Remarks by

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to

Chamber of Commerce

Columbus, Georgia

January 17, 1989
THANK YOU BILL. OLGUITA AND I ARE DELIGHTED TO BE HERE. THIS CITY IS LIKE A SECOND HOME TO THE COCA-COLA FAMILY. MANY PEOPLE VERY SPECIAL TO THE COCA-COLA SYSTEM HAVE HAILED FROM COLUMBUS, INCLUDING MY FELLOW DIRECTOR BILL TURNER ... HIS FATHER AND GRANDFATHER, ABBOTT TURNER AND W. C. BRADLEY, ... ROBERT WOODRUFF, OUR COMPANY PATRIARCH, AND DR. JOHN STYTH PEMBERTON, THE ORIGINATOR OF COCA-COLA.
THANK YOU FOR THAT OVERLY GENEROUS AND UNDESERVED
INTRODUCTION ... BUT I AM WILLING TO ACCEPT SUCH
INEQUITY. I GUESS THAT I SUBSCRIBE TO THE VIEW JACK
BENNY EXPRESSED UPON RECEIVING AN ACTING AWARD WHEN HE
SAID THAT HE DIDN'T DESERVE THE AWARD, BUT THEN, HE HAD
ARTHRITEIS AND HE DIDN'T DESERVE THAT EITHER. IN MY
CASE, I DON'T DESERVE YOUR GLOWING INTRODUCTION, BUT
THEN, I WASN'T BORN WITH A NATURAL ABILITY FOR PLAYING
GOLF, AND I DON'T DESERVE THAT EITHER.
The city of Columbus was named for another famous discoverer, Christopher Columbus, who found the New World. But an Italian mapmaker named Amerigo Vespucci got the credit by putting his name on it. I know that's the way many of you feel about Atlanta being credited as the birthplace of Coca-Cola. Well, we may never know who is right, but at this point, it doesn't really matter. Today, Coca-Cola belongs to the world, not to the United States, much less the city of Atlanta.
WHEREVER HE WAS WHEN HE HIT UPON THAT SPECIAL FORMULA, DR. PEMBERTON WAS UNQUESTIONABLY AHEAD OF HIS TIME. HE HAD THE FORESIGHT TO KNOW A GOOD THING WHEN HE SAW IT. WHEN HE PASSED ON THE FORMULA TO THE CANDLERS TOWARDS THE END OF HIS LIFE HE STILL BELIEVED IN HIS PRODUCT ... EVEN THOUGH THE ASSETS OF THE BUSINESS WERE ONLY A CAST IRON POT AND A FEW BUSHELS OF INGREDIENTS.

WELL, TODAY THE ASSETS OF THE COCA-COLA COMPANY ARE MUCH GREATER THAN THAT. IN FACT, THE COCA-COLA COMPANY HAS MANY DIFFERENT KINDS OF ASSETS.
In my job I get to spend a fair amount of time talking to individuals and groups like this one about our business. One question I hear quite often, sometimes from students, sometimes from shareholders, is this: "What is The Coca-Cola Company's greatest asset?"

Some people say it's our worldwide bottling network. And, indeed, that is vital to our business. The Coca-Cola bottling network is the largest production and distribution system in the world. But it is not our most valuable asset.
Other people say it's our **marketing expertise**.

During the past 102 years, we have built a simple moment of pleasure into a worldwide business that provides employment for more than one million people and generated about 50 billion dollars in retail sales last year. That's quite a marketing feat, but marketing know-how is not our greatest asset either.
Some more sophisticated observers say the greatest asset of The Coca-Cola Company is the name Coca-Cola itself. It's the most recognized trademark in the world. It's also, quite arguably, the most valuable. Indeed, if all the physical assets of the Coca-Cola business were destroyed overnight ... the bottling plants ... the trucks ... the displays ... the vending machines ... the advertising ... everything ... if nothing were left but the trademark Coca-Cola itself ...

It has been said that the management of our Company could go to the bank in the morning with nothing but that trademark and probably borrow enough money to rebuild the business from scratch.
But as valuable as the name Coca-Cola is, that's not really the answer either, because the trademark itself is just a symbol, a synonym for a great many other things.

For example, Coca-Cola today is synonymous with quality, but that didn't come about by accident or overnight. Back in the 1920s, the Coca-Cola Company made a firm commitment to quality. It promised consumers that every Coca-Cola would taste exactly alike, and it implemented quality control procedures to make sure that was so. Consumers learned they could trust the quality of the product ... could have faith in its integrity ... and, thus, they felt satisfied.
Coca-Cola today is also synonymous with advertising excellence, and that didn't happen all at once either. Over the years, an army of talented people took timeless elements like refreshment, relaxation and enjoyment and created timely and memorable images linking those qualities to Coca-Cola. Consumers identified with the images ... and they felt satisfied.
Coca-Cola today is synonymous with ubiquity. You expect it to be wherever you are: at home ... at work ... at play. If you go to Piccadilly Circus in London, or Times Square in New York, you expect to see that Coca-Cola sign there, constantly reminding you that you're never far from something familiar ... something trustworthy ... something special. Today, thanks to a worldwide system built with our bottling partners over the past 60 years, consumers in more than 155 countries find satisfaction in drinking a Coke.
CONSUMER SATISFACTION ... that's The Coca-Cola Company's most valuable asset ... and the most valuable asset of any successful company. As a matter of fact, for any truly successful company, "satisfaction" should really be an understatement of what consumers feel about its products. Through the nuts and bolts of quality assurance ... through the power of its advertising ... through its dedication to service ... the truly successful company creates something beyond simple satisfaction. It creates an emotional bond between its products and its consumers.
In our case, the intensity of that emotional bond... a kind of a love affair... was demonstrated vividly back in the summer of 1985, when we changed the formula for Coca-Cola. Perhaps you recall the event. (It made the newspapers and the nightly news.)

During the period between the introduction of new Coke and the return of the original formula as Coca-Cola classic, we received as many as 12 thousand phone calls a day. 68 thousand people took the time to write us, and they weren't, for the most part, thank you notes, I can assure you. Here are three of my favorites:
"Dear sirs:

I am disgusted, disenfranchised, dismayed,
disillusioned, disputatious, dispirited, disdainful,
disheartened, displeased, disserviced, discordant,
disputant, and disprised with feelings of disloyalty."

"P.S. I love Diet Coke."

And another, sent to me and Don Keough, our president:

"Gentlemen:

I would appreciate receiving your signatures on a piece of Company stationery. I believe that in years to come, the autographs of two of the dumbest executives in business history will be very valuable."
And, finally, I even received a letter addressed to me as "Chief Dodo, The Coca-Cola Company." I'll let your imagination play with what that letter said.

Well, ... everyone is familiar with the consumer rebellion that followed the introduction of new Coke. But fortunately, our consumers quickly forgave us: on the day after we reintroduced the old formula as Coca-Cola classic, we received 18,000 telephone calls thanking us, ... and product sales skyrocketed.

And while we haven't done anything like new Coke lately, our consumers still call and write.
Our consumer information center in Atlanta answers more than 700 telephone calls and more than 500 letters from consumers every day. They come from people wanting to know about our products and their ingredients. Children want information on the Coca-Cola business for their school reports. Thousands each year ask for and receive stickers printed with our logo in nine languages.

Many of the letters and calls contain a personal touch ... a familiarity that you might expect to find in a letter to an old friend. Because that's what Coca-Cola means to them. It's more than just a product. It's part of the family.
More evidence of the emotional attachment felt by truly satisfied consumers can be found in three independent "brand power" surveys conducted by Landor and Associates. The surveys found Coca-Cola to be not only the best-known brand name in the United States, but the most powerful and most admired brand name in the world.
The point spread between Coca-Cola and second-place IBM was as large as the spread between IBM and the tenth place finisher. And Coca-Cola placed in the top 10 of each survey, conducted in the U.S., Japan and Europe, a remarkable showing, especially when you consider that no other brand even placed in the top 50 every time. As Fortune magazine noted in reporting the results, quote
-- the name Coca-Cola is so powerful it's practically off the charts -- end quote,
When I read the results of that survey, I sat up nights trying to figure out a way our management could take credit for the tremendous strength of the Coca-Cola name ... but I could not.

What this survey tells me is that we at The Coca-Cola Company are ... perhaps to a far greater degree than the management of any other company ... the stewards or trustees of an asset of incomparable value ... charged not just with protecting it, but with enhancing it. Coca-Cola doesn't belong to The Coca-Cola Company ... it belongs to the consumer ... and the true measure of its value is the depth of the satisfaction that it brings to that consumer every day.
So we work hard each day to increase that satisfaction, the intensity of that attachment ... We toil to build on our heritage of excellence in marketing, in advertising, in quality ... in the basics of our business.

Within the Coca-Cola system, ... our company as well as our bottlers, ... we have a fundamental objective. It is, quite simply: "To serve the consumer with a passion." We put consumers first, recognizing that when we serve them ... when we satisfy them ... we serve our business goals as well.
Coca-Cola may be the most valuable trademark in the world, but the value of any trademark is merely a reflection of the degree of consumer satisfaction it brings about. By keeping an eye riveted on the consumer and by focusing its efforts on satisfying that consumer, any company can ensure that its greatest asset will continue to increase in value.

When you are passionate about your Company, like we are about ours . . . and when you serve your consumers and customers with a passion, over time they will come to feel passionate about your products and services. And that’s the name of the game.
MAKE THE CONSUMER SOMEONE SPECIAL TO YOU, AND YOUR PRODUCT WILL BECOME SOMETHING SPECIAL TO HIM OR HER. AND THAT’S THE ULTIMATE GOAL OF CONSUMER AND CUSTOMER SATISFACTION, SO THAT ... WHEN CONSUMERS USE YOUR PRODUCT ... DRINK YOUR PRODUCT ... THOSE USE OCCASIONS ... THOSE DRINK OCCASIONS ... BECOME SPECIAL MOMENTS ... SPECIAL TIMES.

(VIDEO: SPECIAL MOMENTS)

THANK YOU.

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