THE CEO AS BRAND

Their names are synonymous with their companies' products—and that presents a slew of unique challenges.

By Karen Benezra

Can a balding, middle-aged man with a big nose and goofy grin really sell chicken? No, not alone, says Jim Perdue. His mug helps to market tender birds, but the 51-year-old poultry company scion refuses to take sole credit for the success of a national TV advertising campaign that features his smiling face peering through the window of a warm oven. Consumer tests have shown the advertisement has sparked above-average brand recognition and interest among non-Perdue buyers.

Perdue attributes the success of his company's branding efforts to the quality of its product—chicken, in all its golden, plump glory—also featured in the ad. If the product weren't excellent, no ad campaign, no matter how good, would salvage the Perdue brand image, he points out.

But Perdue is wrong to discount the weight of his name when it comes to building the corporate image and its most famous products. After all, his is the company's name; his father, Frank, spent years on TV telling consumers, "It takes a tough man to make a tender chicken." As a result, Perdue, as CEO of Perdue Farms Inc., shoulders a special responsibility: to serve as the fresh face behind the name and to represent the brand's renewed message.

Trademarks Personified

Signing on to be the company's spokesperson isn't the only path to brand CEO status, though—nor is it the only requirement. Brand CEOs are those who have come to personify their companies' trademarks, whether through family ties, a strong personality or high visibility.

Think Martha, Oprah, Jack, Bill, and "Chainsaw" Al. These power executives play—or played—such an integral role in defining their companies that employees, customers and investors refer to them on a first-name basis. They glad-hand dignitaries. They testify before Congress. They withstand pitched battles with shareholders. In effect, these captains of industry are brand icons inexorably linked to the reputations of Martha Stewart Living Omnimedia, Harpo, General Electric, Microsoft and Sunbeam.

Such a role assumes greater challenges and, perhaps, yields greater benefits than those experienced by lesser-known bosses. The lasting impressions these CEOs have bestowed upon their businesses—and the corporate cultures they have uniquely defined—set them apart from the pack. Through their strong leadership styles, corporate vision is communicated loudly and clearly, and brand images are carved out for years to come.

Who could better sell a turnaround story for Remington shavers than Victor Kiam? Or Lee Iacocca's "the buck stops here" approach for Chrysler? Witness folksy Dave Thomas hawking burgers in more than 500 ads for Wendy's International. Or Frank Perdue, and later, son Jim, talking tough about tender chickens.

Company Becomes Person

Richard Branson's irreverence and zeal for life have personified Virgin's empire of record stores, airlines and soft drinks. Iconoclastic, hard-driving Steve Jobs, whose anti-establishment approach permeates Apple Computer Inc., created a lasting impression of the brand that trickles down to users who identify themselves as Mac devotees. "The company becomes about the person, and it has a personality to it," says Robert Kahn, executive director at global brand consulting firm Enterprise IG. "The CEO is the absolute bottom line for a company. There's a lot of power in that."

Iacocca, by going on TV and making a personal statement, assured wary Americans that Chrysler was committed to delivering high-quality automobiles. And if a consumer could find a better car, he urged them to buy it. It was a rare but perfect fit of strategy and personality, says Brendan Ryan, CEO of ad agency FCB Worldwide and chairman of the American Association of Advertising Agencies. "That moment demanded a personality to epitomize what Chrysler was all about and why it was worth saving," he says. "He got out and owned the problem."

Poked in the Public Eye

There are reasons why CEOs should stay out of the spotlight, of course. Sometimes these brand icons suffer at the hands of corporate foes. Frank Perdue was dogged by animal rights activists opposed to factory farming—and was once attacked. In 1992, a woman dressed in a chicken suit rushed the CEO during a public meeting and hurled a cream pie in his face.

Some industries simply don't lend themselves to vocal bosses who show their faces on TV. The late adman David Ogilvy opposed CEOs' appearing in advertisements for their brands. "Only in the direst of cases, show your clients' faces," was one of his favorite maxims. Ogilvy believed such a ploy could be viewed as a sign of weakness, and that the agency that developed such a campaign had no good ideas of its own to sell a product. Ogilvy also reasoned that CEOs come and go, creating a risk in associating a product or service with a single individual.

Even if the CEO stays put, creating a culture around his or her personality can make the corporate brand more vulnerable. Consider AT&T's Robert Allen, GM's Roger Smith, or IBM's John Akers; each showed that when egos get in the way, CEOs can grow arrogant. They stop listening to trusted advisors and begin to breed negative energy, reflecting that back on the company. "Roger Smith became shorthand for a generation of managerial puppetry," says Jeffrey Sonnenfeld, president of the Chief Executive Leadership Institute and an associate dean at the Yale School of Management.

To be sure, when highly visible CEOs make bad decisions or fail entirely, their companies suffer as well. "Personal actions, such as political decisions, take on more weight," says Peter H. Coors, former CEO and now chairman of the eponymous brewing company founded by his great-grandfather in 1873. "What we might do personally would have an impact on the company."

"People won't feel good about buying your product if they don't feel good about your company," he adds.

For years, the company bore the reputation of a union-buster stemming from labor disputes at the brewery from 1977 to 1987—not the best image to have when your main customers are young and blue collar. Coors says he "spent a great deal of time patching relationships with the community and unions" following that chapter of the company's history.

Nobody's Perfect

For years, quick-tempered George Steinbrenner, a.k.a. "Boss Bluster," was famous for firing Yankee coaches and players on a whim. Even before the latest revelations about the missing years on his resume, turnaround artist Al Dunlap was known for picking up distressed companies and slashing thousands of jobs to boost profitability before dressing them up for another sale. "At the end of the day, they're all people and they have foibles and can find themselves in situations that aren't positive for a brand," says Kahn. "Nobody's really perfect for a long time."

But CEO-centered advertising can be very effective for certain companies. Take Coors Brewing Co., for example. For more than 10 years, that company's campaigns have featured Peter Coors, 55. "I [started by doing] a series [of national TV ads] talking about the quality of our water," says Coors, who figured it was a one-time deal. But then Coors' agency, FCB Worldwide in Chicago, invited him to do more, this time on drinking responsibly. The advertisements have done so well in helping Coors reach its target audience of young men, that even though Coors is no longer CEO—he was succeeded in 2000 by W. Leo Kiely III—he remains the focal point of advertisements. "We've built up the equity of my image," he says.

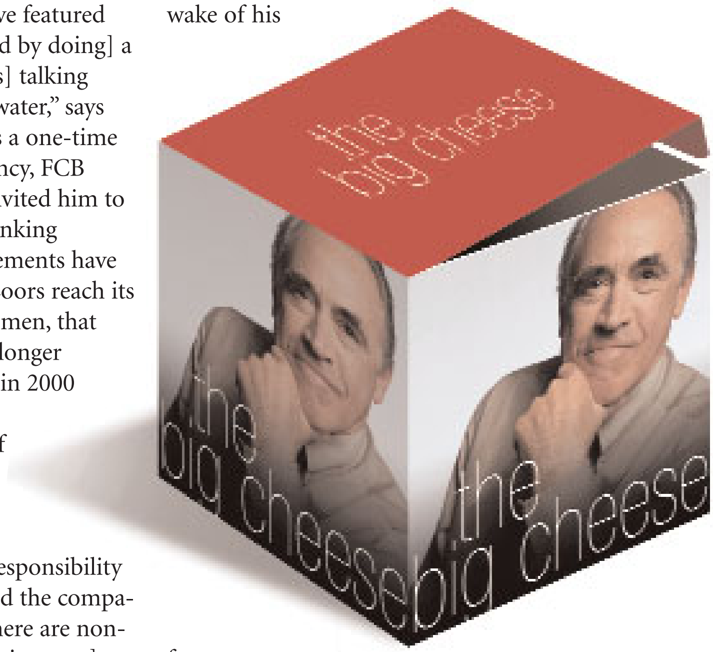
Coors says he feels a responsibility to represent his family and the company in his community. "There are non-family CEOs who use [their status] as a tool to move their companies forward, as well. But perhaps it's more natural if you have the name and that's what you like to do," he says.

The challenge for corporate leaders is to determine when a CEO should lend his or her personality to build the brand, although most agree the circumstances should specifically call for it. "There are times when it is appropriate for a CEO to become involved, such as in times of crisis or doubt," says William R. Johnson, 52, chairman, president, and CEO of the H.J. Heinz Co.

Changing of the Guard

Much of a brand CEO's success depends on his or her personality or career history. Someone like Lou Gerstner, for example, who was imported to IBM from another industry, wouldn't necessarily make a good brand spokesman. But "someone like Gates or [Oracle's Larry] Ellison, who started their companies from day one and became their public face" makes more sense, says Ryan.

And therein lies another challenge brand CEOs face: passing on the brand identity they've developed to a successor. Jack Welch's departure from GE created more than just one of the most closely watched horse races in succession history. He also left his successor Jeffrey Immelt a difficult task: to create a name for himself in the wake of his



famous boss's departure, and to develop an equivalent emotional bond. Among Immelt's first, and some say defining, moves was stepping up to donate $10 million to the September 11 disaster fund just two days after the terrorist attacks.

Many CEOs believe that if a company's values are solid, and if the image of a product or service is strong, it should be able to weather the departure of a brand name CEO.

In order for the company's products to have a voice and an image independent of the top executive, the brand CEO has to have done a good job of establishing what the company stands for, communicating that vision to employees and motivating them to develop a genuine connection to customers. ❖

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