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Julio Cesar Viramontes

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Julio Cesar Viramontes was born in a small town in Mexico around Fort Hancock, Texas. Viramontes attended Cathedral High School in El Paso but did not graduate. He was introduced to the garment industry when he began working at Supreme Laundry. Viramontes was able to purchase his own Laundromat in Canutillo while still working at Supreme Laundry. He also had the opportunity to purchase a Supreme Laundromat in central El Paso, so he became the owner of two El Paso Laundromats. Viramontes also began washing blue jeans for El Paso companies after hours. The Laundromat then became an industrial cleaner, which allowed Viramontes to buy two more Laundromats. An increase in the blue jean business made Viramontes change from coin operated machines to washing for Sun Apparel. This made business boom for ten years until the free trade agreement made companies move to Mexico, so Viramontes followed. As business changed Viramontes started acquiring textiles which took more labor. Trends changed which lead from stonewash jeans to fashion jeans, which also requires more labor. Viramontes business kept up with changes which made him adapt his business approach. He even opened his own liquor store in order to be a local El Paso business, but he had to sell it after suffering a financial loss. Viramontes has had a hard time keeping business through the recession but has kept a good relationship with the banks. He also depends on the value of his land which is estimated in the millions. Viramontes says that El Paso was a good environment for his business but it would have been better if he was not hispanic. Viramontes has learned from previous business mistakes such as offering too much trust to people and not being on top of financial records. He closes with saying that fairness and giving other opportunities has been key to his business.
This is March 31, [2009] 9:15 in the morning, this is Homero Galicia interviewing Cesar Viramontes, the CEO of International Garment Processors. [This interview is part of the Paso del Norte Entrepreneurs Oral History Project.]

HG: Now Mr. Viramontes, thank you very much for your time. Your story is an important one for us, and I would certainly like to thank you in advance for helping us with this. I’d like to begin by asking you about your personal story, where you were born, where you grew up, if you don’t mind.

CV: Okay, well, I was born on the border on the south side of the river in a little community named Práxedis Guerrero in Chihuahua, which would be east of Fabens and west of Van Horn, right in the middle, mas o menos, around Porvenir, [Mexico], which would be Fort Hancock, in that area on the Mexican side. When I was five years old, my mom decided to immigrate to the United States. She had a cousin that lived in Deming. My uncle, her husband, was in the war in 1945, and she—my mom wanted to come to the United States very bad. My mom was born in Columbus, New Mexico, so I guess she had that craving to come back to the United States, and with all the difficulties that she saw growing up in Mexico, mainly in the opportunity of education and poverty area, that she decided that she want to come to the United States. My dad was born in Mexico, so he could not join us until a year later. So in 1945 my mom and three brothers and one sister immigrated to the United States through the old Santa Fe Bridge on the streetcar, I barely remember. My mom passed away about four or five year ago, and when I would visit her on Sunday, she would always tell me the same stories, very repetitive. I tend to get like that also as I get older. And I would also tell her some of my stories, and I remember saying to her once, “Mom, you know that some of the boys that we hired when we first started our business,” which was thirty-five years ago, more or less, “Were illegal immigrants.” And some—a lot of them—[were] from Juárez, which was no problem because thirty-five years ago, they could come and go every day, even though the border patrol would
harass them, even raid our shop and take them back. They would be back the next
day. They would even save—leave their lunch and [say], Hey, Mr. Viramontes,
give this to so and so. However, the immigrants from the south, or middle or
south of Mexico, would come with only what they were wearing, and three or
four or five day later, they would actually smell from wearing the same clothes.
And once payday came around, they went and bought—first thing they would buy
is a radio, and then they would buy clothes, and then they would get on their feet.
Six months later they were buying cars, kids are hungry for that kind of things.
But I asked my mom, “When we crossed mom, when we immigrated, did all we
have was what we were wearing?” And my mom looked at me and she said—
excuse me. She said, “No,” and then I asked her, “So what else did we have?”
And she said, “Oh, we had some boxes,” and I thought that was very cute.
Anyway, we wound up in Deming, and we stayed there a year. I started school,
the kindergarten, and then my dad arranged to come over as a resident alien I
guess, and he got a job in Canutillo—near Canutillo—in the farming areas. It was
exactly at Westside Road and Borderland now, about a quarter of a mile east of
Westside Road, and an eighth of a mile from Borderland Road. And the owner of
the farm gave my dad the opportunity to build a house. The walls are still there; I
drive by once in a while. So we lived in Canutillo and I went to Lone Star
School, which was in Canutillo back then, and it was a one-tenth or less of what it
is now with all that complexes now. In 1953, my mom, again, she was the most
practical one and the most ambitious one, found out about the projects in El Paso,
in El Paso we used to call Canutillo, Canutillo and El Paso, El Paso, and she came
and applied and we were accepted at Sherman Projects, which were brand new,
and those are on Paisano. There’s a post office right west of there. They were
brand new, and I remember we were so excited because they had wood floors and
running water, a bathtub and a toilet and a sink and a refrigerator—brand new.
And we would just flush the toilet just to see what it looked like because we had
an outhouse where we lived. So I went to Burleson for one year in the seventh
grade, then I went to Jefferson in the eighth grade, and then my parents decided to
send to me to Cathedral [High School]. I wanted to and I, however, I felt that I
wasn’t gonna cut it because I was not the best student even at Jefferson High School growing up, fourteen years old, getting used to the barrio and our ways of being *travesios*, and undisciplined. However, they insisted and I went to Cathedral and I’ve very thankful because, if anything, the discipline that the Brothers taught us has helped me going forward in life. It helped me going forward in life. However, by the end of three years, I was still, if you will, a freshman in credits, and I was not going to graduate. And at the same time I remember in May, on the first day that we got out of school, we were applying for jobs, a couple of friends and me, and we went by Supreme Laundry and we applied for a job, for a job there. It was maybe around noon. By the time I got home about five [o’clock], they had called me to come in for an interview the next day. So I did, and they hired me, and my old boss, A.B. Goldberg, whom I love, started me out with thirty-five bucks a week, which was not bad in 1958 for a summer job because I figured that I would go back to school, but not Cathedral because I wasn’t gonna graduate.

HG: May I ask you, what year were you born in?

CV: Nineteen-forty, 7/5/40.

HG: And so when you went to Cathedral, it was about ’53, ’54?

CV: Fifty-four, fifty-five, more or less. Yes, because my graduating class is ’59, and I’ll get to that in a little while. I figured that I would go to Tech, which was a new school then, and all of the kids that couldn’t cut it, wherever they were going, with all respect, would wind up at Tech, a trade school. However, around late August, when it was time to go back to school, my boss asked me if I was planning on going back to school. And I asked him why, and he said, “Well, if you don’t, you have a job here, and I’ll pay you sixty bucks a week,” which was more than my dad made, and my dad was a construction person. I’m exaggerating when I say more than my dad made, but it was very good money for
an eighteen, nineteen-year-old, eighteen-year-old. So I told my mom, “You know what? I’m offered a job and they’ll pay me sixty bucks and I’ll go to school at night.” She wanted me to graduate from high school very bad, and so did I. “I’ll go to night school and finish school.” But I kept working and I never did go back to night school to finish my high school. I kept working, I got married, and just kept working very, very difficult economically with a young family and, of course, by then I was making more money, but it was still very difficult. It was still not more than minimum wage. However, I would moonlight a lot because my boss had coin-operated laundries, which I would maintain. I would do the repairs, and I’m gonna say that more than half of the people go to a Laundromat because their washing machine at home is broke, so they would always approach me [and ask,] Hey, young man, do you do jobs at night? And I’d say, “Sure.” So I supplemented my salary very well because I had a repair job two or three times a week. This would give me twenty to forty bucks extra a week, which would help a lot on top of my salary. So I did that for a long time and continued to work at Supreme Laundry. I worked at Supreme Laundry for seventeen years and after being married, I’m gonna say, eight or nine years and having three or four children, I figured that I needed to do something more than just work at what could be called an unskilled job, which would pay at best minimum. So I put out the word that I wanted to buy a Laundromat, and I got a lead, this was thirty-five years ago, after working fifteen years at Supreme Laundry, more or less. I got a lead that there was an old gentleman in Canutillo that had a Laundromat and was interested in selling, Mr. Robert Davenport, and I went over there and talked to him and we hit it off. He was a very nice person; however, I did not have the money buy it. He wanted $3,500 for that small Laundromat. It was a very good deal and I could do the maintenance, which was one of the things that didn’t allow him to make money, so he’d hire people to come do the maintenance, and I could just do it with my eyes closed because I did that every day. I asked my brother, who was a policeman, he had a new car and it was paid for or almost paid for, and I asked him to go borrow money on it, and he did, 1,000 bucks, which he lent me. I went to Mr. Davenport and he went with me to the bank in Anthony and signed
on the note, which was a godsend also. I managed to pay him off in a year’s time. I would work, still, at Supreme Laundry and go in the evenings and work in the Laundromat. My wife would take care of it during the day. Then—there’s so many things. My boss, A.B. Goldberg, had a Laundromat at Piedras [Street] at Louisville [Avenue], next to the House of Pizza on the corner. He was having a difficult time with the landlord, which was Mr. Hadett, from H&H Car Wash, Kenny’s father, and A.B. told me one day, “Cesar, we gotta pull out that equipment from the Piedras Laundromat.” And that’s a lot of work, and I had to do it by myself, and the piping, and just strip the Laundromat out, all the equipment. And he said, “I cannot agree with Mr. Hadett.” They had a problem from other rental properties. And I said, “If I can talk to Mr. Hadett,” I asked A.B., “And convince him to give me the lease and I’ll continuing paying the rent, will you sell me the Laundromat?” And he said, “Do you think you can do that?” And I said, “I can try.” I went and visited with Mr. Hadett, with his little hat and suit all the time and he sat me down and he questioned me, and he agreed. He agreed and he would only—“How much time do you want?” And I said, “How about five years and a five-year option.” He said, “I’ll give you three years,” and I said, “Okay.” So then A.B., he’s so kind, he also just allowed me to pay back in payments. I think it was eight thousand bucks, which I had a difficult time doing, but I did pay him. And by then I had two Laundromats, the one in Canutillo and the one in Piedras. Then at the same time, the blue-jean industry started wanting their blue jeans washed. And again, A.B. had a client by the name of Viola Sportswear, who was sewing Sassoon jeans, and they were quarreling about the price. A.B. wanted eighteen cents and Jim Viola, who’s a friend of mine also, wanted to pay fifteen cents, and A.B. wouldn’t back off because then there was a lot of work. A.B. was a major laundry then, Supreme Laundry was a major laundry, and nobody was into washing blue jeans. I asked A.B. again, “If I can get Jimmy to give me the production—is it all right if I do that?” And he says, “Do you think you can?” And I said, “I can sure try.” And I went, and Eddy Moed, who worked for Jimmy, was his manager, and Jim sent me to Eddy, and Eddy gave me some samples, and he said, “Let’s see what you can do.” And I’d
been washing now for seventeen years, I knew how to wash whatever, so I went and washed them real pretty, took them back the next day to Eddy, and he said, “Wow, that’s nice, and you agreed to the price?” [I replied,] “Yeah.” So that’s how I started washing blue jeans in the Laundromat at night after our customers left, which meant that in the morning we had to stop at 6:00 a.m., clean the washing machines, and we didn’t do a very good job because some of the customers complained of having blue on their white stuff. It was very difficult in one hour to get of all that blue denim, blue indigo out of the washing machines. However, they put up with me. However, just doing that we killed that Laundromat because Laundromats are not supposed to go twenty-four hours, and at night we just—the machine, as soon as the cycle ended we would start it again and throw another six or seven garments per machine. We’d do thirty machines, fifteen on each side, and dry, and I had about four people—illegals again, at night. That’s how I got started in the blue jean industry. Then, of course, we killed that Laundromat and I started buying commercial equipment, bigger washing machines. I went to Crystal Cleaners, I can’t remember the man’s name, and just bought three or four bigger machines because the coin ops were gone, they were dead. And I converted that laundry to a commercial laundry, or an industrial, better yet, an industrial laundry. It was all out of compliance because I didn’t even know about zoning. That was for a commercial laundry and I converted it into an industrial laundry, and so here’s the city giving me a hard time, the environmental people. However, we survived. By then, A.B. was tired of the coin op business and he said, “Cesar, you want to buy the other two Laundromats?” And I said, “Sure,” and again A.B., in all his kindness, went with me to the bank and signed on the note. I don’t remember how much it was. But then, I had four Laundromats. In Second Ward where La Fe Clinic is, on Ochoa and Fifth, then we had Piedras—Louisville and Piedras, and I had 5604 Dyer, and the one in Canutillo, four Laundromats and washing blue jeans at night. Twenty-four seven I wouldn't stop. Then the blue jean business got very interesting because there was more demand. By then, Sun Apparel was a major player in El Paso thirty years ago, were sewing Calvin Klein. They had all the small and big
laundries in El Paso washing for them. I had more than I could handle. So I didn’t pay too much attention to the Laundromats because the blue jean business was a more profitable one. Eventually the La Fe people asked me to move out, and I moved. The Piedras Laundromat, I had to clean it up and convert it back to a coin op and I kept Dyer going as a Laundromat, and Canutillo, I sold, and I moved to the east side for my blue-jean operation on Eastside road, right there in the old commercial area across the street from – across the freeway from Cielo Vista. This was a twelve thousand square-foot building, which I never even dreamed of, and we built a very nice state-of-the-art laundry with all my experience.

HG: What year was that?

CV: I’m gonna say that was thirty-five, thirty-eight years ago, so that would make it 1981, more or less, and then it went off real well. We were washing a lot of Calvin Klein for Sun Apparel and others—Wrangler. And then, I remember getting a call from Sun Apparel, from their management, and they asked me if I would build three laundries, two in Pennsylvania and one in South Carolina, inside sewing plants, small laundries, maybe two or three washers and two or three dryers, just enough to do maybe fifteen thousand units a week, which was not big compared to nowadays. So I said yes, and it took me six months, maybe nine months. I enjoyed it; I traveled, bought the equipment, send it to the sites and went there, hired a plumber, a concrete person, an electrician and directed the installation and got them started. It was a lot of fun. When I got back and got finished, they called me back at Sun Apparel, and they wanted to know how much they owed me. And I said, “You know what? I will not charge you if you tell me that when you decide to build a laundry here, for you, in El Paso” which they had to do because they were growing—they had four or five sewing plants, “and let me do it for you all, and I’ll own it, I’ll put in the equipment, and I’ll wash for you all.” And they said, Okay. Then again, three or four months later, they call again, and they said, Cesar, we need to talk to you. And they said, Well, we’re ready to
build a laundry here. And I said, “That’s what I’ve been waiting for.” He said, “However, it’s not gonna be yours, it’s gonna be ours.” And I said, “Well, that’s not the deal that you and I talked about.” He said, “The owners in New York, that’s how they want it. So you think about it, and there’s the man that’s gonna be the manager,” whose name I will not mention. “Think about it and let us know tomorrow,” (laughing) it’s always tomorrow. And I said, “Okay,” and I said that I wouldn’t do it. The next day, I said I wouldn’t do it. And he said, “Well, we’re gonna go ahead and do it.” I said, “Okay.” So, I kept washing in my east side location, and then they built their own, and then my work started going away from my east side location. And I remember sitting there, maybe 11:00 a.m. and we were finished doing what little work that we had, which was from Wrangler and some Calvin Klein, and got a phone call from a guy that says, “I’m with Levi Strauss.” By then we had written several letters to Levi Strauss, however, we were very small and nobody knew us, so they didn’t pay attention to us. “I’m with Levi Strauss and I understand you have a laundry, and I need you to tell me how to get there.” And I said, “Well, okay, where are you?” [He replied,] “At the airport.” [I replied,] “Take this street and you’ll be here.” And in the back of my mind I said, Somebody’s playing a joke on me. Twenty minutes later the phone rings and he says, “You know what, I can’t find you, give me your instructions again.” And I said, “No, let me go pick you up. I’ll go pick you up.” And he said, “No, no, no, I think I know how to get there, I just—” he was, I think, at the bowling alley where what’s his name is now. And he was there five minutes later. The place was clean, everything was stacked real pretty, and the garments looked real nice. And he said, “You do this?” And I said, “Yeah, that’s what we—that’s all we do.” I remember him saying, “My boss is gonna love you,” and he called San Francisco, the president of the division that was interested in us, which was women’s wear division at Levi. And by this time, Levi was a three billion dollar company; it was huge. We got him on the phone, and Cliff Thompson was his name. He started asking me about D&B, Dun & Bradstreet. I didn’t even know what that meant (laughing). But anyway, he sent some samples, and we did them, and pretty soon, there’s a trailer full of Levis pulling up to our
dock, and then we found another building, a twenty-five thousand square-foot building on Market Street, right up the street. We built a plant there, and by then we were doing maybe twenty-five to forty thousand units per week, which was huge for us. And then the industry just kept growing. Several investors built big laundries, big blue jean laundries.

HG: Do you remember what year that was, when you started with Levi?

CV: I’m gonna say it was thirty years—twenty-five to thirty years ago. Twenty-five, thirty years ago. In our discussions now, I’m always bringing that up. We’re their oldest contractor in the world, and their largest finisher. And then the industry—I figured that we would have a problem with the water people because here we were not only using a ton of water, and that was the beginning of our drought, that lasted ten, twelve years, all through the eighties and then into the nineties. Besides that, we were dumping—by then everybody was doing stonewashed—we were dumping pumice. Pumice is what sandpaper is made of. So I knew that we were gonna mess up their water treatment plants that they were gonna start putting pressure on us. That’s when I decided to come look for our own water source. The water source, of course, you drill a well, and see if the water’s there, if it’s the right quality, the right volume, they can tell you that. However, the key is the discharge because you don’t have a sewer system, you have to create your own. That’s when we built those big ponds in the back, and we were using a million gallons. By the time, we got all that in place, and two or three years later, or four or five years later being in business here in this building. We were doing fifty thousand units per day, like clockwork, of stonewash.

HG: So what year did you build this plant?

CV: Twenty years ago.

HG: And this is where you’ve had your own water and your own water treatment?
CV: Correct.

HG: And you also did some other things with water because—

CV: Well, we planted pistachio trees and alfalfa because we had to discharge the water somehow. We could’ve discharged it into the desert because it was already treated; it was not contaminated. We had those big ponds that held sixty million gallons of water, so we had what you call in the industry retention time, which gives you time to aerate the water, and aeration is putting oxygen back in the water and giving it some kind of a life. And then we planted a hundred acres of alfalfa and about three hundred pistachio trees, and it was real pretty back there. And we went on for ten years, and then the industry started moving away, even before the free-trade agreement, people started going to Mexico, and the free-trade agreement just enhanced that, just pushed it to where everybody was moving to Mexico and where your clients were asking you to move to Mexico. So, we went all over Mexico, all the economic development organizations of several states and communities asked us to go visit them. Visited several states, one was Baja, where I became very good friends with the governor, Ernesto Ruffo is his name. He showed us a great location on the ocean, and it was an old fish plant and it was very tempting, however, at that time, it was not the right place for Levi because we were depending on Levi. Levi is the biggest denim provider of garments in the world, still is, even if they’ve had a difficult time.

HG: Why were the plants going to Mexico?

CV: For lower prices, period. There is no other reason. Just the manufacturers, your big customers were looking to pay less even though—and you may not want to write this, but it’s the consumer that enjoys the savings because you still pay the same for a pair of Levis regardless of where it’s sold, but the manufacturing enjoys more profit. So we looked around, and by then the governor—the mayor
of Chihuahua, Francisco Barrio, ran for governor, he lost the first time, and then he ran again, after—what’s his name? Fernando Baeza. When he was running, he came to me. I knew him; he was my dad’s friend more than mine. He said, “When I become governor, I want you to go to Chihuahua and build the plant so you can help us.” And I said, “Sure,” and just left it at that. I think he became governor. And then we started traveling the state of Chihuahua, looking for the right location, and mainly what I was targeting more was the water, which is the prime product that we use in our industry, and I lost focus on the labor thing, which is very important also. I knew that we wouldn’t find the experienced labor because the experienced garment laborers here in El Paso, which everybody knows was the blue-jean capital of the world, even fifteen, twenty years ago. However, I targeted water as being the right thing to help us locate, and we found it, we found it in Meoqui, which is an hour south of Chihuahua, and they claimed to have the best water in the world. You know how Mexicans are, like Parral is the capital of the world, and the best Coca Cola. And we would travel up and down the state on the Pan American Highway, the only highway—major highway. We went to a community further south, Camargo, and found water, but it was not the right quality. We would drive by Meoqui going south and I would see a Carta Blanca sign, there, like an advertisement, and a beautiful piece of land, and I said, “Who owns that land where that Carta Blanca sign is?” My friend told me, “Carta Blanca.” And I said, “Wow, why?” [He replied,] “Well, they intend to build a plant there, a brewery.” And I said, “Well, I know why, they already did the homework and this is where the water is.” We went to Monterey, Freddy De la Vega, I called him and he gave me some leads, who to talk to, and they wouldn’t sell. Of course, we got a tour of the plant in Monterey, and they wouldn’t sell of course, they could afford to sit on it forever and ever. But then I saw some land next door, and I asked, “Who owns that land next door?” It was four different owners, or five, four or five different owners. And we managed to get them all together and convince them to sell us about a hundred and sixty acres right on the Pan American Highway where I figured we will build the plant and then have plenty of land to irrigate because we were gonna have our own—no,
there’s no sewer over there. The water infrastructure is not enough to service a major user like us. In fact now, we use as much water as all the region there, all the community, we use as much water as everybody else put together, which is great because we’re a major contributor, they sell us the water. We managed to buy the land. We bought a hundred and sixty acres. By then the major textile providers, the mills, the huge American mills were looking to establish in Mexico and provide the whole package, which is the whole garment, and that’s what your major customers wanted. They didn’t want to go buy textile and then take it to a sewer, and then take it to a finisher. They wanted one person, one company to do everything, which was fine. However, it took more money to provide the package, you had to buy the textile and you had to sew it, by then you’ve got a lot of money invested on it, and then you get paid sixty days after you deliver, so that could amount to a lot of money when you’re talking of hundreds of thousands of garments. And we were courted by Swift Mills, which is a huge American textile manufacturer, and then they decided not to do it because they didn’t want to compete with their customers, which is right. They were gonna be manufacturing garments and selling to other manufacturers, or other providers, if you will, or suppliers. So they said, No, Cesar, we don’t want to do it, we don’t want to get our customers angry. And then Greenwood Mills comes in and he says, “We’ll do it.” We went to around and they toured us, and then that fell apart. Greenwood was a provider of a lower-end denim, which was fine, you know, Levi used a lot of it. However, they were not the premiere denim provider, denim mill. Then, Burlington Industries, which was the biggest and the best supplier of denim came by, and they said, We want you to be our finisher. They were talking to us and a competitor, and I said, “Well, you pick who you want, but this is what we have to offer. We’re Hispanic, we can work in Mexico better than the white people.” So they picked us and then we toured Mexico because they had a facility in Cuernavaca, that the government of Morelos had given them I think like thirty-five, forty acres, beautiful land. You could see the Popo Volcano to one side, hilly country, but no people around. I said, “Where are you gonna get the labor?” And they said, Well, it’s fifteen miles away. Then they had a problem with the
union, with the syndicate, the bus syndicate, it was a syndicate that provided Combees, which is a Volkswagen little vans. Can you imagine the number of vans they needed? So that was another thing that they hadn’t figured. And the worst thing is the water. Depending on who you would talk to in that company, they drilled anywhere between a mile and two miles and they couldn’t find the water, neither the volume nor the quality. Before all that they were asking us to locate in Cuernavaca, and I said, “I don’t want to go way down there because we’re gonna manage it from El Paso.” And they said, Well, we wanna have the complex all together. However, when they figured that they could have the water and the labor problems, and they already knew that I had a piece of land in Chihuahua, and they asked, Can we see your piece of land? And I said sure [cell phone rings]—excuse me.

[Answers telephone. Break in audio].

HG: Resume.

CV: So they knew that I had that piece of land in Chihuahua and they asked if they could go see it. These are the CEO of that huge company and some other top, key people. And I said, “Sure, when do you want to do it?” And they gave me a date. They would fly into El Paso and pick us up in their airplane and we would fly to Chihuahua and drive to the site. By then, I had three or four guys working for me in Chihuahua, and I told them, “I’ve got some people coming in to visit; they wanna see the water. You guys dig a hole about six feet wide, about ten feet deep, put a pump—a one-inch pump to—” because when you dig a hole over there, the water level is at six feet, so you’re gonna have four feet of water, but it just keeps coming in. You get a pump so you can be pumping it out so that they can see that that hole keeps filling by itself. And no problem, they do that all the time. When we went over there, they couldn’t believe it, couldn’t believe it that at ten feet we had four feet of water nonstop, it just kept coming in. And that convinced them that we would build our plant there. And we did. It’s a beautiful installation. It’s about two hundred twenty square feet. The plants for Burlington
were—it’s a huge company, and those huge companies think big. We were going
to process two hundred and fifty thousand units per week, or fifty thousand units
per day, more or less, and in a couple of years we were going to grow to half a
million units per week, which is huge. So that’s why we built that huge building
and then we left that building where you could continue and build on, to give us
room for the additional production. As it turned out, by then the industry had
changed from a basic stonewash, which everybody was doing, everybody was
wearing, to what is now the trend in the denim industry, and that’s what we call a
fashion garment, which is one that looks like it’s been worn before. It’s a brand
new garment, but it looks exactly like you’ve had it for ten years or more, and
that’s a lot of work. It takes a lot of manual handwork. And also in the sewing,
there’s some adjustments made where in your 501 Levi garment, it’s one style and
it’s their bread and butter style, and they can do it with their eyes closed.
However, with the fashion garment, which sells for more because it costs more to
make, there’s some adjustments in the fit. What these customers are looking
for—because they sell for more—is the right fit. And you can tell because I’m
always looking at the women, how nice their blue jeans fit because they’re sewn
better. They’re sewn better and that’s the key. Then we do whatever we have to
do, the wrinkles and the tears and all that stuff that makes it more expensive. And
Burlington could never get the sewing right because Burlington is not a sewing
company. Burlington is a mill that makes denim, and that saying about zapatero
a sus zapatos, couldn’t be truer. After about a year, they went Chapter 11 and left
us hanging with this huge building and this huge investment and no work because
their part of the deal was that they would bring in the work. They would sew it
and bring it in, whatever it was, Levi or Lee, or whatever brand it was. So that
hurt a lot, and we had to tighten our belt and pull it through, and we’re still there.
Last year was our best year and we thought that if last year was our best year, this
year would be even better because you tighten your belt, you’re more efficient,
and you know how to do things better. But then the economy comes into play,
and for the beginning of the year, Levi tells us, “Your production is gonna be
minus 40 percent,” and as you may or may not know, in Mexico, when you let
somebody go, you severance them. So it cost us over one million dollars to severance about four hundred people. And now instead of being at 100 percent, we’re at 60 percent. We are very optimistic that it’s gonna get better. The indications are that it is, where we’ll probably still have a good year if all things fall into place like we’re looking at. What helped us in the layoff of four hundred people is that you let go of your worst employees, kinda clean house, so what you have is the best, so that means they’re more efficient, so that’s why I feel very optimistic. You cut your costs. Now we won’t go back to those four hundred people. We may bring in, maybe, two hundred more, so I feel very good that we’re gonna have a good year in Mexico.

HG: That plant has a capacity for how much volume? And in terms of dollars, what would that be in volume?

CV: Sales, I think last year we did about thirty seven million, and this year we’ll probably be at about twenty-eight [million], which is not all that bad. If you control your costs and all that—

HG: So, you have one plant in Mexico, or do you have—

CV: Two plants.

HG: You have two.

CV: However, one we shut down because of the reduction in production.

HG: And where is that plant?

CV: That’s in Delicias, which is seven miles from our Meoqui plant.

HG: You sew and wash?
CV: No, we just wash. We are the finishers. We have a sewing partner by the name of Single Sewers Apparel, which by the way, how things work out, are owned by Greenwood Mills, who we were talking to before and who we bought the Delicias plant from four or five years ago because they are not washers, they are not finishers, they’re sewing people. They bought into a major sewing company in Aguas Calientes, which they own 50 percent, and they are our suppliers. Last year we averaged, I’m gonna say about forty thousand units per day, which is pretty good. This year I’m hoping that we will average—again, we averaged about forty-five last year because the first part of the year was rough, which it usually is. And this year we feel that we will probably be averaging about thirty-five thousand units per day, but a better price garment, and so we closed down the Delicias plant. The Delicias plant we bought from Single Source from Greenwood, who’s our sewing partner because they couldn’t figure out the washing and we said, We’ll buy that plant and bring your production to our Meoqui plant. That’s a crazy way of doing business, but it’s not unheard of.

HG: So you bought the plant and closed it down?

CV: Closed it down and took the work. Took the work for Meoqui. However, about four or five months later we opened it up because our volume started picking up. So we had a good run in Delicias, I’m gonna say of about three years until now, in January where we had to shut it down.

HG: But that’s your capacity to grow if you need.

CV: Correct. We own it and the equipment is there. It’s a beautiful little plant. Well, it’s eighty thousand square feet, so it’s not little.

HG: Let me ask you, this plant here that you have in El Paso, how many square feet is it?
CV: It’s about eighty thousand square feet.

HG: And what capacity did it have and what dollar volume did it have when you had to—

CV: When we were working at full capacity, we had a fifty thousand unit per day capacity. However, we had the other building that we sold to the county, and what we would do here in this building, we would receive, we would wash—wash and dry, and then we would truck it to the next building, and over there we would press and do the inspections, the tagging and the packing.

HG: That was another building that you built.

CV: Yes, correct.

HG: And is that bigger than this one?

CV: It’s a hundred square feet.

HG: Wow.

CV: We sold it to the county for the Sheriff.

HG: Right, right. Okay. Let me go back to the people in your life. You mentioned Mr. Goldberg and Supreme Laundry. That was on Wyoming Street.

CV: It’s still there.

HG: He was a mentor to you?
CV: He was a mentor. I consider both of them mentors. Another very important person in my life in regards to business was Mr. Paul Barry from Wyler Industrial Works. I’ll tell you one story about Mr. Barry and myself. When we first started washing blue jeans, we were only washing and we would take them back to the factories and they would press it. They would press it with the presses, which is ironing, but in the industry, it’s called pressing. And our customers, I don’t remember if it was Mr. Viola or Sun Apparel—I think it was Sun Apparel—all of a sudden told us, “We not only want you to wash, but we—” there’s a good story about that also “—but we want you to press also.” I said, “Well, let me look for equipment.” And again, I put out the word and—“Cesar is looking for pressing equipment.” A friend of mine, by the name of Arthur Moed, who was Eddy Moed’s brother, had a lit sewing store on Texas Street. I can’t remember the cross street. Maybe it was like Magnolia or something like that, I think it was further west. Anyway, he said, “Cesar, I understand you’re looking for pressing equipment.” I said, “Yes.” He said, “There’s a man catty-corner from us, there’s a three-story building on Texas Street that’s—” I don’t know what’s going on there, it may be nothing “—and he’s got twelve presses and the whole nine yards.” I said, “Okay, can I come by tomorrow and we’ll go look at them?” And he said, “Sure, I have the key here.” We went across the street and this equipment was on the third floor, and pressing equipment is heavy. There was twelve—I’d never seen a more beautiful sight—twelve what we call utility presses. In the pressing business there’s a topper and there’s a legger. The topper you press the top part of the garment, the legger you press the legs. It’s a two-step operation. However, there’s what are called utility presses you can do both the topping and the legging on that one press. And it was the most beautiful sight that I have ever seen in my business days, twelve very good shape utility presses, two boilers. Boilers come in different sizes. In this case, they were 15-horse boilers, which is 15-horses is probably just enough for those twelve presses. However, you usually have a backup, so they had two of them, and two vacuums, which is something that’s also used in the pressing industry, which a vacuum creates a vacuum to either dry the steam from the garment or help to hold it in place. And it was piped
and insulated and it was real neat. And I told Arthur, “Tell the owner—” I cannot
think of his name—“that I’ll give him thirty-five hundred [dollars], but I’ll clean
up the building. I’ll take all the piping down and the insulation, and all the
equipment.” And he said, “Okay,” and then he calls me, he says, “The man said
it’s all right, he’ll take the thirty-five.” I said, “Wow.” So we went and
dismantled—don’t forget, this equipment is on the third floor (laughing), there’s
no elevators no nothing, and we dismantled it, and I said, “Now, how do I get it
down?” There’s a big door where they used to put this equipment in, like a dock
door, but it’s three feet high—three stories high. I called Mr. Barry, and Mr.
Barry has all this equipment, and he says, “Sure, I’ll move it for you, Cesar.”
And he comes with his huge forklift and no big deal for him. He moves it.
However, I only need six presses because the place where I’m going to install it is
very small—and one boiler and one vacuum. And [he asked,] “What do you want
me to do with the rest, Cesar?” And I said, “Well, can you put them in your yard
Mr. Barry?” [He replied,] “Sure.” And he takes them to his yard, and we install
the six presses and the boiler and the vacuum, and I start pressing. A couple of
months later Mr. Barry calls me and he said, “Cesar, there’s a man here that’s
looking for a boiler and he’s looking at your 15-horse boiler, and I told him that
you would probably sell it.” And I said, “Sure, I will if the price is right.” [He
replied,] “Well, I told him that you would sell it for thirty-five hundred [dollars].”
(laughing) [I said,] “Mr. Barry —” and he did, so what’s amazing is that I picked
up all that equipment for nothing, and those are the kinds of people that helped me
on the way, Mr. Barry, Mr. Goldberg, Mr. Davenport and a lot of people. In
regards to the pressing story, when Sun Apparel asked me about pressing—. I’ll
tell you. I don’t know that you want to use it or not. The president of Sun
Apparel, locally, called me and said, “Cesar, we need to start pressing.” I already
had my pressing equipment. “And you need to start washing and pressing for me.
You need to start pressing.” I was already washing—stonewash. “And I need a
price tomorrow,” again. And I couldn’t sleep at night. We were charging thirty-
five cents per garment, just for the washing part, and I said, “Well, what am I
gonna tell this man?” And I finally figured that I would tell him $1.10, and at
$1.10, that was a very good price for me. I could make very good money. So I go over there and he said, “Well, did you come up with a price?” And I said, “Yeah,” I said, “It’s gonna cost you $1.10,” and he got all excited and told me, “What are you trying to do? Are you trying to get rich off of us?” And I said, “Well, it’s gonna cost, you know, it’s a lot of work,” and blah, blah, blah. And I tell him, “Well, you tell me, what do you think you should pay?” And he came back at $1.05, and I didn’t jump up and do summersaults because I didn’t want him to know how happy I was. So I said, “Well, let’s go for it,” and that’s another nice thing that happened in my trajectory to getting where I am.

HG: Tell me about your father? How did he train you?

CV: My father was a very strict person. My father, I remember—this is not it—when we were already here, my father died when he was ninety-one, and he kept coming here every day, drive his little truck back and forth. We were very nervous, but he wouldn’t allow us to go pick him up. He said, “No, I’ll drive. I can drive.” He was just stubborn, very stubborn and very strict, and very religious. He made us go to church and made us do all those things and taught us how to pray, more than my mom. My mom was very practical. My dad was very strong, headstrong very religious. One example about my dad, we were already here, and we were already a big business. You asked me a little while ago about the sales, and we’ll get to that. But we were already doing very well, and he’d come into my office—this wasn’t it—it was somewhere else here in this building. And he had a stainless steel bolt about three-inch, half-inch bolt, stainless steel, brand new, and he threw it on my desk and he said, “I found this on the dirt outside, behind the plant,” and he said, “You’re not careful, you’re not looking at things. There’s a lot of waste,” and he threw that thing on my desk and walked out very angry. (laughs) I remember that I had a person working for me. He kinda felt sorry for him—for me, and told him, “Mr. Viramontes, your son has a lot of things in his mind. And I’m sure that he’ll bring that up, that bolt with the maintenance people, but he not only has to worry about bolts, he’s got bankers
and customers and all types of people calling him and asking him stuff and things that he has to worry about.” And my dad just like grumped and walked away. But he was very strict and he—hard worker, worked—came here, worked until he was maybe eighty-five, helping us. He was kind of security and doing all that. He was a very giving person. I remember he was in charge of the coke machines, and when you have six hundred employees, you can make money selling cokes, and he wouldn’t—we would buy the cokes and he would take the money and he would give it all away. He would roll it and give it away, and my mom would tell me, “You know what? Your dad’s sending five hundred dollars over there, and five hundred dollars over there,” and they had children in Africa, you know how they send them a picture, this is your—“Those are my kids.” So he was a very, very, very giving person.

HG: And your mother, what was she like?

CV: My mother was a very practical person, very loving also, not strict. She was always covering up for us, which is, I think, traditional family, but a very, very loving person, very witty, very, very smart, very good—a good mother.

HG: She was a housewife?

CV: Housewife for the last fifty years of her life. I remember her working when we were growing up at two or three different jobs.

HG: How many brothers and sisters?

CV: Growing up, there was seven of us. There was—no, I need to go back. When we moved from Mexico, there was three brothers and one sister, and two baby sisters had died in Mexico of, you know, from a cold turning into pneumonia in the small villages with no doctors, those kind of deaths. And then when we moved to the United States, there was four of us, the three brothers and the one sister, and then
when we migrated my mom was pregnant with our fifth member of our family, who was born in 1946 in Deming. We are only three of us left, two brothers and the one sister.

HG: What do they do?

CV: My sister is a retired teacher in Portland, Oregon. She moved there forty years ago. She married and moved there, and she still lives there. My brother works here with us. He’s a security type. He was a policeman for many years. And me.

HG: And the banks, how did they treat you through this growth?

CV: The banks—when we were making money, they courted us, all banks. I had a very good experience with the banking industry here in El Paso, got to be on the board at Chase, and on the board at Bank of the West, and Steve Helbing was a very good friend, he was at Wells Fargo. They were very good until maybe five years ago when—. After Burlington left we started having a very difficult time, and by then we were doing business with Bank of the West, which—I mean, Bank of El—Bank of America, which before that was Nations Bank here. That’s how we started our relationship, but once we started having a problem making our payment, if you will, they started giving us a very, very difficult time. It’s amazing, and I feel very bad about the banking industry, how they go after businesses when they’re having a difficult time. They make it even more difficult with fines and more interest, and every time you turn around there’s something else, and eventually they came to us and they forced us to sell some assets to make up the loan that we had, to lower it. They forced us to sell Montana Beverage, which I liked a lot because it helped us work in the community and participate in the community. In the garment industry it’s Levi Strauss, it’s a company from out of town, our customers are not in El Paso. We sent our garments to a distribution center, who knows where they go. But I figured that in the beer business, that we had a good opportunity to work in the community and
contribute in the community. There’s kermeses and there’s all kinds of contributions that you can make being in that business, and I felt that by consolidating Miller products and Coors products and adjusting your workforce, that you could make money. The first year in business, I think we were in it about three or four years, we lost a million bucks and I said [inaudible]. It’s a twenty-six million dollar a year business, first year—expect to lose money. You don’t like it, nobody likes it. The second year, we lost half a mil. The third year, we lost about two hundred thousand, and the fourth year, we were gonna make anywhere between a quarter and a half a million dollars, and then seven hundred and fifty and then a million. And by now, we felt that we could cut into the Budweiser market share by a few points, every point is a million bucks, or was a million bucks back then. So that meant that we had about 26 percent of the market and Budweiser had about 75 percent, and then everybody else had the one. There were some other smaller distributors, very small, or maybe there is wasn’t. Maybe it was somebody like—well, I don’t know that there was, maybe we were the only ones. But I felt because of who we were, that we could compete and bite into the Budweiser market share by, again, being out in the community. Wendy was our representative and—

HG: Because you were Hispanic-owned, you thought that made a difference?

CV: I felt that that would make a difference, okay? And then people knew who we were and that contributed and this and that. However, we weren’t given the opportunity. The bank said, “Sell it, and sell.” And you sell it to whoever will buy it because the pressure. You take a loss and you give the money to the bank. So that was not a good experience. The one good thing that I did—well, that business wise anyway—was being here I accumulated close to a thousand acres of land, and the growth, you can see the growth out here. I felt that the growth was coming this way because you don’t have to be a rocket scientist, Juárez is south, New Mexico is west, the mountains in the middle of the community, Fort Bliss is there.
HG: So you bought a thousand acres in east El Paso?

CV: In east—right here in this area, from the loop to a mile east, very good land.

HG: Montana Street?

CV: Yeah, and the bank forced us to sell again, and I could’ve gotten more, but they were very aggressive. Five hundred and seventy acres here, next door—all the back where we had our farm and the ponds and all that, for housing, and I sold it for about seven mil, which four went to the bank, and I could’ve sold it for more if I could’ve waited, but they don’t wanna wait. And then they came to us and said, Cesar, we’re gonna sell your note. And I said, “Wow,” foreclose if you will. I said, “Well, I don’t like it. I don’t like it, but I know that you’re gonna do what you feel that you have to do.” We looked at the contract and we saw a clause that said that the bank could sell the note, but we would have to agree to it, and they were gonna put it out like an auction, right, bidding process because we had all these assets. And we said, Okay, you can sell it, but we have to participate. And they had to—we forced them, they had to agree to that. And then we felt that we could buy it. When Burlington went away, we owed about twenty-one million. When they decided to foreclose, we owed about 10.8 million. We paid a bunch of money in between by selling assets or doing whatever we had to do, the building, we sold. We said, Well, we’ll participate. And usually people that are bidding on this type of notes want to buy—you’ve heard about the dime on a dollar and a quarter on the dollar, we knew that. We knew that and the bank knew that, everybody knew that. And the bank knew that we wanted to keep what we had. And we found a group in El Paso that agreed to bid for us. Of course, they would become the new bank, right? And we bid seven and a half million dollars and we got it. It was very interesting the bidding process because they’re not gonna tell you how much, but we finally kept poking them. We were dealing with people in San Diego, in Phoenix, and in Charlotte, North Carolina, which is where their
Phoenix was our—the guys that were handling our account, and San Diego was some other office. We came in bidding like three million, and of course, they told us go away. Well, we finally got them to give us a number and they told us, You have to be somewhere north of seven. Wow. So we were 7.1, and we came out buying it for about 7.28, 7.3 [million dollars], which is great because we got what you call a haircut of three million bucks—three and a half million bucks. However, our new banker is 12 percent, so we’ve been hanging in there, and things are not all that bad. We still have a lot of land, that corner there I feel is worth $16.8 million dollars, or if you cut it up it can be worth up to twenty million dollars. When we bought the plant in—the land in Mexico, we bought a hundred and sixty acres and we were using it for irrigation purposes, but now the community has built a water treatment, if you will, with ponds and we can drain into their ponds. It’s a ways away, but there’s a series of canals and ditches where we can get our water there, and they have no problem with that. So what I’m saying is that there’s a hundred acres on the Pan American Highway, next door to the Cuauhtémoc Moctezuma (or??) Carta Blanca installation of their brewery, which their estimating anywhere up to eight hundred million dollar installation, so that means our land is worth something. So I’ve got a couple of guys flying to Monterey this week to see if we can sell what we have there. So we’ll pull it out somehow, I feel very good.

HG: How did El Paso treat you? I mean, you come from the Sherman projects and you had your Laundromats, and you start growing. The community didn’t know Hispanic business people, and you started emerging and jean washing became a very big industry. Of course, Levi was your buyer. How did El Paso treat you?

CV: That’s a very good question. I feel that El Paso treated me well, but that they treated others better, especially big money people that came in and did relationships with the right people, the what we all the good ole boy group, and they were treated better.
HG: Let me ask you, so as big as you got, you didn’t become a member of the good ole boy group?

CV: I say I didn’t, but when I was on the board at Chase, it was a very formal type of atmosphere, Mickey Schuartz was there and Jerry Rubin was there, Woody Hunt was there, all the big boys were there, and then there was (Ram??) and Martin, and Cardenas and other guys, other Mexicans that they invited. But it was a very formal type of atmosphere, very little participation. There was about twenty-two members and the ball was carried by Mickey Schuartz and that group more that anything else. Some of us participated just to participate, second the motion before anybody else does. John Rogers kept asking me to go to his bank, and he would send me the message with Ted (Houghton??). Ted’s a good ole boy. We call him the messenger between the good ole boys and the rest of us. [He said,] “Cesar, John wants you to join his board,” and “Cesar, John wants you to join his board,” and I said, “Ted, tell John to call me, what’s he sending you?” And the next day John called me and everybody knows John. I love him. We got to be such good friends, and I kinda choke up, but John called me and called me all kinds of words, all kinds of bad words, and the following week, I was there, and we talked. And I told him, “I know why you want me John, but it’s all right because I think I can help the community by bringing in small business people—small Hispanic business people.” And [he said], “That’s right, that’s what I want you for,” and it worked out like that and I was very happy that I could do that, bring in the small mechanic, with a small shop, or anybody like that. So I had a very good time and John and I became very good friends. However, when I started having banking problems I had to drop out because if you’re a board member you cannot be having banking problems. That hurt, but all in all, Steve was great. Steve Helbing became a very good friend and the guys at—what—Martinez (Ponds?? Fonz??), he was a very good guy, but still, you could not help, myself, I could not help but think that that big bank was big guys, and Rogers bank was also big guys, but they were local, they were construction guys. It was Mr. Foster, Chuck Foster, what was his name, that owned the Budweiser
distributorship before Robert Brown? And then, I cannot think—Charlie something. It was a Maria Elena Flood, who I love. It was a more my style, my type of people, it was a different atmosphere. We met once a week instead of once a month, and we all approved the major loans. We had a loan committee, but all the major loans and accounts came up in our board meeting. There was about sixteen board members when I was there.

HG: So you were more of a level player on [inaudible].

CV: Correct, I felt more like that and people—and they would come to me, What do you think, Cesar, of this guy’s—this Mexican businessman, pre-wash and press,” my friend Ortega, and, [I said,] “He’s great, he doesn’t owe any money, he pays cash for his buildings.” Then people like Robert Moreno, would tell me, “Hey, Cesar, I’m gonna bring this us, and you know him.” [I said,] “Sure, you do it.” And I would send a lot of small business people to the bank, to Robert Guerra, and there’s Viva Environmental, he’ll give me more credit than I deserve, but I kind of helped him, lead him to the right people.

HG: You’ve helped a lot of Hispanic businesses.

CV: Well, I guess I have, but it’s nothing that I wouldn’t do for just about anybody.

HG: Let me ask you a definition because you’ve had to deal with a lot, how would you define integrity?

CV: Integrity is being honest with yourself and with others. And when I say that it’s, I’m gonna charge you what I feel it costs, and I’m going to pay you what I feel it costs, also, or somewhere in between, but I’m not going to give you a price where all the benefit is going to me, and I’m not going to lie to you. I’m not gonna tell you to not do something that is good for you or to do something that is not good for you. And keep your word, keeping your word. You know, sometimes I get
disappointed that there’s people out there that do not have integrity, that they’re just looking to take advantage. I run into a lot of that, maybe because I still believe in the old handshake thing, and my attorneys tell me, You don’t do that anymore, Cesar. You’re too big, you can get hurt, people can get to you. And it’s a shame, but I hesitate now doing a handshake deal because not everybody thinks like we should.

HG: Let me ask you, how did you learn to run business?

CV: I do not know that I know, yet (laughs). One thing that I’ve been very fortunate is surrounding myself with the right people and even then, you cannot always wind up with the right people. I’ve had problems with some of my help, but I feel very good inside that I did the right thing. But I also tend to give people freedom to do what they feel is right, and sometimes that’s not good either, that I do not look at the bank accounts or where the money is going, and that’s not good. But I’m like that, and I’m always saying, “I’m gonna ask the accountant to give me a list of who’s spending what,” but I forget, so I trust people. I trust people a lot and I’m gonna say that 90 percent, maybe 80 percent of the people respond favorably, but there’s the other percentage that may or may not.

HG: Can I ask you, what is the biggest rule that drives you? You have a rule that you go by? What are the big rules that you go by?

CV: I think it’s being fair, being fair and being as charitable and giving as you can without hurting yourself because you can also—I’m not at that point where I can hurt myself, but I do find myself running out of pocket money because to me, a hundred bucks is really nothing, but to somebody else, it can mean a lot. And if I have it, I’ll give it away.

HG: What’s the future?
CV: The future is paying my note and again, we’ve got the assets, we just gotta find the right people. We know what we have here. There’s a corner, there, that’s the biggest and most important corner on this side of town. I’m projecting that corner in five to ten years will be one of the busiest intersections in El Paso, so I feel good about that. I feel good about our land in Mexico, and once I pay my debt, then I can, kind of, sit back and relax a little more.

HG: And you’ll be the sole owner of that?

CV: Everything will be mine.

HG: Mr. Viramontes, it’s been inspiring for me to listen to you. I’ve known you for years, as a man of integrity, and as a giving man, and to hear your story has been very fulfilling for me and I trust for others, and I thank you very much for your time in this will end the interview. Is there something you’d like to finish with?

CV: I thank you and I appreciate your friendship and what you think of me, it’s very important to me. I appreciate it. Thank you.

HG: Thank you very much, and this concludes this interview.

[End of Interview]