

Why Does Everything

(Especially Jeans And Penny Loafers)

Cost So Much?

By JILL GERSTON

Midis may come and minis may go; clogs may be in one year and saddle shoes the next; but jeans and loafers—ah, they will be around forever!

They're attractive, comfortable, practical, adored by mothers, borrowed by sisters, accepted by high school principals and are appropriate for any occasion, from a date at the drive-in to dinner at your aunt's.

And this year they're something else: more expensive.

Everything is more expensive these days—a quart of milk, a gallon of gasoline, a pot of lip gloss, even a chocolate bar. Blue jeans and loafers are no exception.

What's the reason behind the cost increase of these two wardrobe staples? How are the rising price tags affecting sales? Is there any way a young, budget-conscious shopper can stretch her clothes allowance?

These questions were recently put to manufacturers, retailers, buyers, marketing and fashion experts and a random sampling of teen-age shoppers from the metropolitan New York area.

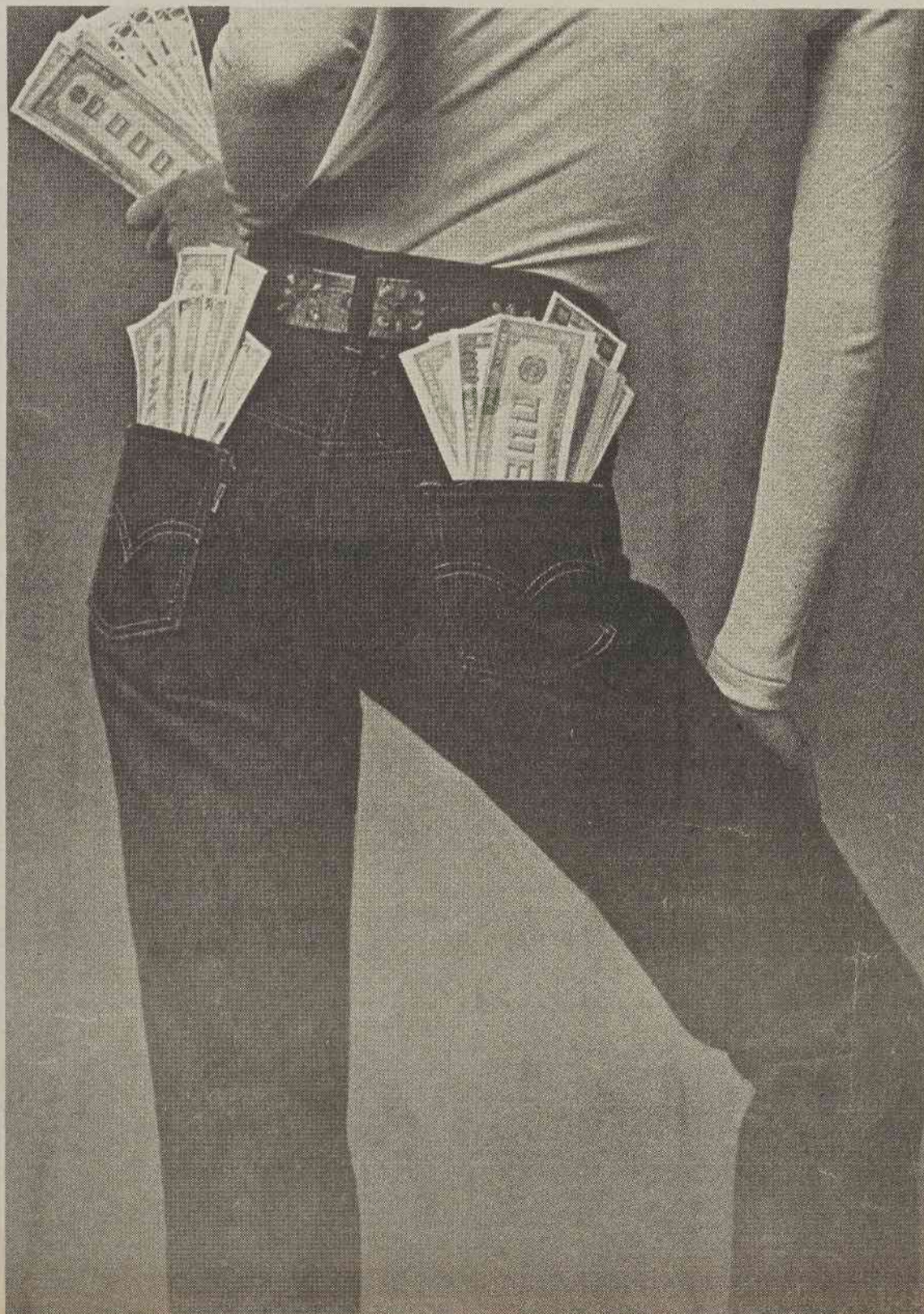
Among the answers given were these: The price of loafers and jeans has gone up mainly because of an increase in the cost of cotton and leather, labor, marketing, shipping, overhead (i.e., rent, taxes, insurance, utilities, other office expenses) and bank interest rates. Despite the price hike, sales haven't dropped, a fact which is attributed to the "quality," "durability" and "timeless style" of denim pants and leather moccasins.

The table on this page illustrates the price rise from 1970 to 1974 for a pair of straight-leg blue jeans by Levi Strauss & Co. and a pair of penny loafers by the Bass Company. (The prices given are the companies' suggested retail price, which may vary slightly in different regions throughout the United States.)

Back in the days of the California Gold Rush, when Levi Strauss, the founder of the company bearing his name, sold denim pants to miners (who originally used the tough cotton fabric for tents) a pair of Levi's cost one dollar! The comparison of the 1850 price with the 1974 price makes you realize that denim jeans are one of the last of the old-fashioned bargains around.

Just since 1970, said Bud Johns (Levi Strauss's director of corporate communications), labor, shipping and overhead costs have practically doubled, while the price of denim has increased a whopping 91 per cent.

Why is this homely, unglamorous, blue cotton fabric so costly?



"For one thing, cotton is a natural fiber, and was not subject to federal price controls as synthetics were," explained Mr. Johns. "For another, the demand for denim far exceeds the supply. There just aren't enough denim mills to keep the world market supplied."

Denim mills, Mr. Johns went on to say, aren't being established because they're very costly to operate (particularly because of the dyeing equipment) and not very versatile (as compared to woolen mills, which can produce a wider range of fabrics).

	1970	1974
Blue jeans [straight-legged]	\$ 7	\$14
Penny loafers	\$17	\$22

"We estimate that we could sell at least 50 per cent more denim goods if we could get hold of the fabric," he said. Retailers and customers agree.

"Jeans always sell, regardless of the season," said a sportswear buyer for a large New York Department store. "Everyone from toddlers to grandmothers wears them because they look good, feel comfortable and go anywhere. What more do you want for your money?"

"I think the reason young people are such great jean fans is that jeans fit so well with their life style," said Terry Mayer, fashion coordinator of the Denim Council, an organization made up of the leading denim mills. "They're casual. They're unpretentious. And they're very personal when you add your own decorations and embroidery."

For the same reasons that the price of Levi's is climbing, so is the price of Landlubbers, according to Leonard Rubin, vice-president of the company that makes them. In 1970, the retail price of their popular denim hip huggers was \$8; today a pair costs \$11.

While the tab for these and other moderately priced jeans has increased, they're rock-bottom bargains compared with the \$50 tags found on imported French jeans that are currently the rage among the celebrity set in New York, California and St. Topez. (One Manhattan boutique which specializes in even more extravagant, hand-embroidered jeans, is deluged with orders, despite the \$100 to \$500 prices!)

The story behind the loafer price rise follows the same script as the jeans scenario. According to Richard E. Solz, the vice-president of the Bass Company, which began manufacturing shoes back in 1876 and is best known for its Bass Weejun moccasin, the \$5 price increase over the 1970 to 1974 period is attributed to "the

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