

LIPPINCOTT

J. Gordon Lippincott, Founder, Lippincott & Margulies

1909-1998

Born in 1909, J. Gordon Lippincott has played sax for a ship's orchestra, surveyed bridges for The Saw Mill River Parkway, climbed the pyramids, practiced and taught industrial design and, since his retirement in 1969, launched five new businesses. His most far-reaching accomplishment, however, is in the world of ideas. Mr. Lippincott helped change the way we think about corporations, and the way they think about themselves.



Trained as a civil engineer at Swarthmore College and Columbia University, Mr. Lippincott began his career as an industrial designer in the great consumer boom following the World War II. He opened a design office in New York in 1943 and, with Walter P. Margulies, who joined the firm in 1944, made Lippincott & Margulies the foremost consultancy in package and product design. The company designed everything from pleasure boats and seaplanes to ink bottles and packaging for pharmaceuticals, even the interiors of several notable hotels and the classic but short-lived Tucker automobile. It was Gordon Lippincott who coined the term corporate identity to encompass all the ways a company identifies itself, from a new corporate name and logo to the color of a factory building. Gordon Lippincott and Walter Margulies made corporate identity the core of their company and showed the nation's top business leaders how to use well planned identity systems for competitive advantage.



"I always did like being on the cutting edge of change," says Gordon Lippincott. "And what better time than today, with a growing worldwide belief in entrepreneurship. Horace Greeley said, 'Go West young man.' Today he would say, 'Go global!'"

I don't know how the question occurred to me, but I'm glad it did because the answer gave me an important insight into the whole subject of corporate and brand identity. I posed it 25 years ago to a taxi driver in Mexico City, one of my stops on a global tour to assess Coca-Cola's image and identity practices around the world. We had just passed a Coca-Cola billboard and I asked the driver, "Who makes Coca-Cola?" He looked at me kind of funny, but answered very politely, "The Coca-Cola Company, señor." I couldn't resist: "Is this a Mexican company?" Again, I got a quizzical look before he answered, with considerable pride, "But of course, señor."

That Coca-Cola was a global brand Mexicans called their own was pretty amazing to me. To this day, I have not come up with a better validation of the business axiom, "Think globally, act locally." Coca-Cola didn't become the most recognized brand in the world by sheer happenstance. They earned it. What Coca-Cola management understood then—and still do—was that such symbols as corporate and brand names, Logotypes, service marks, signage, and so on, were truly valuable assets that should be managed as rigorously as people, technology, cash and brick-and-mortar facilities.

Many large corporations have followed suit. But a lot has changed in the world since my taxicab ride in Mexico 25 years ago. We are now seeing the emergence of a global economy, and the progressive elimination of political, social and trade barriers around the world. Truly,

we now inhabit a global village. What do these changes portend for corporate and brand identity practices? I contend that identity management is more important than ever before because of business' need to position themselves and their products in regions and countries they never dreamed would be viable markets. But I also see a new management responsibility emerging from the new world economic order. I call it perception or image management. Here's the concept in a nutshell.

Let's assume we all agree that a business' success depends in large part on the perceptions of its key audiences. If favorable, the business will succeed; if not, it will be virtually impossible to achieve its objectives.

If that's true, then one of senior management's major responsibilities is first to determine how they want to be perceived by employees, shareholders and customers. The next step is to establish clear guidelines against which all decisions and communications—whether initiated at corporate headquarters or in the most remote corporate out-post—are tested in advanced, not only for their potential impact on the bottom line but also on the company's image, now and in the future. What form would such guidelines take? I think they should include a detailed statement of a company's ethical standards and acceptable business practices. They would also include—for every job position—specific criteria for evaluating each employee's performance against the company's image objectives.

Now you might say that managing perceptions is hard enough on a local, regional or national scale. How can it be done effectively by companies that span the globe, encompassing different cultures and environments, and where day-to-day decisions are made and implemented not by executives thousands of miles away in corporate headquarters but by indigenous personnel in each country? I agree. It's not easy. But it has been done. And if it's important for individual brands, isn't it even more so for the corporations that stand behind those brands? I think it is. Because unless a company manages its image as professionally and systematically as it manages any other valuable business asset—with standards of accountability across all business lines, in all areas of operations, throughout the organizational ranks—the value of that asset will depreciate, along with the company's ability to achieve its business objectives.

Now don't get me wrong: image management programs cannot make weak companies strong, mask unethical practices or actually prevent management from making stupid decisions. What they can do is help prevent decisions that appear harmless when made but that can, years later, generate image-damaging headlines around the world.

Image or perception management programs can be very powerful tools for achieving global competitive advantage. They can give meaning and purpose to the most routine tasks, encourage the team-building skills needed to succeed in the global market and help validate a business' charter.

Such programs also have enormous social potential. In many countries—especially those emerging from communist domination—large, global corporations have traditionally been viewed as exploiters of the people. Global corporations that manage their images along the lines I have suggested—with a strong emphasis on ethical and socially responsible behavior by all employees—can help position business as a social benefactor: providing meaningful, rewarding work; producing valuable goods and services; and driving economic and social progress. In short, properly managed global businesses can be a potent force for world peace, helping to knit together the common threads of the different cultures that make up the human fabric, not by homogenizing those cultures but by leveraging their unique business and social potential. As we move toward the 21st century, with political, social and economic barriers tumbling around the world, I think that is a challenge well worth addressing. If that taxicab driver from Mexico is still around, I think he would agree.