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Identity

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1991

New faces of 1991. Tony Spaeth picks the year's most significant changes in corporate identities.

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COMMENTARY

By Tony Spaeth

Corporate Identity: A Watershed Year?

More important than the spate of new logos, says the author, is the new realization that a company's image is not a matter of cosmetics.

Good old brand names back in style. Good old brands replaced by initials. Nonsense names replace good old descriptions.

These are the story lines the press loves to use in covering corporate identity changes, and you're likely to have seen one or more of them in 1991. Is there substance to any of them? The fact is, in terms of volume, 1991 was a terrible year for identity consultants and designers. New assignments were scarce as recession-frightened executives deferred "cosmetic" identity problems. So the data base of identity changes is meager. Nevertheless, it permits at least two generalizations:

- Initials are popular again (note P&G, KFC, BT), primarily for strategic reasons. Initials are easier to take global than are spelled-out names. Imagine, for instance, having to translate "Kentucky Fried Chicken" into Arabic, Cyrillic, and Kanji.

- Latin-based names are in style (Amati, Aquarion, Novaterra). They're elegant, travel well, and communicate ideas without being limiting.

These trends are less important, however, than the business strategy behind them. I believe that we are in transition between management's old view of identity—"Corporate identity is a costly cosmetic exercise to be endured maybe once every 15 years, and preferably not on my watch"—and a new

paradigm—"Corporate identity defines and promotes our culture, which drives our behavior, which creates our customers, so it just might be my most important continuing responsibility."

Increasing support from top business thinkers is one factor driving this new view. The lonely missionary voices of identity specialists are suddenly getting reinforcement from people like Harvard's Michael Porter ("A strong sense of corporate identity is as important as slavish adherence to parochial business unit financial results") and McKinsey & Company's Kenichi Ohmae (Success on a global basis "is largely a question of identity").

Global competitors are another driving factor. Corporate identity was formalized in the United States in the late '50s but may already be more advanced in Europe and Japan. In part this is because their more visual and heraldic cultures produce executives with higher graphic-design priorities. The Japanese are increasingly skilled practitioners of American-style "CI" (now a Japanese word), using Western designers for help with our unfamiliar alphabet, but giving us lessons in implementation. In Europe, quality-driven companies such as BMW prefer not to price-shop for design services project by project, as Americans do; for consistent quality, they prefer permanent contracts with the best identity design consultant they can find.

Peter Gorb, senior fellow in design management at London Business School, has some insights into the strategic dimension of identity: "The strength of corporate identity is that of a double-edged sword. By its visibility, it forces decision-making into the open; and by its complementary characteristics, it forces management into a decision-making mode."

Changes in corporate identity are

thus opportunities to learn something about an organization's agenda. When you see a new identity, such as those that follow, it is useful to think as Peter Gorb might think: "This is a tactic. What does it reveal about management's strategy, the pressures it foresees, the culture it is trying to create?"

 CONTINENTAL

Continental



WILL CONTINENTAL AIRLINES survive? That depends, in no small part, on whether travelers and employees believe it should, and will. The courageously timed identity change, which had to be approved by the bankruptcy court, is nothing less than management's communication of its determination to succeed. The design, by Lippincott & Margulies, deftly changes "continental" to "global."



P&G

BECAUSE THE WORLD increasingly demands to know who is ultimately responsible for any given product, Procter & Gamble Company will at last permit itself to sign its products with something more than mice type. For easier global recognition, initials were chosen in preference to words or symbols. The company will use this new logo (designed by Peterson & Blyth) however and wherever they think it will help—in some cases even as the product brand itself.

The beleaguered man-in-the-moon symbol, his beard purged of "satanic" 6's, is being quietly retired to internal,

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ceremonial duties. But this may merely prolong his misery; it is not generally sound practice to have differing identities for internal and external audiences.



TO BREAK WITH its nationalized past, look friendlier, and expand abroad, British Telecom transfigured itself, striking a musical note. But the pan-piper design by Wolff Olins has been widely ridiculed. A sample London headline: "Look what those naughty faeries have done to BT!" BT's new distinctiveness is courageous, but one might reasonably question its appropriateness for a major global player.



THE KFC RECOMMENDATION by the SchechterGroup was also criticized. Adopting initials is often a cop-out, but this time the tactic appears to be both creatively and strategically sound. Not only does "KFC" require no translation to be at home anywhere, but the initials convey a more informal, youthful spirit and greater freedom from a chicken-limited menu—not to mention freedom from the mixed blessings of "Fried" in our increasingly health-conscious society. Retention of the red and white stripes and of the Colonel graphic insures minimal loss of brand recognition.



THE FIRST FRUITS of the historic alliance of Apple Computer Inc. and IBM Corporation are two new computer companies coined "Taligent" and "Kaleida." Taligent (talent + intelligence) will develop a new operating system; its symbol evokes both disks and ripples. Kaleida, a wordplay on kaleidoscope, will develop multimedia computing. Both identities were developed by Interbrand.



SADDLED WITH A dull and descriptive identity, the Hydraulic Company hired Landor Associates for an overhaul. "Aquarion" creates a new corporate personality with a jazzy edge, one of the year's more remarkable makeovers.



TOXIC TREATMENTS INC., an environmental cleanup company, had a downright poisonous identity. Refreshingly positive thinking from Boyd Communications reincarnated the company as "Novaterra."



WHEN THREE U.S. management consultancies merged under the giant French firm Sogeti SA, they wanted to steer away from a stuffy, conservative look and signal a dynamic corporate culture. The Gemini design by Chermayeff & Geismar uses a modern, assertive typeface and suggests growth through the distinctive positioning of the star that dots the second "i."



AMATI, CREATED BY Interbrand, is a romantic jewel of a name for Mazda Corporation's new entry in the crowded high-end import automobile market. For those who remember, the name's evocation of Avanti, the Studebaker classic, is a plus. The name wasn't without controversy, however: the unintended Miata anagram almost killed Amati because the Miata is a lower-end Mazda product.

THE YEAR'S STRANGEST identity drama was the Audubon flag that didn't fly. In sequence:

1) The National Audubon Society's board, advised by Landor Associates, decided its occasional symbol (an egret) too narrowly communicated its new

strategy of environmental activism. 2) M&Co designed a new banner to express this strategy. Functionally and esthetically, it's a winner. The society gave it a proud and public launch.



3) The dues-paying members wouldn't buy the strategy and started a "bring back the egret" campaign. Clearly, their feelings had not been adequately factored into the identity process.

4) Facing economic reality, the board lowered its flag and another designer was hired—this time to re-egret the identity. The newest logo is a pronounced dilution of the M&Co design.



What does this saga prove? That identity, at its best, is a strategy made manifest. So the strategy had better be viable.

The 1992 version of this article is likely to open with a contrast between the Chemical Bank-Manufacturers Hanover and the NCNB-C&S/Sovran merger strategies. As of this writing, the identity designs are not complete, but the tactics have been disclosed. NCNB and C&S/Sovran will disappear into "Nationsbank," sending the strong signal that management intends to forge a unified new culture with clearly defined aspirations. The identity consultant is Siegel & Gale.

The strategy of Chemical Bank-Manufacturers Hanover sends a far different message, one that comes across as "We won, you lost." The Manufacturers Hanover name disappears, and Chemical Bank adds insult to injury by appropriating to itself the abstract "tire-tread" symbol that had embarrassed so many at Manny Hanny. This identity solution was reportedly negotiated CEO to CEO, without benefit of professional identity counsel. The rationale is said to have been that Chemical Bank simply had more customers.

This solution signals diminished aspirations, willingness to accept cultural division and alienation, and lack of vision and confidence, not to mention an arrogant management style. Or perhaps it merely suggests that identity strategies are best not resolved in the heat of merger negotiations. ■