

SC Johnson wax

THE MARKET

SC Johnson Australia is a world-class manufacturer and marketer of cleaning and insect control products for the home and industrial markets. It operates in a vast and highly competitive marketplace, and owes its outstanding success to unique aspects of its products, company culture and environmental concern.

All SC Johnson products have what the company calls "Product Plus". It is generally accepted that out of the thousands of new products that reach supermarket shelves, some ninety-eight per cent are unsuccessful. Product Plus means that SC Johnson products all have a distinct advantage over anything else on the market. Alternatively, a product may be so new that it faces no competition.

A true Product Plus item is a breakthrough, with a performance edge over competitive products that is visible to any consumer. SC Johnson holds firmly to the belief that while positioning and market segmentation are very important, the products themselves must establish that position, with a unique and appropriate attribute.

ACHIEVEMENTS

Headquartered in Racine, Wisconsin in the United States of America, SC Johnson is a family owned company that ranks in the top 200 of America's industrial corporations. Around the world the company employs some 12,000 people through some 50 subsidiaries.

Samuel Curtis Johnson started the company 111 years ago, selling fine parquet flooring. In response to customer enquiries about floor care, he developed and marketed a floor wax which became a great success. Strong family leadership has since taken SC Johnson into the highest ranks of international companies with a large range of successful products, the fruits of an extensive research and development program. Today, the company's Chairman is Sam Johnson, the fourth generation family member to head the company.

Beyond its day to day business activities, SC Johnson is dedicated to enriching the lives of those who work in and around it. These principles were formally ratified in the 1976 statement of corporate philosophy titled "This We Believe". It is an outline of SC Johnson's commitment to employees, the host community and customers.

SC Johnson has always been a leader in caring



for its employees. In 1900, SC Johnson was the first company to offer employees paid vacations. Today, SC Johnson takes just as much care to attract and retain the best people by providing a creative working atmosphere, challenging goals and competitive rewards.

As a responsible corporate citizen, SC Johnson enriches the lives of the community by making contributions in the fields of health, education, the arts, civic affairs and the environment.

SC Johnson Australia is a major corporate sponsor of research at the University of Technology, Sydney and of platypus research at Taronga Zoo. The company is also a sponsor of the Sydney Opera House and supports many local initiatives including the Lane Cove Youth Orchestra and the Lloyd Rees Youth Art Award, as well as various fund-raising activities and workshop days for local schoolchildren.

The company also works closely with local government. SC Johnson has made a ten year pledge of \$250,000 to Lane Cove Council for the rehabilitation of its Yangoora bushland site. This includes the construction of a one kilometre bushwalking track for the enjoyment of the general public.

Worldwide, SC Johnson earns the goodwill of customers through a deep commitment to quality. In essence, this means providing efficient and effective

products and services which are environmentally sound and which do not endanger the health and safety of users.

HISTORY

Samuel Curtis Johnson's parquet flooring company, begun in 1886 with four employees, is now a multinational with some 12,000 employees - 350 of them in Australia and New Zealand.

It didn't take long for customer inquiries about floor care to convince Samuel Johnson to develop and market a floor wax. Sales of Johnson's Prepared Paste Wax soon outgrew those of the flooring, and new waxes and polishes were introduced. The company soon became known as "the wood finishing authority".

The Australian subsidiary was formed in 1917, but it was not until April 1929 that the company was first registered as a manufacturer with Queen Street, Rosebery in Sydney as its first registered office.

Tremendous growth occurred throughout the sixties. By 1970 there were 160 employees in Australia and the company was thriving due to an innovative new product range.

In 1986, SC Johnson Australia settled into

Yangoora, a beautiful 16 hectare bushland site at Lane Cove in Sydney. Not that it was beautiful then; it had been an industrial site for many decades, and was badly polluted and degraded. SC Johnson restored Yangoora to its present, outstanding lush greenery that makes it a welcome retreat for many native species.

Today, Yangoora houses both the administration and manufacturing arms of the company. During the 1980s the great Johnson family tradition continued, too, with all four of Sam Johnson's children joining the business. They were the fifth generation of Johnsons to do so.

The 1990s saw the company acquire the Drakett Company's range of products. The Australian and New Zealand subsidiaries merged to form ANZ Johnson. SC Johnson Australia achieved certification to the stringent AS3902/ISO9002 Standard, the first grocery manufac-



turer in both Australia and New Zealand to achieve accreditation.

THE PRODUCT

The famous Product Plus concept has been applied to many products which today fill supermarket shelves and commercial cleaners' vans.

SC Johnson's wide range of consumer products have sustained their appeal over many years. Products such as the Glade air freshener range continue to dominate their market. Glade continues to innovate with products which satisfy consumers' desires for natural style yet effective fragrances for the home.

The insecticide range, launched under the brand name Protector in Australia and recently converted to the internationally successful Raid brand name, continues its drive for leadership in the fiercely competitive insecticide market.

Toilet Duck is another high profile product which has won the support of consumers. A packaging innovation - its uniquely shaped neck - has contributed to the brand's domination of the bathroom care market, whilst the recently-launched Flush Duck, Duck Bluey and Scent Duck have become firm favourites as well.

Charge, Freedom and Goddards remain top sellers, as do floor care products Durosil Pate Wax and One-Go.

Acquired by SC Johnson in 1993, the leading Windex, Mr Muscle and Drano brands are household names.

The SC Johnson Professional division is the leading supplier of sanitation and maintenance products and services for commercial, industrial and institutional customers such as shopping centres, schools and hotels. Brands include floor care products such as Signature, Vectra and Reveal, wash room cleaners and disinfectants like Go Getter and Knockout and furniture polishes, and insect and odour control products such as Raid, Good Sense and Triad.

Recent additions have been a range of products for commercial kitchens including Boss, Econo Power, Break UP, Zip 282 and Pre-soak 261.

RECENT DEVELOPMENTS

SC Johnson has accepted the challenge of the nineties, a time of intense global competition and real change. To allow the company to continue its growth, a carefully defined set of eight company goals has been developed.

To consistently achieve above average profit and

growth is the first of these goals. The company intends to be an innovative, fast paced, customer oriented one, focusing on its ability to create, dominate and manage its selected business categories.

The next goal is to be number one in each of the targeted markets, and to be known for pioneering new and better products through innovation and superior knowledge. Others are to seize the opportunities created by change, to attract and reward quality people, to establish a quality oriented culture, to ensure the goodwill of customers through service excellence, to protect and respect the environment and, finally, to ensure the safety, health and welfare of all SC Johnson employees.

PROMOTION

Promotion of SC Johnson products starts with an advantage - the company's Product Plus concept. A new product from SC Johnson must have that extra something that translates to Product Plus, so there is immediately something for the marketing and advertising people to work with.

Among the SC Johnson products with Product Plus is the Duck range, which took a hygiene product from the clinical cold and made it warm and friendly - to the point where it is now

the dominant player in the market. Others include the environmentally-driven Glade Lasting Mist with its aerosol refill and the concept of plug-in fragrancing, which provides 30 days of continued effectiveness as against the other, passive air fresheners with which a maximum of 15 to 20 days was

previously available.

The SC Johnson promotional philosophy is that product quality must be communicated to the consumer in an honest and compelling way. The company is also keenly aware that consumer requirements differ around the world. SC Johnson respects the uniqueness of each culture, and identifies products the consumers of that country need. Promotion, likewise, is targeted carefully to particular cultures.

BRAND VALUES

"We are, in a sense, ambassadors; we attempt, along with our primary business mission, to set a positive example of free enterprise." That comment by Samuel Johnson demonstrates the breadth of values the company champions and maintains.

Naturally, business values are also addressed strongly. SC Johnson's philosophy has been and continues to be that of making products and providing services that are demonstrably better in function or value than those of competitors. At the same time, the company is committed to respecting and protecting the safety and health of employees and the environment.

The strong commitment to the environment was articulated by Herbert F. Johnson Sr in the 1920s. "We cannot have a healthy environment within a company unless we have an equally healthy environment outside in which



employees can live and work."

But SC Johnson's concern for the environment goes far beyond that. In Samuel Johnson's words, "we as a company face no greater issue than the preservation

of the environment."

Concern for the future of the company balances concern for the future of the environment. In 1927, Herbert F. Johnson Sr. addressed company values most eloquently in his Profit Sharing Speech on Christmas Eve. He said: "When all is said and done this business is nothing but a symbol and when we translate this it means a great many people think well of its products and that a great multitude has faith in the integrity of the men who make this product.

"In a very short time the machines that are now so lively will soon become obsolete and the big buildings for all their solidity must some day be replaced.

"But a business which symbolizes can live so long as there are human beings alive, for it is not built of such flimsy materials as steel and concrete, it is built of human opinions which may be made to live forever.

"The goodwill of the people is the only enduring thing in any business. It is the sole substance... the rest is shadow!"

Things you didn't know about SC Johnson

- The Australian firm, now SC Johnson ANZ, was the second overseas subsidiary of the American parent company. It was formed in 1917, after the British subsidiary but before even the Canadian one.
- The name of SC Johnson's Sydney facility, Yangoora, derives from the Aboriginal word for "stringybark tree".
- Samuel Curtis Johnson started out selling parquet flooring, not the kinds of products now associated with the name.
- SC Johnson's Yangoora site at Lane Cove, Sydney, has a one kilometre bushwalk open to the public. It also has its own lake, home to ducks. Some 80 species of birds live in Yangoora's woods and waters.
- Yangoora was built on the site of a chemical factory, which makes its beautiful bushland and pristine lake all the more amazing.
- Sam Johnson is a member of President Clinton's Business Council for Substantial Development.
- Raid is the biggest-selling insecticide in the world.
- SC Johnson are sponsors of the Taronga Zoo platypus breeding program.

