

archrival, Helena Rubinstein. Not to be outdone, Arden hired a dozen employees away from Rubinstein.

Ultimately, Arden thrived on the competition. While Rubinstein and such others as Estee Lauder and Hazel Bishop also made fortunes in the cosmetic industry, “[Elizabeth] Arden,” observed one contemporary, “made the cosmetic industry.”⁵⁹ From her Venetian Cream Amoretta and three-room salon on Fifth Avenue, she built a multimillion-dollar business with over fifty salons around the world and a cosmetics line of more than three hundred products. It is no exaggeration to say that Arden was more than the most successful woman entrepreneur of her time. In the view of the *New York Times*, “she was a sociological and historical phenomenon.”⁶⁰

❧ When her long-lasting, kissable lipstick hit the market in 1950, Hazel Bishop (1906–98) became a household name. Following in the footsteps of Elizabeth Arden, Bishop entered the cosmetics industry but took her own unique path. Unlike Arden, who developed her business out of a service tradition based on beauty and pampering, Bishop was a professional scientist who applied chemistry to cosmetics. And while Arden made her fortune by selling fantasy and glamour, Bishop built her business by selling practicality and convenience. Finally, unlike Arden, who kept tight control of her business, Bishop placed her trust in others, ultimately losing her business to a man whose help she sought.

Hazel Bishop learned about business at home.⁶¹ Her father was a manufacturer and small business owner who taught her the importance of advertising. Her mother managed her husband’s businesses and instilled in her daughter the value of entrepreneurship. “Open your own business,” she advised her young daughter, “even if it’s a peanut stand.”⁶² As a young woman, however, Bishop wanted to become a doctor. Unfortunately the crash of 1929 coincided with her graduation from Barnard College and derailed her plans for medical school. Instead, she took night classes in chemistry at Columbia University and found a job during the day, first as a chemical technician at the Columbia University Medical Center and then as an assistant to a dermatologist. While the crash of 1929 ended Bishop’s dreams of medical school, World War II opened up new opportunities. Like other women who found employment in jobs formerly monopolized by men, Bishop was hired as a chemist in the oil industry. First she worked at Standard Oil, where she discovered the cause of oil deposits on the superchargers of war-craft engines. While thousands of women worked on assembly lines to build warplanes, Bishop helped develop a special gasoline to fly them. Then she continued her research on oil products at another oil company.

In her spare time, Bishop directed her scientific expertise to women. It was a short route from chemistry to cosmetics. “I am a woman,” she told *Business Week*. “If you are an organic chemist and a woman, then cosmetics attract you.”⁶³ And as a woman in the male-dominated science of chemistry, she believed she had special insights into

Economics of Luxury

Martha Matilda Harper

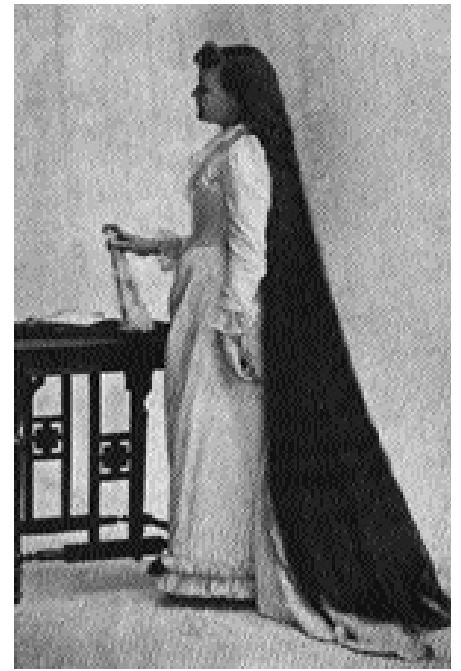
By turning hair care into a thriving business, Martha Matilda Harper (1857–1950) pulled herself out of poverty. Born in Ontario, Canada, Harper spent her childhood away from home in domestic service. She learned about the physiology of hair and the value of hair tonics while working for a doctor. In 1882, hoping to improve her life, Harper moved to the bustling city of Rochester, New York, with sixty silver dollars, a jug of her hair tonic, and its formula. She worked as a domestic servant by day and at night mixed hair tonic, which a neighbor then sold door-to-door.

In 1886, she took a risk that would change her life: she invested her entire savings of 360 dollars to open a salon. Harper was a savvy entrepreneur from the very start. Locating her salon strategically in Rochester's premier commercial building, she trademarked a logo—the horn of plenty—that conveyed a message of abundance and success. Her long, healthy hair (seen in the photograph at right) hung to the floor; it was Harper's first and best advertisement for her hair tonic.

Like Elizabeth Arden, Harper focused on luxury and personal pampering to attract a wealthy clientele. With every shampoo she gave a head and shoulder massage. So

her customers could relax as they received hair treatments and massages, she designed the first reclining chair for hair care in the United States. Wealthy Rochester women as well as leading suffragists such as Susan B. Anthony became loyal customers.

While Harper offered luxury to wealthy women, she offered economic opportunity to poor women. As demand for her products and services spread, she developed a unique method of business expansion, licensing shops to domestic servants who duplicated precisely her hair care methods, customer services, and products in shops around the country. The franchise—re-created in over three hundred Harper salons around the country—was Harper's legacy to American business. ∞



women's needs. "Women have an insight and understanding of cosmetology a male chemist can never have," she explained.⁶⁴ "Does a man, for instance, know what happens to makeup under the hot beach sun?"⁶⁵ And she knew firsthand about the embarrassment of lipstick on coffee cups and cigarette butts as well as the inconvenience of reapplying lipstick numerous times in a day. As a woman trained in chemistry but raised to love business, Bishop set out to develop a product to solve the problem. After two years and over three hundred experiments in her kitchen, Bishop finally developed a product she believed women could not refuse, a smear-proof, long-lasting lipstick.

The time was right for Bishop's ingenious and practical innovation. Women had grown accustomed to cosmetics during the war. Many viewed makeup as essential and lipstick, in particular, as indispensable. As women took over men's jobs in the war industry, they wore makeup to highlight their femininity and to reassure an anxious