

Company of the Month:



Marks & Spencer has been a leading retail outlet for clothing in Britain for more than 80 years. There is a Marks & Spencer store in nearly every large town in Britain and since 1975, Marks & Spencer stores have opened in major cities around the world.

The Early Days

In 1884, Michael Marks, a refugee from Russia hired a market stall in Leeds selling clothes. Ten years later, in 1894, Michael Marks formed a partnership with Tom Spencer, a cashier with a wholesale company. In the 1920s Marks & Spencer introduced the then revolutionary policy of buying clothes directly from the manufacturers. For the first time, a major retailer commissioned manufacturers to produce specific designs of clothing which were then sold under the retailer's name.

At this time, most families made their own clothes. They could not pay tailors to make their clothes and so wives and daughters were required to sew and knit the clothes for the family. Clothes were expensive, so they were passed from one family member to another. If necessary they were enlarged ('let out') or reduced ('taken in'). If the fashion changed, the clothes would be re-modelled to approximate to the current fashion. If the clothes became damaged or worn, they would be repaired.

Marks & Spencer changed these habits. For the first time they made 'ready-to-wear' clothes which were cheap enough for the average family to buy. But the old ideas do not change quickly. Marks & Spencer's customers valued clothes which were of good quality and would last for many years.

Marks & Spencer do not make clothes. They produce designs and find manufacturers to make them at an agreed price. Marks & Spencer quickly gained a reputation.

In 1926, Marks & Spencer Limited became a public company.

Continued Expansion

In 1928, the company registered their 'St Michael' trademark. The company built a reputation for clothes which were reasonably fashionable, of reasonable quality and at a reasonable price.

In the 1930s the company continued to grow. Their flagship store in Oxford Street opened in 1930 and the following year they introduced their first food department.

Through the Second World War, when all clothing was rationed, the government used M&S expertise to supply clothing of reliable quality at good prices.

Worldwide Expansion

In 1975, Marks & Spencer opened stores in Paris and Brussels. Since that time stores have been opened in many other countries in Europe, Asia, the Middle East, Canada, Australia, and last October announced plans to open stores in Russia.

The company has also expanded the range of services it offers to clients. The food department in many stores is particularly popular. In addition they offer insurance and other financial services.

Through their website at <http://www.marksandspencer.com> they now sell goods online.

Recent problems

Recently, the whole retail trade in Britain has been experiencing difficulties. M&S has been hit with dramatic reductions in sales and profits. They are currently restructuring their business and spending money on TV advertising to re-focus their image.

But Marks & Spencer is still at the centre of British life along with Boots, W. H. Smith and other large retail chains.