

2016 Global Brand Letter  
from SMoss



“Yeah, sometimes I wonder why I did it.”- Norbert Schemansky

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“Now the period which ended in catastrophe begins.” - William Faulkner

“Poetry is the language of a state of crisis.” - Stephane Mallarmé

“I beseech you, in the bowels of Christ, think it possible you may be mistaken.”  
- Oliver Cromwell in 1650 to the General Assembly of the Church of Scotland

**The challenge to unbrand** is unprecedented. Inarticulation will not be tolerated, except in cases of imaginary carnage which invoke the Moral Turpitude clause and cite alternative fabrications. Yearn for an era less flammatory? Do you experience nostalgia for a world of *pre-truth*, *pre-friend*, *pre-art*? Share and like, if you dare to disagree.

## Update on last year’s hot topics

“The best government is a benevolent tyranny tempered by an occasional assassination.” - Voltaire

### Feisty

There’s unlimited demand for everything in the **Middle Kingdom**, growing at double-digits. Credit continues to expand, coinciding with changes in lifestyle, de-industrialization, an aging population, an epidemic of cardiovascular disease, the embrace of Western food like red meat and soda, compromised by decreasing levels of physical activity. Obesity’s a growing problem, especially among rural children. More than half of Chinese men still smoke, lighting up 2.5 trillion cigarettes annually, despite the government’s ban on smoking indoors and in certain public places. Since the state monopoly sells 98% of all cigarettes in China, Beijing dreads shrinking the precious tobacco revenue source, \$150bn last year to government coffers. The world’s second largest economy sees luxury rebounding, with neither service nor leisure sector. People are taking vacations. Comrades march *en masse* to cinemas, the second biggest movie market in the world, which will one day eclipse the leader, an honor still held by escape-hungry North America. Hollywood took advantage of an increase in China’s foreign film quota, just as the Chinese box office ground to a halt – saturated with product? US trade policies may further damage box office returns. Banking on the global appetite for entertainment, China’s richest man is building an \$8.6bn Oriental Movie Metropolis south of Qingdao, a new complex within a city, a cluster of movie studios at its epicenter.

In a first for **India**, PV Sindhu, won a silver medal in badminton at the Rio Olympics. Google reported that many Indians initially searched for her caste, then that of her coach. The medal served nothing to squash the ongoing racket between citizens of the states of Andhra and Telangana over who could claim her as their own.

Talleyrand said, “An important art of politicians is to find new names for institutions which under old names have become odious to the public.”

## Fogies

In search of happier news from **Russia**? DreamWorks' Moscow theme park, Dream Island, entered its construction stage, slated for 2018 inauguration, budgeted at \$2.1 billion. Not to be outdone, Soviet authorities greenlighted construction of a \$4 billion Disney-style theme park 200km away. Privately funded on a 220 hectare site, "The Magical World of Russia" will boast several hotels and what is claimed to be the world's biggest aqua park.

**US** life expectancy is the lowest of all rich countries worldwide, the highest child and maternal mortality rates, homicide rate, and body-mass index.

"A witty saying proves nothing." – Voltaire

## Place Branding

**Air China** apologized after the flagship airline's inflight magazine *Wings of China* counseled tourists to take precautions when visiting London, citing areas mainly populated by Indians, Pakistanis and black people. Women were advised not to go out alone at night, and always be accompanied. Provincial attitudes prevail, perhaps in both directions. An online video for Qiaobi detergent showed an attractive Chinese woman throwing a paint-smear black man into a laundry machine. He emerges as a clean Asian man after being washed with the detergent. Despite the fact that Chinese tourists flock to Britain in greater numbers, mostly to buy luxury goods, Queen Elizabeth II told a police commander at a Buckingham Palace party that Chinese officials had been "very rude" during President Xi Jinping's state visit.

Drunken revelers on the beach in the Sydney suburb of Randwick, left 16 tons of trash behind on Xmas Day. The story hit world news services, who reported that 4 oxygen cylinders and 15 resuscitation masks were used to treat the overly-inebriated, that lifeguards sounded the shark alarm 3 times, and antisocial behavior followed. **Australia's** nation brand went unaffected. NB: No alcohol allowed for the Summer on Coogee Beach.

"Darling, you seduce his lover." - Gore Vidal, after being asked what to do if your husband is having a midlife crisis.

## Privacy and Security

A thriving black market in malicious code keeps **Kaspersky Lab**, a Moscow-based global computer security company, busy in 32 countries. The company does so well they sponsor a Ferrari Formula One team. The hot new area of their business is *commodities*. Nasty hackers have figured out how to fiddle supply records, disguising surpluses to sell. Kaspersky says it's massive, everywhere. Thank goodness these geniuses don't have any connection with the government.

The alleged advantages of scalable data and the incessant spotlight of technology appear to be evident in the new Russian face recognition app **FindFace**. If they're right, anonymity in public could soon be a thing of the past. The app allows more than 200 million accounts to photograph people in a crowd, then work out their identities by comparing photographs with a popular social network. A surprising 70% reliability. The algorithm allows quick searches in big data sets. So far, 3 million searches in a database of nearly 1 billion photos; hundreds of trillions of comparisons. The app then gives you 10 most likely matches, which could revolutionize dating. Managers believe the best business will come from law enforcement and retail (note order). One could easily tag and identify participants in street protests.

"Every written word is a victory over death." - Michel Butor

## The Web

For the moment, live streaming is the future of fast media. Snapchat and FB work on deals to acquire real-time rights to sporting events and entertainment, Instagram experiments with live products. Proposing a license with the NFL, FB sought to sell all the ad space. Instead, **Twitter** moved aggressively, agreed to pay NFL \$10 million, and sell only a portion of the ads. Twitter has inked a series of live deals with CBS News, Major League Baseball, NBA, Wimbledon, is in discussions with soccer and golf organizations and scheming with Apple to bring a branded app to Apple TV. Video ads typically command a premium. Marketers begin the shift away from television.

It's said that Caravaggio's dagger had Latin inscriptions carved on both sides of its blade. One side read "*Nec spe*" and on the other side "*Nec metu*": *Without hope. Without fear.*

## Impatience

A brief dissertation on transforming perceptions of **time**. Knee-bopping, foot-jiggling and fingers-drumming are on the rise, directly correlated to instant gratification marketing, the real-time web, slow-loading operating systems, rapid data communications and our inability to remain inert without consulting handheld devices. Millennials take a place at table and unashamedly set the mobile phone next to the silver. There's a cognitive asymmetry to waiting, since occupied time feels shorter than unoccupied time. Americans spend 40 billion hours a year waiting in line, the insidious contemporary equivalent of an existential experience which leads to stress, boredom, the sensation that one's life is slipping away. At its theme parks, Disney overestimates wait times and hides lines. Relationships begin and end with a swipe across the screen. Jobs come and go at an ungodly rate. Harvard studies pre-quitting behaviors, recommending that those identified as flight risks be monitored for unsavory behavior, overlooking the fact that everyone eventually leaves. The waiting experience, magnified by the aspect of uncertainty, is strongly influenced by the final moments. It all comes down to perception of value. The more valuable the outcome, the longer one is willing to wait for it. The psychology of queueing is more important than the statistics of the wait itself.

"If you can persuade a person, you don't need to kill them." - Dmitry Kiselyev, Russian TV presenter

## Information Ecology

Welcome to the world in which media confuses the boundaries between fiction and reality. People picture the world and get it wrong. Everyone has access to multiple, often conflicting portrayals of reality. This recollects the year 1605, when people experienced a media revolution that resembles our own. Books and theatrical productions were heavily controlled, often sponsored by the rulers and regulated by its thought police. The era produced the most published work of literature in history, the first international bestseller. Quixote the character was disillusioned with the ideals his society trumpeted but failed to live up to. Who's the **Cervantes** for our age? Pynchon? Not populist enough, nobody understands him. Infinite Jest? Not enough sold, pushes against the limits of tolerance. No, the last great planet-changing book was published 67 years ago, Orwell's final novel, *1984*.

**Misleading and inaccurate stories** spread about a proposed Sweden/NATO partnership. Though officials were never able to identify the source of the reports, Russia's infatuation with weaponized information suggested the culprit in the neighborhood. A flood of distorted and outright false information appeared on social media, designed to undermine official versions of events, confusing public perceptions of the issue. In 2013 a Soviet General remarked that words exceeded the power of force of weapons in their effectiveness. The Swedish government set up

special offices to identify and refute disinformation, which came in the form of everything from internet trolls to overt propaganda. Public opinion is all about building narratives, no longer about building facts. The era of neutral journalism is over.

**Snapchat**, overtaking Instagram as the most important social network among teens, suffered multiple disgraces. A face-altering dreadlock-adding app built in partnership with the Bob Marley Estate generated accusations of racism, cultural appropriation, and a new twist on blackface. An Asian-face app quickly disappeared after users reacted to cartoonish and insensitive portrayal of Asians, “the most overtly racist filter ever”, the equivalent of yellowface. Snapchat characterized the anime-inspired lens as playful and never designed to offend. Complaints over staff diversity in the home office continued with charges that women and people of color are underrepresented. During the run-up to a multibillion IPO, rumblings persisted of a strategy to transform the platform into a camera company through the introduction of a wearable device called Spectacles. Snapchat’s CEO drew comparisons to the histories of Kodak and Polaroid, ignored the fact that Google Glass disappeared in about ten seconds. An interesting presumption, especially in the face of growing teenage anxiety about permanent data held by online social networks. FB is rumored to have acquired a similar app.

Suffering incredible guilt for the trauma it dispensed to the population during the 2016 Presidential election, **Facebook** plots a more active role in *suicide prevention*. Rates in the US are at a 30-year high. Closer to home Palo Alto’s two high schools have a rate 4-5 times the national average. Desperation is particularly steep among women and middle-aged Americans. About a third of posts shared on the site include some form of negative feelings. New tools for those who suspect their friends may be suicidal include a drop down menu of options and suggestions for well-meaning text messages to send. Team members examine reported posts, while FB studies its role as an arbiter of social change - without upsetting, influencing or politically biasing the 1.5bn people globally who regularly use its services. At issue: digital privacy, FB’s overreach in people’s personal lives. The company declined to share data on results.

An algorithm developed by Harvard and UVM researchers learned to identify depressed individuals by studying their **Instagram** photos. Mining a crowdsourced database of 40K images, early findings support the notion that major changes in individual psychology are transmitted in social media use. People suffering from depression prefer darker colors. The study measured average hue, color saturation, contrast and quantified the number of likes, comments and faces, considered a proxy for an individual’s level of social activity. A “sad selfie” hypothesis remains untested. In diagnosis the algorithm performed better percentage-wise than General Practitioners.

At a loss for words? Feeling lonely, isolated, tongue-tied, inarticulate? The new **iPhone emojiification** feature can help. Simply scan your message text and you instantly see all the emojiifiable words highlighted. The app suggests precious little glyphs so you don’t need to think up unique, surprising, figurative or subversive forms of individual expression. A synthetic, reductive, narrow, homogenized and thoroughly modern palette results. Emojis cross cultures and span borders. And there’s more! Now you can distill the richest slices of popular media into **GIFs** and put them on infinite repeat. *Product warning:* These fresh, fun new releases may include whacky and wild full-screen message effects, tapback icons, GIF searchers, handwritten messages and stickers. Tech companies gain the power to influence your creative expressions in ways that further enrich the companies themselves. Advertisers can now target users based on the emojis they tweet. Modern visual language is shaped by the political or financial priorities of such companies.

It's time to rethink the central tenet of Silicon Valley's innovation ethos as the boundaries are reached on how tiny semiconductors can get. Today's densest memory chips have roughly 20 billion transistors. The post-transistor cost of computer chips has ceased to fall. This could prefigure the epitaph for **Moore's Law**, which tracked the pace of change in a manufacturing process, as chip design pushes further into the atomic level of processing. Graphene could be the next material. Irrefutable evidence: Intel laid off 12,000 workers.

A study by the University of Manitoba validates the opinion that **trolls** are the worst of the worst, with their personalities correlating to the Dark Tetrad: Machiavellianism, narcissism, psychopathy, and sadism. As had been suspected, trolls are a minority of online commentators and a smaller segment of overall internet users. The study looked at the relationship between the traits and overall time that an individual spent per day commenting on the internet. The relationship between sadism and trolling was by far the most significant.

*"Res ipsa loquitur."* - the thing speaks for itself

*"Nothing is more real than nothing."* - Samuel Beckett, from *Malone Dies*

## Advertising

A new category of activism targets **programmatic ads**, and organizes boycotts of companies whose ads pop up on objectionable sites. American companies currently spend more than \$22 billion a year on advertising bought with little human oversight. Blame it on automation: the algorithm that places the highest bid wins the chance to appear on screen. Brand name companies already figured out how to keep ads from flowing onto porn sites, so the tools are in place to avoid the bad guys. Advertisers are seduced by the prospect of bigger audiences at lower costs. In the weird world of online advertising, fake can be more profitable than real. Witness the last 3 months of the American election, where hoax stories outperformed real ones. Programmatic ads also follow individuals around the internet, capitalizing on their browsing histories. Corporations will need to take more responsibility in protecting prospects from phishers, scammers, bullying and hate crimes.

Prior to the Rio games, the IOC amended the **40<sup>th</sup> rule of the Olympic Charter**, which restricts advertising. The rule was liberalized to allow non-official athlete sponsors in campaigns as long as they did not use the Olympic logo or symbols. A crowded race for attention ensued, with consumers less able to differentiate between sponsored and unsponsored brands. Pirates like Under Armour, Red Bull, Gatorade, and General Mills seized the opportunity. Citigroup believes their exclusive and sanctioned buy with NBC guaranteed the most exposure, a chronic old school addiction to eyeballs. Social media is unrestrained, mysterious, Byzantine, nearly impossible to police.

Debranded **cigarette packs** all look the same and reduce smoking's appeal. Research shows that the same cigarette tastes much better in a branded pack than in a plain one. The brand you choose is one expression of your identity, and smoking makes people feel defiant, cool. A plain pack turns a cigarette into a commodity, bereft of its ability to make a visual statement about the smoker. Britain and Australia legislated plain packaging, leaving the brand name only in small standardized letters on the pack front. Health warnings and garish photos on the packages effectively signal a dangerous product and not a lifestyle product. Adolescent smoking in Australia dropped to a record low. As brand associations weaken over time, US point of sale – which still allows visual branding - remains the evil weed's last stand.

Following a strategy review at the **NYTimes**, management concluded that advertising, both print and digital, can no longer be counted on to finance the company's journalism. Down the road at the **WSJ** print advertising continued to drop, once the lifeblood of the paper, giving way to buyouts and layoffs. **Gannett** experiences similar conditions, fallen share price, banks unwilling to fund a merger. Category despair: A **Barron's** ed mistakenly sent email announcing layoffs to the entire newsroom.

"Everyone has a plan until they get punched in the face." - Mike Tyson

## Celebrity

Those in the limelight need to maintain credibility with their audiences even more than with their sponsors. It's getting increasingly difficult to control celebrities tied into brand relationships. Stars fall victim to multiple streams of commentary, feel pressure to show leadership around social issues, or may be held to moral turpitude clauses in endorsement agreements. **Johnny Depp** weathered domestic violence charges leveled by Amber Heard and still plumps Sauvage fragrance. **Angelina** accused **Brad** of child abuse, got custody of the kids after an incident on a private jet, still appears in Vuitton marketing. Nike stood by **Maria Sharapova**, who admitted using performance enhancing drugs. After the brand canceled a concert by Canto-pop star **Denise Ho Wan-sze**, a visible supporter of the pro-democracy movement, Lancôme glossed over a store protest in Hong Kong.

CGI resurrected **Peter Cushing** (who died in 1994) for a cameo in the latest Star Wars movie *Rogue One*. The actor's estate approved use of his image, superimposing it on a double with similar cheekbones, digitally attaching old bits of face on the impersonator. **Carrie Fisher**, prior to her demise, allowed digital de-aging in the same film. Equity resides in an actor's face, their greatest asset. **Robin Williams** placed rights to his likeness in a trust for 25 years to avoid such exploitation. Similar technology is now accessible to the *lumpenproletariat*: a new site, eeterni.me, repurposes your emails and text messages, enabling grieving relatives to converse with a chatbot doing an algorithmically generated impression of you.

"Money costs too much." - Ross Macdonald

## Luxury

*The category likes all ages.* Lauren Hutton, 73 years old, appeared on the Milan Fashion Week runway for **Bottega Veneta**, accompanied by 21-year old Gigi Hadid. Both will be seen in the brand's summer 2017 campaign. *The category likes approachable and democratic.* Following mediocre performance and falling share price, **Coach** embarked on a transformation plan to express unpretentious and optimistic American style, implying it isn't strictly a luxury label, not about some fantasy jet-set lifestyle. Grounded in reality, Coach set its sights on the \$41bn handbags and accessories market. *The category likes smaller.* Following terrorism in Europe, currency fluctuations, anti-corruption measures in China, a global slowdown in sales, the boom, is gone.

"I drink to make other people interesting." - George Jean Nathan

## Science Class

Dr. Frankenstein is alive and well and practicing in the Chinese city of Harbin under the name Dr. Reng Xiaoping. Not to gross you out, but here is how he rehearses on human cadavers with

the intent to achieve a **full body transplant**: Remove two heads from two bodies; connect the blood vessels of the body to the deceased donor and recipient head; insert a metal plate to stabilize the new neck; bathe the spinal cord nerve endings in polyethylene glycol, a glue-like substance to aid regrowth; and finally sew up the skin. Head transplants on mice haven't yet worked; the rodent patients lived only a day. Since it's still not possible to connect the nerves of the spinal cord, failure means death. At best it's premature, at worst reckless. Experts around the world are alarmed at the pushing of ethical and practical limits. Earlier, supplying the lucrative transplants market, China allowed selling of organs harvested from executed prisoners.

People frequently call other family members by the dog's name, but not that of the cat or other pets. In such cases of **dognitive fluency**, a Duke University study found that misnaming follows predictable patterns. It all comes down to phonetic similarity and the special relationship between people and dogs. In short, dogs recognize their own names. Physical similarities played no role, nor is it a result of human or canine aging.

Juan Ponce de León, meet The Yamanaka Genes. A team at Salk Institute rejuvenated organs and lengthened lifespans by 30%, when they reprogrammed the mouse genome. This helps scientists understand how to slow down, if not **reverse aging**. The state of the *epigenome*, the system of proteins that clads the cell's DNA and controls which are active or suppressed, may be a major cause of aging. Yamanaka genes appear able to revert the cell to a more youthful state, resetting the clock of the aging process.

"Life is a moderately good play with a badly written third act." - Truman Capote

## Trends

Digitally native vertical business spells trouble for television, which relies heavily on brand advertising for its revenue. **Online startups** cut out traditional retail channels, a revolution impossible without technology. Brands scale quickly, rapidly cycle new product, serve untapped markets. The Internet caters to a culturally influential world demographic, and employs novel ways of marketing the most lucrative products, from eyewear to mattresses. The customer side gets instant recognition and convenience. Competition will yield value destruction across categories. Marketing likes online ads because they're targeted and cheap.

Apologies, millennials, but Mom and Dad are hot again. Startups creating products for the aging Baby Boomer market, euphemized as **the longevity market**, account for \$7.6 trillion annually, bigger than Japan's entire economy. Every dissonance of age is a marketing opportunity. Chefs, online dating sites, yoga instruction for people with health issues, electric bikes, home downsizing companies, gyms for the over-55 set, meal kits for people with diabetes or heart condition, foot care products, comfortable shoes for boomer men – they all profit. Even the AARP has its own incubator. Wearable devices aren't necessarily going to succeed, since people lose interest very quickly. The hottest category: how to *finance* longevity.

Pure ecommerce has started to hit its limits to growth, so maybe there *is* something to say for brick-and-mortar outlets. **Alibaba** broadened its focus from online to offline retail when they paid \$290 million for a stake in Sanjiang, experienced operators of 160 discount grocery stores. The new hybrid commerce model, "online to offline" or "combined channel" is ideal for appliances, books and baby products. Under development: a food delivery service.

**Apple** experiences an identity crisis, struggling to reverse the decline in sales of iPhones and Macs. The company's devices have become the preferred mobile computers for business, with half of all iPads now bought by corporations and governments. Companies appreciate the product suite because it has tight-knit hardware and software, advanced security features and intuitive interfaces. But emphasizing enterprise customers may alienate individual users, compromising the brand heritage. IBM has developed more than 100 business-oriented apps for Apple, generating more than a half billion dollars in revenue, still a pittance for a company with a \$233 billion war chest.

Its use stretches back to the Middle Ages, and now it's falling victim to the glut of instant messaging, conspicuously absent in the truncated staccato sentences favored by millennials: they use it as a weapon to indicate irony, syntactic snark, insincerity, even aggression – it carries an emotional charge and has become an emoticon of sorts; high schoolers across Britain rated text messages which contain them as less sincere, and favor statements accompanied by paroxysms of overpunctuation like *Yes, fantastic!!!!!!!!!!* Evidently the **period, full stop, point, dot**, whatever you choose to call it, is definitely facing the end.

Off-color remarks. In a happy accident, an OSU chemist discovered a new pigment of blue called **YInMn**, a combination of Yttrium, Indium and Manganese, which was open-sourced for the good of the world. It's ideal for commercial use, non-toxic, will never fade, more durable than ultramarine, less toxic than Prussian Blue, a low-energy solution for temperature control. At the opposite end of the polychromatic generosity scale, artist Anish Kapoor acquired exclusive rights to the **Vantablack** pigment, the world's blackest hue, recollecting the so-called artist Schnabel's cornering of all the purple pigment in NYC decades ago. In response, British artist Stuart Semple's **pinkest pink** specifically bars Kapoor from acquiring it- purchasers must certify they are in no way affiliated with, nor are purchasing this item on behalf of the selfish rival. **Opaque Couché**, an unappealing green-brown originally called *olive green*, was rechristened after objections by the Australian Olive Association. Deemed the ugliest color on earth, it had been applied to unbranded cigarette packs, intended to repulse customers.

"If you've known a lot of actresses and models, you return to waitresses because at least they smell like food."  
- Jim Harrison

## Ai-yi-yi-yi-AI

This needs to be forcefully said: Algorithms are racist and sexist, and **artificial intelligence** is an existential threat to humanity. AI exacerbates inequality in the workplace, at home, in legal and judicial systems. Apologists say it is fundamentally a data problem. Predictive programs are only as effective as the data on which they are trained and AI will reflect the values of its creators. Thus, discrimination is built into machine learning algorithms whose flaws aren't easily discoverable. A system will misrecognize, misclassify, misread, misdirect, exclude. When AI meets IP yet another barrier appears. Companies keep their algorithms' formulas to themselves. The loudest voices debating the potential dangers are affluent white men.

"Never check an interesting fact." - Howard Hughes

## Internet of Things

In a convergence of once-futuristic technology with mainstream America, 2.8 million drones sold in the US in 2016, creating a climate of mass **dronophobia**. Drones fall on people, conduct surveillance, drop contraband into jails, fly dangerously over public events. There's been a surge in drone flights near prisons. Bigger ones can cause major damage and injury, especially in the hands of neophytes. Fire departments remove aircraft if an unauthorized drone is sighted. An increasing number of near-collisions with aircraft were reported. To meet the threat

authorities have started jamming drone signals, capturing drones in nets fired by defender drones, or shooting them out of the sky with buckshot. A Dutch firm trains eagles to snatch small drones from the air. The US is working on a federal registration program, and NASA develops a traffic management system. High-end drones have auto-return and landing features, obstacle avoidance and geo-fencing. But the harshest critics are children whose favorite Xmas present disappeared into the sky or crashed in the park, and angry girlfriends with tiny blades enmeshed in their hair.

A 6-year old Texan child ordered a \$170 dollhouse and four pounds worth of sugar cookies using a voice-activated personal assistant named **Alexa** installed on her family's **Amazon Echo Dot** device. The device begins recording whenever it hears the wake word "Alexa", up to 60 seconds, then goes to work. A California TV channel reported on the story and caused parental control-free Alexas in other viewers' homes to attempt similar shopping sprees. Authorities recently tried to gain access to Alexa's data in a murder investigation. Alexa is always listening, invading privacy, backing up against personal security concerns. How much did Alexa actually hear and when did she hear it?

*"Après moi, le déluge."* - Louis XV

*"Après nous, le déluge."* - Marquise de Pompadour

### *Slip out the back, Jack*

**Edward Mike Davis**, the world's grumpiest boss, sneers no more. A widely reprinted staff memo he once sent banned birthday celebrations and cakes, levity or celebrations of any kind within the office. A former chauffeur of uncertain birthplace and parentage, he might have been Sioux. He married Helen Gilmer Bonfils, the 69-year old Denver Post heiress in 1959 when he was 28. With the proceeds from his divorce settlement 12 years later he founded Tiger Oil, where he wrote to employees, "Do your jobs and keep your mouth shut."

The inventor of the beehive hairdo got swept away. **Margaret Heldt**, who left the naming of her most famous creation to a local paper, designed it to give women height and suggest elegance. Back-combing for volume, she piled tresses on top of the head and neatly wrapped them as if in a package, using hairspray from an aerosol can to hold everything in place for days at a time. The hairstyle was intended to fit under a favorite black fez-like cap she loved. Over the years the style inspired performers like the B-52s and Amy Winehouse.

It's skyward for **Norbert Schemansky**, four-time Olympic weight-lifter who brought home the gold from Helsinki in 1952, after being fired from his job when he asked for time off to compete in the Games. Nobody greeted him at the airport on his return, though an airport porter recognized him, and he took a bus home. With a reported IQ of 132, he lifted in his signature plastic-framed glasses, a fusion of Clark Kent and The Incredible Hulk, and in 1964 became the first man ever to lift 1200 lbs, in a combination of press, snatch, clean and jerk. He broke national and international world records, but never received an endorsement or recognition in the United States. Tass, on the other hand, saw him as useful propaganda tool, citing him as evidence of the capitalistic world's attitude toward man. Schemansky retired from competition in 1972 after 26 years, and became a civil engineer for Dearborn MI, which later named a park after him. The worst part of competing, he said, was coming home.

**Ray Suzan Strauss** aka **The Lava Lady** went with the flow. Possible heir to the Levi Strauss fortune, she modeled for Rudi Gernreich in the 60s, but only admitted to being a retired poet. She covered her house at the corner of Detroit and Clinton Streets in Los Angeles in black lava

rock, and wandered the neighborhood with her hair wrapped straight up, in doll-like blush, wearing long velvet gowns and 5-inch platform shoes. In later years she retired to Wellington Florida, never changing her look. There she was referred to as the Wellington Witch.

There was really nothing left of **Richard D. Trentlage**, except the cloying, cutesy and utterly memorable advertising jingle he wrote for Oscar Mayer wieners in a highly lucrative hour, one day before his deadline in 1962. Jingles generally have a shelf life of 8-13 weeks. Relished as one of the greatest single accomplishments in advertising history, the tune ran for 37 residual-paying years in 21 English-speaking countries.

“I read Shakespeare and the Bible and I can shoot dice. That’s what I call a liberal education.” - Tallulah Bankhead

## Epiphanies

**7-Eleven** changed its ambitions to expand department and supermarket store franchises. Instead, they’ll open more Japanese-style convenience stores in North America. One-stop shopping, with hot food, WiFi, ATMs, and sometimes clothing optional.

The NRA has called the **AR-15** “America’s rifle.” A favorite of returning vets, the model known by the US armed forces as the M16 was introduced in 1959 by ArmaLite. It’s the gun of choice in mass shootings. With an average retail price just above \$1000, aficionados typically keep 3 versions of the assault rifle at home. Banned under federal law from 1994-2004, several million of the guns still slumber in the nation’s rifle racks and gun safes, used for hunting, sport, and self-defense. The AR-15 is fun, customizable, affordable and you can build your own, the Lego set of the gun world. But the traditional white male user group is aging and dying off, so now the industry turns its aim on the next generation of younger gun enthusiasts: a modern sporting rifle, easy-to-use, with a soft recoil, and fires a gratifying eight rounds a second. Despite the popularity of games like “Call of Duty”, association with military glamour is downplayed. An article in an industry trade mag cautioned salespeople about certain first-time buyers who will eventually discover they have a lot to learn.

In Russia, consumers can buy a long-barreled firearm only with a police permit, have no criminal record, must furnish a diploma from a gun safety course and a medical certificate that clears them of any mental illness. Civilians are not allowed to own pistols. More than 100 million AK-47s have been sold worldwide, not to mention countless knockoffs, meaning a largely saturated military market. In response, **Kalashnikov** rebrands, a shift from serving conflict to serving consumers. A new stylized K logo and the catchy tagline “Kalashnikov: Real. Reliable.” positions the brand for sale to hobbyists and hunters. Domestic demand and energy prices help AKs better compete against imported firearms. Due to sanctions, shipments destined for the lucrative US market have been stopped at customs, rerouted to insignificant markets like Venezuela. A diversification into *new product lines* is under way with Kalashnikov buying up companies that make motorboats and surveillance drones. An eponymous clothing line with 60 retail stores in Russia launched. Weapon buyers are seduced by the bespoke range of special options available, different materials for rifle exterior, colors and finishes. Marx would be turning over in his grave if he knew that the company operates under the blatantly anti-egalitarian principle that no two comrades have the same taste.

They call them *disease awareness education programs* and managers at **Abbott Laboratories** in India instructed employees to pursue sales at virtually any cost. Mass screenings in camps have become a common way for drug makers to lift purchases. Reps perform tests on patients to drum up business, doctors then prescribe Abbott drugs. The pharma giant promotes health camps nationwide as a core part of its corporate social responsibility program. After Surbex

Star, a vitamin Abbott claims treats neuropathy in people with diabetes, fell behind expectations, a drug salesman was driven to suicide when his manager insisted that he use his own money to buy \$220 of medicines to help his group meet a sales target. Corruption has intensified with growing competition. There's a national call to rein in sales practices industrywide. Such camps were not exclusive to a company, explained an Abbott executive.

Did you hear the one about the **Carnegie Deli** in New York City? Its obnoxious waiters served coronary-inducing skyscraper sandwiches at 7<sup>th</sup> Avenue and 54<sup>th</sup> Street for 79 years. Following the death of owner Leo Steiner in 1987, the deli went into a nosedive, you shouldn't suffer such a fate. Owner Marian Harper Levine went through a bitter divorce from her husband Sandy; this *goniff* had an affair with a former waitress, stole pastrami and cheesecake recipes, gave them to her family restaurant in Bangkok. Marian was later ordered to pay \$2.6 million in back wages to employees, and accused Sandy of embezzling. In 2015 the city shut down the deli for a gas leak, Sandy again, whom Marian blamed for illicit renovations. Lines formed around the block the week the Carnegie closed, hungry for one last corned beef sandwich with extra pickle, hold the cole slaw. The deli's legacy will survive by licensing outposts in Las Vegas, Pennsylvania, airports and sports venues. Downsized Carnegie-branded sandwiches can be *noshed* at Madison Square Garden, but contain only 12 oz. of the famed pastrami.

Yes, that was **Hello Kitty's** face grown on a melon, produced in Hokkaido in time for the beloved feline's 40th anniversary celebration. It cost around US\$48. Hello Kitty can be glanced all over Japan, hanging off construction site barriers to keep pedestrians from stumbling into unfriendly excavations. The warm-hearted trend uses other cute cartoony characters to entertain passers-by, who might otherwise regard construction sites as nuisances. A menagerie of 30 zoological varieties share the road including elephants, giraffes, deer and dolphins.

Something of a national pastime, Chinese people have the ability to sleep wherever, whenever, in supermarkets, on playground equipment, on the backs of mopeds, under parked vehicles, and now on **IKEA** display beds. The Swedish retailer prohibits the practice in other countries but has long permitted Chinese customers to doze on-site. The hope is that a billion citizen consumers who nod off in its shops will someday decide to take that furniture home.

The new playbook's written for the reintroduction of a 100 year-old brand, sold for an appetizing \$765 million last year. **Jolly Green Giant** plots its comeback with a cocktail of platforms on which Third Millennium FMCGs are built. The Tall Guy repositions as more relevant, more socially engaged. New products and dishes respond to how consumers are eating and what they're feeding their children. The mix includes appeals to selfie stick culture: an Instagram account, a Spotify playlist, mobile pop-up stands at concerts, previews in movie theatres which resemble a fantasy or superhero movie. TV ads dominate the budget.

Would you pay \$7.50 or more for a bowl of Frosted Flakes? The folks from **Kellogg's** hope so. Facing declining sales in dry cereals over the past decade, the company – thinking out of the box - opened a boutique in Times Square, offering treats like Raisin Bran and ice cream sundaes costing up to \$9.50, and sweetening the deal with prizes, mostly branded swag which plays upon nostalgia and history. They figure it costs less than traditional advertising to gain the same awareness. Kellogg's recently felt the crunch from populist protests after algorithmic blind bidding for web ad space caused their online messages to appear on white racist sites.

**Kit Kat** is Japan's most popular candy, sold at high end department stores, one-brand specialty boutiques, even post offices. Nearly every region has a signature flavor, sold only in that part of

the country. There are over 300 varieties in marketplace, with new flavors regularly introduced. Easy to believe in a country that sells fish ball-flavored Pringles and adzuki bean-flavored Pepsi.

Snoopy's 32-year endorsement deal with **MetLife** is over, killed by strategists, researchers and focus groups. The company called the decision the most significant change to its brand in decades. The delusional dog was adopted as a symbol in 1985, during a time when insurance companies were seen as cold and distant. Peanuts characters were friendly and approachable, but today's customers don't associate them with traits like leadership and responsibility. Embedding the answer in the question, researchers asked customers if they would mind if MetLife stopped using Snoopy and the gang, and met with indifference. Conclusion: Snoopy's no longer relevant to its 100 million customers worldwide. The characters don't motivate interest in buying insurance. Abandoning differentiation, the company adopted a clean, contemporary design which they believe signals a purpose-built, modern company. MetLife expands its color palette to include a range of vibrant secondary colors reflecting the diverse lives of its customers. A redundant new tagline "MetLife: Navigating life together", replaces "Get Met. It pays."

The trusting ethos of the 1950s lives at **Topps**, the baseball card company. A 70 year-old Texan man found a vintage contest card asking entrants to predict scores of 2 games played on July 19, 1957, information easily located on today's web. He contacted a Topps exec who accepted the entry and awarded a pillow and t-shirt with Bazooka logo, boxes of gum and a black Louisville slugger glove with tan stitching. Topps wasn't able to send a Gilbert #12062 chemistry set or Stellar 600 power microscope, originally offered as prizes 60 years ago. The winner said the requisite 5 gum wrappers were harder to find than the contest card.

"That is not what I meant at all." - T. S. Eliot, from *Prufrock*

## Terminology and concepts entering the mainstream in 2017

**Centaur warfighting** - a battle strategy which emphasizes human control and autonomous weapons to augment and magnify problem-solving skills of soldiers, pilots and sailors, not replace them.

**Dezinformatsiya** - propaganda of Russian origin, which manipulates foreign news channels to influence offshore policy and destabilize NATO

**Dutch Disease** - the impact energy prices tend to have on an oil-producing country's currency

**HBCU** - Historically Black Colleges and Universities, once thought to be essential campaign stops for US presidential candidates

**Kawai'i** - Japanese word for "cute"

**MSM** - mainstream media, true creator of US presidential candidates

**Mythinformation** - the wishful thinking that with open access to technology, the world will become a better place, without consideration of the consequences of adopting technology

**polezni durak** - in Soviet times a "useful idiot", some naïf manipulated by Moscow, secretly held in contempt, but whose blind support is happily accepted and exploited.

**Ratting** - a process by which hackers gain access using remote access Trojans, which enable spying via device video cameras

**Reflexive control** - in cyber warfare, the practice of shaping an adversary's perceptions

**So** - a useless conjunction popular with millennial writers as the first word of a sentence. See also "alright".

**Steez** - those who manage to look ineffably stylish seemingly without much effort

“Until the lions have their own historians, tales of the hunt will always glorify the hunters.” - Nigerian proverb

“kuh-PIE-yah!” - Rev. Samuel Billy Kyles, witness to Dr. King’s assassination, describing the sound of the fatal gunshot

## What is a brand?

I had long been hoping to extract a quote from the great **Michael Wolff**, co-founder of Wolff Olins and a legendary global brand mind. This year he has obliged: “A brand is a result.” We create brands to try and make us love them, and his answer suggests that a brand is part of a perpetual organic and symbiotic process. The keyword also means *product*, which adds a double meme to the interpretation, citing both consequence and object.

Today I passed a storefront on the Corso Palladio, our Main Street here in Vicenza. It’s Carnevale week, and the store had obliterated its name on the façade with metallic flowers. The **brand** identifier had disappeared. It was quite a welcome relief, a quieted brand, the innocent absence of name or signet. A brand is sometimes an intrusion. It brought to mind Schemansky the weight-lifter, whose image adorns the cover of this year’s letter. He was a silent brand, not a quiet one.

A great 2017 to all!



DiGanZi