This edition of @Issue features corporations that have used design as a brand differentiator and a means to move products. Read how Pitney Bowes, once considered too ugly to be let out of the mailroom, have been transformed into a marvel of function and style. Learn how Minute Maid revived interest in its juice products with colorful new packaging. Find out how Williams-Sonoma catalogs are designed to communicate high-end value and brand personality. And be sure to hear what Business Week's Bruce Nussbaum has to say about how design can create top-line growth. Then, for a change of pace, match the animal with the company in our Corporate Pet Quiz, and learn why there's more to a Paper Clip than you may think.
Business Week’s Bruce Nussbaum on Design

An advocate for the coverage of design in Business Week, editorial page editor Bruce Nussbaum talks here with Peter Lawrence, chairman of Corporate Design Foundation, about why designers must take the lead in the New Economy and the magazine’s new architectural design awards.

Business Week frequently refers to the New Economy. Could you define what that means.

The New Economy simply means that the world has changed. The rise of globalization and information technology has dramatically altered the economic environment. The huge amount of global competition out there has meant that companies can’t raise prices very easily. At the same time, technology has allowed whole sectors to actually lower prices while producing more.

This has forced Corporate America to rethink the way it had operated throughout the ’70s and ’80s, when everyone went on the assumption that if you had high growth, you generated inflation. If you had low unemployment, you generated inflation. If you had inflation, companies generated profits the easy way by raising prices.

No longer able to raise prices, Corporate America set about protecting profit margins by aggressively shrinking operations and cutting costs. They had to do this, and they are not quite finished yet. But the net result is that they’ve become fairly productive in the new world economy, and no longer want to, or can’t, shrink anymore.

Today we are seeing numbers that are truly revolutionary — strong and rising productivity combined with falling inflation. It’s rather unheard of in the eighth year of a business cycle. We haven’t seen numbers like that for maybe 30 years. Business Week calls it the New Economy, the new business cycle.

Are companies still shrinking?

No. The new buzzword in Corporate America is top-line growth, meaning revenue growth. Over the last 5-7 years, we’ve switched from a cost-cutting obsession to a top-line growth obsession.

How does top-line growth differ from a “shrinking” strategy?

For a long time companies that wanted to shrink went to consultants for help. Consulting groups did a pretty good job in helping them. But the people who can tell you how to shrink are not the people who can tell you how to grow. They may be good at helping you to control the numbers but not at helping you to expand and create new ideas.

For top-line growth, you have to sell something. For that you need design. Design innovation will provide the new products. Designers can tell you how to grow, how to innovate, how to change your culture.
"Designers are thinking of themselves more as consultants and moving into...a management consulting function."

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You have been instrumental in significantly increasing Business Week's coverage of design. Why do you feel it is important to your readers? Design has become a critical strategic and tactical weapon used by corporations around the world. Whether in a cost-cutting or growth phase, companies cannot do without it these days. The bottom line is you have got to sell something in business. You can't cut costs to infinity because there would be nothing left. Design can give you the things to sell. At the same time, it can play a tremendous role in cutting costs, resulting in things with fewer parts, things that snap together. For many reasons, design must be viewed by business as an absolutely essential competency, whether it is a core competency or you hire it out. If you look at design these days, it's the combination of innovation and product development that is key.

Since you began covering the annual IDEA awards for Business Week, what kinds of changes have you observed? I would say that 8, 9, 10 years ago, product design was basically about styling. Engineers would come up with the innovation, throw it over the wall to the marketing people, who'd come up with an idea on how to sell it, and throw it over another wall for the designers to put a pretty face on it. That process has changed dramatically. Designers are now at the very least part of an integrated team. They are involved from the beginning and, in some cases, driving the whole thing. The larger design shops especially have their own engineering capabilities. Not only do they design, they have arrangements in Asia to manufacture parts and assemble them. They’re adding functions and providing services. This is a real evolutionary change.

Is design serving a different function in business today? Design has become very much an innovation industry. We're not just talking about the design of one product. We're talking about the design of the whole process of innovation in a company. Designers are thinking of themselves more as consultants and moving into what traditionally has been a management consulting function, providing "tutoring" on innovation as well as product design. They're also changing the way management consultants charge, and for good reason. Still, I am a little concerned when I get together with a bunch of designers and they don't even mention the word design. I don't want them to go too far and forget their roots and the fact that the glory of design is something that you can see and feel and hear. Product "lust" to me is really the soul of the industry. I don't want them to lose that.

When you say designers are beginning to charge management consultant fees, I'm assuming you are saying prices are going up? The cost of good design has been going up for the last 3 years. For what it delivers, it is still incredibly cheap. You can hire one of the best designers in the country today for the price of a New York shrink. My advice: Get it while it's cheap because it can provide terrific payback. In the area of information design, we haven't talked about Web site design, the Internet. That has lifted graphic design right off the floor. Graphic designers were even more poorly paid than product designers until a few years ago. Now graphic design has taken off and it's really booming.

Is the use of design for innovation widespread throughout Corporate America? No. I think we're still dealing with a small number of smart companies making the best use of design. I'd say 70 to 80% of Corporate America doesn't really know the value of design and isn't utilizing it properly, if at all. Design has to be a central concern of top management -- the CEO or senior VP level -- to work. If design is a peripheral function, the company will only get about 5% of what design can deliver. It's critical that it is brought close to decision makers in an institutional framework.

Are consumer research groups effective in improving design or are they an impediment to innovation? If you don't over-generalize the results, focus groups can be a useful tool. I know design firms that use them to learn what is good or bad about a product in the marketplace. It gives them a starting point for innovating, a way to learn what people like and don't like about a product. That's pretty useful. But it won't give you a Palm Pilot. It won't give you a breakthrough. It's what you do with the information that determines how effective it will be.

Last year Business Week began collaborating with the American Institute of Architects on a joint architecture competition. What prompted this interest? Over the last couple of years it has become clear that architecture is being used as a powerful business tool. That was not always so. Ten, 15 years ago, architecture was basically a playground for oversized egos for both individuals and corporations. Corporations created their own monuments for themselves. We were not interested in that at Business Week. But once architecture transformed itself into a design service that could do powerful things for corporations, we became interested in it.

In analyzing the architectural entries, were there any surprises? I was struck by two things. One, the power of architecture to save enormous amounts of money. We're talking in the case of one company, Nortel, a hundred million dollars. Talk about power!

On the other hand, in looking at some of the losers, there's some really awful architecture out there that works to be anti-innovative. It makes people stupid. Spaces can be created that suck the life out of a work team, suck the life out of an organization. Terrific spaces help teams stay fresh and foster an environment that sparks new ideas and products. I was struck both by how powerful architecture can be and how dangerous it could be.

From a business perspective, what is design ultimately about? Design, in the end, is about creating better things for people. Along the way, it can generate better profits as well.
Now if we hire an industrial designer, we make sure the designer has a sensitivity to engineering and manufacturing,” Porter says. “When we hire a plastics engineer, that individual has a sensitivity to design. We have to learn about what everyone else is doing and how that expertise is going to make our overall product designs better.”

One other important function had to be integrated into the product development cycle: the marketing department. With functionality the primary criteria guiding product creation in the past, the company’s sales and marketing staff had been at the front line of consumer feedback. As a result, marketing began to dominate design decisions. “The focus of design had been the satisfaction of our marketing people,” Porter recalls. “Undoubtedly, that’s important. But we also had this external customer that we tended to forget.”

This point was underscored to Porter at an early meeting when a member of his team posted different sketches on the wall while marketing reps critiqued them. From there, the designers cobbled together an incongruent, final solution with little stylistic effect. “Part of the reason past product designs were so functionally based was because our designers didn’t have enough organizational credibility to push the envelope,” Porter asserts. “The thinking was: If a design element didn’t look like it was contributing to the performance of a product, it was superfluous.”

In 1995, the design department posed its first challenge to such thinking with the creation of a new mail processing system called PostPerfect. A striking visual departure for a new mail processing system, PostPerfect was intended to be used in an office, not hidden away in the mailroom. But an early sketch was prematurely released to the company’s Product Approval Committee (PAC), made up of executives from departments within the Mailing Systems Division.
Radically different from traditional Pitney Bowes’ designs, the sketch met with a disastrous response. Believing the concept was sound and determined to save the design department’s hard-won changes, Porter put the design before consumer focus groups in the United States, United Kingdom, Sweden and Canada. Participants not only loved it, they responded with remarks like “Pitney Bowes didn’t design this.” Unsolicited, a British office equipment magazine ran PostPerfect on its cover as an editor’s choice of best-designed products, and paid the machine’s creators a back-handed compliment by noting it was developed by Pitney Bowes’ “recently formed industrial design department.” In fact, the in-house group had been around for more than 20 years.

The consumer focus group results helped to gain PAC approval. “It gave us the necessary validation to pursue bolder forms and aesthetics,” Porter adds. “For me personally, it was a necessary victory. I’ve always believed that people really do understand good design and want it. But first I had to slip something like PostPerfect out the door to get that necessary customer reaction to prove me correct.” But even while PostPerfect was still in production, the design department was tested again. Management announced it would seek outside design help on the development of a new product, the Personal Post Office, affordably priced and intended for smaller office and retail customers. The product was a significant shift in corporate strategy and one with considerable implications since the workplace of the 21st century is as likely to be found at home as in a skyscraper. For the first time, Pitney Bowes intended to sell a product through national TV advertising and retail outlets like Staples. Told that his designers didn’t have the flair to carry off such a high-profile launch, Porter offered up his own job if his team failed to produce a winning design. His in-house team won and came up with a handsome, simple solution that dispelled preconcep-

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**PostPerfect**

A radical departure from the old postage meters, PostPerfect was the company’s first attempt at using sophisticated design to convey the cutting-edge technology inside. In addition to incorporating fraud prevention and fund security safeguards, PostPerfect introduced improved user features over its predecessor at 15% lower overall cost. The new system also needed fewer parts – 88 compared to 327 – and required 86% less assembly time.

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**Old Machine**

Boxy and lacking visual appeal, Pitney Bowes’ old machines were sturdy and functional and meant to be hidden away in the mailroom.

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**User Friendly**

Users intuitively understand where to insert the envelope into the machine, and features such as automatic dating and metering prevent frequent mistakes.

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**Thermal Transfer Printing**

PostPerfect’s thermal transfer printing system is dry and will not smear, and the ribbon cartridge is simple to replace.

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**Slanted Control Panel**

The angled control panel can be used comfortably from a standing position, and the bright display provides full language prompts and status messages.

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**Envelope Tray**

The overhanging panel lets designers create a stacking tray for metered envelopes without having to expand the space requirement of the machine.
"We're using aesthetics to underscore our superiority, to add value to our products and show we are continuously furthering product development."

Visuals, of course, are just one of the challenges facing the company's designers. In developing the DocuMatch mail system two years ago, they had to create a user-friendly appearance for a complicated machine that takes inserts through multiple processing stages to enclosure in a final addressed, metered envelope. More recently, Pitney Bowes has used design to underscore technical enhancements in relaunched products. The forerunner of the company's Spectrum 5 Series Folder/Inserter system had reliability problems. In retooling the upgrade, the 5 Series had to convey the personality of a new product - for customers with short memories - while utilizing many of the existing covers from the angular, undistinguished predecessor. The new design features flowing lines that cascade from module-to-module, giving the system an ultra-contemporary look. It also serves as visual sleight-of-hand, correcting surface height discrepancies that occur because of the way the components are assembled.

Similarly, with the new Galaxy mail processor, the designers had to include many existing parts into a new aesthetic. As the industry's first removable, high-speed digital, inkjet postage machine, the machine had to look like nothing that came before it. To do that, the designers managed a seamless transition from the sharp edges of two pre-existing lower covers to those of the upper curves. Galaxy's built-in scale is an unobtrusive set of slivers that emerge from the bed of the product, and subtle finger relief and texture offer operational guides. "It's not required functionally but it provides a nice cue to users that they're in touch with the right area," explains David Beckstrom, Pitney Bowes' manager of industrial design.

Those buying the company's products are responding to that level of detail, but equally satisfying to Pitney Bowes' designers is the new recognition from their colleagues in marketing. "We look at our competition and depending on product lines, their products look very outdated," says Clint Dally, marketing manager of mail finishing and paper handling. "Not only is their design outdated, but their hardware. We're using aesthetics to underscore our superiority, to add value to our products and show we are continuously furthering product development."

None of which surprises Porter, who was recently promoted to director of New Product Development. As the first designer ever given that post at Pitney Bowes, he recognizes the strategic value of design in the company's overall business mix.

"Traditionally, if you asked our customers where aesthetics fell relative to other considerations affecting product selection, those values drop to the bottom of the list compared to reliability, performance, functionality, features or cost," he says. "Yet, I've always known if you show somebody a great design, they get excited. They have an immediate, emotional reaction to those visual elements."

Admitting that postage meters haven't been known for design, Porter adds, "It's easy to design for consumer acceptance in this market because what those customers are accustomed to is, frankly, pretty bad. We're trying to get to the next level of design excellence because our competitors today are not going to be our competitors tomorrow. We better be ready for that."
Corporate Pet Quiz

It's not just athletic teams that adopt animals as trademarks, companies do it too. Unlike wordmarks and abstract logos, an animal image communicates the sense of a living, animate being with its own unique personality and character traits. Companies sometimes integrate their favorite creature (e.g., car makers like fast animals) into their trademarks to depict qualities that express how they would like to be perceived. Other businesses adopt native animals as “mascots” to honor their regional base. Consumer products, especially aimed at young kids, frequently pick friendly “pets” to endear themselves to customers. Shown here are some familiar animal brand trademarks. See if you can match the creature to the company that owns it.
Minute Maid Goes for the Orange

With the juice drinking tradition changing and brand loyalty being challenged, Minute Maid set out to revitalize its brand identity. Its fruit-filled new packaging design not only increased orange juice sales for Minute Maid, it turned all-natural juices into the health drink of the '90s.

Even though The Minute Maid Company had long been a leader in the orange juice category, by the mid '90s, the category itself had gone flat. Juice alternative products, from fruit teas to flavored waters, had eroded the overall juice category. Young consumers looked upon Minute Maid as "their mother's orange juice" — wholesome but not where they were at. Even mothers didn't serve orange juice as often, as more worked outside the home and the sit-down family breakfast became a thing of the past.

Compounding Minute Maid's concern was the fact that its signature black carton, had been "knocked off" by so many competitors that it was no longer distinctive. Also, as non-juice products grew in popularity, juice makers staged ever-more aggressive campaigns to hang onto market share.

Squeezed from both ends by lifestyle changes and competitive pressures, Minute Maid set out to revitalize its brand image. At stake was its short-term profitability and the long-term strength of the franchise.

But revitalizing the Minute Maid brand was no small undertaking. Ultimately, the makeover would encompass 160 SKUs (shopkeeping units) and packaging that ranged from cardboard cartons and shelf-stable plastic containers to aluminum cans, frozen juice canisters and 16-ounce glass bottles.

For the task, Minute Maid, a division of Coca-Cola Company, turned to Duffy Design, which had previously worked on the Diet Coke brand. Duffy account director Ed Mathie recalls the first meeting with Minute Maid. "They came in saying that the brand had a lot of equity, but they weren't getting the most out of it. They also recognized that a good solution would probably lead to redosing the entire brand."

Duffy's first move was to identify which elements in the existing brand were meaningful to consumers and worth preserving. "When you take on a brand that has a significant following, the last thing you should do is tear it apart and start over," explains Joe Duffy. "We work with the
account planning group that we share with our advertising affiliate, Fallon McElligott, to analyze the equity in a brand. We begin by deconstructing the brand's iconography to gain a base to start from. It gives us parameters and allows us to learn how to continue the brand relationship with its core audience."

Consumer focus groups for Minute Maid provided interesting preliminary feedback. As expected, participants associated the color black with Minute Maid, with some even reporting that they automatically picked up "the black carton" when shopping without

"Consumers granted Minute Maid not only juice equity, but fruit equity. It's one thing to be an orange juice, another to be an orange."

Offer Minute Maid other advantages as well, says Neil Powell, design director for Duffy/New York, who headed the project. "Aside from feeling more real and natural, it's harder for competitors to knock off, if you do it in a distinctive way."

That distinctive way, the designers concluded, was through a colorful and lavish photomontage of the fruit from which the juice is made, with brand information and a newly designed logotype contained in a black morise. The production difficulty and cost of creating such graphics would give Minute Maid competitive brand sales, and did some work on the 16 oz. bottle, which uses a different label size. "We tried to pick the extremes. The half-gallon carton being the biggest and the 16 oz. comparable to the smallest," Powell explains. "If we could solve those things, we felt we could hit anything that fell in between."

Given the dramatic differences in container sizes and shapes, the designers solved the problem by building a system of modular elements that could accommodate a wide range of applications. "This way we could retain the look and feel of the brand, without

Updating a Package

Phase 1: Old Carton

Phase 2: Preliminary Packaging Designs

Phase 3: Final Design

Using an iterative method of design development, Duffy Design presented several different approaches to consumer focus groups. Participant comments about the preliminary packaging designs, shown here, helped the designers arrive at the final packaging solution.

The original carton, introduced in the late '60s, presented graphics and text against a solid wall of black. Research revealed that only the Minute Maid name and the use of black had brand equity and needed to be carried over into the new design.

Clean and simple, this design picked up the orange slices from the original carton and downplayed the black. "I can picture the steel tank the juice came out of," said one focus group participant, implying it looked more sterile than pure.

The "handwritten" typography and busy design didn't strike consumers as warm and friendly, but gave the impression that it was something sold at a roadside fruit stand and caused them to question the product's consistency and purity.

Looking more old-fashioned than nostalgic, this design prompted the comment, "It's but this was the original carton way back when."

The orange and tan color palette also hampered the impression of freshness and neatness and "didn't look cold enough."

Focus groups participants thought this image looked gentle and nurturing. But the soft-focused photographe of oranges also made them think the flavor was watered down and not 100% juice. The typeface also communicated "yuck" rather than a sense of heritage.

The final design incorporated the comforting emotional quality of the version at left, but presented the fruit in sharp focus and true colors, rather than screened, to resolve the issue of fruit juice strength and taste.

The photomontage in the final version wraps all around the carton to give the package greater dimensional interest. A key concern was planning the photography so that the overprinting type could be read.

reading the label. But people also admitted that they found the brand identity "boring and dormant" and felt it didn't speak to the quality of the product or how the product might be better for you.

Still, they viewed the brand their mother used to serve them with nostalgic affection. People claimed to "love" Minute Maid, even if they weren't buying it. This high regard extended beyond the drink itself. "Consumers granted Minute Maid not only juice equity, but fruit equity," Mathie says, emphasizing. "It's one thing to be an orange juice, another to be an orange. The emotional connection to fruit is very strong, stronger than to juice."

These findings confirmed Minute Maid's goal of making the fruit the hero in the packaging to show that the product tasted like the fresh, ripe fruit.

Surveying competitive brands, Duffy designers saw more ways for Minute Maid to establish brand distinction. "We noticed that no one was using photography effectively," Mathie says. "Most of the category was driven by illustration. At first, we thought it was because you couldn't get good print resolution on paperboard but, in fact, that isn't the case. Paperboard quality and print technology had caught up and the marketers hadn't leveraged that."

The designers began to see that photography might distance from would-be copycats while maintaining the look and feel of the original packaging.

In arriving at the final brand image, the designers used an iterative approach, creating different concept directions, presenting them to the client and then soliciting feedback from consumer focus groups. "At the end of the day, the relationship with the consumer is what we were trying to reestablish," says Mathie. "We did three rounds of focus groups. We took out our initial solutions, got feedback, did modifications and took it out twice more."

Initially, the designers focused only on designing the half-gallon carton, which represents the bulk of having it look pieced together," Powell explains.

But one ongoing issue was the amount of black that had to be used. Too much and it would look like the old identity, too little and the equity would be lost. "In focus groups, consumers loved the fruit montage in the background and pushed to see as much of that as possible," Mathie reveals. "At the same time, the more black, the more direct the link to the Minute Maid heritage and where the brand had been. It was a continuous "real estate" struggle between the black morise and the fruit montage."

Another consideration was the physical setting in which various containers would be viewed. First, there
were not as visible,” Mathie says. “While the new treatment elevated orange juice in the consumer’s eyes, it brought punch and lemonade up much further because the packaging looks on a par with orange juice.”

Another market segment that Minute Maid wanted to capture was young health-conscious consumers, the main purchasers of single-serve juice sold in bottles and cans. Prime outlets were convenience and gas station stores and vending machines.

Printing a detailed photographic image on an aluminum can, however, was a challenge. “Dot gain (ink spread) for aluminum can printing is significant,” says Powell. “It’s probably one of the crudest forms of printing out there because you are printing at such a high revolution per minute. We had to push the technical limits of our suppliers to match the same look and feel of the rest of the packaging.” Needing white and black for the mortise, the designers had to use three colors to create the illusion of four-color printing in the photomontage. “It all came down to manipulation,” Powell says.

But the designers were willing to sacrifice some loss of production value on the can side to gain it on other containers. “We didn’t want aluminum cans to drive the look and feel of the design,” says Powell. “If you design for the lowest common denominator, you’re going to get the lowest common denominator.”

Nevertheless, placing an eye-catching photomontage on single-serve containers did pay off. Minute Maid experienced improved results in all products during the first quarter after the new brand identity was introduced. Overall volume sales of single-serve bottles increased by more than 24%, and petroleum store sales, which accounts for nearly half of Minute Maid’s total single-serve volume, increased by over 34%.

More important, the new brand graphics helped Minute Maid to achieve its objective of becoming more consumer driven than trade driven. “It’s a matter of push versus pull,” says Mathie. “With trade-driven products, you have to spend a portion of your budget on paying the trade to put the product on the shelf, feature it, give it a larger shelf ‘footprint’ than your volume would offer you. Another way to achieve these goals is to become a consumer-driven brand. We wanted to establish a brand preference so that consumers would demand the product and force the trade to give it prominence.”

Duffy adds, “With a category like orange juice, consumer choice often comes down to brand personality, creating an identity that strikes an emotional chord with the target audience.”

For Duffy, product packaging is “where the rubber meets the road.” The food category is ripe with opportunity, he claims. “The people who produce the vast majority of food brands tend to give packaging the back of their hand. They pay attention to other things and don’t realize that the packaging is an expression of the brand personality. The packaging is the brand in the consumer’s hands. No matter how good the advertising or the actual product, if you can’t get the product into the consumers’ hands and convince them that physical point of contact, they aren’t going to try it. Winning in the marketplace is the end game when it comes to branding. If it doesn’t ring the cash register, it’s not successful.”
With more than two million registered trademarks in the United States alone, anyone asked to come up with a corporate or product name may decide there are no new names left to claim. The task is even harder than naming a baby, which at least won't lead to charges of trademark infringement if you pick a name like John or Mary. Today a brand name not only has to be memorable, distinctive, easy to pronounce and durable, it has to work globally. That takes more than a large vocabulary and a good thesaurus. Naming professionals make a science of knowing the origin and esoteric meaning of words and the emotional reaction to

certain sounds. They track naming trends and cliches, foreign language problems, spelling and pronunciation ambiguities, and know expedient ways to conduct legal searches and acquire trademark protection. Designers now also participate in the naming process since the graphic expression of the name often determines its success or failure in the marketplace. Although the ultimate reason for settling on a certain name may be purely subjective, it's valuable to put finalists to a test to see if they pass muster. Here are some questions to consider, developed with the help of Idiom, a San Francisco-based naming firm.
The success of Williams-Sonoma’s direct-mail catalogs has as much to do with its savvy use of the print medium as it does with the premium quality of its merchandise. Working with the unique strengths of the catalog format, the company has discovered ways to enhance the shopping experience of customers who order by mail.

Enter the pages of a Williams-Sonoma mail-order catalog, and you feel the comfortable familiarity of having walked into one of its retail stores. Merchandise is attractively organized and displayed. Accompanying text is presented in a friendly, service-oriented tone. And the styling of the photography suggests a knowledge and appreciation of the needs of serious home cooks. Williams-Sonoma’s premium brand image is evident on every page.

The clarity and consistency with which Williams-Sonoma delivers this message are key reasons why the company is now the nation’s dominant home-centered specialty retailer. Today the company operates 276 retail stores and distributes more than 154 million catalogs annually for its five home-based concepts—Williams-Sonoma, Pottery Barn, Hold Everything, Gardeners Eden and Chambers. Catalog sales growth has consistently outpaced its retail sales over the past five years, increasing by 19% in 1997 alone.

Translating merchandising concepts for direct-mail catalogs is a skill unto itself. Techniques used to create a pleasurable shopping experience—e.g., enticing displays, stimulating lighting, relaxed traffic flow, informed sales personnel, efficient check-out counters and the like—don’t directly apply. By virtue of its medium, a printed catalog prevents shoppers from seeing and touching a product first-hand or asking a friendly clerk for advice. A catalog must rely on design presentation to communicate its brand personality, steer customers through its merchandise offerings, cross-sell products and explain each item’s special attributes. The design and text must speak in a tone of voice that invites mail-order shoppers to settle back and “browse” a while.

This voice and desire to inform came naturally to founder Chuck Williams, who introduced the company’s first mail-order catalog in 1971 to give serious home cooks access to professional cooking equipment and imported foods, previously available only through his shop in San Francisco. Williams’ reputation for carrying the highest quality cookware had

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**Chuck Williams, Founder and Vice Chairman, Williams-Sonoma, Inc.**
Williams founded Williams-Sonoma in 1956 and is still the guiding creative force behind the company’s home-centered merchandising concepts.

**Kerrie Chappell, Vice President, Creative Services, Williams-Sonoma, Inc.**
The head of the Creative Services Group, Chappell oversees the development and production of the company’s five catalog concepts and other print materials.

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**Williams-Sonoma Fact Sheet**

- **Parent Company:** Williams-Sonoma Inc.
- **Principal Officer:** W. Howard Lester, Chairman and CEO
- **Fiscal 1997 Sales:** $933 million
- **Number of Stores:** 276
- **Catalog Concepts:** Williams-Sonoma, Pottery Barn, Hold Everything, Gardeners Eden, Chambers
spread beyond the Bay Area, and to meet far-reaching demand, he produced "A Catalog for Cooks," with the initial help of his friend Edward Marcus of Neiman Marcus. The first mailing out to 5,000 food savvy customers.

Although Williams, now in his 80s, is semi-retired, his influence is still felt in the company today. He says, 'Don't make it confusing, tell an honest story and pay attention to details.' Chuck is good at making sure that no one goes too far afield.'

To ensure that each merchandise concept reflects a singular vision, the contents of each Williams-Sonoma catalog, as well as its related store locations, are determined by the merchant (head buyer) in charge of the concept. Each concept is essentially treated as a separate company and has its own unique identity. The merchant determines what goes into a catalog and organizes the product offerings into page spreads, working closely with an in-house production team. The catalog team consists of a production manager, coordinator, assistant and copy editor who see the process through from beginning to end. The art director, stylist, photographer and copywriter for each catalog are hired from outside. "Our aim is to put together the best team and establish a long-term relationship," says Chappella. "The more we know about each other and our working styles, the better we can be.'

This continuity also makes for greater consistency from catalog to catalog. The design and photographic styling, paper, color separations and printing are kept to a high standard. "We look at everything as a reflection on the product," says Chappella.

That goes for the thematic story on each spread as well. "We try to make our copy more than sound bites, and try to use it to help customers understand their purchase better. We believe that everything should tell a story. If we're featuring a recipe for Tortilla Soup, for instance, we may show it with the cheese, the grater, the pot for making it in. All the pieces fit together. It's a tradition started by founder Chuck Williams, recipes from well-known chefs such as Toddy English add value to the catalog content and educate and inspire customers with cooking ideas and ways to use the products.

Original Catalog Format
The original Williams-Sonoma catalog was in a 5½" x 8" format, small enough to fit into a purse. After 20 years, the busy design looked dated and detached from the appeal of the merchandise, so the company undertook a major design makeover in 1994.

Story on a Spread
Each spread in Williams-Sonoma's catalog is designed to tell a complete story. The items shown on the page typically relate back to the recipe featured on the spread or are supported by a visual demonstration of the product in use.

Famous Chefs

Prepared Food

Show the featured lamb shank recipe in a Dutch oven and help the customer see what the finished dish looks like and understand how the cookware product could be used.

Impulse Purchases

Like impulsive items typically displayed at a checkout counter, the mail order form features inexpensive add-ons that the customer can buy at no additional shipping charge.
all here, as opposed to searching it out. That is not to say that you need to buy everything on the page to make the dish, but here are things that may make it easier.”

Including recipes not only helps to sell the cookware on the page, it serves to increase the educational and entertainment value of the catalog. When producing four seasonal catalogs a year, ranging between 72 and 134 pages (and different versions within those seasons), recipes are a way to entice mail-order customers to look inside to see what’s new.

Despite the multiple catalog versions produced each year, Williams-Sonoma rarely reuses photographs, even though a product remains the same. “We reshoot to keep the backgrounds and lighting consistent in each book,” explains Chris Weber, whose firm has been designing the Williams-Sonoma catalog for the past three and a half years. “Williams-Sonoma as a company knows what has value. They are willing to reshoot anything just to get the color of the wood table to match what is on the page. They will go that extra mile all the time to have the quality where it needs to be.”

The change in photographic presentation is also important for giving a fresh look to stock items such as Calphalon pans featured in every catalog. “Certain recognizable brand names give authority to our merchandise,” says Chappelka. “We have to have them in every catalog. Maybe customers won’t purchase them the first time, or the second time they see it, but the third time, they may say, ‘Okay, this is what I want.’”

Presenting repeat items in different ways helps customers understand their versatile uses. A catalog lets you do things that you can’t do in a store, Weber points out. “A catalog lets us bring the product right into the home, put the food right on the table,” she explains. “If we are going to shoot a trifle bowl, we look for a great-looking trifle to put in there because that will sell the bowl. For a salad bowl, we look for the trendiest frisée lettuce and work on a background that complements the product. We can create a story around an omelet pan by the recipe, the herbs in the background, the spatula and the plate the omelet will be served on. We can help you visualize using the products in your home.”

The catalog format also enables Williams-Sonoma to test new product categories more easily and cost-

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<tr>
<th>Using Design to Expand</th>
<th>Traditional digest size</th>
<th>New format</th>
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<tbody>
<tr>
<td>Williams-Sonoma's Direct-Mail Sales</td>
<td>5½&quot; wide x 8&quot; high</td>
<td>8&quot; wide x 10½&quot; high</td>
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**VS.**

**Test Marketing**
Although the company sensed that the original digest size of its Williams-Sonoma catalog was causing a decline in direct-mail sales, it was reluctant to change because consumers associated the size and look with the brand. In 1994, Williams-Sonoma decided to test the equity in the format by having Pentagram Design's Lowell Williams (no relation to Chuck) to redesign the catalog.

<table>
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<tr>
<th>Pre-holiday</th>
<th>Thanksgiving</th>
<th>Christmas</th>
<th>Last-minute Shoppers</th>
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<tr>
<td>September</td>
<td>October</td>
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**Holiday Marketing**
Williams-Sonoma produces four seasonal catalogs per year, and within those seasons, develops several different versions. Page spreads are often added, dropped or regated. The Fall-Holiday catalogs, for instance, feature four different covers, moving progressively from fall cooking to holiday entertaining. Inside, spreads are regated to bring forward gift-oriented and seasonal products that would be of greater interest to direct-mail shoppers as Christmas approaches.

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Efficiently, “Furniture and food are prime examples,” says Chappelka. “If we were going to have them in a store, they’d have to go into all of our stores. That means buying a lot more inventory. With the catalog, we can keep the products in a warehouse.”

But even catalog tests are less risky for Williams-Sonoma, which is unsurpassed in identifying customer tastes and preferences. “We very much watch what sells and doesn’t and keep a history of how things are going. We know who our customers are, what they like and don’t like. They tell us by their buying,” Chappelka says. “One of the fun things when a book is mailed, is we start getting the sales results. It is like watching a ticker tape. Sometimes we say, ‘Look what they’re buying first!’ It’s great.”

Still, Chappelka emphasizes, “When we are putting together a catalog, we have to be aware of how easy or difficult it is for the customer to use. If a customer looks at a page and is confused, she’ll turn to the next page. A good lesson for all of us is at Christmas time, when everyone on the corporate direct-mail side answers telephones. You think you’ve thought every-
Consider the humble paper clip. It's just a thin piece of steel wire bent into a double-oval shape, but over the past century, no one has invented a better method of holding loose sheets of paper together.

Its invention in 1999 is credited to a Norwegian named Johan Vaaler, who patented the device in Germany because Norway had no patent law at the time. Vaaler did nothing with his invention, however, and a year later a U.S. patent for a paper clip, called the Konclip, was awarded to Cornelius J. Bronson of Springfield, Massachusetts. In England, Gem Manufacturing Ltd. quickly followed with the now familiar double-oval shaped Gem clip. Since then, literally zillions of paper clips have been sold.

The common paper clip is a wonder of simplicity and function, so it seems puzzling that it wasn't invented earlier. For centuries, straight pins, string and other materials were used as fasteners, but they punctured or damaged the papers. While the paper clip seems like such an obvious solution, its success had to await the invention of steel wire, which was "elastic" enough to be stretched, bent and twisted. The design was perfected further by rounding the sharp points of the wire so they wouldn't catch, scratch or tear the papers. By 1907, the Gem brand rose to prominence with a "slide on" double-U style paper clip that "will hold securely your letters, documents, or memoranda without perforation or mutilation until you wish to release them."

Although some dispute the originator of the paper clip, Norwegians have proudly embraced their countryman, Johan Vaaler, as the true inventor. During the Nazi occupation of Norway in World War II, Norwegians made the paper clip a symbol of national unity. Prohibited from wearing buttons imprinted with the Norwegian king's initials, they fastened paper clips to their lapels in a show of solidarity and opposition to the occupation. Wearing a paper clip was often reason enough for arrest.

Although colorful plastic materials and new shapes have challenged the double-oval steel-wire paper clip over the years, none has proven superior. The traditional paper clip is the essence of form follows function. After a century, it still works.
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