



# Berkeley Apparel

## 100 years of tailoring

**THERE'S NOT TOO MANY BUSINESSES THAT CAN BOAST FOUR GENERATIONS OF FAMILY INVOLVEMENT – BUT MELBOURNE-BASED BERKELEY APPAREL IS CELEBRATING 100 YEARS OF TAILORING WITH DESCENDANTS OF ITS ORIGINAL FOUNDER STILL AT THE HELM.**

BY CHERYL HARTY

Berkeley Apparel was founded by entrepreneurial Polish migrant, Joseph Cohen, who established the men's suiting company in Melbourne in 1907, using the tailoring skills he learned in London's West End. The business flourished: in 1958 it signed up Eagle Clothes, New York, and 18 years later, entered into the Pierre Cardin licence agreement. At a glittering, celebratory dinner marking "100 Years of Tailoring Tradition" held recently in Melbourne, marketing director, Robert Morris spoke about Berkeley Apparel's more recent journey as it adapts to changing times in the apparel industry.

The company today is headed by Paul Cohen, a third-generation member of the Cohen family, and members of the fourth generation are also involved in the management of the company.

The past two decades has seen Berkeley switch from manufacturer to distributor as it forges a reputation for its stylish, innovative and affordable suits.

The firm relocated to a large-scale integrated manufacturing showroom and offices in 1988. Like others in the Australian textile, clothing and footwear (TCF) industry, it was at that time feeling the impact of the removal of bounties and tariff reductions, following a period of high protection policies where quotas restricted the volume of clothing imports. Although Berkeley Apparel experienced significant upheaval and uncertainty, it adopted a transition strategy in the late 1980s which shaped and influenced where it is today.

"A host of external factors converged all at once resulting in one of the company's most turbulent periods. Paul Cohen was thrust into the deep end without a life jacket or a whistle. However, we learnt very quickly that the inverse side of 'significant problems' is 'significant opportunities'," Morris said.

On a trip to Europe in 1988 Paul Cohen and the late Geoffrey Cohen initiated discussions with the Italian fashion house Cerruti 1881. What followed was a 13-year licence agreement that enabled Berkeley Apparel to distribute Nino Cerruti suits throughout Australia and New Zealand.

The status and recognition of one of Europe's most

respected designers once again positioned Berkeley Apparel for solid growth throughout the 1990s. Importantly, it paved the way for the development of the Studio Italia brand, which was developed by Robert Morris and launched in early 1990. Through Studio Italia, Berkeley Apparel created a new and compelling value proposition. It centred around the quality and image of Italy; the fabric and feel of Italy; the comfort and fit of Italy; and the understated yet sophisticated style of Italy – but positioned at half the price of Italian designer suits.

"A new luxury brand had been born. Berkeley Apparel had identified and fulfilled an untapped market gap that would provide the brand considerable future growth, and position the company as an industry leader," Morris said.

Studio Italia won a prestigious FIA (Fashion Industry Australia) award in 1994 and large orders for the label followed from major department stores and leading specialty stores.

Morris recalled that the Liberal government, which swept back to power in 1992, introduced a new 'can-do' approach combined with creativity and vision. "Victoria became the staging ground for economic growth, and indeed a model for the rest of Australia," he said.

As a new confident business climate emerged, Berkeley Apparel developed a new and aggressive model for growth that was simple and effective: one third of business stock service and another third fashion lines. The final third consisted of contract work for large vertical players like Country Road, Sportscraft and the like. The cumulative effect of this strategy enabled Berkeley Apparel to double the size of its turnover from 1990 to 2000.

"Over the past 10 years, Berkeley Apparel's managing director, Paul [Cohen] carefully sewed the seeds for the eventual transition of the company from manufacture to distributor. There was nothing flashy or ill-considered in his approach. He adopted the role of quiet, steady and determined leader – something he learnt from his father no doubt. Paul was determined to gradually pass over a strong and resilient business to the fourth generation



**ABOVE: BERKELEY AT THE 1952 FASHION CONVENTION**

family members," Morris said.

In early 2000, Berkeley Apparel introduced its transformational strategy as the business model it employed throughout the 1990s was becoming stale. "Retail rents kept creeping up and retail gross profit margins were under pressure. In real terms retail selling prices were declining but consumers demanded more competitive prices and greater value. GST had kicked into the equation and Australian labour rates were rapidly becoming uncompetitive. Tariff rates were declining and still are, while 'Made in China' was gaining greater acceptance for higher value garments," Morris continued.

A fresh approach was needed to reflect these new realities, and the company was inspired in part by the research Boston Consulting Group USA had undertaken around the concept of a new and rapidly emerging consumer – the so called 'luxury consumer'. This new breed of consumer sought greater value, better product design and better brands and wanted brands that combined technical, functional and emotional benefits.

"This finding was in conjunction with our own deep experience and sense of the future and gave rise to our new strategy, based around five principles. Firstly – many strong brands. Secondly – many innovative products. Thirdly – many satisfied customers (retailers and consumers alike). Fourth – many creative solutions which means doing things differently. Finally, but most importantly – many great people – our staff, our consultants, our many supportive retailers and our suppliers," Morris said.

A partner with Australian Wool Innovation, Berkeley Apparel remains one of the market leaders in Australian merino wool suiting, and distributes around 100,000 suits per year throughout Australia and New Zealand. Brands include: Studio Italia, Studio Express, Marc Coleman, Kenneth Blake and New England. The majority of these suits are made from 100 percent merino wool with a micron of between 18 and 19, and weight per running metre around 260g.

Last year, the firm launched the Money Market Suit – the latest innovation in the Studio Italia brand, made



**LEFT: FOURTH GENERATION OF COHENS AT BERKELEY – HARLEY (LEFT) IS NOW GENERAL MANAGER AND JARROD (RIGHT) OPERATIONS MANAGER – PICTURED AT THE COMPANY'S RECENT 100-YEAR CELEBRATIONS WITH BILL PANTHER. MORE PICS ON P70**

in the finest 18 micron Australian merino wool. The classically tailored suit designed for night and day wear was targeted at the technologically aware, discerning and fashion-savvy consumer.

Today, Berkeley Apparel employs 20 full-time staff and has a growing number of external consultants. "All these talented people make their own unique and valuable contribution," Morris told guests at the celebration dinner. "They are all great people working for a great company, building great brands and creating a strong future together. They are the lifeblood of our future. It is their creative talents, drive and motivation, ideas and knowledge, support and insights into consumer expectations – it is these people factors that will drive us forward."

He concluded that Berkeley Apparel's founder, Joseph Cohen, would have been very proud of the achievements of the second, third and fourth generation family members and the contributions of staff past and present. The audience agreed, responding with resounding applause, and went on to enjoy the entertainment the 'Three Waiters' provided at the momentous occasion – a rare centenary milestone in Australia's TCF industry.

