Glidden

PRODUCTS

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ANSWERING LETTER OF

Recently Printers' Ink magazine, one of the leading journals in the advertising and marketing field, published an article about our company and Mr. Dwight P. Joyce, our Chairman and President. A reprint of this article is attached hereto.

I think you will find this gives an intimate portrayal of our Chief Executive Officer - not only as a businessman, but also as an individual. In addition, it points out certain facets of our various operations with which some of you may not be familiar.

If you wish additional copies of this article for use by your sales representatives, they can be secured from my office.

Willard C. Lighter

Willard C. Lighter
Executive Vice President

WCL:rk

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A PRINTERS' INK PORTRAIT

Glidden's flying Dwight Joyce: Paint and spices for a world market

PRINTERS' INK

THE WEEKLY MAGAZINE OF ADVERTISING AND MARKETING

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Glidden's flying Dwight Joyce: Paint and spices for a world market

Joyce likes to break precedents in the way he uses national advertising—both in magazines and broadcast—to "subsidize" new products. Now his Glidden paints and Durkee foods are world leaders in their fields

Dwight Page Joyce is a 58-year-old Cleveland advertiser whose corporation, The Glidden Co., enjoys annual sales of more than $215,000,000 and is today among the world's largest producers of paints, foods (Durkee's Famous Foods include spices, refined edible oils, shortenings and mixes), organic chemicals and various metals, pigments and powders used in industry. One of its products, titanium dioxide, a white pigment, is used in the paint and paper industries, in rubber (for white-wall tires, books and inflated toys), in ceramics, printing inks, and in a myriad of other surprising ways.

The Glidden Co. will make advertising news next month when its "Spred-Satin" paint runs a five-page spectacular gatefold advertisement, the largest paint ad ever carried in a national magazine, in "The Saturday Evening Post." This single ad, plus production and point-of-sale tie-in material, will cost Glidden $250,000.

Glidden also has been attracting attention lately in business papers such as "The Wall Street Journal" with full-page advertising announcing, "It pays to get rid of things that hamper you." This advertising points out that the company has just shorn itself of an assortment of operations involving $61,000,000 in sales—because they were low-profit. Glidden has remarkably high profit-margins. In the past eight years they rose—while most profit margins were going down—from a notable 21 per cent to 24 per cent of sales.

The man who has been chief executive officer of The Glidden Co. for the past 12 years is big (6', 2"), affable and quick-moving Dwight Joyce who has been involved with the fortunes of the company, which is publicly owned

He found ways to make women buy paint

but family dominated, ever since his father bought it when it was an obscure maker of varnishes.

Joyce's father, Adrian Joyce, had been born on a farm in Sumner, Ia., obtained a public-school education while helping to support his parents, and saved enough to enter the University of Michigan at Ann Arbor in 1897. While an undergraduate he sold hardware to farmers. Knowing the farmers' vital need for fertilizer, he wrote as a sophomore to Swift & Co., the meat-packing house, telling it that its offal could be made into fertilizer.

Swift offered him a job setting up a fertilizer department, and Joyce took it. In 1899 he joined the Sherwin-Williams Co. and began learning the business of paint-making and selling. He became sales manager in Kansas City, later was called to Sherwin-William's home office in Cleveland, made general manager and, eventually, a director.

Striving still higher, Adrian Joyce resigned at Sherwin-Williams, in 1917 bought the Glidden Varnish Co. of Cleveland, which had sales of barely $2,000,000 a year. Soon the Glidden line of enamel, under the trade-mark "Jap-a-lac," became the most famous paint trade-mark in the country.

Glidden got into the food business in 1920 when the father, seeking to obtain and control his own supply of linseed oil, purchased a company in St. Louis that extracted linseed oil from flax seed. Flax arrived seasonally, which left the plant idle six months a year. Adrian Joyce, looking for other products to process by the same machinery, began to import coconuts from the Philippines and Hawaii, shredded and processed them into coconut oil and allied products.

He also launched a program of diversification, buying factories at strategic locations and equipping them for local competition. Every June he hired college science graduates who, under his prompting, researched into oils, naval stores, mining, metal powders, chemicals of all kinds, other foods and even plastics. In 1921, in a search to control a supply of paint pigment called lithopone, Glidden bought the Chemical Pigment Co. In 1921 he also acquired an Organic Chemicals Division, while looking for a controlled supply of resin and turpentine for paint.

Dwight Joyce was born May 31, 1900, in Memphis, Mich., when his father first began selling for Sherwin-

Joyce still likes to demonstrate his latex "Spred Satin" for paint store customers

1942: Joyce steps down from his own plane

Williams. He grew up in Cleveland as his father played a leading role in the growth of Sherwin-Williams, now one of his chief competitors. He attended the private University School in Cleveland and was an excellent student, an equally good swimmer. He became the state champion sprint swimmer in the high-school age group, setting records which stood until his own son, Charles, shattered them.

Hardworking Dwight Joyce entered the University of Michigan in 1918, and graduated in three years, even though he spent each summer vacation doing manual labor in the Glidden factory. He also won three swimming letters and a job as "heeler," which meant legging his way around campus and in Detroit selling advertising for the student-run "Michigan Daily."

Courage to tell the truth

While on the "Daily," he was assigned a special report for the Anheuser-Busch Co. of St. Louis on its non- alcoholic beer called "Bevo," selling mainly in college towns. Young Joyce interviewed retailers and consumers, reported to the brewery that, among other things, Bevo was "tasteless," "unpalatable," and "good for nothing." The student boss had a swooning sensation when he read the carbon of Joyce's report and his job hung by a hair as the gloom-shrouded staff waited for one of their largest advertising accounts to be cancelled. Instead, the brewery doubled its space order, congratulated the manager for employing the only ad man in the country with "the courage to tell us the truth about Bevo." The incident led to Joyce's appointment later as "Daily" ad manager.

After graduation in 1921, young Dwight Joyce spent a year as a Glidden factory hand, was shifted to various production jobs and sales jobs. In 1927 he was made a director of Glidden; in 1934, a vice-president in charge of the paint and varnish division.

Under Dwight Joyce the paint division helped to revolutionize the entire paint industry in the U.S. As late as the 1920s, paint factories had made calcimine paints similar to those of ancient Egypt. The biggest changes have occurred since World War II and Joyce played a big part in them. For years Joyce had lent his support to Glidden scientists striving for a "nearly perfect paint." They had listed the desirable qualities paint should have—rapid drying, washability, freedom from odor, ability to retain the proper sheen, and ease of spreading, were some.

By 1945 they had a product that came close. It was a water-thinned emulsion and an enamel but its sheen was too glossy.

At that moment, Dr. L. L. Ryden of the Dow Chemical Co. was getting some remarkable results from polymer research. He could produce a latex capable of forming a paint-like film. Glidden's scientists went to work with his "No. 512" emulsion (while Joyce made some hard economic decisions to back them up) and by 1947 the first batch of "Spred Satin" had been made.

That same year Dwight succeeded his father as Glidden president and the elder Joyce became chairman of the board. Dwight Joyce immediately established a "full integration" program in all company divisions with, in each, a vice-president reporting to him. The "Spred-Satin" paint was field-tested during Joyce's first year as president and marketing in quantity was planned for 1949. Joyce himself suggested, and took the lead in executing, the promotion that "set the paint industry on its ear."

Top Glidden executives were sent to counters in department, hardware and specialty stores to demonstrate. They were drawn from every city where any Glidden division had an operation. They painted "Spred Satin" on newspapers, allowed it to dry in front of customers, and within 20 minutes poured ketchup or mustard or other staining materials over the fresh paint. Then they scrubbed it off to show "Spred Satin's" washability, resistance to scrubbing, speed of drying, and the ease of cleaning up afterward.

Paint as an impulse buy

It was probably the first time paint became an "impulse purchase." Amazed customers hurried from the demonstration counters to the paint department to buy the first synthetic latex paint. It was fully two years before competitors, tired of waiting for Joyce and Glidden to fall on latex-covered faces, jumped into the field.

Today Glidden is among the world's four largest paint manufacturers. It has licensing arrangements for sale of its paint on every continent in the world, and in almost every nation and it distributes a complete line of enamels, lacquers, varnishes, stains and other products. Roughly 60 per cent of its paint sales are to professional and amateur painters. The other 40 per cent goes into industry, and to the government and military.

Glidden's success as a leading paint merchandiser is attributed by Glidden to its program of national advertising on a continuous basis to promote year-round painting and eliminate seasonal drops in business.

The Glidden Co. and its agency (Meldrum & Fewsmith) are known for a readiness to pioneer. They think they were the first to advertise using attractive pictures of rooms freshly decorated with Glidden paints, showing what the paint can's contents could do.

Glidden broke industry precedent when it advertised paint nationally, in full-color ads in "Life" and "The Saturday Evening Post," in 1949. Most paint advertising had been purely regional, as most paint manufacturers were small with local markets. Glidden began "talking to the trade through the big consumer magazines." Color spreads in national magazines won dealers to ask for Glidden Spred Satin.

Upsetting industry notions

Glidden also pioneered in upsetting two hidebound industry notions—that daytime TV was a poor selling medium, and women did not buy paint.

Altogther, Glidden's paint advertising budgets run between four and four-and-a-half per cent of yearly sales (the division accounts for 42 per cent of total company sales) and Glidden today spends about $4,750,000 to advertise its diversified line of products. Dwight Joyce's view is: "I learned by experience through the years that advertising is the salesman's main tool. At Glidden we make sure we have a good, reliable product. Then we subsidize that product . . . We know that in time advertising will create the market to absorb the product and give us a profit.

"We are doing this now with the Durkee division's new "Minced Instant Onion." Last year we spent more on this product than the profit the sales netted. But we know it's a good product. We are confident that it will soon be selling very well."

The Durkee Famous Foods division in 1958 contributed 46 per cent of sales. It was acquired as a small but well-respected company with a full line of spices and other food products. Adrian Joyce bought it mainly to market Glidden's food products under Durkee's name and expel a belief "that it was making margarine and food products from the dregs of the paint kettles."

Today Durkee is a leader in packaged spices, seasonings, coconut, flavoring extracts, meat sauce, Worcestershire sauce and other retail specialties. The same products are also packaged in bulk for bakeries, confectioners and institutions. Two-thirds of Durkee sales however, consist of bulk shortenings, specialty edible oil products and refined oils that are sold to bakers, food processors and mass-feeding establishments.

Glidden has two other divisions today: The chemicals-pigments-metals division which last year accounted for eight per cent of sales and the organic chemicals division which makes terpene chemicals, synthetic resins and tall oil products. Both sell to industry and their advertising appears mainly in specialized journals and in direct-mail.

Dwight Joyce became Glidden's board chairman, as well as president, in 1955 after his father died. He began a program of selling or closing company operations that yielded, he thought, too low a profit for the capital investment involved. In the last five years he has discontinued or sold operations that produced annual sales of $61,000,000 because from these sales had come pre-tax profits of less than $1,000,000, although they required a $42,000,000 capital investment. The funds released have been reinvested in the more profitable operations.

Today Joyce and his second wife, the former Marion Stephens Brown, live in Fairview Park, a westerly suburb of Cleveland. Joyce has two sons, two daughters and ten grandchildren by his first wife, Louise Parker, who died in 1942. Joyce's elder son, Charles, worked for Glidden for a time, is now sales manager of the container division of the Weyerhaeuser Timber Co. His younger son David is institutional sales manager for Durkee. There are also six other of old Adrian Joyce's grandsons at Glidden, all doing well.

A new product is born

Today Dwight Joyce earns $125,213 annually, owns (with his family) less than two per cent of Glidden stock and lives a quiet life at home (when not

Joyce's pretty wife is a former decorator

traveling), staying in to read newspapers, books and magazines whenever he can. He is up at 5:30 daily, arrives in his office by 8:15, leaves promptly at 5, tinkers with his power mower or repaints rooms with Spred Satin, and is in bed by 10 o'clock. He has gray but still curly hair, wears steel-rimmed bifocals, is an easy, animated talker. He weighs in at 185 pounds and has to battle to keep it there. He owns a J-35 Beechcraft Bonanza four-seater plane and logs some 250 air hours every year on business trips and weekends.

His interest in aircraft led to the development and marketing of "Glidair 17-A Ice Repellant" now used by the U.S. Air Force and planes that fly in freezing atmospheres. When a Glidden veteran, George Wilson, discovered that the ice repellant had excellent lubricating qualities, because of its silicone content, Joyce told him to try selling it. Wilson sold 11 cases in 11 calls.

Joyce experimented with a squeaky fan belt on his wife's Chrysler and found that the ice repellant, in a spray, quieted the squeak with miraculous speed. To silence a similar squeak on another car he owned had required drilling 16 holes in the fan belt flywheel. Joyce and Wilson began selling it to auto maintenance shops and garages. Chevrolet has just ordered 75,000 packages in spray cans and the product is now sold to the consumers.

The expanding population

One story Joyce enjoys telling has to do with "How I was rescued from my own stupidity by the boll weevil." Two chemists from his organic chemicals division told him one day that they had discovered a way to make synthetic camphor. Joyce ignited with their enthusiasm. "I called the executive committee together and we authorized $250,000 to build them a plant to make synthetic camphor," he recalls.

"Soon the plant was operating and making synthetic camphor . . . lots of it . . . good camphor . . . and cheap. But to our dismay we learned there was no market for synthetic camphor—no one wanted to buy it. The lesson this taught me was: Make a market survey before you build a plant to produce a product."

Fortunately, the Hercules Power Co. of New Jersey had come out with a new insecticide and one of its main ingredients was a compound called "camphene," also an ingredient of synethetic camphor. "The Hercules people took all the camphene the new plant could make—but through no fault of, or credit to, Glidden—or to me," Joyce says.

Joyce is completely optimistic about all divisions of his company. He stresses that expanding population and the new family units will result in greater consumption of food and more paint purchases for homes. Higher incomes are increasing the use of spices and more food is being bought, he says. In trade sales, more paint is being used in factories, hotels, and stores as the economy expands. In a parallel way, more convenience foods are being sold to bakeries, hotels and restaurants. Joyce believes that industry, too, will be buying greater quantities of chemicals, pigments and powder metals, and more organic chemicals. From Glidden.