

# MARKETING

The background of the cover is a dark, textured blue. Overlaid on this is a large, stylized 'X' shape. The 'X' is composed of several overlapping, semi-transparent shapes in shades of blue, green, and red, creating a complex, layered effect. The lines of the 'X' are not straight but have a slightly wavy, organic quality.

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# MARKETING

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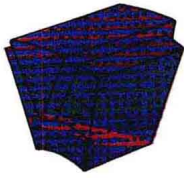
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# Preface

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This textbook elaborates on the proposition that marketing is a concept, a business function, and, of course, a discipline—that is, a teachable, learnable body of knowledge. The marketing *concept* shifts the focus of business from production and the factory to the customer. The marketing *function* is the activity whereby an organization identifies consumer wants and needs, determines which customer segments to serve, designs products to serve those selected segments at a profit, and communicates to target audiences the benefits and values of its products.

## SOME THEMES FOR THE 1990s

*Marketing* is designed to present the *discipline* of marketing in a lively and interesting fashion. It also strives to introduce students to the field in a timely manner, and in addition to covering the basics, we have integrated throughout several key themes that make this book unique in its own market. These themes include the following:

### The Real World of Marketing

In addition to introducing students to key principles and concepts, we hope to leave them with an appreciation of the same principle that motivated us to write *Marketing*: namely, the conviction that marketing is one of the most exciting areas in business.

Among the most exciting areas of marketing are, of course, success stories: stories focusing on new goods and services that succeeded in filling consumers' needs—stories that are themselves full of gambles, accidents, and even high drama. There is, for example, the excitement that a marketing manager experiences when R&D achieves a breakthrough that gives a product that crucial competitive edge; there is a certain thrill when a new product is finally authorized to be carried by one of the big retail chains; even learning that last quarter's sales figures came in above forecast can be cause for some elation in the marketing department.

Of course, the story of marketing doesn't consist entirely of successful episodes. And, to be sure, not all marketing activities are glamorous—in fact, not all success stories are glamorous. For example, marketing can mean long hours on the road checking out stores and manufacturing facilities; and it can, of course, be an intellectual challenge—hours spent tabulating and evaluating gross-margin dollars per cubic foot of space; and you do get to meet people—you go to a lot of meetings.

Marketing successes don't come easy—they tend to appear after bouts of hard work. More importantly, success results from putting the principles of marketing to work in all of the marketing mix areas to which you will be introduced in this book—research, product development, pricing, distribution, retailing, and marketing communications. It's the purpose of *Marketing* to weave the realities of these activities together with what we know about marketing from research and theory to give you a balanced view of basic marketing principles.



**Professional Advisory Board** When we say that someone has “textbook knowledge” of a subject, we often imply that the knowledge in question is somehow impractical for—and perhaps irrelevant to—most purposes. Although *Marketing* has been developed as a thorough survey of basic marketing principles and theories, we present the fundamental aspects of marketing practice—we try to paint a realistic picture of what marketing does and marketers do. Toward that end, we have enlisted an Advisory Board of distinguished marketing practitioners (see pages xxiii–xxiv). In addition to assisting us in writing the book by reviewing chapter material to ensure completeness, accuracy, and currency of content, these individuals also contributed illustrations, behind-the-scenes stories, and case-history material.

We wish to acknowledge their generous and valuable insights, and we are confident that their participation in this project has brought to *Marketing* a unique and practical dimension to our study—and yours—of the field of marketing.

## Big Ideas and Big Risks

Marketing has always been a dramatic backdrop for stories about big ideas and big risks. Ivory soap, for example, was a classic gamble in 1837 when William Procter and James Gamble formed a candle and soapmaking company to sell the new product—a company that would evolve into a \$17 billion consumer package-goods giant 160 years later, with household brand names worldwide, and the innovator of many of marketing’s most basic practices, including uniform packaging, brand management, and brand advertising.

The Maine hunting shoe was an innovation in target marketing when L. L. Bean invented a popular, practical hunting boot in 1911. Bean not only conceived both a market to which to *target* the boot to (the out-of-state “sport”) and a company *image* (that of a trustworthy backwoods guide the customer could rely on for quality products), but pioneered a new form of marketing that used *direct response*. Today, Lands’ End, a *catalog* retailer based in Dodgeville, Wis., uses this same approach to marketing to achieve leadership in its field.

In the 1950s, the Volkswagen “Beetle” defied virtually every tenet of automotive marketing to revolutionize the industry and outsell every individual model that the Big Three U.S. car makers could put on the road—a record that’s still in the books: Singlehandedly, the odd-looking “compact” from West Germany created both a small-car market in the U.S. when consumers were supposedly interested only in big cars and a market for imports when domestic models completely dominated American highways. The Mazda Miata is a contemporary version of the same story—a marketing gamble that defied traditional wisdom and became a major success story.

Today, in an era of billion-dollar global mergers, leveraged buyouts, and nine-figure marketing budgets, the stakes are even higher. Although there are still acknowledged superstars like Coca-Cola and IBM who continue to dominate their respective fields, veteran challengers like Pepsi and Apple, as well as a new generation of players like Philips, Sony, and Nintendo, are developing new principles about how marketing works—and putting them into highly successful practice.

Ultimately, although the “big idea” is as important in marketing as it ever was, the reality of marketing today is the fact that the big idea must also be *profitable*. Reducing risk and increasing the odds of success require two skills of today’s marketer: understanding basic marketing concepts and being able to put both marketing theory and research to work toward strategically selected objectives. The proof of this formula is in the success of *marketing-oriented* companies like Apple, which recognized consumer wants and needs and designed the computer for the rest of us. Of course, some products have not paid off—the videophone, for example, has been a

product without a market for the last 25 years—but other products, like cellular telephones and fax machines, have proved to be right on target.

## Marketing Planning

One of the most important things to note as you begin your study of marketing is that most major success stories were *marketing-driven*. Having an innovative big idea—as did Fredrick Smith, who developed the idea for a nationwide overnight parcel delivery system in his college economics class and so created Federal Express—can revolutionize a market and even create a whole new industry. By the same token, even ten years of planning and research cannot guarantee success when planners misread their own research and their own market—as did the Ford Motor Co. when it launched the most famous failure in the history of marketing with the Edsel in 1958.

**Strategy and Planning** How could the company that hit the target so squarely with the Thunderbird, the Mustang, and the Taurus miss it so far with the Edsel? We subscribe to the premise that marketing is too important to be left to the marketing department: that is, to the idea that marketing *planning* should be oriented by and toward organizational *strategy*. The difference between planned success and failed planning—and the fundamental concept of *strategic orientation*—lies in understanding the marketing concept: knowing consumer needs and wants and using that knowledge to plan products, target markets, set prices, select distribution channels, merchandise a product line, and plan marketing communications programs. Successful companies realize that marketing is more than just a way of “selling” a product: It’s a “philosophy” which is shared by everyone in the company and which dictates the firm’s relationship to its customer markets and other stakeholders, including suppliers, the community in which it is located, and even its competitors. As the field has evolved from mass marketing to niche marketing—and now to one-on-one marketing using databases and direct response—the basic principles of the marketing concept, with its emphasis on consumer-centered strategy and planning, are even more important.

**The Marketing Plan** Another important and unique feature of this book—a key element in the strategic operations of most successful companies and organizations—is the *marketing plan*. That plan conveys strategies and concepts and focuses the attention of both internal departments and external suppliers on specific marketing objectives. And it performs the same crucial function for giant multinationals like General Motors and IBM, for smaller companies like Ben and Jerry’s Ice Cream, for nonprofits like the United Way and Junior Achievement, and for services like KinderCare.

At the same time, of course, marketing is an art as well as a science, and although the discipline of marketing may be most visible in carefully constructed marketing plans, the “art” is evidenced in the strategies and tactics implemented by the marketing experts who bring plans to fruition. Because successfully *implemented* marketing plans are developed to meet the needs of *consumers* with products that create value for them and make their lives easier, we think it fair to say that most marketing blunders—like the Edsel—derive either from misreading consumers and what they want or from misreading market opportunities. Preventing such failures is the underlying purpose of the marketing plan.

Although planning and strategy are discussed throughout this book, the focus of this discussion is the marketing-plan outline which is introduced and developed



in Chapter 4 and illustrated in the material provided for us by the Honda Motor Co. for both a series of boxes comprising *The Honda Story* and a concluding *Planning Case Study* devoted to the remarkably successful Honda Accord at the end of the book.

## Global Marketing

Today, we find ourselves in a global-marketing environment. Whether or not a given company chooses to market its products beyond its own national borders, even small domestic companies realize that they are in effect engaged *by* if not necessarily *in* international marketing: After all, virtually every company's markets are now threatened by foreign competitors, and even if a firm's strategy does not call for the active international marketing of its products, it must acknowledge global competition as a factor in its marketing environment.

A marketing book, therefore, simply isn't viable unless it has an international perspective. First Volkswagen, for example, and then the Japanese automakers who followed in its footsteps taught the U.S. auto giants that their industry was a global one and that they couldn't turn their backs on international competitors and markets. The fact that there is a growing list of successful international companies and brands—Coca-Cola, Marlboro, McDonald's, and Boeing from the U.S., Nestlé, Sony, Yamaha, Unilever, Honda, and many others from Europe and the Far East—means that many of the big marketing stories of the 1990s will inevitably underscore the importance of global marketing issues, practices, and strategies.

Because global marketing is such a crucial aspect of today's marketing, this book does not relegate the topic to just one chapter at the end of the book: With discussions of global principles and practices integrated into every chapter, *Marketing* avoids the unconscious bias that limits the approach of so many textbooks to applications drawn almost entirely from the U.S. market. Although the discipline of marketing is universal, real markets are unique. We thus focus throughout on global or multicountry examples to illustrate basic marketing principles and practices.

## Integrated Marketing Communications

One of the most important elements of the marketing plan—and an area that demands a large proportion of the marketing manager's time—is *marketing communications*. Thus, while this text naturally covers all the basics of the marketing mix, one feature that differentiates it from other texts is its coverage, in Part VI, of "Marketing Communications," including a chapter devoted solely to introducing this important—and often undervalued—element of the marketing mix.

Along with the four chapters that follow it, Chapter 18, "Marketing Communications," recognizes an industrywide trend toward integrated marketing communications and presents the important relationships among these strategic communication functions—personal selling, advertising, sales promotion, direct-response marketing, packaging, and public relations—in building long-term brand value as well as short-term sales results.

## You and Marketing

A class in marketing can be much more than a curriculum requirement. This book—and your class discussions—will introduce you to an important aspect of contemporary culture; at the same time, your course in marketing can make you a more informed consumer—and thus a more critical participant in marketing practices. After

all, we are all consumers, and you are already involved in marketing every time you walk into a store (in fact, every time you turn on your television). This book will help you understand why one store prices the same product higher than another, why and how products are packaged, how we are influenced to buy certain things, why advertising uses the messages it does, how we are protected as consumers, and how we can take advantage of marketers' increasing concern for consumer satisfaction.

Should you become a professional in some area of marketing, the principles in this textbook will also serve as your introduction to the big ideas and big risks that make marketing such a dynamic field. John Smale, former CEO of Procter & Gamble, once described as follows the roles of the *idea* and the *risk* in P&G's philosophy of marketing world-class products:

It means a product that's the best execution that anybody in the world does or has. Another phrase we use is "big product edge." That's designed to communicate to the people responsible for innovation in a product area that their job is to provide product innovation that will be perceived by consumers as clearly better than anything else in the marketplace . . . And they can't achieve it without taking some risks—risks of failure, risks that they'll go along a certain line and it won't work.

## COVERAGE: FEATURES AND FOCUS

In addition to the emphases discussed above, *Marketing* devotes extended coverage to the following important areas:

- *Competitive Advantage* Focusing on such topics as "Product and Brand Competitive Strategies," "Company Competitive Approaches," "Types of Competitive Advantage," and "New Approaches to Competitive Advantage from Global Marketers," Chapter 9 covers the important subject of competitive advantage in depth.
- *Services* Chapter 11 places emphasis on the marketing of services by considering services in the context of "The Product," and not as some "extension" of marketing activities; "The Service Sector" is examined fully, as are "Characteristics of Services," "Strategy in the Service Sector," and "Global Issues for Services."
- *New Products* Rather than relegate the coverage of new products to a subhead in some larger chapter on "Product Management" or "Development," we've chosen to use Chapter 12 as a complete discussion of new products, including sections on "New-Product Strategies" and "Developing New Products for Global Marketing"; a key feature of this chapter is an extended discussion of "The New-Product Development Process."
- *Branding* Unique to *Marketing* is its full-chapter coverage of branding—an increasingly important development, especially for frequently purchased consumer-package goods; Chapter 13 fully covers "The Brand-Development Process," "Branding Strategies," and "Globalization Strategies" for branding products.
- *Sales Promotion* In deciding to devote a five-chapter section to "Marketing Communications," we have included a full chapter on sales promotion; in addition to covering the increasingly important debate on the relative effectiveness of advertising and promotion, Chapter 21 gives full treatment to such areas as "Sales Promotion and the Marketing Mix," "Sales-Promotion Tools," and "An International Picture of Sales Promotion."
- *Direct Marketing* Similarly, the "Marketing Communications" section of *Marketing* includes a full chapter on direct marketing; Chapter 22 not only discusses the advent and growth of direct marketing but focuses on important new developments, with complete sections on "Database Marketing," "The Media of Direct Marketing" (including descriptions of such new technologies as audiotext, videotext, and computer data disks), and "The International Growth of Direct Marketing."



- *Ethics and Issues* In addition to an introduction on “The Meaning of Marketing” and a section on “Global Marketing Dynamics,” Chapter 1 includes a full section on “Societal Marketing” that details the progress of thinking about the social impact of marketing and culminates in a discussion of the growing importance of ethics in business; then, 18 applications throughout the book explore in detail the experiences of real-world companies in coming to grips with ethical and related questions encountered in the marketing environment.
- Finally, we believe that instructors will be pleased to find updated coverage of the following areas in *Marketing*: the consumer decision-making process, geodemographic segmentation, centralization/decentralization, situation analysis, speed to market, micro-marketing, contemporary retail practices, media planning and buying in advertising, couponing, consumer- and trade-promotion tools, managing global marketing programs, the new environmentalism, the impact of Europe 1992, and the opening of Eastern Europe.

## LEARNING AIDS

To help students in their study of marketing, this book includes the following learning aids:

- *Objectives* Each Chapter Opening introduces the student to key principles and outlines the basic knowledge to be gained from studying the chapter.
- *Opening Vignettes* Each chapter opens with a little bit of “drama”—a mini-adventure from the files of real-life marketing designed to engage the student’s interest.
- *Advertisements and Full-Color Illustrations* Full-color ads are chosen not simply for graphic illustration but to offer insight into the marketing strategy that inspired them; throughout the book, engaging full-color line drawings give graphic dimension to principles and concepts.
- *Photographs* Gleaned from a variety of professional sources, photos and photo spreads do more than create “mood” by offering “student annotations”—real-world specifics about numerous companies and products.
- *Highlight Discussions* Boxes placed throughout the text put principles into sharper relief by developing specific approaches to them—*Global Marketing*, *Ethics and Issues*, *Marketing Issue*, and *Marketing Management*.
- *Honda Planning Case Study* Included in this book as an integrative application for in-depth study is a special case devoted to the development and marketing of the 1990 Honda Accord; working with marketing professionals at the Honda Motor Co., we have designed this feature as an integrative case that draws upon material supplied by the Honda marketing plan for this immensely successful product; the purpose of this case is to integrate the concept of the marketing plan with the boxes comprising *The Honda Story* that have been included throughout the book so that students can gain practical appreciation of the relationship between the formal planning process and specific marketing functions.
- *Key Terms* Highlighted in the margins for ready access and study, essential concepts are clearly defined; an extensive glossary also provides convenient reference to all key terms.
- *Summaries and Review Questions* Key Points Summaries wrap up the main ideas in each chapter, and Review Questions prompt students to focus on the basics of the material covered.
- *Company Cases* To enliven and direct classroom activities or written assignments by challenging students to apply principles to real-life examples, a Company Case follows every chapter and an Integrative Case every unit.
- *Video Cases* Available through the *ABC News/PH Video Library*, 21 documentary episodes culled from the files of such ABC News programs as *Business World*, *Nightline*, and *20/20* anchor lively chapter-ending cases.



- *Appendixes* Appendixes on *Marketing-Data Analysis and Mathematics* and *Careers in Marketing* complement the text with additional information and practical advice.
- *Indexes* Three indexes—covering names, subjects, and companies and products—enable readers to find both information and examples.

## SUPPLEMENTS

Because a successful course in marketing requires more than a well-written textbook, Prentice Hall makes available the following supplemental aids for teaching and learning:

- *Annotated Instructor's Edition* Prepared by Mary Joyce of San Francisco State University and Kathy Krentler of San Diego State University, the *AIE* is a special version of *Marketing* with helpful annotations for the instructor.
- *Instructor's Resource Manual* Professors Joyce and Krentler have also compiled a manual that provides instructors with chapter outlines, vignettes, discussion questions, and a complete course guide.
- *Study Guide* A supplement containing study tips and exercises to help students throughout the course has been developed by Gus Petrides and Howard Budner of the Borough of Manhattan Community College.
- *Test Item File* Working with consulting specialists in testing and evaluation, Thomas and Betty Pritchett of Georgia College have prepared the entirely new *Atlas TIF*, which has been thoroughly tested for content, construction, categorization, and coordination; two versions of the *IBM Test Manager* allow instructors to create and save exams.
- *Color Transparencies* *Marketing* is accompanied by a set of full-color transparencies, drawn from both the text itself and outside sources, that enable instructors to highlight textual material.
- *ABC News/PH Video Library* A joint venture between ABC News and Prentice Hall has produced a highly acclaimed comprehensive library of videos, including features and documentary excerpts from a variety of such ABC News programs as *World News Tonight*, *Nightline*, *20/20*, *Prime Time Live*, *Business World*, and *This Week with David Brinkley*; both relevant and entertaining, these high-quality videos are carefully coordinated with 21 chapter-ending cases, and the library compiled for *Marketing* contains more than 25 additional video segments selected for their applicability to subjects covered in the text; to help instructors effectively integrate video material into classroom activities, both Video and Company Cases are supplemented by commentaries and suggestions in a complete *Case Study Guide*.
- *The New York Times/PH Contemporary View Program* A carefully prepared “mini-newspaper” provides instructors and students with recent articles selected from the pages of *The New York Times*; linking both the text and the classroom with today's real-world business environment, this 32-page complimentary supplement is updated and issued twice yearly to ensure accuracy and timeliness; instructors (in designated areas) who adopt *Marketing* are eligible to receive a free one-year subscription to *The New York Times*.

## ACKNOWLEDGMENTS

A textbook is a collaborative effort, and that fact has been especially true in the writing of this book. We are indebted to our students, teachers, and clients, all of whom have challenged and stimulated our thinking. Special thanks are due to our Advisory Board for their counsel and guidance and to Mark Green of Simpson College, who wrote most of the cases for *Marketing* and assisted in the development of three chapters. Fred M. H. Gregory, formerly Senior Editor of *Motor Trend* magazine, compiled and composed the material in the highlights comprising *The Honda Story* and the *Honda Planning Case*.

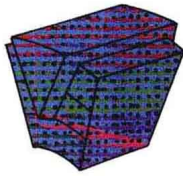


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A dedicated and distinguished reviewer panel provided invaluable comments, suggestions, and guidance at several critical stages during the project. We are indebted to the following colleagues for their insight and attention to a wealth of detail: Robert L. King, University of Richmond, VA; Richard Spiller, Cal State, Long Beach; Gregory Wood, Canisius College, NY; Nathan Himmelstein, Essex County College, NJ; James Gould, Pace University, White Plains, NY; Linda Anglin, Central Michigan University; Michael Solomon, Rutgers University; Robert Gwinner, Arizona State University; Douglas Mellott, Radford University, VT; Tom Trittipo, Central State University, OK; Marc Goldberg, Portland State University, OR; Dean Siewers, Rochester Institute of Technology; Janice Gygi, University of North Texas; Linda Morable, Richland College, TX; Allan Palmer, UNC Charlotte; Charles White, Edison Community College, FL; Neel Wright, Frostburg State College, MD; C. L. Abercrombie, Memphis State University.

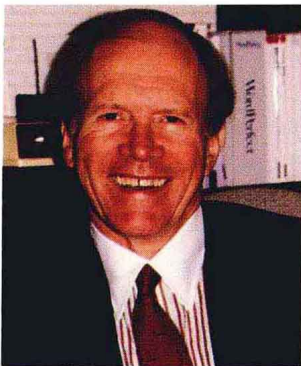
We also owe a great debt to the professionals at Prentice Hall who recognized the need and the opportunity for *Marketing* and who provided insight, advice, suggestions, and the line-by-line editing that contributes throughout to the readability and clarity of this book. We would like to acknowledge the following people: Publisher, B&E, Garret White; Senior Managing Editor Jeanne Hoeting; Managing Editor, B&E, Fran Russello; Art Director Christine Wolf; Designer Kenny Beck; Supplements Editor Lisamarie Brassini; Manager, Photo Archives, Lorinda Morris-Nantz and Photo Researchers Rona Tuccillo and Terry Stratford; Editorial Assistant Ellen Ford; and Permissions Researcher Karen Eisen. The production of the book was supervised by Keith Faivre. Our creative and talented Development Editor, Ron Librach, has been involved from the very beginning in every element of the book—chapters, cases, supplements. As Editorial Consultant, Linda J. Bedell painstakingly edited every chapter under grueling deadlines.





# About the Authors

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WARREN J. KEEGAN



SANDRA MORIARTY



TOM DUNCAN

**Warren J. Keegan** Warren Keegan is Professor of International Business and Marketing and Executive Director of the Institute for Global Business Strategy at the Lubin Graduate School of Business, Pace University, New York and Westchester. He is also President of Warren Keegan Associates, Inc., a firm that specializes in assisting clients in the field of global marketing and competitive strategy. The 4th edition of his best-selling graduate business school textbook, *Global Marketing Management*, was published in 1989; with Marieke de Mooij, he has authored *Worldwide Advertising* (Prentice Hall International, 1991), and a new book, *Principles of Global Management*, will be published by Prentice Hall in 1992. He also serves on the editorial boards of numerous leading business journals, including *The Journal of Global Marketing* and the *Journal of International Consumer Marketing*.

Formerly with the Boston Consulting Group and Arthur D. Little and a marketing analyst at General Motors, he has also served as Assistant Secretary, Ministry of Development Planning, Government of Tanzania. His teaching experience has been equally broad, including appointments at IMEDE (Lausanne), Columbia Business School, George Washington University, New York University, INSEAD (Fontainebleau), Stockholm School of Economics, and Cambridge University.

**Sandra Moriarty** Formerly a copywriter and then owner of her own agency, Sandra Moriarty has been teaching at the university level since 1968. A journalism major at the University of Missouri, she worked in advertising and public relations before moving into academics. She started teaching part-time

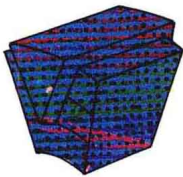
while directing a program in university relations at Kansas State University, and then began her full-time teaching career after completing her PhD in educational communication. Before moving to the University of Colorado, she taught at the University of Kansas and Michigan State University.

She is the author of six books, including *Creative Advertising* (2nd edition, 1991), and many professional articles in such areas as typography, the creative side of advertising, advertising presentations, agency approaches to effective advertising, and advertising management. She has also published numerous scholarly research reports in such areas as creative thinking, cognitive theory and communication, typography, graphic design, and visual communication.

**Tom Duncan** Head of the Advertising Sequence at the University of Colorado, Tom Duncan has been teaching advertising and marketing for eight years, including positions in England, Japan, and China. Professionally, he has worked on both the agency side (as researcher and account executive for Leo Burnett and as Executive Vice-President of Client Services for JFP & Associates) and the client side (as Manager of Marketing Services for the Eckrich division of Beatrice Foods and as Vice-President of Marketing at Jeno's, Inc.).

In addition to numerous articles, he has co-authored *How to Create and Deliver Advertising Presentations*. He holds bachelor's and master's degrees in advertising from Northwestern University and a PhD in mass communication from the University of Iowa.





# Advisory Board



ARLENE S. GERWIN

For the past 5 years, Arlene Gerwin has held several marketing positions at the Thomas J. Lipton Co., managing such diverse businesses as

Sunkist Fruit Snacks, Wish-bone Dressings, and Lipton Specialty Teas; she was also a manager in the Consumer Promotion Dept. Before Lipton, Gerwin developed marketing expertise at other package-goods companies, including Continental Baking Co., American Home Foods, and Beatrice Foods.

Gerwin holds an MBA from New York Univ. and served as a Peace Corps volunteer in Venezuela. She resides in Chappaqua, NY, with her husband and twin sons.



LOREN C. LINDEKE

Now President of Swallowtail Corp., a Boulder, CO, start-up consumer-products company launching niche products in the home-gardening

field, Loren Lindeke previously held a series of marketing-management/new product-development posts at H.J. Heinz Co., Swift & Co., M&M/Mars, Jenó's, and Celestial Seasonings.

Lindeke earned an MBA in marketing from the Univ. of Chicago Graduate School of Business and a BA in history from Williams College.



LEONARD VICKERS

Leonard Vickers is Senior VP of World-wide Business and Strategic Development for Xerox Corp., where he is responsible for

strategic initiatives to position Xerox as "The Document Company." Prior to joining Xerox in 1989, he held positions at Unilever, BBDO Advertising, and General Electric, where he was VP of Corporate Marketing from 1978 to 1987, and he formerly headed his own consulting firm, Vickers Associates, in New York.

Born in Bolton, England, Vickers received his BA from Cambridge Univ. He and his wife have 4 children and live in Stamford, CT.



FRANÇOIS POIREL

The former President and CEO of Louis Vuitton USA, François Poirel is now located in Paris, where he is Director of the European Zone and a

member of the Executive Board of Louis Vuitton Malletier. He has served as Assistant Marketing Manager of S.A. Biscuits Belinz (a subsidiary of Nabisco) and managed the New York office of Jacques Jaunet, a major French sportswear company. He joined the Louis Vuitton group in 1980 as Executive VP of American operations, presiding over the opening of 33 new stores and a tenfold increase in sales.

The son of a Welsh mother and a French father, Poirel was born in Great Britain and educated in Switzerland and France, where he now lives with his wife and two daughters.



RAYMOND G. VIAULT

Prior to his appointment as CEO of Jacobs Suchard, Raymond Viault was VP and General Manager of General Foods

USA's Desserts Division, VP of GF Worldwide Coffee & International, and President of GF's Maxwell House coffee division. He left GF to pursue other interests, including a position as VP for Marketing and Business Planning at Pinata Foods, between 1972 and 1979, when he returned to become Product Group Manager in GF's Desserts Division.

Viault earned his MBA from Columbia Univ. and a BA from Brown Univ. He has served on the boards of the Council for the Arts in Westchester Co., NY, and Very Special Arts in Washington, D.C. He now resides with his family in Zurich, Switzerland.



ROBERT J. SALDICH

Elected President and CEO and a member of the Board of Directors of Raychem Corp. in 1990, Robert Saldich joined the company in 1964 and

headed its European operations from 1966 to 1971. He was CEO of Raynet Corp., a Raychem subsidiary specializing in fiber-optic communications, from 1986 to 1988, when he returned to Raychem as Senior VP to manage divisions in telecommunications and corporate technology.

Saldich holds an MBA from the Harvard Business School and a BS in chemical engineering from Rice Univ. He has for 3 years served on the Executive Committee of the American Electronics Assn., for which he now chairs the Japan Trade Group.





GEORGE FIELDS

As Chairman and CEO of ASI Market Research, Inc. (Japan), George Fields' clients include Bristol Meyers, Ford, Hershey, Levi Strauss,

Nestlé, Philip Morris, Procter & Gamble, Suntory, Unilever, and Warner Lambert. He has served on several government and private committees, including the Japan Management Assn. and the Japan Marketing Assn. and has held executive positions with Unilever, St. Regis-ACI, and the McNair Survey (now AGB Research). The son of a Japanese mother and an Australian father, he was educated in Japan, speaks fluent Japanese, and has published 7 books in that language. In 1989, *Fortune* magazine nominated Fields one of the "25 People You Ought to Know."

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DAVID A. HEENAN

Formerly on the faculties of the Univ. of Hawaii, the Wharton School of the Univ. of Pennsylvania, and the Columbia Graduate School of Busi-

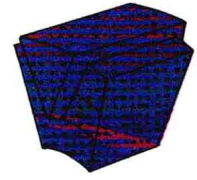
ness, David Heenan is Chairman, President, and CEO of Theo H. Davies & Co., Ltd., a North American holding company for Hong Kong-based Jardine Matheson. He has held positions at Citicorp, Caltex Oil, and Asia/Pacific and has served as a consultant to numerous multinational firms. An international-business editor for the *Journal of Business Strategy*, he has also published widely; his latest book, *The New Corporate Frontier: The Big Move to Small Town USA*, was published in 1991.

Heenan holds a PhD in business and applied economics from the Univ. of Pennsylvania; he earned his MBA from Columbia Univ. and his BA from the College of William and Mary.



# Overview

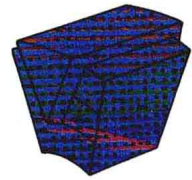
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