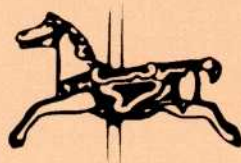


HAROLD'S



THE MAN AND "THE LOOK"

Harold Powell's first name has become the last word in a style of clothing that few in the fashion-conscious world have trouble describing. Everyone knows "the Harold's look."

In explaining how Harold, the man, became Harold's, the look, Powell often speaks in the sartorial "we." As one who has succeeded by dressing others for success

long before that concept became a fashion buzzword, he has earned the right.

In 1948, just one month after graduating from the University of

Oklahoma with a business degree, Powell opened the first Harold's at 329 West Boyd. In the 45 years since, he has seen hemlines go up and down,

lapels and ties narrow and widen and fashion taboos be blasted by the campus upheavals and social changes of the late '60s. He has parlayed one store into 19 and watched as one of them did more business — \$50,000 in sales — in one day of a special

promotion than the first store did in its first year.

Through the evolution and growth of both the fashion industry and Harold's, Powell has maintained his

Harold Powell grew up on the Campus Corner, crossed the street to go to school, then founded the business that has set the standard for all its competitors.

by KATHRYN JENSON WHITE
Photos by Gil Jain



ties to Norman and to the University, of which both Powell and his wife Ann are active boosters. Professionally he has been careful not to get too big for his well-cut britches. He has balanced international business savvy with hometown business sense, adapting constantly to meet the

By balancing international business savvy with hometown business sense, Harold's has prospered while other stores disappeared.

demands of the increasingly difficult world of retail clothing.

That adaptive ability is apparent in the behind-the-scenes management as well as in the products he sells.

Harold's may be defined by its traditional style of clothing, but it is run by a state-of-the-art computer management information system. It may be known for such recognizable fashion names as Polo, Tommy Hilfiger and Adrienne Vittadini, but Harold's own labels account for more than half of the company's revenues. Its stock may be traded on the American Stock Exchange as HLD, but its corporate offices are tucked away in a Campus Corner landmark, the renovated Boomer Theater on Asp. It may have an employee count of more than 500, but Powell still greets Cindy, Jacob and everyone else by their given names as he tours the operations.

This combination of outreach to



Rainey, left, and Harold Powell pose on the spiral stairs with three of the first store's familiar faces, managers Meg Newville, front left, and Mike Ford, right, and longtime employee Janie Ketner.

the future and firm rootedness in a valued past helps explain why Harold's has endured and prospered while other specialty clothing stores across the nation have silently disappeared in the wake of major department store incursions.

"I've lived in Norman all my life," Powell says. "My father had a drug-store on Campus Corner—Sooner Drug, where Brockhaus Jewelers is now. He died when I was 12, but my mother continued to run the store." His mother, Ruby Powell, a remarkably active 96, still lives in Norman as does his older brother Dee Powell, whose upscale gift shop, Dee's, ad-

joins Harold's on Boyd Street.

"I literally grew up on the Corner," Harold Powell explains. "I started junior high school at University School. I went to school on campus from age 12 until I graduated from college.

"I'm pretty provincial. I'm 68 years old, and I haven't yet managed to get out of town."

He may not have gotten out of town, but Powell is hardly provincial, if that word connotes the unsophisticated and unfashionable. In fact, Powell's early sophisticated sense of fashion started the whole Harold's thing.

"Even during the Depression, people dressed well on the campus," he recalls. "They wore white tie and tails and long formals to University dances. There was a no-car rule, so all walked." With everyone on parade, Powell explains, what people wore was important.

"I worked during high school and college at McCall's men's clothing store. Before I graduated, I knew I wanted to go into the clothing business. My

mother owned the building where our original store is, so I had a friendly landlord. At that time, New York was a long way off; it took all day on an airplane and two days on a train. What would happen in New York in terms of clothing or fashion or department often took several years before it filtered down here."

Although Powell originally filled his 15-foot-wide storefront with fashions in what he calls the California Drape style of clothing, one reflecting the fashion vision of West Coast manufacturers, he felt a strong urge to shorten the distance between New York and Norman. What tugged at



him was the look he had seen worn by those graduating from power schools in the East and stepping into power positions in business. Powell decided he would stop buying what he thought his customers might like and start buying what he thought they would need for recognition as competitors in a world much bigger than Oklahoma.

"In the East, they were wearing what was called Ivy League clothing," he says. "It was very understated, but at that time it was considered radical because it was so different from what was being worn elsewhere.

"I decided to change our stock and, rather than second-guessing what my customer thought he liked, bring in clothing I thought was appropriate. The look was very focused; there was an appropriateness in all the things that worked together. The width of the lapel, the stitching on the lapel, the length of the collar. People who wore the clothing knew and appreciated its components."

The response to this "radically traditional" look, Powell says, was immediate and powerful.

"It was kind of phenomenal," he remembers. "Very quickly, other stores in Norman switched to this type of clothing. Manufacturers jumped in, so our lines expanded. This became the way of dress on campus within a very, very short period of time.

"Norman was looked to throughout the Southwest as the fashion leader of the region. By the '60s, this look was on campuses across the country."

Having achieved a solid success in his men's store, Powell says, he realized that the next challenge to conquer was women's fashion. He opened an adjacent women's wear store in 1958, trusting to a formula that had

proved itself on the men's side. He bought the Fair Isle sweaters, tartan plaid kilts and long Bermuda shorts that women who attended any of the Seven Sisters wore. Oklahoma women were even more excited about Harold's radical traditionalism than the men had been.

The fashion sense that led Powell has developed over the years into a full-blown, well-articulated fashion philosophy.



Harold Powell, the man whose fashion philosophy and marketing genius created a retail merchandising phenomenon, stands where it all started, on the men's side of the original Harold's.

"The styles have changed on and off, but our philosophy of dress hasn't," Powell says. "We consider there's a deportment about the way one dresses in the same way there is about the way one acts. We believe that the educated man and woman really dress differently than other people.

"It's a matter of understatement and conservatism and a recognition that one should avoid dressing on the leading edge of fashion. A gentleman is never the first with a new fashion nor the last to discard an old one. Most of the clothing that is appropriate to business can be described with every synonym of the word 'conservatism.'

"A man who dresses on the leading edge of fashion gives the suggestion of narcissism; that is not necessarily true with ladies. They can be on the leading edge, but it becomes a matter of how it is approached. Fashion trends in both men's and ladies' clothing are more important in how they influence than in what they are themselves."

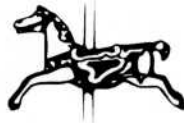
A glance through a Harold's catalog, for instance the fall '92 edition shot entirely in Montana's Big Sky country, shows that allowing the trends to influence does indeed keep "classic" from becoming a synonym for "stuffy." The bright colors, intricate woven and knitted patterns and eye-catching details of Southwestern clothing have merged with the classic lines Harold's is known for to produce clothing of casual elegance.

Many of those fabric patterns result from either trips to Italy to buy fabric paintings that will be translated into cloth for no one but Harold's or from design work done in the corporate offices on those top-of-the-line computers. Old and new keep appearing as a not-so-odd couple at Harold's.

According to daughter Becky Powell Casey, senior vice president of merchandising and product development, this ability to stand firm while adapting to change is her father's real strong suit.

"There was some ridiculous trend when I was in junior high, and all of my friends were buying it at the local competitor's store," she says. "I remember my dad looking at me and saying, 'If our clothes aren't good enough for you, then I'm not doing my job.'

"My brother and sister and I wore our fair share of jeans. I was in college in the '60s, after all. When he saw our need for jeans, he developed the pleated jean. He had to find a pair of



Day or night, inside or out, Harold's on Campus Corner reflects "the look" that typifies all 19 Harold's stores, an atmosphere of casual elegance appropriate for the updated classic conservatism of the clothing they showcase.

jeans he found acceptable."

Son H. Rainey Powell works in the corporate offices in Norman as senior vice president and chief financial officer of the family business. Lisa Powell Hunt, who lives in Dallas, is not involved in the day-to-day business operations but serves on the board of directors. For the Powell children, Harold's is not only a fashion philosophy but also a lifestyle. The two who are active in the business give it their all.

"It's been a consuming business," Rainey Powell says. "It's not a 40-hour-a-week job; we're working pretty much seven days a week. When we get together, conversation turns to the business."

Casey, who works out of the Dallas offices, takes it even further: "Dad was in town a few weeks ago, and we were packing up to go to dinner. My 13-year-old folded her arms and said,

"The only way I'm going to go is if you all don't talk about the business."

"It's hard not to. We sort of live and breathe it. When we went on summer vacations, we stopped at every college campus and toured the local store. (Our children) accept what we ac-

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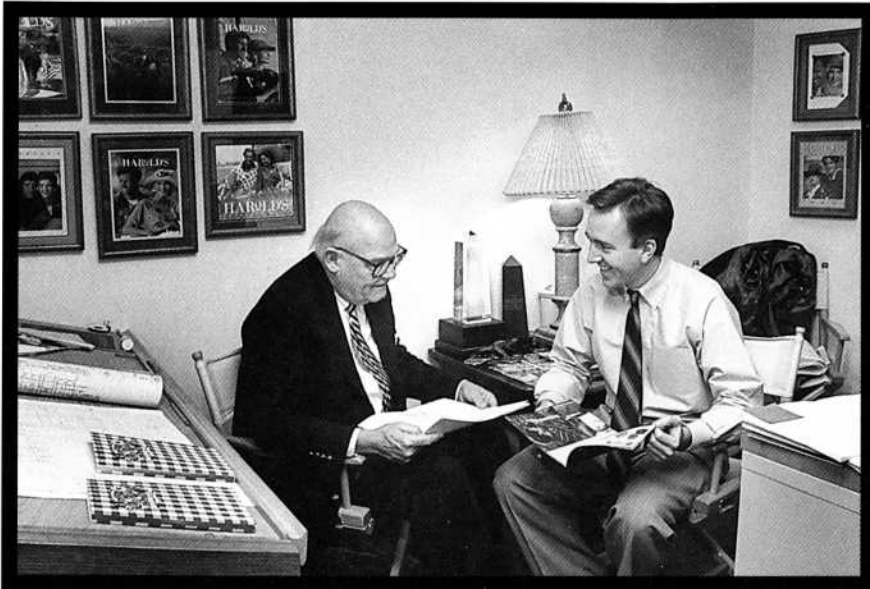
cepted. My daughter has already asked how much training she has to have before coming to work for the company."

There will be no shortage of third generation Powells for the business

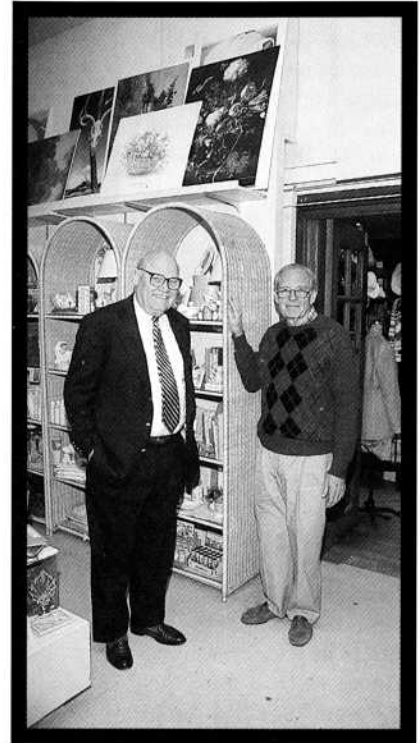
to draw from should the need arise. Becky, a 1973 OU graduate, and her husband Mike Casey have two daughters and a son; Rainey, '75 B.B.A., and Mary Powell, '78 B.S., have two daughters; and Lisa, '77 B.B.A., and Clay Hunt have two sons and a daughter.

Both Becky Casey and Rainey Powell insist that their father did not groom them to become part of the business but that he was happy when they decided to do so. Casey says that after doing her student teaching in elementary education, she took a few accounting courses and found her real passion.

"He was thrilled that I loved accounting because he loves it," she says. "But he never pushed. In fact, it was the opposite. He would not let us work for him until we went out and trained somewhere else." Elsewhere included I. Magnin, Macy's and



C.E.O. Harold Powell stops to check catalog sales figures with his executive vice president for marketing, Ken Roe, '86 B.A. Powell and Roe both assisted the University with the promotion and marketing of the 1990 Centennial Celebration.



Harold, left, and older brother Dee Powell, shown here in the doorway leading from Dee's upscale gift shop to Harold's women's clothing store, literally grew up on Campus Corner, where their parents owned and operated Sooner Drug.



All the merchandise for Harold's stores has been warehoused at the corporate headquarters in the converted Boomer Theatre on Campus Corner. A move to a larger warehouse is being mandated by rapidly expanding catalog sales.

Neiman Marcus, with one Powell child entering a management program at each major chain.

The pleated jean that Powell introduced to save the day and family harmony was the first of many products developed in response to changes in fashion.

The jeans came at a time when cultural changes were particularly drastic.

"A college campus was not the greatest place to be in the clothing business in '69," Powell says. "Our approach was a matter of a change of emphasis. We sold fewer suits, but not that many less be-

cause as people graduated, they bought them again. We made up the pleated jean and managed to get through that period of time when college stores around the country started disappearing."

This adaptive behavior resurfaces in the line called Old School Clothing Company, a group of T-shirts and other men's sportswear that has taken off not only in the United States but also in foreign countries. To print the shirts in response to the strong movement toward T-shirt dressing on campuses, Powell started Carousel Printing, a name that comes from the carousel horse he bought in New York at the beginning of his career that became the company's registered trademark.

Powell wanted the shirts printed in-house to preserve the attention to detail that is a hallmark of both the man and the look. This eye to detail



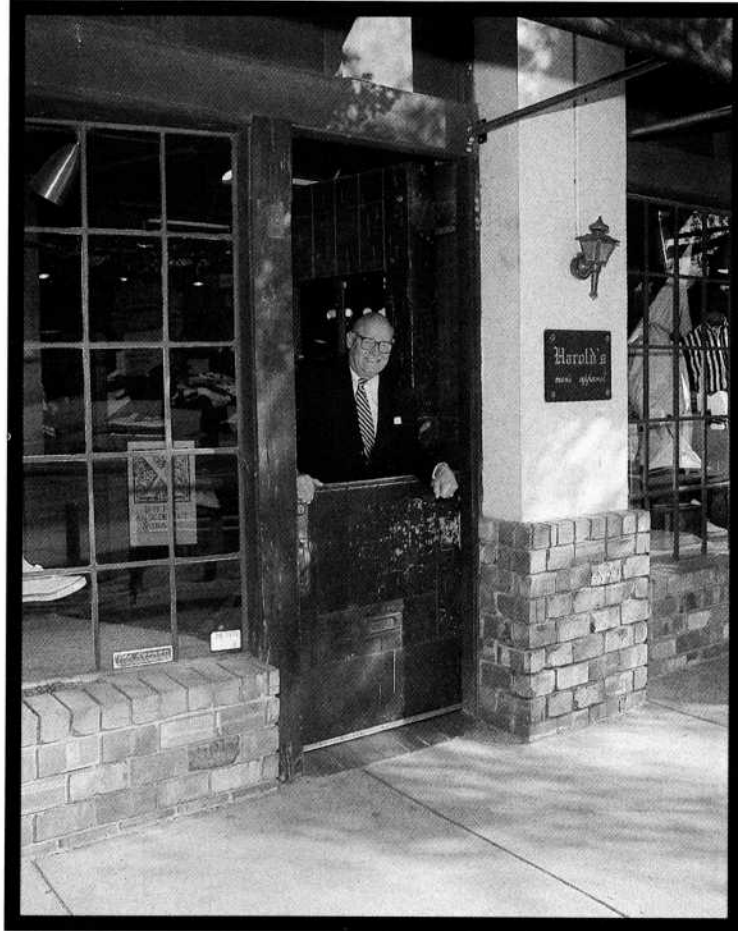
that extends from lapel stitching to shoe tassels is also apparent in store design and atmosphere. Near campuses or in upscale shopping centers, Harold's stores all have the look. Antique Kilim rugs and polished dark woods glow with warmth. Hand-crafted English mannequins and soft leather chairs, antique billiard tables and carved wooden armoires, fresh-cut flowers and lush potted plants, all combine to create an atmosphere of casual elegance appropriate for the clothing it showcases.

All these elements also work to provide an appropriate setting for the strong customer relationships Harold's strives for. Powell says he is into at least second-generation shoppers and sales clerks. Powell realizes, though, that inbreeding can be dangerous.

"We certainly want people to be comfortable and for store personnel to know our customers, but we have no intention to be exclusive. We want to be inclusive in terms of price point and every way. We want to be involved in the community and the campus, and we want shopping to be fun.

"However, we don't want to give the impression of being a closed group of any sort. It is a problem for us. If we have a salesperson who knows a lot of people in the community, and she greets them in a way that says 'I know you,' and someone else comes in and is not greeted in that same way, we don't like it. It can be 'everybody knows everybody but me.'

"It is something I am very sensitive to. I want that stranger who comes in to feel really very good that he or she stepped in even if it was only to use



Harold Powell strives for an inclusive style of customer relationships in a classic setting: "I want that stranger who comes in to feel really very good that he or she stepped in even if it was only to use the telephone."

the telephone."

The growth of the look that Harold built attests to the fact that many men and women do feel very good about stepping in.

To his first store in Norman, Powell has added Texas retail locations in Dallas, Fort Worth, Lubbock and San Antonio; Oklahoma stores in Tulsa and Oklahoma City; and other sites in Birmingham, Alabama; Germantown, Tennessee; Jackson, Mississippi; and Rockville, Maryland. Houston made the Harold's list in November 1992, although it is known as Harold Powell's to avoid confusion with another Houston store named Harold's. The chain even has its own outlet store in Austin, the 13,000-square-foot Harold's Outlet

Barn. None of the stores is franchised or operated by others.

All Harold's merchandise thus far has been warehoused at the Boomer Theatre location, shipped in the company's trucks to the Oklahoma and Texas stores and by common carrier to the other stores. Soon, however, the warehouse will be moved to a much larger building in Norman to make room for expansion of the rapidly growing catalog sales division. Two years ago, Harold's was doing \$200,000 a year in catalog sales. This fiscal year, according to Powell, his catalog operation will fill orders in the \$4 million range.

"Overall our total revenues are in the neighborhood of \$49 million, which is more than double the volume since we made our initial public offering."

Although Powell says he is not yet satisfied with the company's annual earnings and is working hard to better the stock performance, what he has accomplished in his 45-

year stint in fashion is the stuff that the sartorial "we," and dreams, are made of. The company has adapted, survived and shown the big boys how it ought to be done. Powell laughs as he recounts his conversation with an investment banker in 1987 as they worked to prepare the first public offering of Harold's stock.

"He was teasing me," Powell remembers. "You know, they do all kinds of due diligence checks, going through all the company records. He said, 'This is the most ethical company that I have ever taken public, and you're the most naive CEO I have ever been involved with.'

"I took that as a compliment." Surely, it was meant as such. 