

# *Women's Wear Daily*, The US Bureau of Foreign and Domestic Commerce, and Harrods Buenos Aires: Their Role in the Increased International Sale of US Garments Abroad, 1910-1955

*WOMEN'S WEAR DAILY, LA OFICINA DE COMERCIO EXTERIOR E INTERIOR DE EE.UU. Y HARRODS BUENOS AIRES: SU PAPEL EN EL AUMENTO DE LAS VENTAS INTERNACIONALES DE PRENDAS DE VESTIR ESTADOUNIDENSES EN EL EXTRANJERO, 1910-1955*

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## *Abstract*

Between 1910 and 1955 the expansion of Argentine department stores owned by Harrods Buenos Aires, including many national and international branch stores of Gath y Chaves, fascinated U.S. fashion and clothing specialists. Would these stores buy US products or export its merchandise to the U.S.? Would these stores be competitors or allies? The major voice of U.S. women's clothing, *Womens Wear Daily*, allied with the U. S. Bureau of Foreign and Domestic Commerce, published more than 500 articles on Harrods Buenos Aires and 250 on Gath y Chaves to analyze, predict, and stand in awe of these enterprises. These

## *Resumen*

Entre 1910 y 1955 la expansión de las grandes tiendas argentinas propiedad de Harrods Buenos Aires, incluidas muchas sucursales nacionales e internacionales de Gath y Chaves, fascinó a los especialistas estadounidenses en moda e indumentaria. ¿Estas tiendas comprarían productos estadounidenses o exportarían su mercancía a los EE.UU.? ¿Serían estas tiendas competidoras o aliadas? La principal voz de la ropa de mujer en EE.UU., el *Womens Wear Daily*, vinculada con la Oficina de Comercio Exterior e Interior, publicó más de 500 artículos sobre Harrods Buenos Aires y 250 sobre Gath y Chaves, en los que analizaba, predecía y

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articles, initially ebullient and ultimately disappointed, provide a unique view of US-Argentine trade relations.

elogiaba a estas empresas. Estos artículos, inicialmente muy entusiastas pero que luego decepcionadas, brindan un punto de vista privilegiado acerca de las relaciones comerciales entre Estados Unidos y Argentina.

*Keywords:* Women's Wear Daily; Harrods Buenos Aires; Gath y Chaves.

*Palabras claves:* Women's Wear Daily; Harrods Buenos Aires; Gath y Chaves.

*Women's Wear Daily* (WWD)<sup>1</sup> began to publish in 1910 and became known as the icon of the U.S. fashion industry. Rather than cater just to buyers and sellers, it focused on consumer tastes to inform U.S. department stores. As Janet Ozzard put it, "its own motto is the 'retailers' daily newspaper", but "is a high-impact cultural voice".<sup>2</sup> It also had a geo-political voice. Both WWD and Ozzard underplay a key function of WWD in its early years: reporting on US factory problems, identifying tariff concerns, and promoting the expansion of U.S. exports of clothing, especially, especially women's clothing, to South America.

These untold stories of WWD and Latin America focused specifically to two Argentine department stores, Harrod's Buenos Aires (HBA) and Gath & Chaves (G&C) a chain of Latin American department stores purchased by Harrods Buenos Aires in 1920. Aided by data supplied by the US Bureau of Foreign and Domestic Commerce, the information reported in WWD revealed trajectories that neither HBA nor G&C reported to stockholders in Great Britain, but instead trumpeted to a US garment industry through WWD.

From 1913 to 1950 WWD published more than 500 articles on HBA and about 250 articles on G&C according to the search engine at the ProQuest WWD website, more than any other department store in Latin America. Additional articles on Argentina and on the expansion of US commercial interests abroad provide supporting details of the WWD campaign and the role of HBA. Furthermore, apart from trends in US department stores, the extensive articles on Argentina and South America are unique. The archival sources utilized for HBA and G&C come from WWD, the London Harrods archive, the HBA archives found in a trash bin in England, and British newspapers. Publications of the US Department of Commerce, Bureau of Foreign and Domestic Commerce were also consulted.<sup>3</sup>

To understand how HBA and G&C captured the imagination of *Women's World Daily*, a brief history of the four groups, as well as an understanding of the Argentine garment market, reveal the strengths and weaknesses of the financial and economic markets in this South American country in the early twentieth century. It begins with the founding of G&C and HBA, and then introduces *Women's Wear Daily* and the US Department of Commerce, Bureau of Foreign and Domestic Trade and their campaigns to promote business in Latin America.

## ARGENTINE DEPARTMENT STORES

The early history of Argentine department and specialty stores, often owned by foreigners, emphasized the market for French and British apparel.

In 1913, an extensive article about the new Harrods Buenos Aires commented “The Argentine people believe in British goods. They will believe in a British store and will patronize it”.<sup>4</sup> British stockholders were central to new Argentine corporations like department stores. And, despite the public emphasis on imported garments, both stores discretely operated factories that employed significant numbers of women both inside and outside so as not to offend its British shareholders.

Neither Harrods nor other investments in UK department stores would have been possible without the great popularity of the joint-stock company in Britain. As Leslie Hannah has pointed out: “Limited liability, joint stock enterprise –facilitating low-risk contracting between investors supplying funds and managers requiring finance– had (...) naturally made more progress in Britain than in continental Europe. Britain in 1900 had about 30,000 joint stock companies, probably as many as all the rest of Europe put together”.<sup>5</sup> Not only elites, but also middle-class families, men and women, began to invest in railways, government bonds, and foreign companies that floated stocks, bonds, and debentures on the London stock market.

In contrast, Argentine entrepreneurs found it difficult to find local investors for their projects. The most successful companies that entered the Buenos Aires business market consisted of those that were publicly funded by selling stocks and debentures in England, and ones like Gath & Chaves that initially used their own profits to expand a privately-owned joint stock company.

The motives for department stores to expand their offerings came from their reliance on novel items and services. Without expanding the physical space, departments jostled with each other to defend their territory or demand a place more visible to shoppers. Access to new investors meant expansion would be the avenue to success until space limitations brought some department stores to amalgamate or open new branches. Such was the case in Argentina, where G&C opened new stores in Buenos Aires and capital cities in other provinces as well as in Chile.

## GATH & CHAVES

The largest of these, Gath & Chaves, after 1912 also known as South American Stores (SAS), was founded in 1883 by Alfredo Gath, an Englishman, and Lorenzo Chaves, an Argentine. After working together in the haberdashery business, their first store offered men's clothing and fabrics. They opened three stores in Buenos Aires including one specifically for women's fashions, eight in provincial capitals, and one in Santiago Chile. The Chilean store opened in

September 1910 with an extremely enthusiastic success.<sup>6</sup> This initial expansion was due to high profits in the early years.

Although usually described by both Harrods London and by the future HBA as a chain of department stores that catered to the lower middle classes, G&C offered a wide stock of clothing, and by the 1910s had clearly established itself as a presence for wealthier clients as well. A magazine called *Gustos y Gestos*, published in France in the Spanish language, focused on the modern woman in fashion. All the clothing and models came from Gath & Chaves.<sup>7</sup> Although the magazine lasted only until 1911, it clearly portrayed G&C as the place wealthy women could find the most up to date French fashions.<sup>8</sup> These were not photos of flappers and the youth of the 20s, but rather elegant matrons (Figure 1). It also included pictures of important G&C stores in Argentina (Figure 2).<sup>9</sup>

After 1910 G&C no longer had the cash to operate its stores, let alone plan for future growth and a shortage of Argentine investors threatened G&C. On August 6 of that year G&C were forced to publish an open letter to Argentine stockholders to provide proof that they met their financial obligations, due to accusations that they were deeply in debt.<sup>10</sup> Almost in desperation, the two founders divested themselves of many of their own shares to distribute to loyal employees as a way to encourage more stock purchases. That same year G&C incorporated in Argentina, but it proved insufficient to attract more investors. Two years later, G&C became the South American Stores (SAS), a British joint-stock company so that it had access to the thriving British stock market.<sup>11</sup> Alfredo Gath and Lorenzo Chaves still owned 48,000 of 60,00 shares, demonstrating the continued disinterest of the stock market in these stores.<sup>12</sup>

Despite the enthusiasm of the owners and customers, G&C simply could not find local investors to maintain their ambitious plan to open even more stores as well as rebuild their main Buenos Aires building. In 1910, a British publication referred to G&C as the “Harrods “of Buenos Aires. It also noted that the firm owned “a furniture factory in Calle Grelo [sic], large warehouses in Calle Venezuela, a huge workshop in Plaza Constitución, and branches” in eight provinces.<sup>13</sup>

In 1912 with the help of the Erlanger brothers, Emile and Frederick, of French and German origins, both deeply entwined in banking projects in the U.S. South and in Latin America, South American Stores (aka G&C) incorporated in England. That year Lorenzo Chaves gave employees even more shares as a token of gratitude, ranging from 100 to 500 blocks of 100 shares.<sup>14</sup> It was seen publicly as a philanthropic gesture, though it was a strategy to expand Argentine shareholders.<sup>15</sup> SAS raised £1,712,500 by issuing different kinds of shares and first mortgage debentures worth £1,000,000. Emile D’Erlanger’s company guaranteed the stock offering that basically paid for the purchase price by SAS.<sup>16</sup>

Figure 1. *Gustos y Gestos*, N° 10, 15.12.1910, p. 225.

15 Diciembre 1910

GUSTOS Y GESTOS

225

**LA MODA EN BUENOS AIRES**

Modelos de GATH y CHAVES — S. A.

*Gran sombrero de terciopelo negro, forrado de fentre violine, adornado de skungs y marabout.*

*Vestido de muselina de seda azul royal sobre fondo charmeuse mandarine, lisa bordada de perlas multicolores, bandas de skungs en la pollera y mangas.*

*Lindo sombrero de paño azul oscuro, espléndida pluma fantasía.*

*Vestido de seda changeante negro y verde, modelo «dernier cri» forrado de dos grandes volados en seda lisa plegada acordeón. — blusa muy sencilla adornada de un galón, dibujo oriental y pequeños botones.*

*Elegante toca, soufflé, en melusina blanca, escarpela de seda deflecada diferentes tonos.*

*Vestido de alta novedad de muselina de seda gris, bordado en oro, gran biais de terciopelo cyclamen, viso de charmeuse mismo color.*

Figure 2. Gustos y Gestos, Nº 3, 1.09.1910, p. NP.

# GATH Y CHAVES

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Sociedad
Anónima







**ANEXO**  
Avenida de MAYO  
RIVADAVIA y PERU

**PALACIO DE LOS NIÑOS**  
FLORIDA E'q. CUYO  
Callees 2º de Mitre y Florida

**CASA MATRIZ**



**SUCURSALES**

ROSARIO (5ª FÉ)  
:: CORDOBA  
BAHIA BLANCA  
:: LA PLATA

**SUCURSALES**

PARANA ::  
:: MENDOZA  
MERCEDES ::  
:: BUENOS AIRES

*Sucursal en*

Dirección Telegráfica

**GATHAVES**  
BUENOS AIRES

**LA PLATA**

Telefonos : Union Telefonica  
2447-2467-2468-2469  
(AVENIDA)  
Coop. Telegrafica 3419-2408  
(CENTRAL)

CASA FILIAL EN

:: CHILE ::  
Calle Catedral 1463  
SANTIAGO

CASA DE COMPRAS

:: en PARIS ::  
20-27 Rue Rivier

*Sucursal en ROSARIO (5ª FÉ)*



By the time Harrods arrived in Buenos Aires, G&C had become the largest chain of department stores in South America but extremely dependent upon Great Britain for its Board of Directors and its stockholders. The SAS Board of Directors included financiers from London, Germany and France. William Capel Slaughter, chair of Home and Colonial Stores, headed the group that included Frederick D'Erlanger, Emile Beaumont D'Erlanger, and Bernard Nathan, a naturalized British subject involved in the shipping business, and financiers from across Europe.<sup>17</sup> From that point onward, both the European Board as well as the Argentine group of managers, made decisions about the stores, and the company was considered a British enterprise with British stockholders. This continued after HBA purchased G&C-SAS in 1920.

Harrods Buenos Aires, the only store to use the name of the British department store, also initially had serious funding issues. It opened in 1912 due to the efforts of Richard Burbidge, Harrods' manager, his family and allies on the Board of Directors, because other board members and shareholders opposed expansion beyond the UK. "Very serious exception was taken by some shareholders on the ground that this company had no right (...) to risk the funds of this company (...). That consideration, determined the directors not to make (...) this a Harrod's promotion, Harrod's guaranteeing the share capital or guaranteeing interest or becoming in any way financially responsible."<sup>18</sup>

As this information was not widely disseminated, British investors thought Harrods Ltd. was the embodiment of Harrods in Buenos Aires. The truth was that Burbidge and his friends had managed to get authorization to proceed only if the home store invested nothing.<sup>19</sup>

We agreed, therefore, to sell or transfer the company we had formed in Buenos Ayres to them [Harrods London] – a small company of 25,000£– and to enter into or render them considerable assistance, for which –without, mind you, risking one farthing of capital– we [Harrods London Board of Directors] obtained 54,000 deferred shares.

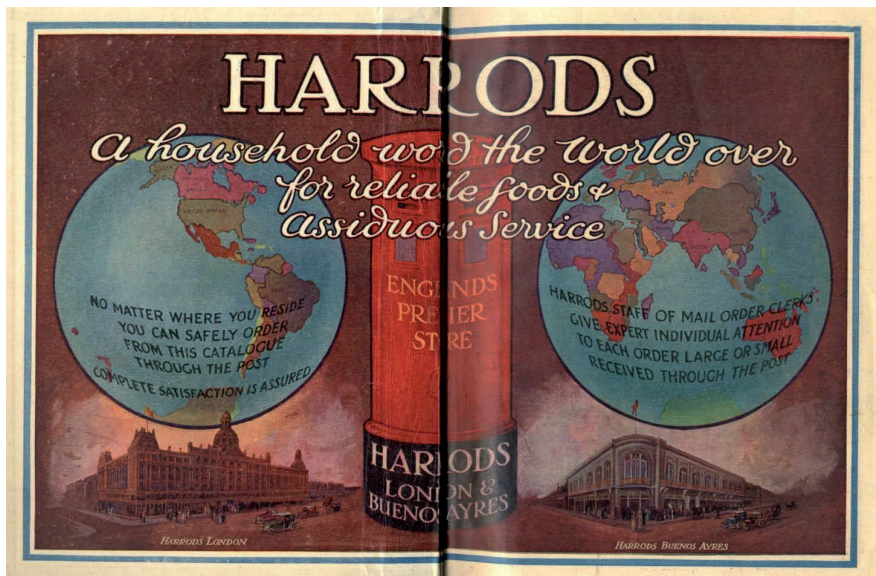
Only board members who invested in the new company were eligible to receive their proportion of deferred shares as stated in the contract. Furthermore, Harrods London received a bonus on items purchased in London. But the myth of a store in Buenos Aires wholly owned by Harrods Ltd. began.

HBA thus had a curious position of being owned partly by Harrods London, but mostly by specific members of its board, and the stockholders generally were British. Those board members who put up the money to buy the land in Buenos Aires and build the store were immediately indemnified in 1913 and paid a bonus. This particularly referred to William Mendel, an entrepreneur who had made his fortune in the Far East and who also put up the money



to purchase the original London store from the Harrod family. When Mendel died in 1917 the *Times* noted that Mendel had also purchased the original London Harrods business, then later went to Buenos Aires with Burbidge's son Woodman, and founded the store there. He served on the board of numerous London department stores and railways. Rather than be paid for these purchases, he received what were then called Founders' Shares, which received dividends before all others, including Harrods!<sup>20</sup> We can conclude from all this that the foundation of HBA owed much to the Burbidge group, especially William Mendel, and much less to the London board. Yet Burbidge had the audacity to publish the 1913 report from Harrods Ltd. with a picture of an empire that the London board surely did not recognize (Figure 3).<sup>21</sup>

**Figure 3.** Report from Harrods Ltd., 1913.



Given the London's store's refusal to invest and despite the grandiose scheme envisioned above, it seemed unlikely that HBA could neither expand beyond one store nor expand the existing one without an infusion of capital.<sup>20</sup> In September 1913, Harrods Buenos Aires issued a prospectus to raise £1,512,000 capital through the emission of a variety of shares including those set aside for Harrods London and the original investors.<sup>23</sup> The name Harrods resounded so strongly that HBA's calls for expansions and funding loans through stock offerings and debentures quickly sold out because investors thought they were investing in something sponsored by the home company.

In fact, there were 12,000 applications for the shares, and not every investor could purchase them.<sup>24</sup> In March 1914, Harrods issued another £300,00 of shares to further expand the building.<sup>25</sup> Burbidge and his associates were thus undaunted by the Argentine stock market, but they remained careful to keep the only Buenos Aires store named as Harrods.

The initial report of HBA on August 31, 1914, reported that the first floor opened on March 31, and the second and third floors on September 12, 1914 but business was far more modest than expected. "The Argentine was passing through a stage of unprecedented financial depression, and the outbreak of War accentuated this condition of affairs (...) [and] seriously affected the Company's trade."<sup>26</sup> The written report neither included the loss of £53, 692, nor the promotion fees and the "Acquisition of Goodwill and Business of Harrods (South America) Ltd., that is the expense payout to the original investors and permission to use the name Harrods." This presumably meant the shares turned over to the London store.<sup>27</sup> These expenses, added to shipping losses and local conditions, made the payment of dividends impossible for several years. By 1915, the outlook became brighter for both groups. HBA reported modest profits until 1918.

Figure 4. HBA and G&C Profits.<sup>28</sup>

	Harrods (Buenos Aires) Limited. Net Profits.	South American Stores (Gath and Chaves), Limited. Proportion of net Profits above referred to.	Total.
Year 1912/13..	—	£283,924 (13 months)	£283,924
Year 1913/14.. (First 5 months' trading)	loss £53,692	99,800	46,108
Year 1914/15..	£2,346	102,376	104,722
Year 1915/16..	53,647	181,952	235,599
Year 1916/17	83,614	219,682	303,296
Year 1917/18..	145,246	286,658	431,904
Year 1918/19..	194,631	295,628	490,259
Year 1919/20..	*276,211	427,606	703,817
*(After deducting \$301,465 dividend from South American Stores [Gath and Chaves], Ltd.)			

G&C experienced similar conditions in the earlier years of the war, and thereafter through sales and increased local production, a modest profit, considering the number of stores. At the same time, however, HBA officials had to account for only modest sales, especially from its principal clients: women.<sup>29</sup> Confronting local conditions, both groups needed to open new departments offering merchandise aimed at more diverse groups and consumer patterns, including children, adolescents, sports aficionados, cosmetic enthusiasts, restaurants and hair salons frequenters, and this meant building new stores or expanding existing ones.

## WOMEN'S WEAR DAILY

Precisely at this time, both WWD and the US Bureau of Foreign and Domestic Commerce tried to encourage US manufacturers to do business in Argentina. *Women's Wear Daily* neither planned to expand domestic textile exports nor follow Harrods Buenos Aires nor Gath & Chaves through frequent articles and contact with members of its board of directors. Before the outbreak of World War I, however, many WWD articles published discussed tariffs unfavorable to domestic production, fashions, and the lack of knowledgeable industrial workers, whereas HBA and G&C were only mentioned in regard to the emission of new shares and the formation of modern corporate structures.

World-shattering events like the construction and opening of the Panama Canal and the outbreak of World War I presented new business opportunities and challenges for US. The United States had already founded its Department of Commerce and Labor in 1903, and in 1911, began to prepare pamphlets on business conditions to encourage more exports. Trade Directories of South America was first published in 1913, and several revisions appeared in the 1920s.<sup>30</sup> Between 1913 and 1925, despite the war, US foreign trade had increased by one third, and by 1927, The Bureau of Foreign and Domestic Commerce processed 2,400,00 requests for information.<sup>31</sup> Queries received regarding textile and garment export opportunities at WWD arrived from the Department of Commerce from as early as August 26, 1910, and these reports solidified WWD's interest in foreign trade and commerce.<sup>32</sup>

The lure of Argentine markets reached the pages of WWD on August 21, 1911, regarding an international exhibition in Buenos Aires held in the previous year. According to the Daily Consular and Trade reports of the Dept. of Commerce, "The custom of the wealthy classes in Argentina is to always choose the newest and most costly goods," an example of the expanding South American trade".<sup>33</sup> The Bureau of Foreign and Domestic Commerce also advertised in the WWD's "Business Opportunities" column regarding Latin Americans who wanted to represent US manufacturers, and reported that the Argentine Ambassador offered additional trade for Americans of \$100,000,000. Interested parties could contact the Bureau of Foreign and Domestic Commerce.<sup>34</sup>

The Panama Canal and its advantages for new trade came to the attention of the newspaper when it published an article on January 14, 1912, "What the Panama Canal Means to the United States." It examined the almost non-existent trade in gloves and hosiery with South America. Then WWD published a note on August 2, 1912, affirming that a French department store Magasin de Printemps, impressed by the Panama Canal, planned to open branches in Chile, Argentina and Peru (a plan never realized).<sup>35</sup> European stores sensed new opportunities while US stores ignored these prospects.

An article in WWD on G&C announced its incorporation in England in 1912, and its “business (...) by far the largest of its kind in the Argentine Republic is similar to that of the Bon Marché in Paris”. The new South American Stores had three in the Argentine capital, eight in provincial capitals, and one in Santiago, Chile.<sup>36</sup> Perhaps this story intimidated US exporters or made them think that the stores were too modest. To remedy this, on November 13, 1914, a letter from Mrs. C. Marion Cowan, a U.S. buyer for five department stores in Latin America, wrote to WWD and compared Argentine department stores like G&C and HBA to U.S. ones:

Knowing the interest you take in South America, and the immense circulation of your paper, I ask you to publish this article for the benefit of the majority of people who have not been in Latin-America and to whom the shopping district means something a little better than one expects to find in a Western mining town.

I should like to dispel this impression by describing some of the stores in Buenos Aires (...) Gath & Chaves have 3 large stores that compare very favorably with Macy's (...) Harrods (BA) is a truly beautiful store with a tea-room having a capacity of 400.<sup>37</sup>

This letter was reprinted several times in WWD. On Dec. 8 WWD published another letter from Mrs. Cowan about business conditions in South America. She pointed out that contrary to popular belief, it took the same time for a ship to reach South America from New York as Liverpool. She attributed Europe's interest in Latin American business to good experiences with South America, whereas U.S. manufacturers believed that people like Brazilians dishonored their draft, which Cowan called “base libel”.<sup>38</sup>

Mrs. Cowan, who was identified as the first female US buyer in South America, appeared to be held in high esteem, and her arguments were reaffirmed the U.S. Consuls resident in South America. In the early 1920s she made suggestions to WWD on preparing manufacturers to sell to Latin America.

The following year U.S. Consul in Argentina, L.J. Keene, sent a communication to the Bureau of Foreign and Domestic Commerce in March 1915, proposing “an extensive publicity campaign in the Argentine as one means for encouraging the demand of U.S. goods.” Documentaries had been produced showing production methods and they were advanced by advertising agencies. He also suggested contacting US trade journals, exactly what the Dept. of Commerce did by sending the note to WWD.<sup>39</sup>

The British also stressed promoting trade relations with Argentina and keeping the US out. Particularly pleased to travel to Argentina in 1918, Sir Maurice de Bunsen was the first British representative to meet with officials

from a department store (i.e. Harrods). Sir Alfred Newton, then the president of Harrods Buenos Aires (Richard Burbidge died in 1917), remarked that HBA benefited from not having been placed on the British “Enemies’ List” unlike other Argentine businesses and provided aid to the Allies.

But what Burbidge and then Newton wanted to do, that is trade more with the US, did not fit into British plans. That, along with the fact that increasingly the bulk of products sold at HBA and G&C came from their workshops needed to be deemphasized as it would only alienate British investors. Annual reports of HBA, and minutes of annual meetings, the principal sources of information for investors and the British public at large (as these reports were published by the London Times and other British journals), neither discussed the role of HBA in American sales, the role of local factories nor, after 1920, these British companies’ links with WWD.<sup>40</sup>

#### THE U.S. BUREAU OF FOREIGN AND DOMESTIC COMMERCE (BFDC)

The research conducted by U.S. commercial attachés on department stores and textile industries in Latin America provided the underpinning for WWD to advance the support of HBA and G&C. Although the BFDC had always searched for information on Latin America in the twentieth century, its position under the Department of Labor limited its scope of action. On March 3, 1913, the BFDC was moved to the Department of Commerce. Thereafter regional offices opened in large US cities disseminated the pamphlets published by this unit. Increased funding to the organization occurred at the same time that commercial attachés be named “to investigate and report upon such conditions in the manufacturing industries and trade of foreign countries, as may be of interest of the United States”. A special appropriation in 1915 was used to promote trade in South and Central America, and in 1915 BFDC created a special section to handle the inquiries.<sup>41</sup>

Independent of WWD, the U.S. Bureau of Foreign and Domestic Commerce prepared US manufacturers for the post war trade with Argentina by publishing a massive 1918 study of the garment business there. With the help of commercial attaché in Buenos Aires, its 158-page report covered provincial capitals as well as Buenos Aires, marketing conditions, shipping requirements and in-depth reports of HBA and G&C. They also noted that larger enterprises did not use wholesalers, but rather dealt directly with manufacturers.<sup>42</sup>

Gath & Chaves was the first set of department stores analyzed by the commercial attaché. Described as a British corporation with British and French capital of £1,712,500, offices in Paris, New York and other cities, and identified Warner Brothers as the NY agents. Of all the G&C stores, Clark only elaborated on the Buenos Aires store, but also identified the three other

department stores in the national capital and testified to their elegance and modern merchandise.<sup>43</sup>

Harrods Buenos Aires, with British capital of £1,512,000, was much better capitalized than G&C, because whereas Harrods was one store, G&C consisted of eleven, although this was not mentioned directly in the report. The building catered to the richest clients, and on the third floor offered lunch, tea and refreshments, and gave the impression that HBA was the most elegant.<sup>44</sup> These stores were followed by descriptions of smaller department stores and specialty shops. This report was supposed to pave the way for US garment producers to enter the Argentine market. Additional studies of Argentine business, including the furniture industry, cemented the image of HBA as a powerful store as it had purchased one of the largest furniture factories and showrooms, Thompson Muebles, and constructed HBA next store to Thompson Muebles, thereby immediately increasing the number of departments offering merchandise.<sup>45</sup>

It seems that after World War I, Harrods Buenos Aires decided to diversify its buying relationship to include the United States. Problems with new taxes, both British and Argentine, and shipping difficulties during World War I, all contributed to this decision. HBA went so far as to hide the fact that it sent its future Argentine manager to the United States to see how US department stores functioned. Paul Foucher, soon to be the manager of HBA, in 1919 was sent to study U.S. department stores in Philadelphia, Boston, Chicago, including Wanamakers, Filenes, and Marshall Field. He was accompanied by one of the directors of the factories owned by HBA. His arrival, noted in WWD, never appeared in the British press nor in annual company reports. After the death of Richard Burbidge in 1917, it appears that WWD had direct contacts with HBA. In 1920, Sir Woodman Burbidge, son and successor to Richard Burbidge, sent a cable to WWD, informing the readers that HBA expansion would lead to thirty-five million dollars of annual production by 1921. At the same time, he announced that a New York office had been established to purchase US goods. The office, incorporated in the US, rather than in Great Britain, was also never mentioned in any HBA annual reports. With its office on Fifth Avenue, the business focused purchasing goods for South America and British markets.<sup>46</sup>

American trade journals quickly found out about Harrods North America. In 1921, Eugene Morris published an article in *American Exporter* claiming that after one year, Harrods (North America) sold more than \$5 million dollars in goods to Great Britain, Argentina, Chile, Australia, New Zealand South Africa the British West Indies.

In Buenos Aires intense competition between HBA and G&C led to massive sales and efforts to persuade the Buenos Aires market to shop in their stores to purchase goods in their constantly expanding departments like men's

clothing, women's hosiery, sportswear, undergarments and cosmetics, and children's and babies' clothing proved difficult. Much of the problem stemmed from the fate of Argentina's export industry which became the bell weather of the national economy.

Finally, in 1920, in order to eliminate competition with G&C and promote the Burbidge vision of Harroddian imperialism in Latin American without using the name of Harrods, HBA (not Harrods Ltd. of London), purchased all shares of South American Stores. The offer became the topic of discussion in London and Buenos Aires. The huge transaction offered shares in HBA at very favorable rates.

## NOTES

- 1 All *Women's Wear Daily* articles were accessed through the *Women's Wear Daily Archive* found on the ProQuest data base.
- 2 Janet Ozzard, "Women's Wear Daily" found at [lovetoknow.com].
- 3 HBA sources include the archives found in Great Britain and supplied to me for research purposes by Jennifer Wilton Williams, and the archives of Harrods London, under the supervision of its archivist, Sebastian Wormell. The wonderful archives of Gath & Chaves located in Buenos Aires and utilized by Roger Grivil (1985), were destroyed by fire in the 1970s.
- 4 *Daily Mail*, September 22, 1913, p. 2.
- 5 Hannah (2007: 645); see also Rutterford, Green, Maltby and Owens (2011).
- 6 *La Prensa*, Buenos Aires, September 7, 1910, p. 17.
- 7 Torres (2018). The photo of G&C stores comes from *Gustos y Gestos*, September 3, 8, 1910.
- 8 *Gustos y Gestos*, December 15, Nº 10, 1910, p. 225. [<https://gallica.bnf.fr/ark:/12148/bpt6k936249m/f164.item>].
- 9 *Gustos y Gestos*, September 1º, Nº 3, 1910, p. NP [<https://gallica.bnf.fr/ark:/12148/bpt6k936249m/f4.item>].
- 10 *La Prensa*, August 6, 1910, p. 16.
- 11 Companies' House, Company Number: 00122129, GATH & CHAVES LIMITED, creation of South American Stores 1912. No stores were named after South American Stores, they were all Gath & Chaves.
- 12 The South American Stores (Gath y Chaves) Ltd. Register of Members #1, 1912. I wish to thank Jennifer Kirkham-Sandy for permitting me to see this volume. Get citation from Grivil.
- 13 Lloyd [Dir.] (1911: 425-426).

<sup>14</sup> *Ibid.*

<sup>15</sup> *La Prensa*, August 6, 1910, p. 16. See Lloyd, *ibid.*, p. 426 for a rosier image.

<sup>16</sup> *Financial Times*, June 14, 1912, p. 4.

<sup>17</sup> Gravil (1985: 92-94). Gravil emphasized that decision making rested in London, not Buenos Aires, but new documents do not reaffirm this.

<sup>18</sup> *The Economist*, "Harrods Ltd. Annual Report", February 28, 1914, p. 549.

<sup>19</sup> *Ibid.*, p. 550.

<sup>20</sup> *Ibid.*; *The Times*, January 6, 1917, p. 10.

<sup>21</sup> I wish to thank Harrod's archivist Sebastian Wormell for this scan.

<sup>22</sup> Even after HBA and G&C merged in 1920, HBA never named a new store "Harrods".

<sup>23</sup> *The Economist*, September 20, 1913.

<sup>24</sup> *Times*, September 27, 1913, p. 13.

<sup>25</sup> *Financial Times*, March 12, 1914, p. 11.

<sup>26</sup> HBA, *Annual Report*, 1914, HBA Archives, SKMBT C45144123-3. This report does not include the 1912 opening before the new incorporation of HBA in 1913. The Board elected Richard Burbidge and R. Woodman Burbidge (father and son) as joint Managing Directors. Richard died in 1917 and his son took over once he had completed military service.

<sup>27</sup> *Ibid.*

<sup>28</sup> *Times*, June 6, 1921, p. 15. This came from a new prospectus to fund the expansion of HBA. The higher G&C profits came from all of its stores in Argentina and Chile. If you divide the SAS profits by 11 –the number of stores, HBA had greater per store profits by far.

<sup>29</sup> Guy (2020).

<sup>30</sup> US Department of Commerce, Bureau of Foreign and Domestic Commerce, Miscellaneous Series, N<sup>o</sup> 13, *Trade Directory of South America for the Promotion of American Export Trade*, Washington DC, Government Printing Office, 1914.

<sup>31</sup> Bowers [Ed.] (2015: 15).

<sup>32</sup> WWD, August 26, 1910, p. 3.

<sup>33</sup> WWD, "Costumes", August 21, 1911.

<sup>34</sup> WWD, "Business Opportunities", November 24, 1914, p. 15.

<sup>35</sup> WWD, January 6, 1914, p. 10; WWD, August 2, 1912, p. 11.

<sup>36</sup> WWD, "Department Stores", July 1, 1912, pp. 9, 11.



- <sup>37</sup> Letter, Mrs. C. Marion Cowan, WWD, found in "Retail Stores in Latin America", November 20, 1914, p. 11.
- <sup>38</sup> Letter, Mrs. C. Marion Cowan, WWD found in "Why European Business is Established in South America", December 8, 1914, p. 15.
- <sup>39</sup> WWD, "Publicity", March 9, 1915, p. 12.
- <sup>40</sup> *Times*, December 5, 1918, p. 18.
- <sup>41</sup> Schmeckebier and Weber (1924: 29-32).
- <sup>42</sup> US Department of Commerce, Bureau of Foreign and Domestic Commerce, Miscellaneous Series, Nº 68, "Wearing Apparel in Argentina", prepared by Lew B. Clark, Secretary to Commercial Attaché, Washington, Government Printing Office, 1918.
- <sup>43</sup> *Ibid.*, pp. 38-41.
- <sup>44</sup> *Ibid.*, p. 41. No mention was made of G&C's low capitalization.
- <sup>45</sup> Everly (1919).
- <sup>46</sup> WWD, February 3, 1920, p. 1.

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