Molotch, Harvey. "Corporate Organization and the Design Big Thing." In Where Stuff Comes From: How Toasters, Toilets, Cars, Computers, and Many Other Things Come to Be As They Are. New York: Routledge, 2003, pp. 195-224.

CHAPTER 7

Corporate Organization and the Design Big Thing

As everyone knows, "outside" trends in world trade, global power, and corporate organization affect goods in no small way. Actors in different parts of the world participate in producing a given commodity—design in one place, raw materials from another, assembly happening somewhere else, and so forth.[1] The goal of this chapter is to show just how the details of stuff exist through these and other aspects of macro-organization, including the changing forms of corporations, the attitudes of investors, and relations across nations.

Those who made the pyramids are the iconic case of the slaves and near slaves who have made possible many artifacts, from great wonders to small nothings. Tithes and natural ruin over a vast hinterland built the grandeur of Rome. Similar modes of domestic and foreign exploitation produced the Renaissance glories still on view in Siena and Florence as well as within the world's great museum collections.[2] Belgium's colonial exploitation of Congolese laborers, forcing the harvest of wild rubber vines, provided the basis for the bicycle tires I earlier celebrated.[3] The manner of imperial departure also can have an indelible effect on products. The Portuguese exit from Angola left in its wake a still continuing brutal civil war, so devastating that Angola ended up with virtually no productive industries except artificial limb factories.[4] In that niche, Angola apparently leads, but with products specific to the low levels of technology in the region—U.S. hospitals, for example,

do not import them. This Angolan success comes from a chaotic colonial past, one sustained by collusion of U.S. oil companies and diamond merchants, combined with brutal African regimes in continuous conflict. Postcolonial apartheid in South Africa also yielded up distinctive goods, some for the rich and others special in the way they were formed for the poor. For the affluent, the combination of apartheid and an equable climate led to the Aquanaut home swimming pool cleaner appliance—one of the few South African designs of renown.[5] On the other side of the color line, the workers in the diamond and gold mines used equipment unsafe by world standards. After apartheid, the pool equipment excellence remained (so far as I know), but new strategies of national development and regulation improved mining equipment. They also led to creation of some consumer goods with lower energy costs and easier maintenance that are more accessible to poor people.

In any kind of society, the existence of wide disparities between rich and poor brings into being more luxurious types of goods than would otherwise exist, like jewel encrusted watches and cars such as the Rolls-Royce. The latter vehicle came out of England, rather than the richer but more egalitarian twentieth century Sweden. The mechanical heart now under development in the United States (the AbioCor) requires not only the country's high level of medical technology but the kind of unequal access to medical care that makes such a costly product feasible. For the great majority of the world's peoples, including probably most Americans, the artificial heart will be only fantasy.

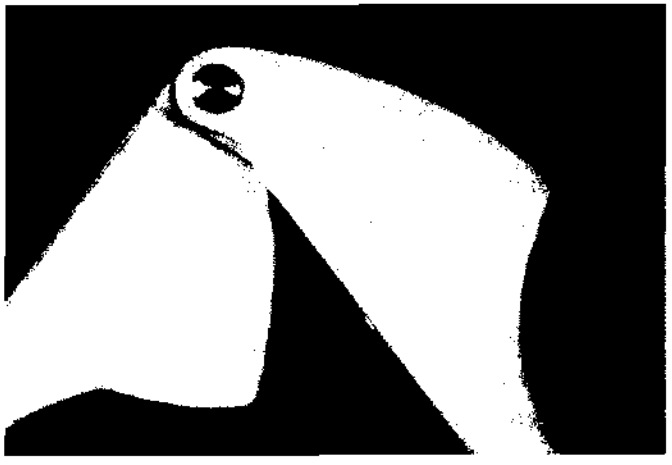
Goods' democratization changes what they are. Before the nineteenth century, European peasants typically owned little more clothing than they had on their backs and no more than a stool and a few pots as domestic goods.[6] Even people in poor countries now have more utensils, artifacts, and items of clothing. Having multiples means the objects become more specialized; one kind of knife for cutting bread, another for peeling potatoes. At the same time, democratization can yield standardization, at least as a first stage in mass production. Ford's production system created a cheap car by making it simple and spare. When Atari and other video game companies made product in Silicon Valley, high costs meant they were slower-turn durables sold to older

children and adults. When Atari moved production offshore, the far cheaper versions—some produced by competitors— could be made into an inexpensive toy, using less durable materials, for a wider age range, and in a variety of models geared to niche tastes. It became a different thing, many different things.

At a later time, PDAs—the handheld data organizing devices of which the Palm Pilot was the original—recapitulated some of this pattern. Made to be sold more cheaply (around $150 compared to the palm Pilot's $500 retail price), the subsequent "Handspring" models came in a variety of styles and colors that could be spread across a wider and more varied consumer base. But to be sold so cheaply, the designer explained to me, production could not employ the more expensive and sophisticated annealing process used in a Utah factory to put a Palm Pilot together. So the manufacturuer has the new product made in Malaysia with more conventional nuts and bolts technology. The factory used about three-fold the number of assembly line workers than would be needed in a comparable U.S. facility. From the beginning, its designers knew it would be unlike the Palm Pilot in how and where it would be made.

Pressing garlic also takes in global shifts. A garlic press cannot be sold above a certain price point but even a low priced model needs to look decent, and this means having an appropriate production apparatus. In the late '90s, Levien Associates in the United Kingdom designed a garlic press with a breakthrough feature, a flip out mesh screen for easy cleaning, as shown unfurled on the next page. An earlier prototype had come through with a visible flaw in the plastic caused by the factory mold. To avoid the problem and to take advantage of an evolved Chinese manufacturing capability in metal fabrication, circa 2000, the designers switched to metal. The factory that produced it, established by an Austrian entrepreneur, makes not only housewares but also fabricates garments and shoes, supplying Nike and other brands. Reflecting a new mode of production organization, the producer just makes things in general, switching among materials and applications as the need arises. At prior times in history and organizational structures, there would have been no place where cheap labor, the selection of materials, and the requisite technology came together. The Levien

Ready-for-market garlic press as produced in metal. Tala Different Garlic Press. ©Robin Levien and Anthony Harrison-Griffin.



Levien-design garlic press, plastic prototype with mold flaw. Photograph by Jon Ritter.

garlic press, selling in UK department stores under the Tala brand at about $15, shows there now is.

Producers in poorer parts of the world copy, with varying degrees of fidelity, goods from rich regions often illegally. This also creates distinctive types of stuff. In poorer parts of Asia, factories turn out watches, clothing, and luggage with logos of elite goods made in Britain, France, Italy, and Switzerland. It is easy enough to make facsimiles of such artifacts and stamp them with words like "Rolex," "Gucci," and "Dunhill." But these products, being made without benefit of quality control and at wages even lower than normal for poor country factories, are shoddy. Global relations can be felt in the lower weight of the so-called Rolex and seen, eventually, in the fading away of the "gold" on the surface. The thin fabric of a phony Izod alligator-logo shirt made in Thailand for sale to Europeans becomes thinner still if it's going to be smuggled across the border to more desperate consumers in Burma. Counterfeiting also takes place in depressed zones of rich countries; Leicester, England is said to be "the clothing counterfeiting capital of Europe."[7] All over the world, but especially its poorer places, entrepreneurs knock off music, video, and software with aplomb. Entry costs are low, production easy to manage, and legal crackdown unlikely, especially when national regimes sympathize with the offenders.

The alternative to importing cheap goods from abroad is to bring in cheap labor and make the goods at home. This works well for stuff that needs proximity between designers and production workers. Furniture designers stress the need to "control"; having the factory nearby, as in the Gehry example, yields up products that, although more expensive than they would be if made elsewhere, would not be the same stuff if made elsewhere. One reason goods can change so frequently and be differentiated in subtle ways is that corporations can indeed produce them where sophisticated equipment, advanced-taste designers, and access to cutting-edge technologies all concentrate. Hence some firms do not go offshore at all but maintain production in expensive places like LA or even Santa Barbara. The stuff shows it—in the detail and in the frequency with which the detail can be changed. This points to still another reason why the bulk of transnational invest-

ment and trade occur among the rich countries themselves;[8] producers want these kinds of conditions no matter what country they are operating in.

These cross-border relations also show up in products, hybrid artifacts in their own way. Ford and GM put some U.S. convenience and "features" into their models for European markets while making the cars smaller, with less chrome and more stick shifts than their U.S. counterparts. Inadvertant cross-national complications can also get into goods. A home appliance designer (for one of the world's largest producers) complained to me that his company's last-minute decision to manufacture his product in a UK factory rather than at his home U.S. base altered the product, and not for the good. The company wanted to curry political favor with UK authorities, it was said, to gain tax concessions for an unrelated UK plant. To keep the obsolete factory going, it was given over to the new product. But the British plant failed to follow machining specifications, requiring a U.S. redesign to accommodate the UK tooling—weakening the product in the designer's eyes. The fanfare in the business press that greeted the product's release made no mention of the change in manufacturing site, the need for redesign, or the mismatch between operations. Instead, it was handled as still another triumph in transnational production integration, a cover-up of the more haphazard realities that probably increase when production involves complex arrangements across distances and national borders. Indeed, when a trade-press reporter came to interview him, the designer was ordered to keep quiet about the actual events (I was asked by the designer not to reveal his name or that of the company).

CROSS-NATIONAL STANDARDS

Products vary in the degree they require international coherence in the ways of producing or using them; sometimes, a global standard is intrinsic to success. Before general adoption of the Morse system through international agreement, a telegraph employee of one country sometimes had to walk across the border to hand messages to the telegraph employee of the other country.[9] Similar, if less comical, difficulties beset other communication and transportation technologies (as well as legal, financial, and trade arrangements). The standards that countries come to agree upon are not necessarily based on some clear criterion of merit—aesthetic, functional, social, or ecological. These criteria do matter, but so do the whole range of factors that influence and constrain decisions on goods, including dynamics of power and influence among corporations and nations. Every producer wants its technology to become the national and, if possible, world standard. Every national government wants its producers' goods to win out over the producers of other countries.

Sometimes there is not much of a contest. Two U.S. companies, Boeing and Douglas, developed and produce the preponderance of aircraft equipment used in the world. Working with the fact of such equipment, over which it had some prior influence of its own, the U.S. Federal Aviation Authority (FAA) requires all components of any airplane to meet U.S. standards as a criterion for American landing rights. Even more far reaching, FAA listing of a foreign airline as falling short means, in effect, that its planes cannot land in the many other places in the world which have, out of practical or political need, adopted the American standard. Any subcontractor, whether producing for aircraft or airport equipment, must thus work under the U.S. corporate conditions, generating a high degree of worldwide conformity in all aspects of plane and airport production and maintenance.[10]

Corporations operate through their trade associations or, especially in the case of U.S. firms, directly pressure international organizations to encourage rules that serve their interests. If they sense they can't win, they may block standards altogether.[11] In part to fend off Japanese competition, European and U.S. companies thwarted global agreements for a standard code for television, VCRs, and videotapes. This is why a videotape recorded off a TV set in Chicago cannot be shown on a TV in France. Instead the world now has three different systems ("NTSC" for the United States). The game repeated with the coming of high definition television (HDTV). The giant Japanese conglomerate NHK first developed the new TV technology, called "Hi-Vision," in the mid-1980s. The EU and U.S. operatives prevented the International Telecommunication Union from approving Hi-Vision,

resulting today in one standard for Europe, one for North America, and still another for Japan. A production and marketing inefficiency, inconsistency can be tolerated in a way aircraft or telegraph variation could not be.

It is a wonder, given the complexity of interests and technologies, that there ever come to be standards at all even within countries, much less across them. But they do—in realms like shipping, telephone, and areas of contract law, to mention a few examples. Sometimes, a dramatic crisis induces agreement. The United States initially refused to join other countries in creating a world standard for radio broadcasting, which meant, among other things, that ships at sea could not be assured of being able to communicate with ships nearby. When the Titanic went down, other vessels were only 30 miles away but could not hear its distress calls, likely increasing the loss of life that so shocked the world.[12] The resulting outcry, within the United States and United Kingdom especially, helped make these countries a force for global radio regulation. Increasingly, non-governmental agencies play a role in such areas as the environment, labor conditions, and product safety.

Especially where there is competition across companies and a nation (unlike the aircraft industry), coordinating toward some kind of standard becomes deeply problematic. The scholars John Braithwaite and Peter Drahos, from whose indispensable book[13] on global regulations this discussion heavily draws, stress that actors must go through much plotting and effort to knit together the needed enrollments. They engage in an "entrepreneurship of linkage,"[14] in Braithwaite and Drahos's phrase, striving to make it all happen in a timely way given technical circumstances, public opinion, and other elements that structure the opportunities of the moment. Groups and individuals around the world and within countries are not equal in their ability to make these linkages happen. Even a huge Japanese conglomerate backed by Japanese ministries—no minor set of players—could not mount sufficient social or economic capital to bring home the HDTV standard, one it arguably had "earned" through long-term investment, national commitment, and success at product innovation. One can only imagine the kind of disadvantage that inventors, investors, and designers operating from still more disadvantaged settings must face. At least when adoption requires acceptance of standards, their ways do not easily get into the goods. And it is sobering to realize that problems like global warming may, because of their gradual and cumulative nature, never have a "Titanic moment" that might induce the agreements necessary for a new fix.[15]

Corporate Transformations

Changes in corporate form affect goods. The merging of firms across borders and within them knocks out competitors, sometimes yielding oligopolies that then influence what products can be. Oligopolies tend to limit variety, conventionalizing what is on offer. The now defunct Kaiser Motors, a relatively small car producer, was the first post-war U.S. carmaker to offer a significantly smaller and more economic vehicle. Modestly sized Studebaker Corporation created the daring post-war car shape that influenced the design of automobiles and much else, for a generation. The demise of Studebaker and all the other smaller companies (Kaiser, Nash, Hudson, and Packard) plausibly decreased opportunities for innovation. A multiplicity of firms can yield up idiosyncratic product ideas that prove successful later on and for others, operating like toys in that regard. In rigid contrast, mergers and bankruptcies allowed the Big Three to so dominate the American market that they became impervious to technology potentials and taste changes—a mark of oligopoly. This made them vulnerable to new competitors from Europe and Japan. Globalism, in this case, did not induce conformity, but variety. The U.S. oligopoly was an illusion fed by the taken-for-granted permanence of U.S. domination.

One of the consequences of bigness, whether oligopolistic or competitive, is that some things are not worth doing because potential markets are too small to warrant start-up costs of design, production, and distribution. Menda could hold its share of bottle markets not just because it had a strong patent, but because its product had limited sales potential—big enough for a family business, but too small for an expanding conglomerate—like London cabs in that regard. If a big company had somehow got hold of Menda, the specific product line would likely have evolved differently. The hustling it took to develop applica-

tions (and product redesign) with small potential markets—Menda also developed a market in nail polishing salons, for example—would likely not have occurred. The ability to generate distinctive products for small markets remains, despite so much talk about flexible production, a challenge for the large corporation because its managers are directing their attention toward bigger prizes.

Large companies are less and less about making something for a specific market and increasingly about manipulating the arrangements behind such makings. This shift even further away from the Menda (or Edison) inventor-maker model has its own way of affecting products. Executives concern themselves with mergers, buyouts, and outsourcing, rather than with what goods their own people can create. The trend toward outsourcing—companies buying parts, services, and even wholly assembled products from outsiders, including those in other countries—changes the very nature of what a corporation means in relation to products. Henry Ford's legendary River Rouge plant put a Ford stamp on everything, even the raw materials, that ended up in a car. Because it actually made the cars, Ford's reputation not only sold the vehicle but also stood as the essence of the firm and indeed of a whole way of organizing systems of production and consumption. We use the word "Fordist" to denote mass production of this sort.

Less and less is Ford—or any company—like this. The "master corporation" exploits subcontractors' cheaper operating tactics and intimate local knowledge of distant sites. The master corporation offloads threats to reputation from lousy labor and environmental practices. Outsourcing permits quick response to product change (like battery-lit heels in teens' tennis shoes); the corporation does not have to know all the suppliers, materials, and design tricks to deal with such shifts. With limited sunk investments anywhere, it can keep shopping for better supplier deals that result from political and economic changes that occur across the world.

The master company becomes a collection of arrangements with other companies if not simply a holding company or "portfolio" of brands that have their own network of sub-contractors. U.S.-based companies like Motorola, Memorex, Smith Corona, Dual, and RCA now market products mostly made elsewhere and by other firms. The

once proud Italian manufacturing giant Olivetti also makes little. The master corporation stays loose; one business adage captures a current wisdom: "Make nothing, but command everything."[16]

There is a price to be paid for this departure from Mr. Ford's program. At least potentially, all the outsourcing and cross-dealings challenge coherence across a company's products and operations. In some cases, the same source provides identical or near-identical elements for many purveyors. "Intel's Inside" a lot of different products that compete with one another but which get their chip from the same producer—Intel. Sometimes the entire product may have been designed, engineered, manufactured, and even distributed by a single outsourcing agent. The company called Flextronics, for example, can make almost any kind of consumer product; it has almost 50,000 employees to draw upon in factories and distribution facilities in 27 countries. It sticks whatever brand a client wishes on the goods, like a "Tala" on the garlic press. All this erodes shoppers' capacities to treat a product as actually coming from a particular producer who might be worthy of trust and repeated purchases. Besides customers' perceptions, dissolution and dispersion threatens the corporation as something people will invest in. A corporation is itself a product,[17] bought and sold on stock exchanges, talked about among traders, loaned money by creditors and deferred to or declaimed by politicians. As with durable goods, its rise or fall turns on how these various groups act toward it and whether or not they "believe in" it. For there to be products at all, but also of a specific sort, money needs to go to the companies that will make them. An image of corporate coherence is the beginning of what it takes to sell the corporation, however diverse its activities or locational spread.

Branding to the Rescue

Branding becomes intrinsic to the reorganization of the corporate world and the goods that come out of it—a way to orient insiders and outsiders alike. The brand imagery and apparatus unites products even when they are in diverse fields and produced in varied and changing ways and across the face of the earth.

For sophisticated producers, brand consists not just in surface aspects like logos, advertisements, press releases, or accompanying product literature (although those count plenty) but in a consistent look, feel, and functional integration of the product line. The goods themselves physically tell the corporate story, one that reinforces the more symbolic materials. The details of bells and whistles, levers and readouts, shapes and interlocks make up another kind of semiotic handle for consumers. By seeing them as an ensemble and having prior experience with their functioning, one senses what one is getting into. The brand instructs, both in a general way and in terms of the details of how things likely work, how they should probably be cared for, and how the service and backup support likely operate. People assimilate these styles of action and, especially if they involve somewhat complex maneuvers (as with computer equipment) become hooked into the ensemble. An effective brand works with what people are already like, but then affects what they come to be.

The brand also tells what kind of people the stuff is for, providing a come-on that allows the company to herd a constituency of a certain sensibility and then arrange the goods to match. Consumers will then, the marketers hope, recognize a given corporation as "theirs"—taking the brand name to signal that the appropriate pre-selection of form and function has indeed been done. I think customers themselves presume certain policies, fill in what is not always explicit, about what the brand represents in terms, for example, of warranties and return policy. They identify not only with the goods and the brand but also with the other customers, their niche-mates. Land's End customers assume other Land's End types will act in a Land's End kind of way. Land's End people do not, the surmise is made, abuse return privileges. This means the company can and will honor requests for refunds if they are made. By seeing the company as a community of consumers like themselves, buyers actively strengthen the power of the brand.

The brand story has a portability that Henry Ford's operations did not. Mr. Ford actually had to open factories at diverse locations he wanted to serve, or at least have his company directly arrange relations with a multitude of suppliers of raw materials and other inputs. Modern brands do not have these limitations; they easily move from

place to place and across product realms. The name "Eddie Bauer," once associated with camping gear, now marks a line of clothing, a chain of retail home furnishings shops, a separate line of Lane furniture, and a Ford sports utility vehicle (a competing brand, L.L. Bean, is on a Subaru). The company tries to serve an envisioned audience that wants "Eddie Bauer-ness" in its lamps and shoes. The Canadian company Roots has a parallel history and includes under the brand canopy a Roots resort hotel where it displays its furniture and other goods.

Fueled perhaps by the vague yearning for the authentic and "natural" that arose toward the end of the last century, the outdoor sports-themed companies seem to have led this branding genre. But others are also taking a stand. So clothing makers Jhane Barnes, Nautica and Tommy Hilfiger do furniture, bedding, wallpaper and, in the case of Benetton, also a full line of house paint. The U.S. homemaking guru Martha Stewart moved from garden advice into a similarly wide-range of goods culminating in a line of housewares sold through Kmart. These "lifestyle companies," in effect, do some of the style work—fitting the pieces together—that customers once did for themselves. Rather than consumers deciding what goes with what within their own subculture, the corporations at least nominate: put these dishes with this overcoat with this vacation. "Style" becomes not just professionalized, as with hiring a home decorator, but corporatized. Old-line companies do it, too, but primarily through licensing rather than production or outsourcing. Harley-Davidson now comes in cigarettes, lighters, clothing, watches, wallets, beer, and eyeglasses. Chrysler Corporation uses its Jeep division to license toys, a portable stereo system, and other stuff. Caterpillar tractors has a line of men's "urban" clothing under the "Cat" logo.[18]

In some ways, the strategy of finding a consumption community and serving it has long been a retailing staple; department stores were built on fashioning a "way of life" or series of ways of life across their various departments. In retrospect, these seem unsophisticated compared to national and global firms' current efforts to discern a taste community and consciously cater to its distinctive sensibilities. The challenge, not a small one, is to use every nuance to create and maintain continuities across goods that a particular constituency will approvingly recognize. Where once this was done primarily at the retail level,

now the corporation, even while sloughing off the actual manufacturing dirty work, controls and integrates production and sales strategy.

Branding is not always a corporate panacea; even some very big "power brands" cannot go far. "Coca-Cola" can go on beverage coolers which can be made with Coke-appropriate dimensions. But Coke is not relevant to the wide range of hardware and soft goods whose shape and function a brand like Disney can alter. And even with Eddie Bauer ready to deal with everything, people still do some style work on their own. Folks combine things from Eddie Bauer with stuff they get from Roots or the Starbucks Internet store (which includes furniture inspired by the coffee store interiors), or from their mother's attic or the junk shop up the street. They also still utilize conventional retailers, who may or may not prepare ensembles for them. Home magazines and real estate model houses also offer up ideas on what goes with what. And friends and neighbors are there for emulation, along with the unending commentaries of compliments and innuendo they routinely provide.

Consumers also hear one another judge the purveyors, criticizing them for making a product they think transgresses the brand: "What is *that thing* doing here?" they might ask in the store. Such moral outrage, or at least annoyance, signals corporate success in forming an attentive constituency but also the possibility that a company has made a wrong move. Enough such mistakes will threaten the entire enterprise. In a continuously moving stream of changing goods and altering preferences, consumers discipline the brand even as the brand acts upon them. Not every entrepreneur, regardless of which pieces of the spectrum they strive to serve, will be able to get it right through these complex vicissitudes. Robust as they may seem at any given moment, some will blunder and cause desertions, lose a lot of money, and fold. As a group, they are no more invincible than the once gigantic Montgomery Ward retailer-licenser or now defunct manufacturers like carmaker Packard or the long-triumphant Levi Strauss (given a terrible fall after hip-hop came from nowhere to loosen all jeans).

One group of merchandisers has an edge in generating a loyal consumption community. Non-profit organizations increasingly take their own merchandising potential seriously. Environmental organizations, museums, preservation groups and universities increasingly treat goods

as part of what they are all about rather than as merely incidental. They started small, putting their emblems on mugs and tote bags as a way for members to show enthusiasm for the organization's mission—and probably display to one another a mutual moral worthiness. But charity branding has more potential than that. The "cause" already stands for something, without a lot of PR hype needed to convince that the organization has good intentions. Further, the charity already has something of a real community at hand—niche-mates who have respect for both the organization and its members. And supporters likely have high overlap in products they might prefer; *Audubon* magazine readers want binoculars and maybe even toasters with flying geese and—given the average age of birders—easy-grip kitchen tools. Colonial Williamsburg has long been a mass licenser, collecting annual fees of about $10 million (based on $100 million in gross sales) for products like furniture, wallpaper, paint, and house plans. The Sierra Club has developed a full line of clothes, furnishings, and housewares it intends to market.

At the opposite pole from organizations that start off the branding with a widely recognized meaning, some corporations stand for nothing at all except that they acquire brands that have some such recognition. They thus can end up with brand divisions that, while well coordinated within themselves, have little in common with one another. NYSE-listed Fortune Brands boasts on its website of being a "portfolio of premier consumer brands"[19] that include—with little apparent rhyme or reason—Jim Beam bourbon, Footjoy golf shoes, Master Locks, Day Timer personal organizers, Cobra consumer electronics, Moen plumbing fixtures, Swingline office tools, and Kensington computer accessories. Brandness itself is the corporate activity. It must use each brand to inflect as many products as possible under each logo to justify the acquisition. Rather than a given product building up its brand image (a former pattern), these become brand images looking for products to put under their representation.

Besides their use in marketing their goods and the firm itself—their external relations—the brand stories influence work within the company. Especially when goods cover a wide range of products, and particularly when they are fast-turn products, the brand helps tell the various corporate actors what they are trying to do in common. Flexible pro-

duction across scattered geographic sites provides a distinctive internal coordination challenge. People in even mundane manufacture increasingly work, as in Hollywood, on "projects"; new groups assemble and then break up. Workers must rely on unspoken, shared understandings of what the common enterprise, across occasions, is all about.[20]

Firms require stories that lessen the need for explicit instructions or conversations each time they set out to create an object, enroll a supplier, hire an executive, motivate a worker, make a sale, raise cash, or fight a regulation. The brand, as it works itself out in media and object, tells the corporate participants what is going on and hence helps coordinate a common sensibility across a range of goods and functions. The brand simulates local community where both "local" and "community" are otherwise problematic.

The advent of electronic systems of distribution adds in still another basis for needing meaningful corporate identity. A purchaser on the Internet must believe not just that a product will indeed be delivered as ordered (and paid for), but also that it will have the qualities for which it has been touted. As in the move from family-owned local retail to Big Box warehouse sales, brand is a way to provide assurances in an otherwise impersonal realm of e-commerce. Absent direct human contact from someone whose touch, voice, or gesture can reassure, brand must substitute. Rightly or wrongly, the public trusts some of its brands—Volvo, Apple, Procter and Gamble, and Amazon.com to name a few of the well respected—more than organizations like the police, the government, or the church.[21] They believe more in a brand of bottled water than in what comes out of the New York tap, even though the legal standards are higher for the latter than for the former. Some companies that marketed through mail order catalog now have the advantage of a history of trust that can be exploited in internet sales—like the sporting goods companies now so assiduously spreading across the lifestyle.

Design Rising

Branding, it should now be clear, means design made corporate—an evolved state of taking design seriously at all levels of an enterprise. This way of thinking came only after business itself came to see design

as counting and that something had to be done to reverse the "low level of design awareness" once held responsible for "America's comparative lack of competitiveness in the international trade in manufactured goods, cars in particular."[22] In 1989, *Marketing News* said U.S. companies, in ignoring the potential of design, had been "resting on dead laurels."[23] In the same year, *Purchasing Magazine* ran a more upbeat "Quality in Design" piece observing that "companies are discovering" how much design matters.[24] *Business Week* prefaced its 1989 "Innovation Issue" with a bold call for better design (providing examples of just such accomplishments), recognizing that "more and more companies are emphasizing good design," the importance of which it says, "U.S. companies lost sight of."[25] At about the same time, other prominent articles appeared in diverse publications: the *New York Times* ran "Design Gap—Not a Trade Gap," implying that design should be treated as a serious national issue.

The critiques seem to have brought results, both in a rise of design status as well as changes in the stuff. When design becomes something people talk about during production and consumption, stuff changes in particular ways. Demand for designers grew rapidly in the United States in the late '90s, in numbers that go beyond any upturn in the overall economy.[26] In the United Kingdom, design issues began to suffuse British business journals and mass media, in part following government emphasis on design as central to the United Kingdom's economic future.[27] Writing in 1997, *Business Week* editor and longtime design commentator Bruce Nussbaum heralded a "golden era of design."[28]

The business press now recognizes design as the basis for saving whole companies—Apple, for example. After scraping bottom, both in the stock market and store sales, Apple came back in the late 1990s with its I-Mac series. While perhaps marginally superior to its competitors in technical capacities—it was not revolutionary in the manner of the first Macintosh machines—it was clearly off type form in shape, color, and physical configuration. Rounded translucent bodies and candy colors gave it a '50s retro look quite foreign to prior office or high-tech products. As with Starck's juicer, where a different way of working yields a different kind of appearance, the I-Mac's strongest

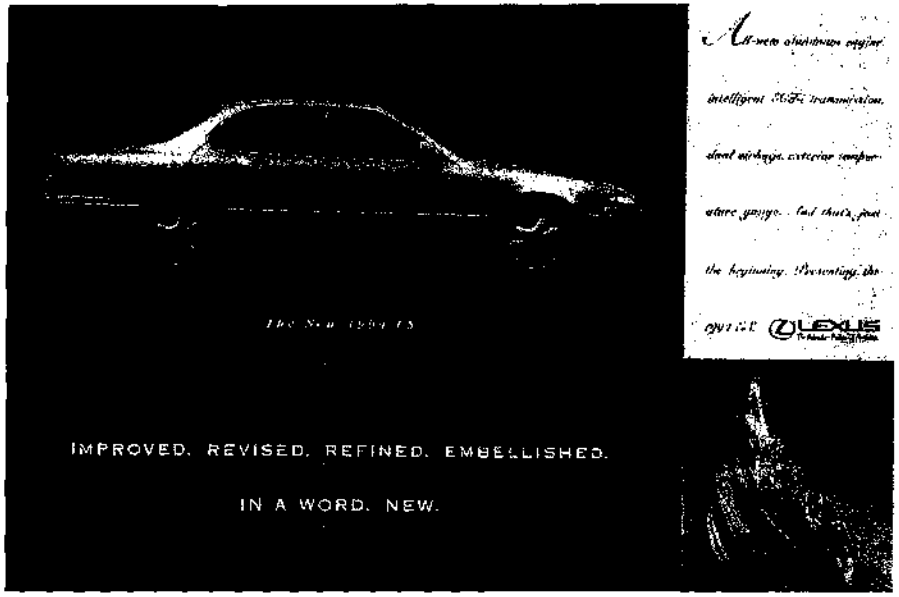
image feature came from a change in physical configuration—combining monitor and computer into a single unit.

Apple pushed its I-Macs with the tag line, "Think Different" in ads and billboards carrying the faces of personages like Gandhi and Einstein. In announcing free modems and zip drives, a series of ads headlined, "Even the offer is well-designed."[29] In other products, the "design" word replaces terms like "powerful," "well crafted," "good taste" or "in fashion"—phrases once commonly used to promote merchandise. "Fashion," in particular, has become an "F word," the victim of too many denunciations in undergraduate courses and in the higher-end media. But "design," replete with upstanding Bauhaus connotations, remains an appropriate aspiration, and makers make sure it's evident in the goods.

Advertisements graphically depict goods as design accomplishments. In the early history of advertisements, artists made line drawings of objects. The product stood alone, context-free.[30] When other forms of art and photography came into use, advertisers decorated the object with people using or admiring it, usually glamorous people whose presence suggested that buying the product would help the consumer toward a more enviable social life. But starting in the late 1990s, marketers cut back on social context, showing cars instead as sculpture, a shift that became apparent to me after I compared hundreds of automobile print advertisements across time (several of which are reproduced on the next pages). Rather than "the whole family" around the car or a sexy woman slouched against the hood, the hood (or a partial fender curve) itself became the sensual come-on. Lexus ads began to show the car on a plinth, with the car-as-art then spreading to adverts for more modestly priced models. A New Zealand and Australian ad on TV and in magazines, headlined "Art in Motion," shows a Holden car surrounded by sculpture. The people-out, art-in trend has spread to other goods, including vacuum cleaners and high-fidelity equipment.

Design is whole-city big. Boosters now sell their cities as sculpture; places advertise themselves not in terms of their entertainments or their people's folkways, but the look and texture of their built environments. Glasgow uses the phrase "City of Architecture and Design" as its omnipresent slogan, capitalizing on the work of native son Charles

Car as "family" (Mercury ad) ©Ford Motor Company



Car on plinth. 1994 Lexus ES 300 print ad. Created by: Team One Advertising and RJ Muna Pictures. Photograph courtesy of Team One Advertising and RJ Muna Pictures.

Rennie Mackintosh. Chicago touts itself in Europe as "the city with architecture that blows your mind."[31] The Los Angeles Convention and Visitors Bureau runs magazine ads under the headline "Art and Architecture in LA." Madison, Wisconsin, which long harbored an ambivalent attitude toward native son Frank Lloyd Wright, now invokes Wright's name and motifs everywhere. In Phoenix, Arizona operators of the dining room at the Wright-looking Arizona Biltmore changed its name, in 1995, from the "Orangerie" to the "Wright Room" to indicate a lineage with the Great One (au revoir, French aristocrats). Wanting to cash in on the reputation of Addison Mizner, designer of the Palm Beach Biltmore built in the 1920s, Florida developers gave the name "Mizner Village" to the ersatz Tuscan shopping streets that replaced the car-centered shopping mall they tore down. Exploiting more contemporary design names, property developers ostentatiously put up "a Michael Graves" or "Norman Foster," hoping such architectural branding will bring better rents and maybe enroll some sympathy

from zoning boards.[32] These beliefs in star architects modify the nature of the real estate product as well as the materials used in fittings and furniture. As per the course, the featured designs then travel down-market to mini-malls and tract housing, with greatly expanded impact on goods.

By the time this book comes out, all this may have faded; the rage for design, per se, may be "unmasked" as just another form of capitalist manipulation or self-serving hypocrisy. Or people may just be bored with it completely. But if it does wither away, some other discourse will have taken its place as the way to make some goods exceptionally appropriate.

Designer as Logo

Not just real estate developers, but product makers also reach for designer names to sell their wares. But because product designers lack usable celebrity, marketers typically use clothing designers and architects as their glamour figures, even for goods well outside those realms. At this moment, it is doubtful very many people—at least American—could provide the name of a single living product designer. But apparel marketers have made clothing designers famous, in part by putting their names conspicuously on the product itself. Yves Saint-Laurent repeats his logo ("YSL") as an all-over pattern on luggage. Gucci shapes handbag clasps to form his logo in metal, thus changing the hardware that the leather must then work around. Designers' product lines take on specific tendencies in looks (tailored or exuberant), materials typically used (natural or synthetic), and the finish (shiny or nubby, hard or soft). The stuff "rounds off" toward the designer's consistent themes that are also carried into store architecture as shop displays, store windows, and fixtures, all keyed to the major design concept created by the designers' staff.

As with some retailers, clothing designers now enter the realm of lifestyle goods, licensing their name to various producers—"licensing heaven," as one designer called it.[33] The designer may or may not have had a hand in creating the goods. Ralph Lauren's "Polo" lines now attach to home furnishings, in part promoted through a joint venture

with NBC for "lifestyle programming." Calvin Klein and Versace sell fabrics, furniture, linens, and decorative items. The couturier Prada also has a line of home furnishings, as do Bill Blass (including a collection at Pennsylvania House furniture) and Alexander Julian (who has a 150-piece line for Universal furniture).

Some producers use high-end designers' names on some of their goods to create a halo effect for other products they make—usually more profitably. The fashion industry has evolved in this way; couture houses make dresses for the rich but make their profits by producing for rack sales.[34] In the realm of durables, this "leveraging" goes back at least as far as Josiah Wedgwood's use of his elite jasperware to reinforce markets for his more pedestrian "Queensware"—one of his products that the Royals did not, in fact, acquire. In contemporary times, the Italian housewares maker Alessi uses its designs from the famous architects and figures like Starck to leverage sales of mass-level goods, in the way the Wave bathtub was to help the more ordinary tubs at American Standard.

The use of designer names further reinforces among the public the idea of designers as indeed a big deal. In using architect Michael Graves to position the chain as a cut above the other big-box operations, the Target stores promote not just the Graves products, but the whole concept that there are great designers and that one of them, at least, does dustpans. The head of merchandising at Target acknowledged before the Graves campaign began that "the average Target guest [*sic*] doesn't even know who Michael Graves is. But they will."[35] The follow-up Target-Graves crusade included eight-page inserts in major U.S. newspapers featuring a half-page picture of Michael Graves along with depictions of several dozen Graves-Target artifacts.[36] A small essay explains how the Graves product arises from "a whole process that involves problem solving, innovative thinking and collaboration." The result is a distinct kind of stuff arising from the celebration of design in general and Graves in particular.

Once again, we need to be aware that the tide could turn on designers, their logos—and brands. The boom in art museum and gallery attendance perhaps fed the rise of the designer "auteur," and the museum craze is itself not necessarily a permanent change in the avocation landscape. Deeper than high art and stronger than capitalism,

fashion spares nothing. Just as the major consumption critiques—Veblen's was only one earlier example—sent the self-aware to the likes of Bean, Bauer, and Roots for their Better Way, another turn in the discursive screw could move consumption taste into a still different pattern. David Brooks's *Bobos in Paradise*, a best seller in the year 2000, charged that the Bourgeois Bohemians who use these stores are merely status seeking under a different cover story, but still up to the same show-off tricks. Buying 100 percent high-thread-count cotton sheets may get you to dinner parties where the food was prepared with a superior garlic press, but it neither saves the earth nor gains entry to ascetic heaven. This too shall pass.

More caustic than the *Bobo* critique, Naomi Klein's *No Logo* depicts brand as the source of evil in the world, and hence consumption of brand products as an act of complicity. Branded goods are "the celebrity face of global capitalism"[37] that hides social and ecological exploitation. If her story catches on (and it seems to be), the fact of logo (or designer name) could change its meaning, becoming a marketing stigma rather than resource. At the end of the '90s, high-flying Nike lost market share, and its stock dramatically declined—perhaps because of exposés of Nike subcontractors' labor practices, but more likely because, as Klein pithily remarks,[38] it "outswooshed itself." Its cool could not withstand ubiquity; even the physically fit got tired of "just do it." Consumers may do brand avoidance out of leftist or environmental sympathies, or just because they do not want to be *Bobo* patsies. Whatever the truth of the evils Klein elaborates or the conformity ridiculed by Brooks, word will be out and this next batch of consumers will join those who, like the snowboarders before them, want nothing to do with "the image thing." In that eventuality, the texture of marketing and mass goods, perhaps replicating the snowboard industry's consciously no-logo strategies, will again change to suit.

Electronic Arrangements

Some of the new goods, those involving advances in electronic communication in particular, change the organization of production itself and in that way are beyond at least some of the shifts in fashion, includ-

ing the rise and fall in the idea of fashion itself. It will take more than new critiques and send-ups to do them in. So design professionals sit at computers to construct models and prototypes, altering the nature of goods and the speed of innovation. The web gathers up information about consumers, including how they communicate with one another as they consider what to buy or merely as they go about looking for fun. To the degree that product turns on what makers know of consumers' habits and preferences, the web can change things. We have all met this capacity of the web when noticing it "remembers us"—a simple convenience when ordering, say, a book or toy online. One does not have to repeat from screen to screen and from ordering occasion to ordering occasion the item selected or the delivery address best to use. These "cookies," as they are called, move the commercial operator to offer up goods tailored to the individual consumer—in effect, a niche of one.

The interactive technologies, and this raises serious issues, allow a vast record to cumulate what individuals buy, think, and do, potentially constituting legal proof of alleged wrong-doing. Such capacity would threaten democratic values at their heart. Just thinking that others might be privy to one's choices in information, art, graphics, and social contacts may have a chilling effect on expression and participation. Electronic search mechanisms could yield profiles of specific individuals, tracking their activities. Private corporations, as well as government agencies, might be able to discover the kinds of individuals most likely to oppose their operations and, using the Internet or other techniques, set actions in motion to frustrate their routines. Disinformation could be sent to the targeted persons and groups; they could be spammed into chaos.

Leaving aside such fears, not to be lightly dismissed, the more commonly expressed worry is that this more advanced form of consumer surveillance will take over minds and encourage more false needs and worthless stuff. We are back in old territory. The rejoinder is also at hand; profiling based on actual consumer behavior creates better information about who is out there and what they want. The speeded up response to such preferences arguably increases consumer control through the simple act of signaling preferences as they are felt. If corporations know more and sooner, they will have less need to entrap consumers into buying

what they have inadvertently overproduced. For a number of years even after it became a volume leader, Dell computers made every unit after it had been ordered; there was no stock and hence no overstock. They just produced on command—literally. This changes goods by individualizing output and also by changing goods faster. New models, in effect, arise out of changing needs and activities of consumers.

Other kinds of electronic developments imply still more radical possibilities for change. Just as new technologies have made access so much easier for producing music, video, and graphics, the price of entry for designing and creating physical objects may undergo a similar shift. Rather than needing a complex factory to machine-make an object—something necessary at present for even the simplest artifact– making things with factorylike precision may become so much cheaper that millions of ordinary people will be doing it. Think in terms of the desktop inkjet principle but in three dimensions. Product designers now have a crude form of this in the machine they use to make solid models and prototypes—stereolithography. In emerging versions, computer specifications deposit micro-thin layers of material like molten plastic to form any shapes whatever. There can be hollows and holes; the computer layers-in water-soluble wax to fill-in what will be eventual voids. Orthodontics is on the cusp of this trend; after a computer model is made of a patient's mouth, a series of plastic aligners comes out of the machine. As the patient's mouth changes, the next product comes off the line, tailored to the progress already made. The patient's teeth gradually move into desired position.[39]

At the time I write, machines have come into being to extrude the first artifacts with moving parts, including plastic ball bearings that spin within channels and sockets. Micro-motors built with the same technique are in development. A Stanford research group has built a tiny "helicopter" device (it flies) out of ceramic components, not much bigger than a penny and weighing only 1.7 grams.[40] They form as a whole, emerging from the machine like a baby from the womb. This system portends fundamental changes in the nature of stuff. A jet engine, instead of being one huge contraption arising from the factory floor, could be made of hundreds of micro-engines spilled out from a modestly scaled device. There might even be such a "factory" in the air-

plane cockpits (and certainly in the space satellite) making the craft ready for repair while in flight.

Eventually there could be personal factories in most U.S. homes—or at least shared neighborhood facilities, maybe at the local Kinko's. People could pull down designs from the web and instruct their computers to produce the result in situ, perhaps with the capacity for custom design adjustments (a topic for the next chapter). The nature of artifacts would no doubt change to make them more amenable to this kind of production process, like in the way a big engine made up of many tiny ones is different from a giant one made on the factory floor. The orthodontic device could come off a home machine rather than the dentist's or the lab's, specified directly from the orthodontist's web-based prescription as part of a treatment regimen that changes daily.

Any such developments of personal factories would involve consumers in an increasingly complex set of tasks. Even now, goods have been expanding—certainly changing—the knowledge they contain and the knowledge needed to operate them. This creates new problems for producers. It is already hard for people to figure out how to use the mobile phone, copy machine, microwave, and the VCR. As individuals move through the appliances of life there are only seconds to discern how to make each of them work. So many features, so little time. The features can easily go to waste. Human proclivity has to be built into the stuff, rather than the stuff depending on books of documentation and training classes. A sturdy principle of much (but not all) design looms large: make the complexities of underlying processes invisible. Hidden complexity discourages self-repair—a downside—and can create mayhem when things go awry, as the crisis at the Three Mile Island nuclear reactor made evident. People have no idea what to do. But from the beginning, as electronics began replacing mechanics, it was necessary to find a way to deal with the invisibility of how things work. Even if you could see the inside of your computer, you would not see much.

To make products understandable, "a new form," as the designer Ettore Sottsass put it in reference to his early designs at Olivetti, "had to be found which, by its nature, had to be more symbolic and less descriptive"[41] This means using color, shapes, and icons to allay apprehension and guide people through applications. As development of the

Web now makes clear, people must be spared the need to know much about what makes possible the little miracles of access. Supplanting geographic location as key, the value of the product comes from the quality of the virtual route to reach it. Now it's portal, portal, portal. If the route is fun, people will make efforts they otherwise would avoid. Representing a continuation of patterns that go back to the earliest marketplaces, but more carefully plotted than before, "merchants" put amusement and purchase opportunity adjacent in time and space—within the same visual frame and within reach of the same fingers. Moment to moment feelings become enormously consequential for determining which stuff will be acquired and hence, given the rapid-fire feedback into the corporation and its production lines, what comes to be made.

All the hullabaloo about the culture industries and particularly entertainment helps smooth the way for these developments. A *Business Week* cover story in 1994 proclaimed the coming of "the entertainment economy." The magazine touted the entertainment industry "as now the driving force for new technology, as defense used to be."[42] Perhaps responding to the message, some CEOs have become performers to reinforce their companies' presence in the fun economy. Richard Branson, whose collection of companies under the Virgin logo spans airlines, financial consulting, computer peripherals, and the record business, authors best-selling books, including one carrying the CEO's nude photo on the cover. Although his attempt to break global ballooning records ended in failure, the effort gained worldwide coverage for himself and his logo. Branson's compatriot Nick Graham, CEO of Joe Boxer shorts, appears in drag with an assortment of unusual social types in his company's commercials. Joe Boxer produces more than five hundred different underwear designs each year for men, "Joe Boxer girlfriend" clothing for women along with bedding, ceramics, fragrance, toys, textiles, and one hundred watch models annually (for Timex). In a prescient observation, Graham remarks, "We're an entertainment company. The brand is an amusement park, and the products are souvenirs of the brand."[43] Here we have an explicit recapitulation of the Disney route but in reverse order; Joe Boxer and Disney meet at the juncture of goods and entertainment.

Mobilizing fun into product and distribution is part of the larger mobilization to integrate a wider array of elements into the production process. More ambitiously than efforts like concurrent design and engineering, companies come from different start points to arrive at a similar integrative format. Design offices like Smart Design (New York) and Lunar (Palo Alto) emerge as entities that spin off new goods and new companies. Other entrepreneurs move from non-product realms toward product development, like organizational consultant Doblin Group (Chicago), Refac Design, with a background in licensing and patents (New Jersey), and the venture capitalists, Vulcan (Seattle)—created by Paul Allen (the "other guy" who founded Microsoft). Razorfish, a celebrity Internet company, hired the head of New York's frogdesign office as part of the team that would develop hardware and software simultaneously as a single, coherent process. These are linkages that have a certain logic; more ambitious or complicated projects can be launched without waiting for the right combination of client, funders, and design to coalesce yet without losing the creative juice that also must be part of the lash-up.

Some business gurus—most famously the management expert Tom Peters—have come around to endorsing the new approach. For Peters at least, this required a switch; he had originally become a hit by telling corporate captains, in his first big book called *In Search of Excellence*, to "stick to their knitting." He meant they should settle on a central and basic product or sector and keep with it rather than diversify or fall for new fads. It was no-nonsense advice. But later Peters preached sensitivity to change, including fashion; fixed anything is a wrong-headed vision of the future. In his 1992 book, *Liberation Management*, he came out for an "entertainizing of everything," a theme he continues in a more recent work, *The Pursuit of Wow*. The wows have it—a different story line than his previous one about where successful stuff comes from.

The Story Effect

In a way it doesn't matter if Peters is right or wrong; his stories carry their own weight into the economy and into goods. Investors, consumers, and regulators act on such tales. They could in the late '90s,

under the wow tutelage of people like Peters, legitimately "listen" to their own exhilaration—even thinking of it as part of due diligence—when determining where to put their money. But the latest Peters line may go the way of other influential stories, along with defunct products like the Studebaker car and the Hoover Constellation. It has been stories all the way back and all the way down, the manic seventeenth century Dutch speculation in tulip bulbs being only among the more colorful instances of "madness of crowds."[44] Stories of the mid-1960s and '70s depicted conglomerates as exciting forms of synergism that were here to stay, only to be later described as "irrational" hydras that took down well-recognized branded products like Litton and Raytheon ovens, for example. Zealous diversification also ended some stalwart products; Ford acquired TV maker Philco, only to sell it off to conglomerate GTE, which folded it into its acquired Sylvania brand, but then hived it off to a real consumer electronics company, Dutch-based Phillips, which pretty much killed it as a redundant competitor.[45] In the more recent festival of going Internet, company after company went for broke and some disappeared in the effort.

The stories are the art form, after all is said and done, that make the worlds go around. The business corporation grew out of the sociability of London coffeehouses in the first place, establishments of slightly suspect repute where some of the more daring traded the first stock shares. It was only later that places of business and places of amusement were supposed to be sharply demarcated spatially and physically. The issue for products' market success (financial and otherwise) is not whether they are "right" in some absolute and essential sense but who comes to believe in them and how—the Aramis challenge of gaining and holding enrollments. And even when the markets "go crazy" something very real can come about. I would suppose that new tulip varieties did result from the tulip investment craze, just as some of the e-companies of the late '90s created strong products that would not have come into existence without the wild enthusiasm created around them. Most everyone joins in. The economists tell their tales about how it all supposedly works, macro and micro, and the banks and corporations—adding some stories of their own—act one way and not another as a result. The sales clerk explains why one VCR makes more sense than a different VCR; the proto-indus-

trialist pitches to the venture capitalist; the politicians justify to the voters (and campaign contributors) that they know how to make the economy right and put the cornucopia within reach. When these narratives are good ones, emotionally rich and exciting, people act on them. New goods come into being, but so do a changing series of organizational forms through which to produce them.

The stories are as much a force as the so-called economic fundamentals of which they are supposedly only an account. So here we have still another instance of mutuality across the disparate realms. The story and the underlying "hard" reality are inseparable, mutually the cause and effect of one another. And part of it all is fashion: in tastes about economic organization, about best corporate practices, about products, and in how to have fun and when. Also involved in determining goods, although not always in the way or extent they should be, are stories about collective decency and ecological responsibility. These are matters, finally, for the next chapter.