

Tony Spaeth

Identity

6 Kirby Lane North

Rye, NY 10580

914 967 6018

www.identityworks.com

2001

“The Name Game” is Tony Spaeth’s twelfth annual report on noteworthy corporate identity programs. We celebrate corporate leaders, and honor excellence. Sadly, we must sometimes note their absence.

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The Name Game

...is getting harder to play because so many “good names” are unavailable.

So what’s a corporate-identity specialist to do? Think initials?

By and large, corporate identities change when leaders are confident. Since they are more confident when prospects are upbeat (and this becomes a self-fulfilling proposition), identity change is a pretty good economic forecaster. Beginning in January 2001, the forecast was recession. It was as if someone turned a switch to “off.” Leaders had decided this was no time to undertake significant change (and that was before Sept. 11, when more than one previously planned change announcement was put on hold).

So this year, in the search for new identities that were exemplary as acts of leadership—creatively excellent as well as strategically sound—the pickings were slim. If there was a clearly identifiable trend at all, it was initials: They’re inexpensive and less scary than entirely new names, and sometimes they’re even strategically sound.

Joe W. Forehand, managing partner and CEO of Andersen Consulting, had no choice. In August 2000, the arbitrator resolving the firm’s bitter split from Arthur Andersen determined that “Andersen” must stay with the “Arthur” people. Forehand & Co. then knew they must distance themselves from an Andersen reputation they would no longer control, a bit of wisdom dramatically affirmed by Andersen’s later Enron troubles.



It took just 80 days to generate, clear, and announce “Accenture,” which took effect

on the first day of 2001.

Accenture—“accent on the future”—was coined by Kim Petersen, an Oslo-based employee. It was one of 2,677 name ideas that Accenture’s 40,000 business consultants added to the thousands of ideas the branding consultants Landor Associates came up with. A whopping 550 names were searched for global availability, 48 “possibles” were more rigorously screened, and a subcommittee of the executive committee narrowed the choices to 10 survivors, then four, then one.

In scale if not speed, that’s the kind of effort that naming requires in today’s world, in which (to quote Accenture) the 20-odd million registered domain names include easily 98 percent of the words in the average English dictionary. Because of their distinctiveness, good new names are sometimes easier to make fun of

(one so-called expert said Accenture “sounds like a felony, five to 10 with good behavior”). But they grow more rare every day, and Accenture is one of the better ones.

Landor’s designers gave Accenture a straightforward wordmark-type logo embellished with a simple arrow or “greater than” shape, and no separate symbol that might compete for attention with the distinctive name. It’s a clean win for CEO Forehand, expressing his vision to “transcend the boundaries of traditional consulting and bring innovations that dramatically change the way the world works and lives.”

The Jan. 4 launch ad spoke of “A New Mission . . . A New Business Model . . . A New Attitude . . . A New Logo.” It might also have said “a new CEO,” because that’s what it took—in the person of Sanjay Kumar—

to shake Computer Associates out of its longstanding identity deprivation. A great brand, or at least a great logo, had never been a priority for founder Charles B. Wang.



Computer Associates

The new Landor-designed symbol focuses like a telescope on the “A” in “CA” for no self-evident reason, other than to express focus itself; as the ad said, “our new logo tells the world that CA is focused, focused, focused.” Well, if you say so.

I suspect that company insiders have an exaggerated impression of their equity in “CA,” which for most Americans evokes California long before it takes us to Computer Associates. (The company’s full name appears under the logo, just in case.) Yet as a design the new mark is fresh, intriguing, and memorable, and in comparison to the previous non-mark, it effectively signals *change for the better*. It’s an illustration of good (if esoteric) design overcoming weak verbal elements (initials and the generic name) to create a more viable corporate brand.

Initials are a default strategy, too, when names get piled on names in a merger, like that of Glaxo Wellcome with SmithKline Beecham. In creating the name “GlaxoSmithKline,” CEO Jean-Pierre Garnier (a pharmacologist, Fulbright scholar and Stanford MBA) honored the two companies’ naming traditions but also made the communicative name “GSK” pretty well inescapable—only one syllable shorter, but a good deal less cumbersome than the full name.

GlaxoWellcome



The design solution, from FutureBrand’s London office, struck me at first as a pill (or even a guitar pick), but I’m told GSK thinks of it as a heart. That’s appropriate imagery, given Garnier’s desire to soften and humanize this corporate giant.

The same consulting firm, FutureBrand, initialized the Royal Bank of Canada. In this instance, globalization was the driving rationale. To survive and grow, Royal Bank must significantly increase its U.S. presence, expand its Canadian relationships well beyond banking, and become a more global player. “We want to be able to use a common brand name and logo wherever we operate,” concluded CEO Gord Nixon, who determined “Royal Bank of Canada” to be a net liability, too limiting in Canada, and elsewhere a vestige of colonialism and a miscommunication of purpose.



Launched last August, the new parental name, “RBC Financial Group,” is an easy out, with an added plus: “RBC” can also be the unifying brand umbrella over all subsidiaries, like RBC Liberty Insurance and RBC Centura, and all units—RBC Insurance, RBC Royal Bank, and even RBC Banque Royal.



I wonder if the flight to initials is ever a flight to strength.

Unfortunately, the great “Leo,” a classic of modern identity design (introduced in 1901, modernized in 1962 by Lippincott & Margulies, and revised in 1974), had to be compromised. To mate him to the initials, Leo was put on a blue shield, turned to face right, and stripped of his crown. FutureBrand curled Leo’s mane—which some Royal Bank executives felt was “too aggressive”—and shrunk his “somewhat lewd” tongue.

I can’t argue with the strategy—to unite under one global brand—and in that regard the initials will help. Yet I regret the passing of a great brand symbol. I will miss the beautifully drawn old Leo, tongue and all, sitting on his pointy shield. And I wonder if, in the long run, the flight to initials, no matter how practical they seem (and how familiar to their owners), is *ever* a flight to strength. The major Canadian banks, incidentally, are now CIBC, TD, BMO . . . and RBC.

MORGAN STANLEY DEAN WITTER

Morgan Stanley

The battle over the name “Morgan” was joined in 1935 when in the wake of the Glass-Steagall Act, J.P. Morgan & Co. decided to remain a bank, and spun out the securities house Morgan Stanley.

Originally soulmates, through mergers and deregulation the firms are increasingly head-to-head competitors, and their shared Morgan is a growing source of confusion. Who is the real Morgan?

Five years ago, the impossible name “Morgan Stanley Dean Witter Discover & Co.” effected the wish to offend neither merger partner. “Discover” fell away in 1998, followed by the January 2001 announcement that “Dean Witter” would soon follow; evidently chairman and CEO Phillip J. Purcell, who came from the Dean Witter side, knows a good thing when he sees it. Then last April, a new logo design signaled clearly (if deniably) Morgan Stanley’s intent to emphasize “Morgan,” rendered in solid black while Stanley faded to gray. Designed by Landor

Associates, the mark incorporates a triangle whose placement further isolates Stanley—cover *Stanley* with your hand, and you’ll see a nicely self-contained Morgan logo.

Incidentally, the press release unveiling this logo dwells on this “directional triangle.” “It points toward the northeast, the general direction of financial success. As a delta, the triangle symbolizes change and the inclination to innovate. The three points symbolize the three groups served by the Firm: clients, shareholders and employees.” No disrespect intended, but this is a lovely example of the pap you get when you ask publicity people to “explain” design.

Meanwhile, at the other Morgan, now J.P. Morgan Chase, there is another leader who sees a good thing in the Morgan name. Indeed, CEO William B. Harrison Jr. has made a career of name acquisition and identity change, moving like a hermit crab from shell to larger shell. His Manufacturers Hanover acquired and soon became Chemical, which acquired and became Chase Manhattan, which acquired J.P. Morgan and on Dec. 31, 2000, became (for the moment) J.P. Morgan Chase & Co.

I say “for the moment” because much like “Morgan Stanley Dean Witter,” the composite name J.P. Morgan Chase sacrifices coherence and stability.

It is best thought of as named and designed (by Interbrand) for the moment, to implement the acquisition and make sense to investors, rather than as a lasting new brand in the marketplace. That will come—but not until the leadership team develops a clearer understanding of the new brand’s global platform.

Meanwhile, it’s interesting to watch how the market responds to the brand signals we all see. Because the parent keeps a low profile, and the unit’s identical signature (J.P. Morgan minus the Chase) is more visibly



JPMorgan



promoted, it's easy for us to confuse the part for the whole and assume that Chase has already gone away . . . as in all likelihood it will—that is, unless Morgan Stanley effectively preempts “Morgan.” Both names are often already truncated to “Morgan” by the press, a practice neither firm should tolerate (in the other) until a court resolves exclusive ownership—or until they roll it back to 1935 and reunite.

When the fundamentals are in place and the time is right, an identity refreshment can lift any corporation to a new level. Having just acquired the Coastal Corp. to become the world's largest natural-gas company, El Paso Energy Corp. refreshed itself in February 2001 by shortening its name.

Certainly chairman and CEO William A. Wise was enthusiastic about the change, hailing it as “an unrivaled platform to sustain

El Paso's track record of success.

The strong, clean lines of the logo represent our disciplined approach to creating new businesses and growing existing ones.” (The sentiment is admirable even if Enron's collapse ends up taking down El Paso too.)

The “strong, clean lines of the logo,” designed by Sterling Group, include a carat-like arrow evocative of the new Accenture mark (are these things in the air?), but to neither company's disadvantage—it's a good, simple device that no one can own outright.

On April 25, 2002, Philip Morris shareholders will vote in favor of the corporate name Altria Group, because there's no good reason to oppose CEO Geoffrey Bible's wishes on this matter. It's a clear case of, “Everyone knows who we are, and they're wrong.” If there's an issue, it's . . . what took so long? Why not change the name in 1986 when General Foods was acquired, or 1989 when Kraft was added to make Philip Morris the leading U.S. food company?

Nabisco, acquired in 2000, added a few more percentage points to non-tobacco sales, now 44 percent of the total, yet image research has showed—no surprise—that people can't get past “Philip Morris, tobacco company.”

Public image is important, but the image *within* headquarters is of far greater importance. When Bible says, “Hi, I'm the chairman of Altria,” he can now be less concerned with thinking, acting, and reacting as head of a tobacco company. Multiply that by everyone else in the corporate family, and call it leadership.

Landor's New York office created the “Altria” name and the logo, featuring a “mosaic” symbol whose direct inspiration (per the designer) was a compartmented shelf in the Philip Morris corporate reception area that features packages sold by its several companies. The symbol is appropriate and fun, a splash of color that speaks of multiplicity and diversity. The name itself (appropriately, *higher* in basic Latin) is short and sweet—so short and sweet that it's already in use by other firms, albeit in dissimilar businesses. (Because we're running out of names, corporate lawyers are defining business categories more narrowly, sometimes specifically disclaiming involvement in a category in which another owner's coverage applies, to help persuade patent examiners that there will be no confusion.)

In contrast to Altria's “mosaic” box, which represents only the corporate holding company, the new Amersham “matrix” box helps as well to explain the relationship of the parent to its businesses—one of the classic functions of an identity symbol.

In 1999, U.K.-based Nycomed Amersham sold its stake in Denmark-based Nycomed Pharma, retaining the Nycomed Amersham Imaging unit but not its name, and soon after, it bought out Pharmacia's interest in its Amersham Pharmacia Biotech unit. New



Altria

In the corporate context, is there a difference between *brand* and *identity*?



Amersham



Amersham
Biosciences



Amersham
Health

names were needed all around. Advised by consultants Wolff Olins, CEO Sir William Castell decided early on to focus on “Amersham” as a master brand with a family of units, and set about planning the character and attributes of the new brand. The clever nine-dot-matrix symbol is meant to

express the parent’s role as provider of a framework, within which each current and future business unit expresses its own identity with shape and color.

As it happens, this nine-dot matrix is also famous for the challenge to connect all nine dots with four straight lines, without lifting your pencil, whose solution is the derivation of “thinking outside the box” and “beyond the nine dots.” Though I’m told this was not a factor in Sir William’s thinking, his new symbol is nonetheless a creative act of leadership.

My personal vote for Identity of the Year 2001 goes to a company smaller than all of the above: to Simplex Solutions Inc., for its “Slasher” logo (their name, not mine). Credit goes to chairman and CEO Penny Herscher and two San Francisco firms, US Marketing Services for strategic counsel and The Ideas Group for design.

I first noticed this elegant wordmark in an ad announcing the company’s IPO, because its visual impact and quality impression stood out from the crowd.

The more I learned about the content, the more brilliant the design solution seems. Turns out that Simplex, a tester of integrated-circuit chips, was not only about to go public but was also ready to launch cutting-edge technology that would reposition it as a designer of faster and better chips, not merely an evaluator. Furthermore, this new technology (called “X Architecture”) would permit pervasive use of 45-degree routing of the circuits

on a chip, shortening their routes and generally speeding things up.

Thus, to potential investors, the new logo’s slashes illustrated the key benefit of the product it was about to launch, which would reposition and recharge the company.

In this article—as well as my 12 previous for *Across the Board*—I have often interchanged the words *brand* and *identity*. During the decade, *brand* seems to have become the predominant business buzzword, while *identity* has faded. Every advertising agency and marketing consultant now vaunts its branding expertise, and even some corporate-identity firms appear to have submerged their specialization into the “branding” crowd.

In the corporate context, is there a difference between brand and identity? And is it important? I think so, on both counts. But the difference has more to do with who is doing the talking than with what they are talking about. Brand is about marketing, and those who talk about “the corporate brand” are probably focusing on the brand’s marketing attributes, and on the company’s customer audience. Identity is more fundamentally about defining and shaping the entity behind the brand, and thus has more to do with managing (or leadership) than with marketing.

Thus people talking about “corporate identity” are more likely to be thinking about the “Who are we and where are we going?” aspects of corporate planning, and then almost incidentally about “How can we best express this to help us get there?” And they are probably focusing on the company’s leadership team and employees first, business partners and investors second, and only then on the customers whom the employees will ultimately create.

The bottom line: Identity comes before branding, because management comes before marketing. If you must reposition your corporation, before anyone redesigns the brand, make sure—as have El Paso’s Bill Wise and Simplex’s Penny Herscher—that you have first addressed the identity questions. ♦

simplex