Brand Names: A Basis for Unity

Address by

Hon. James A. Farley

Chairman of the Board

The Coca-Cola Export Corporation

at the

Annual Brand Names Day Dinner
Waldorf-Astoria Hotel
New York City
April 16, 1952

Not printed at Government expense

EXTENSION OF REMARKS

HON. JAMES J. MURPHY

OF NEW YORK

Mr. MURPHY. Mr. Speaker, under leave to extend my remarks in the Record, I include the following address by the Honorable James A. Farley, chairman of the board of the Coca-Cola Export Corp., at the annual Brand Names Day dinner at the Waldorf-Astoria Hotel, New York City, on April 16, 1952:

Brand Names: A Basis for Unity (Address by Hon. James A. Farley)

First, let me congratulate the fine men and women who, in behalf of their stores, have been so signally recognized here tonight. Both personally and on behalf of the company which I represent, may I extend good wishes to them and to their business associates back in their home cities.

In this recognition of achievement I see a singular significance. It is particularly American. And it goes beyond the high contribution so well described in the citations themselves.

These outstanding retailers have been rightly recognized "for outstanding presentation of manufacturers' brands to the public." That is a most praiseworthy accomplishment—for it has brought about a notably better understanding by the public of a major aspect of our way of life.

But in this event—which climaxes another great Brand Names Day—I see a significance beyond the successful promotion and selling of good products—beyond even the great contribution of creating a better understanding. I see in it the great significance of national unity. In spite of any surface signs of disagreement, which may be read

into the reports of the day, we do have a basic unity. And this celebration proves it.

Back of this event tonight, merchants throughout the country have made skillful presentation of thousands and thousands of worth-while products. They have sold to the public not only the goods and product values but the aspirations and quality standards of thousands of manufacturing companies.

The manufacturers themselves, as well as trade associations, jobbers and distributors—in all branches of merchandising—have worked as one cooperating team. The advertising profession has given freely of its talents. All the media of information and advertising—newspapers, radio, magazines, the trade press, outdoor, transit, direct mail and others—have contributed their enlightening forces.

Nearly all of the members of this team are strong and energetic competitors of each other. Yet, in this cause, all of them have worked together in harmonious unity. To me, this effort symbolizes a unity that transcends all differences of interest, all competitive or conflicting forces that may from time to time divide us. It is the kind of unity which is the strength of America. It demonstrates our remarkable and ready ability to get together in the advancement of wholesome principles in which we believe. It is the kind of unity that shall be the ultimate salvation of our country.

Enemies of our way of life also have a unity. But theirs is of another kind. It permits no difference of ideas, no competition, no freedom of choice. It is an insidious unity of Godless fanaticism. It is based on hatred and maintained by compulsion. In vivid contrast to this Communist unity—and that is what I refer to of course—is cur own national unity. I know of no better

background against which it may be highlighted than the brand names system. Let us consider for a few minutes what brand names stand for.

First, our brand names and trade-marks symbolize America's products. Then they symbolize the maker of the products. Then the reputation of the maker. Then, and, even more important, they symbolize the responsibility of the maker. Every one of the great galaxy of American trade-marks implies a unity of responsibility.

It suggests the individual's responsibility for his acts, the corporation's responsibility for the quality and value of its products. It expresses the seller's responsibility for his service. Each one in the chain stands responsible and accountable. For, in America we do not believe that our responsibility can be passed onto someone else. We do not believe it can be passed from our shoulders onto the shoulders of others, nor from the others onto the state. In American business we are men of responsibility, honor, and integrity, and may God preserve us in that tradition.

Sometimes we hear those who would like to tear down our system claim that brand names are monopolistic. But, we know that is untrue. Brand names are the very opposite of monopoly. For, in addition to the freedom of choice, which they make possible, brand names and trade-marks create competition. And that competition expresses, in a very positive way, our belief in progress and in our basic American optimism. It shows that we are never satisfied to rest on our laurels. We believe that no product, no act, no plan represents the ultimate achievement. We see it as just a step on the path toward better products, better acts, or better plans. No matter how good we make the better mousetrap. we know that some day we will make it still better. Or if we do not, we know some bright competitor will come along and do it

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for us. This philosophy is implied in every ad you run, every sales talk you make, and every transaction you ring up.

In offering competitive brands we express also our deep respect for the individual and our belief in his ability to exercise his own good judgment. We offer him our products and provide him with information and suggestions to buy. But he makes the decision. He chooses or rejects whatever we offer. And in that selection he is governed not by any form of compulsion, but solely by his own individual taste or requirement.

You imaginative men and women, who by your daily acts foster and promote our brand name system, are making a great contribution. You are helping to keep these principles alive in the thought and action of our public. And in that way you are helping greatly to bind together all sections and segments of our Nation.

From just this brief review, it is easy to appreciate the great value of the brand-names system to America. But if it has such great value to us, is not its value even greater to the peoples of other countries? I think so, because it can well serve to keep alive the concepts of responsibility and integrity throughout the world.

I do a good bit of globetrotting in my job. And I have an unusual opportunity to observe the effects of American business ideas and practices on the thinking of other peoples. In world trade the brand-names system holds a unique place. Some authorities go so far as to say that international trade is inconceivable today without it. Actually, merchandise is sold by brands in foreign markets, even more than it is sold in our own markets. And on the trademark we base our greatest hope of expanding world trade.

That is true because the trade-mark is often the only thing that cuts across national and ideological barriers. In nearly

every country in the world—Russia and her satellites notoriously excepted—the integrity of trade-marks is vigorously upheld.

To any world traveler it is heartening to see how widespread American products are distributed. You will find them in every corner of the globe. It may be an International Harvester combine at work in the wheat fields of Argentina. It may be a GMC truck along the dikes in Holland. Or perhaps it is a Singer sewing machine, humming busily away in a little Italian tailor shop. Maybe it is a pack of Luckies, jealously hoarded by a Nile boatman at Cairo, or a Hershey bar in the eager hands of a little child in West Germany. In Brisbane, in Calcutta, in Rio, Rome, or Paris American brand names may be found by the hundreds. And wherever you find them they are making friends for America.

Brand-name products are also filling the needs of the boys on the battle fronts of Korea. This time, the military did not repeat the mistake of supplying unknown brands of cigarettes, chewing gum, and other articles to our servicemen. In World War II, you will remember, the infantry raised a very proper protest. Today, they may not get exactly their favorite brand of smoke, but you may be sure they get one of the better known popular brands. And it is the same with shaving cream, candy, and other things. I am very proud of the fact that the men right up along the front lines can now enjoy a daily taste of America in a delicious and refreshing ice-cold bottle of you know what.

Implicit in every American product is the idea of fair dealing, of identification, and of responsibility—the idea of a contract entered into in good faith and performed in good faith—the idea of a promise, freely made and faithfully kept. These ideas and associations are recognized by people everywhere in the world. Therefore, the distri-

bution of American products in world trade is more important today than ever before.

As a globe trotter, you are impressed by another startling thing. The world is tired of words. Everywhere the meaning of words is tending to break down. They are used by too many people in too many untruthful ways. The finest words have been used to make so many promises that have not been kept that people have become skeptical. Everywhere in the world people have been driven by abuse of language to judge you not so much by what you say as by what you do.

Now, it is a well-known fact that people understand things much better than they understand ideas. When we speak to a man in another country of democracy, he may or may not understand us. The idea may be beyond his comprehension; or perhaps a poor brand of democracy has been sold to him by somebody else before. But when you give him a ride in your jeep or offer him a Chesterfield, a package of Chiclets, or even a soft beverage of some kind, this is something he can easily judge for himself.

We are therefore in a position where the things that we manufacture—American brand name products—are perhaps the best proof of what we are and the best ambassadors of our country.

I should like to cite a case in point from my own experience with Coca-Cola. If you were to visit Alexandria, Egypt, you would find there a modern Coca-Cola bottling plant. It sets new standards of sanitation in the manufacture of foodstuffs. Every food plant that will be built in the future in Egypt will be the better off for the example which this modern Coca-Cola plant has set. A public health official in the Near East told one of our people that the influence of Coke on sanitation would be one of the most effective factors in promoting health that had ever reached his country. To use his

in gold as education in cleanliness."

At the Coca-Cola plant in Africa, shower baths for the employees is mandatory. In the beginning it was hard to get employees because shower baths were required. Today, people come and inquire at this plant for work, giving as a reason the fact that they can take a shower.

This influence goes far beyond the physical. For example, again in Egypt, the Coke man wears a uniform. At first the employees were skeptical. Today they wear it as a badge of honor because it represents to them and to the people that they deal with the whole idea of fair treatment of a salesman by his employer and of a dealer by his salesman. One of our salesmen is one of the wealthiest people in his community. He sells Coca-Cola not because he needs to make a living but because it gives him prestige.

The more people we expose to American products and American ways of business, the better they will understand the kind of people we are. The more who experience our merchandise, the better off both they and we will be, and the greater the mutual understanding between us. Who knows-history may record that we won and kept more friends with American products than we did with all the billions upon billions of dollars we have poured into our efforts at world rehabilitation.

Now it is quite obvious that we who are joining in this celebration tonight are united in our allegiance to the brand names principle. If we were not, we would not be here. We know, too, that the vast majority of the people of our Nation also are with us in that allegiance.

But are we sufficiently alert to the dangers which continue to beset the system? I am afreid we're not always so. Sometimes the dangers come from the inside and we over-

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own words, "Coca-Cola is worth its weight look them. Sometimes they come from the outside and we are apathetic. Some of them arise in the legislative halls of our country and some of them arise from practices we permit in the conduct of our own businesses.

> In nearly every Congress, thinly disguised socialistic measures are introduced which would damage our system beyond repair.

> They ask for mandatory standardization, mandatory grade-labelling and other restrictions on the development of brand names and trade-marks. On the surface, these measures always seem to promote and protect the public interest. That is the way they get their support. That is the way they carry along with them so many intelligent, but over-trusting people. But the benefits are only superficial.

The proponents of these measures hold out the bait of total security. They profess to eliminate all risk from purchasing, all risk from the supply and exchange of goods. But what they would really do is to take away from our public the right to pick and choose. the right of a man to give his patronage to the product he likes best, based on his own good judgment. And for his judgment they would substitute the judgment of government bureaucracy.

Many of the supporters of these measures are well-meaning, but they are being taken in by clever socialistic schemers who would substitute government regulation for all public decision. Let us watch out for all totalsecurity measures, either in trade or other phases of American life. Let us beware the "mess of pottage."

Time and experience have taught us that total security is the forerunner of regimentation. For every benefit, some price must be paid. Let us look at the price and scrutinize it closely before we buy the "social" measure.

Now this is not a political speech. I have no political axe to grind. But this is a most important political year. Candidates of either party may be tempted to offer short cuts to total security in return for public support. Let us keep our eyes on basic principles. Let us be particularly wary of any proposal or plan which would limit or subordinate the influence of a trade-mark on our economic system. For that kind of proposal makes the best kind of example of a price that is too high for the merchandise.

On the internal side, too, in the conduct and practice of merchandising and trade, we should be always alert. We should, each of us, respect our own brand names. We should, as members of this association, respect and protect the brand names of each other. We should guard them both-our own and others-against the commercial pirate, whether his offense be against commercial legality or commercial morality or commercial fair dealing.

I have said this is not a political speech. I repeat it. But this may be an appropriate time to remind ourselves of the close parallel between the brand-names system and some of the basic fundamentals of our system of government.

We, as Americans, have a prized and hardwon heritage-the right to pursuit of happiness-the right to approve or disapprove without fear of reprisal—the privilege of participating directly in politics or helping to police it from the sidelines—the privilege of firming the fiber of our country, either through public service or private endeavor.

We recently witnessed the rejection by a President of the possibility of another term of office. In this land of individualism, where record of performance is subject to acclaim or to blame, there was varied reaction. Many were saddened by this decision, many were heartened by it. But so long as it is possible to take sides, so long as there is public voice. so long will the greatness of this Nation endure.

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Out of government and the military, men of different backgrounds, training, experience, and virtue have been put forward as successors to that office. The 2-party system will pit one against the other, but out of the heat of campaigning, out of the crucible of public scrutiny and a free vote will come the leader. Whoever he may be, we will give him our wholehearted support.

Wherever free public examination and judgment remain unencumbered, wherever the ultimate decision rests with the people. there will the blood streams of both good government and good business continue to be nourished.

At this time, I should like to add a word of praise and commendation for the Brand Names Foundation itself. During the past few years I have watched its steady growth with increasing interest. I have been impressed by the remarkable teamwork of all the factors in our economic system, which have cooperated to bring it to its present flourishing status. I am impressed by its promotion of the positive values in our national life-by the fact that it has carefully avoided any emphasis on the negative or knocking side. Also by the simplicity of its approach and the very effective way in which it is taking the brand-names message to the people.

I should like to urge on all reputable brand manufacturers their increased support for the program. I know we can look to all media of information and to the wholesalers and retailers of our country for their continued cooperation.

I see in the Brand Names Foundation, as it is constituted and operated today, an important spearhead of industry's part in the strengthening and advancement of America. I am proud indeed that the company which I represent, and I, personally, can have a share in that mission.

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