

# Don Fisher, 1928–2009

## Gap Inc. Founder

Don and Doris Fisher founded and then transformed a single store in San Francisco stocked with Levi's, records and tapes into a thriving, nearly \$15 billion global business with more than 134,000 employees, more than 3,100 stores and a permanent place in pop cultural history. They have been credited with inventing the specialty retail category, though they were equally known for their commitment to philanthropy and civic work.

Throughout his distinguished career, Don kept a sharp focus on growing Gap Inc. thoughtfully, but always maintained a commitment to his family, his philanthropic and civic duties and his love of the arts.

Don had never anticipated that his once small business would grow so rapidly, that it would revolutionize retail and transcend cultures. He'd always envisioned a modest chain of casual wear stores—maybe, as he once put it, “as many as 10.” His approach was led by passion and determination—doing things his own way.

The first Gap store, in 1969, would change retail forever.

“Our company continues to demonstrate values that, from the beginning, set us apart—creativity, risk-taking, integrity, loyalty, doing what’s right and staying focused on our customers,” Don said.

Even during his final months, Don, wearing his trademark knotted sweater over a sharp dress shirt and pressed khakis, was a frequent presence at company headquarters in San Francisco, where he kept an office. He visited stores often.

Gap Inc. CEO Glenn Murphy spoke often about how Don, despite his many accomplishments, remained fully engaged to the company he loved—always asking the toughest questions during board meetings.

Twice in 2009, Don and Doris spoke to Gap Brand store leaders and headquarters employees—earning a rousing ovation as they entered the room each time.

“I look at running a store and running a business as playing a game,” he told the store leaders, in January 2009. “And what do you do when you want to play a game? You want to win.”

### **Growing up**

Don was a third-generation San Franciscan. His great-grandfather, Samuel Fisher, arrived in San Francisco, from New York, in the 1860s—a decade after the discovery of gold transformed California.

Don was born to Sydney and Aileen Fisher, on Sept. 3, 1928. He was the first of three boys. He had always considered himself extremely fortunate to have such good parents.

From his father, a cabinetmaker, Don learned the nuances of running a business—he was strongly encouraged to take risks. “Change or fail” would become one of Don’s most famous quotes. He’d described Aileen as having a no-nonsense approach to life, a loving woman who encouraged her sons to make practical, smart decisions. She’d imparted a number of family expressions that stuck in Don’s head: “never say no when you can say yes.”

Don had a comfortable, middle class upbringing, growing up in an attractive, two-story house in San Francisco’s Sea Cliff neighborhood. He had a great view of the Bay. Don recalled watching the Golden Gate Bridge get built, in the mid 1930s, “cable by cable.”

He especially enjoyed weekend trips to Stinson Beach, where he'd found his love of the open water. He'd often swim and fish there with his brothers. As he grew up, he became an accomplished swimmer—eventually serving as captain of both the swim and water polo teams while a senior at UC Berkeley (Cal).

At Cal, Don earned four varsity letters in swimming and another three in water polo, a remarkable accomplishment. He'd learned different strokes and swimming styles as early as 8.

He moved through San Francisco's public school system, finishing at Lowell High School, where he was a top competitive swimmer. While there, he broke the 50-yard, city free-style record his junior year.

Don attended UC Berkeley, where he was a member of Delta Kappa Epsilon fraternity and from which he graduated, in 1951, with a Bachelor of Science degree in Business Administration. He didn't have to look far for a career opportunity; it was right there in his family.

A few years earlier, his mother, Aileen, had inherited a family business, L. & E. Emanuel Incorporated, a mill and cabinet making firm, after her father had died. Relatives had founded the company in 1848.

The business, which had supplied custom product showcases to such customers as Macy's, was positioned as a future for Don and his brothers. But while taking an investments and real estate course at Cal, Don was struck by a fascinating professor who had filled his head with "exciting ideas"—ideas that didn't involve the family business.

After college, Don served as a U.S. Naval Reserve officer; with a mind full of brewing ideas, he worked for his father in the cabinet-making business.

Don was an accomplished swimmer whose determination would suit him well in business.

Still, he was determined to branch out on his own, to create his own future—eventually pursuing real estate, building spec homes and converting old hotels into residences for seniors. He never shied away from the possibility of failure, constantly pushing himself to discover something better.

Shortly after college, Don's life would be forever altered. That's when he married his true soul-mate, Doris Feigenbaum, a long-time family friend.

In a personal letter Don wrote to share with special guests and family members during an intimate party to recognize the company's 40th birthday, in August, he described marrying Doris as ["the best decision I ever made."](#)

### **The path to Gap**

While Don both failed and succeeded as an entrepreneur during the 1950s and '60s, something stirred in him. He had always sought a business that wouldn't just pay the bills—but excite, no matter the sector. Something was going to happen. He just didn't know what it would be.

["I wondered just how smart I'd been, and just how lucky I would be,"](#) Don said. "I always felt it took a little luck to get ahead, but it never occurred to me that the formula for success might necessarily involve both kinds of luck—good and bad."

Without bad luck, in fact, there wouldn't have been a Gap. It took a confluence of random happenings that led to the concept—and finally the first physical store—to materialize and transform the retail landscape for good.

In the mid-1960s, Don, who had been working with his father, Sydney, branched out to start his own business: refurbishing old hotels. He bought the Capitol Park Hotel in Sacramento—the first in a series of "lucky" happenings that would change his life.

After buying the building, he leased space to a Levi's salesman, who opened a showroom.

“I enjoyed the energy the showroom brought to this old hotel,” Don said. “America had a long and loyal romance with Levi products, especially Levi’s historic original 501 blue jeans.”

Don shared that enthusiasm; he’d grown up wearing the jeans. He began to mull over ideas, talking with the salesman about the apparel industry.

### **The right size pants**

One day, Don decided to buy a handful of jeans and slacks from the salesman. The product arrived from a distribution center. When he tried on the pants, none fit. He needed a 34-waist, 31-length. All the pants had 30-inch lengths.

So he asked if the salesman would exchange the pants for the correct sizes. He hesitated, saying it would be a paperwork nightmare. But the salesman suggested exchanging the pants at a city department store.

Don took him up on the idea, and asked Doris to pay a visit to Macy’s, in San Francisco. She found a Levi’s display table in the basement and cringed at the mess. But she sorted through the items and reported back to Don.

“They carried only even sizes, about five pair in each size category: 34 x 32, 36 x 32 and so on,” he said.

He tried another floor. Same problem. He tried another department store, The Emporium. Again, no luck.

“What if,” Don had mused, “someone put together all the styles, colors and sizes Levi Strauss had to offer in one store?”

### **The first Gap**

That led to the creation of the first Gap store, on Ocean Avenue, which, until Doris struck gold with the name, was going to be called “Pants and Discs.” The Gap was inspired by the idea of “The Generation Gap.”

In a double-spaced, typewritten document called “Reason for Being,” dated June 12, 1969, Don outlined the business opportunity for his new retail venture.

The store would be loaded with Levi’s pants as well as records and tapes—all part of an effort to appeal to the 12-to-25-year-old target customer.

“There is no question,” Don wrote, “that the pants classification is the fastest growing, most exciting business in the retail field today. Yet, in shopping retail stores for this commodity, one fails to find sufficient attention and inventory dollars given to the pants classification.”

He surmised that an entire store devoted to pants would “capture the greatest potential in sales”—particularly without a similar competitor in the San Francisco Bay Area.

With market research, Don outlined four important requirements for success: the right location for the store in an area populated by people 12-25; sufficient parking; an adequate “in-stock” position; and just the right employees.

“Taking these four points into consideration,” Don wrote, “we could be assured of an exciting, profitable business, and we should promptly get into it.”

Two months later, they did. They called it The Gap. In those early days, Doris, with her noted appreciation and eye for style, was a merchant.

### **Growing quickly**

Don’s lack of retail experience—at one point, he had asked a Levi’s partner, “What’s a markdown?”—brought innovation, a fresh way of thinking. The Fishers delivered a shopping experience that was fun and fulfilling, one that included the first fully-enclosed dressing rooms and wall space to display and sell the merchandise.

The public loved what they saw and experienced. The Gap grew quickly, riding a crest of popularity to go public in 1973. Since that time, the stock has split nine times.

In 1972, in an effort to broaden Gap from a Levi's-only chain, the Fishers launched the Gap label. And that made history as the first chain in retail history to use its store name as the brand name. The private-label approach would become a retail model copied over and over again.

Don and Doris were smart family business operators who, despite their accomplishments, also knew when to bring in outside talent. In 1983, Don hired Mickey Drexler, a skilled merchant, who helped accelerate the process that led to Gap becoming a major label. Don and Mickey pushed the business forward—acquiring a small, two-store mail-order catalogue business called Banana Republic, and a few years later, creating Old Navy from scratch. Old Navy became the first retailer in history to reach \$1 billion in sales in less than four years.

Former Old Navy President Jenny Ming recalled a company culture that not only attracted bright, passionate employees, but also was charged with energy and ideas. And it all began with the high bar Don had set for himself and others.

Jenny recalled a time early on when she sat down with Don to talk about how Old Navy was performing. At one point, Don suggested adding 50 cents to each of Old Navy's price tickets. A \$10 shirt became \$10.50. The incremental change would add up significantly when added to millions of units, he said.

"Of course," Jenny said, "since this feedback was coming from Don, I had to try it. And it worked. "We made a lot of money doing that and that price structure is still in place now."

Gap North America President Marka Hansen, a 21-year veteran of the company, attributed Gap Inc.'s success to Don's philosophy.

"When I think about it, what I really recall is Don's vision for the company," she said. "That is, building quality in absolutely everything we do, and the willingness to take a big bet."

One of Don's true passions was education.

Don had relinquished his CEO position in 1995, retaining leadership on the Board. In 2004, he stepped down as Chairman of the Board—but continued as a company director and executive in the role of Founder and Chairman Emeritus, a role he held until his death.

In 1996, Don, humbled and surprised by the steady growth and notoriety of his business, received the coveted Retailer of the Year Award from the National Retail Federation.

## **Giving back**

From the start, Don had a keen sense that Gap would be a different kind of business, one that weaved itself into the communities in which it operated. He and Doris sought a way to "make a significant difference and improve the quality of life for society."

In 1977, the Fishers formed Gap Foundation, which helps people in underserved communities around the world change the course of their lives and take personal ownership in their future. That effort is an important part of the company's culture, which is characterized by the "Wear Your Passion" slogan; employees are encouraged, at all levels, to donate their time, money and resources where Gap Inc. conducts business.

Since its inception, Gap Foundation has given more than \$100 million to various nonprofit organizations and causes.

Don, though, had always modeled the behaviors he expected the company's employees to follow. Through board service, mentoring and sharing his expertise, volunteering and financial contributions, he made a lasting impression on areas that were particularly close to his heart: youth, education and the arts.

Even so, and despite his public stature and recognition, Don managed to give back in a quiet way that bespoke the humility that would become part of the Fisher folklore. He wasn't seeking credit or good public relations, but simply favored to "do what's right."

Education, particularly for underserved youth, was a key focal point for Don. He'd been a strong supporter of the

Boys & Girls Clubs of America, where he served as a governor.

Disappointed in the nation's public education system, Don became a pioneer of the charter school movement through one of his most inspirational projects, KIPP (Knowledge is Power Program) charter schools. In 2000, he and Doris gave \$15 million to KIPP to create the KIPP Foundation, the engine to train school leaders to open schools across the United States.

In doing so, Don was the first to bring this unique network of free, open-enrollment, college-preparatory public schools for students in underserved communities. He facilitated the adoption of this model by creating partnerships with UC Berkeley's Haas School of Business to recruit the best principals to work at the charter schools. He remained on the KIPP board of directors until his death. Doris and son, John, are also board members.

Don and Doris were also strong supporters of Teach for America, a highly successful school reform program. Teach for America currently places 4,000 new teachers in public schools every year. Over the years, Don and Doris have donated more than \$100 million to both KIPP and Teach for America.

"Don's contributions to public education, particularly for underserved communities, cannot be overestimated," said KIPP Foundation CEO Richard Barth. "He used what he learned in growing Gap Inc. to show us what we could do in public education, and tens of thousands of children have benefited from his commitment and generosity."

## **Art**

For more than 30 years, art had played a significant part of Don's life. He and Doris, working as a team, began collecting contemporary art in 1973. They learned about modern art from a friend, Peggy Walker, joining her on excursions to art galleries to learn the nuances of collecting.

While they had developed a good appreciation for recognizing the power of visual statements—Don had once indicated how nearly all of his business ventures were visual in nature—the Fishers were guided by passion and instinct to build their collection. They never bought a piece of art unless both of them loved it.

Don will be remembered as a retail legend, but also a man who gave back so much.

Their collection today is considered among the premier private collections in the world—with some 1,100 pieces and renowned names like Roy Lichtenstein, Gerhardt Richter, Andy Warhol and Chuck Close included. At the company's San Francisco headquarters, the Fishers operate an art museum, which provides access to a sampling of their beautiful collection to employees and guests.

In recent days, the San Francisco Museum of Modern Art (SFMOMA) announced that they had formed a partnership in which the Fishers' modern art collection would be permanently housed at the museum for the world to see and appreciate.

Because of his wealth, stature and experiences, Don understood that he had a lot to give back. He was never too busy to share his business expertise in important ways. In addition to sitting on Gap Inc.'s board, he has sat on the boards of The Charles Schwab Corporation, Ross Stores, and Pacific Telesis.

He was especially proud of the Fisher Center of Real Estate and Urban Economics and the Fisher Center for the Strategic Use of Information Technology, both at UC Berkeley's Haas School of Business.

## **A love of San Francisco**

Don also maintained a strong allegiance to the city he grew up in, the city in which he prospered. He had always believed that he had an opportunity to help San Francisco become an important, quality place to live.

In 1992, Don joined a number of other San Francisco business leaders to save the San Francisco baseball Giants from moving to Tampa—and Don, who had a deep love of sports, was never a big baseball fan. But he understood how deeply the city and the team were connected. Later, in 1996, Don was one of six people appointed by the Clinton administration to the Presidio Trust, the group charged with transforming the former military base into

the nation's first privatized park.

In recent years, as Don grew older and more reflective, he spoke candidly about his successes, failures... and his own legacy.

“Doris and I have a wonderful family, with our three sons, their wives and our 10 grandchildren,” he said. “We have committed money, resources, and time to support and raise the quality of education, the environment, the arts and the community in general.”

“It makes me happy,” he added, “to see the positive effects we’ve been able to achieve.”