, India, and parts of South America, as well as a significant history in the United Kingdom, where it continues to be the subject of a highly prized Royal Warrant issued by Her Majesty the Queen.

ACHIEVEMENTS

The *Van Heusen* brand is owned worldwide by Phillips–Van Heusen Corporation. Since the 1921 launch of the patented *Van Heusen* “soft-folding



collar,” the *Van Heusen* brand has been a leader in the dress shirt arena — both in terms of product innovation and marketing.

The *Van Heusen* brand has had remarkable success in the United States. Since 1991, *Van Heusen* dress shirts have been the best-selling



dress shirt brand in the United States, and *Van Heusen* has been the best-selling branded woven sport shirt brand in the United States. Add to U.S. sales almost \$200 million in retail sales outside of the United States by its licensees, and the *Van Heusen* brand may be the best-selling dress shirt brand in the world.

Van Heusen has repeatedly appeared on the Top 50 Mega Brands List published by *DNR*, a leading men's trade magazine (which ceased publication in 2008). In *DNR*'s last survey, published in 2007, *Van Heusen* ranked number 16, based on a survey of consumers' familiarity with leading men's apparel and accessory brands.

HISTORY

The *Van Heusen* story began in 1881 in Pottsville, Pennsylvania, with Moses Phillips and his wife Endel, who started mending shirts by hand for the local coalminers. Eventually, the business moved beyond mending to include sewing and selling shirts as well. After achieving success in this limited market, Moses Phillips, at the suggestion of his son, Isaac, moved the operation to New York City, a much larger market where they could find greater consumer demand. Showing great insight

into the American market, the Phillips family placed one of the first-ever dress shirt ads in *The Saturday Evening Post*, a move that signified the family business' transition from small town to the national stage.

While the Phillips family was developing its business in the United States, in Holland, another

key brand component was in development. Here, John Manning Van Heusen was creating an exclusive process that fused cloth on a curve, fashioning a soft-folding collar that captured the stiff-collar look of the era while retaining the comfort of a soft collar. Van Heusen



filed a patent application in 1917 covering the process. In New York, looking for a partner or buyer for his process, Van Heusen met with Isaac Phillips, and the Phillips–Van Heusen (PVH) alliance was born. The business got under way in 1919 when the patent was granted for the *Van Heusen* soft-folding collar, also known as *The World's Smartest Collar*. In 1921, the patented collar was introduced to the public and achieved immediate success. The business introduced the seminal *Collarite* shirt, the first modern dress shirt with an attached collar, in 1929. Later on, the *Van Heusen* line was expanded to include the *Country* collection of colored shirts,

which featured the original self-folding collar.

Separately, Van Heusen employed his son John Jr. to sell the patent rights in England. In England, the younger Van Heusen partnered with Robert M. Moody and J&J Ashton to manufacture the new, innovative collar. The British Royal Family became fans of the *Van Heusen* collar, raising even higher its already prestigious profile.

Having conquered England, Van Heusen set his sights on the rest of the world. In 1935, Harding, Tilton and Hartley purchased the international rights to the Van Heusen name (excluding the Americas and U.S. possessions, the rights to which were controlled by PVH's predecessor). Harding, Tilton and Hartley subsequently acquired J&J Ashton, changed the company's name to British Van Heusen Company, and settled on London's Saville Row, famous for housing top British tailors. In 1974, British Van Heusen Company received a Royal Warrant as the official shirt makers to Her Majesty Queen Elizabeth II. PVH acquired the assets of British Van Heusen Company in 2001, including the trademark rights to the *Van Heusen* name in the parts of the world where it did not previously own them. PVH's English subsidiary acquired the Royal Warrant in 2009, after acquiring the assets of PVH's licensee in the United Kingdom.

Back in the United States, *Van Heusen* shirts continued to grow under the auspices of PVH's predecessor. During World War II, the U.S. military engaged the company to produce shirts for U.S. troops. The shirts were so well received that



the company became the first shirt company to receive the coveted Army Navy "E" Award for outstanding war production efforts. Perhaps more important, thousands of American soldiers came home with a desire and need for *Van Heusen* shirts. Meanwhile, nationwide marketing for the brand continued, which in the 1950s included placing shirt ads in strategic outdoor venues like



Ebbets Field, home of the Brooklyn Dodgers, and Yankee Stadium. At the same time, the company became one of the first in the world to use famous Hollywood and sports figures to endorse its brand. Celebrities including Mickey Rooney, Tony Curtis, Bob Hope, Jerry Lewis, Burt Lancaster, Jimmy Stewart, and a future president of the United States, Ronald Reagan, were featured in ads that promoted *Van Heusen* dress shirts.

As times changed, so did the company that in 1976 became PVH. PVH added other brands to its product lines and trimmed away some of its *Van Heusen* businesses by licensing them to third parties while maintaining the core dress and sport shirt businesses. PVH continued to compete hard and gain market share for the *Van Heusen* brand against what had been a number of larger competitors. Ultimately, in 1991, the *Van Heusen* brand became the best-selling shirt in the United States, a distinction that it continues to hold.

THE PRODUCT

The world-famous *Van Heusen* name is featured in the United States on the men's and women's apparel lines. The men's lines, under both the *Van Heusen* brand and sub-brands, are sold in U.S. department stores, including Macy's, JCPenney, and Bon-Ton, as well as PVH's *Van Heusen* company stores. The men's lines are also available in department stores outside of the United States, including in Canada, England, India, Australia, Peru, and Chile, and in 100 *Van Heusen* stores operated by licensees around the world. Licensed *Van Heusen* products include dress shirts (outside the United States only), sportswear (outside the United States only), suits, ties, trousers, underwear (outside the United States only), socks, children's clothing, jewelry, eyewear, belts, wallets, and small leather goods. The women's apparel lines in the United States are exclusive to PVH's own *Van Heusen* retail stores.

RECENT DEVELOPMENTS

In addition to its continual international expansion, Van Heusen has recently developed the contemporary Van Heusen Studio collection: sportswear for a younger generation. This line

takes its inspiration from the creativity of art, music, and design studios — birthplaces of new ideas and ingenuity.

PROMOTION

The *Van Heusen* brand has a reputation for its creative marketing approach, which reflects both popular culture and contemporary worldviews. This approach was seen in the 1960s and 1970s with ads in *Playboy*, through the use of celebrity spokesmen in the 1950s, and through early use of national print ads in *The Saturday Evening Post* and outdoor advertising at sports venues.

BRAND VALUES

The ongoing success of the *Van Heusen* brand in the United States can be attributed to its owners' commitment to provide customers with better quality and innovative and timely fashion at prices that are more affordable than luxury brands. This approach is currently achieved by



maintaining an uncompromising appreciation of fabric, finish, silhouette, and packaging. In the United States, *Van Heusen* products represent an appropriate fashion, function, and value purchase.

THINGS YOU DIDN'T KNOW ABOUT VAN HEUSEN

- *Van Heusen* was one of the first shirt brands to place advertisements in outdoor venues like Ebbets Field and Yankee Stadium. Hall of Famer Mickey Mantle of the New York Yankees appeared in a print ad for *Van Heusen* shirts.
- A Royal Warrant, which PVH's English subsidiary now holds, is considered extremely prestigious. Royal Warrants are granted by senior members of the British Royal Family to companies or tradespeople who supply services and goods to Royal Family members.
- Andy Warhol did a screen print based on Ronald Reagan's *Van Heusen* shirt ad.