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ADVERTISING. . . AND THE CONSUMER

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One of the heartening facts about the times in which we live is the "pulling together" that seems to be taking place on many issues which formerly divided us. This is the so-called "great consensus" -- the spirit that is enabling us to resolve problems that have seemed to defy agreement.

The overwhelming majority of our people now accept the idea that in this complicated modern world, we must look to our government for help and protection which we are otherwise powerless to provide for ourselves. The unsophisticated, the uneducated, the underprivileged, the unskilled cannot cope with automation. And so we commit ourselves to programs of assistance and retraining, to help them escape the downward cycle of poverty. Medicare and federal aid to education were among the legislative miracles of the first 100 days of this presidential administration. And there is more to come.

This "great consensus" seems to be extending, too, to the subject which concerns us this afternoon. Not in the sense that there are significant new federal programs of assistance to the consumer, which are sure to emerge from the present Congress. But in a much broader sense -- in the willingness of old antagonists "to come and reason together"; to determine the true basis for their differences; and to search for some solutions.

There are a great many reasons for the changing climate. One of them, of course, is that a new generation has taken over. A generation come to maturity since the great political struggles of the New Deal period. A generation mercifully free of the emotional scars that remain unhealed in so many of those who have been speaking for business and for consumer organizations.

The problems are there; but some of the heat has gone out of them. And so has the tendency to see them only from one point of view.

Mrs. Esther Peterson, the President's advisor on consumer affairs, seems to have sensed this. Instead of concerning herself solely with legislation, where the outlook is uncertain at best, she has actively encouraged a "dialog" involving all of the conflicting interests--business, labor, consumer--in the belief that the issues can be narrowed.

She recognizes, too, that many of the abrasive elements in our market place are beyond the remedy of law. Yet not beyond the reach of men of good will. Her dialog may not produce a united front for "Truth in Packaging" or "Truth in Lending" legislation. But it may lead consumer organizations to reappraise the validity of their demands. And in this era when businessmen are increasingly sensitive to customer relations, hopefully it may induce many industries and companies to voluntarily take corrective actions.

From the sanctuary of the press table, as Washington correspondent for Advertising Age for more than 20 years, I have been reporting the attacks on advertising and the response of the advertising people. The economic expansion which has characterized this period has involved revolutionary changes in merchandising procedures which inevitably raise serious legal and ethical questions. All too often, however, the dialog on these issues has been poisoned by indignant complaint, neutralized by equally extravagant lamentations and warnings. How many good causes have been lost; how many unnecessary evils have persisted, because issues have been framed with lack of precision and clarity.

Moreover, each new encounter served to reopen the wounds of the old ones. Only last month, when the advertising director of Proctor and Gamble was testifying before the Senate Commerce Committee in opposition to Senator Hart's "fair labeling and packaging" bill (as it has been relabeled), Senator Hugh Scott (R., Pa.) playfully toyed on frayed nerves by recalling the great grade labeling battle of the early 1940's.

"There was legislation to replace brand names with government approved grades," Senator Scott reminded the witness. "And we were told that terrible things would happen if this kind of legislation were not adopted. And there were hearings all over the country.

"That legislation completely overlooked the difficulties involved in preparing grades which have any real meaning for many fruits and vegetables, and the fact that the brand name is often a better guide for the consumer. It was defeated; and there does not seem to have been any harmful consequences from not passing it."

Need I dwell on the painful memories that Senator Scott's lecture set loose in the minds of many of the advertising and business executives who were sitting in that hearing room?

. . . The fierce encounters in the 1930's and 1940's with academicians and consumer movement leaders who argued that advertising represents an unnecessary expense loaded onto the costs of goods that consumers buy?

. . . The grade labeling fight itself--first behind closed doors, where the enemies of advertised brands attempted to achieve their way by writing grade labeling into the regulations of the office of price administration, and then in the Congress, where the advertising people eventually prevailed.

. . . The proposals for taxes on advertising--as recently as five years ago--by those who contend that the action of the market place channels to tailfins and other wasteful purposes the resources that should be reserved for education, health facilities and similar public programs.

Not all of this, of course, has been without its comic aspects, which is one of the luxuries that we enjoy at the press table.

I recall with particular amusement, for example, the waves of panic that went through the advertising business in 1958 when Senator Kefauver's anti-trust and monopoly subcommittee released a study of administered pricing in the automobile industry. Expounding what I would assume to be an economic truism, the report suggested that in the present mature market, advertising is adding to the cost of automobiles.

"In its early days, advertising undoubtedly performed for this industry its socially desirable function of expanding the market," the report observed. ". . . But after the automobile had become an established, accepted, and well known reality, it is doubtful that advertising contributed significantly to the further expansion of the market."

As used by the automobile industry now, the report contended, the continually rising expenditures for advertising serve primarily to switch sales from one brand to another. As an instrument of brand competition, rather than price competition or market development, it tends to add to cost per unit.

In the turmoil that followed, John Blair, the committee's chief economist, became a symbol of the kind of people supposedly hiding behind rocks, and hidden recesses everywhere in Washington, who are seeking to undermine and destroy advertising.

His past writings were researched, and each suspect phrase carefully extracted. He and those who employed him, and associated with them, were cataloged as "dangerous," and "untouchable."

Yet, last month when the cigaret industry was trying to demonstrate that continued advertising of cigarets could not possibly harm the new generations of teen-agers, what did the tobacco companies--which are among the nation's largest advertisers--do? They recruited an economics professor from Purdue University who came in to argue that cigaret advertising cannot, in fact, enlarge the market for this product. Its net effect is primarily to switch existing smokers from one brand to another.

I now quote from Professor Frank M. Bass, who you can be sure, has been enshrined among the heroes who qualify for approbation whenever the opinion makers within the advertising business assemble.

"At an early stage of the development of a product," he told the Senate Commerce Committee, "advertising increases aggregate demand. When a product matures, however, marketing experts believe that competitive advertising has relatively little impact in stimulating overall demand."

Is this an example of opportunism on the part of the advertising people? Or is it a sign that the present leadership of the industry is more realistic in evaluating the function of advertising?

II

Very recently--within the past few months--the advertising business has been discussing, with great fascination, a study of itself which was commissioned by the American Association of Advertising Agencies, planned by the committee composed of prominent professors from Harvard and other big brand name universities, and executed--under their supervision--by Opinion Research Corporation.

With somewhat mixed emotions they have discovered something which is at once reassuring, and disappointing. Contrary to the impression one might get from the speeches that generally feature the multitude of trade conventions which are part of the advertising business' way of life, it seems that the public, after all, is not spending all its waking hours fuming over the abuses of advertising, and plotting its destruction.

If this survey is any good--and the advertising people, who are pretty astute in judging the quality of surveys, think it is--advertising ranks at the very bottom of things that people talk about most, almost out of sight in comparison with such subjects as bringing up children, family life, religion and education. Among the things people report they talk about least, advertising ranked tops, even ahead of big business, labor unions and professional sports.

Only 7 percent said they had "strong" opinions on advertising. Twenty percent said it was among the things they complain about, but not in a serious way. The federal government topped this list with a 33 percent rating; clothing and fashions were second with 23 percent. Finally--to the question: what needs the most immediate attention and change? Advertising was mentioned by one out of seven--15 percent. Compared with public education--41 percent; federal government--28 percent; unions--26 percent; bringing up children--20 percent.

This poll is being interpreted generally in the advertising business as a sign that the public's complaints about advertising are less unreasonable than the advertising business had assumed. In itself because the detailed data tend to pinpoint the points of friction, it may well become a therapeutic factor, easing the fear and tension which the advertising industry feels when it confronts its critics.

Recently, for example, through the kind offices of Mrs. Peterson, the sponsors of the study had an opportunity to present it to an audience which included many of the government regulators and policymakers who qualify for prominent places on the industry's list of people who must be regarded with suspicion. So already this study may be functioning as a unifying device, encouraging the dialog which can lead to action by men of good will toward the elimination of avoidable differences, and the resolution of others which are within an area of possible agreement.

Professor Raymond A. Bauer, of the graduate school of business at Harvard, who has been involved in planning this study, evaluates its potential impact this way: "The defense posture of the past stemmed from a feeling that advertising as a whole was under attack. This led to undue bellicosity on the part of some ad men; and, in others, to undue defensiveness. The study reassures ad men that the public does recognize that advertising is an integral part of our economy contributing to its prosperity. Thus it removes a festering irritant."

I hasten to add that the other camp--the so-called consumer movement--is entitled to its full share of blame for the general disorder that has typified discussion of consumer protection problems. Professor Bauer observes that "the critics of advertising have not helped to make the debate as constructive as it might be. They direct their complaints against specific features of advertising practice without being explicit as to where these complaints begin and end."

"Critics feel no responsibility for praising any feature of an institution he is criticising," Professor Bauer complains. "He feels it is sufficient that he point out what should be corrected."

I suggest that Professor Bauer might well have been more specific, too.

Consider the consumer movement's current effort to enact Senator Hart's "Fair Labeling and Packaging" legislation. Are the sponsors of this legislation in fact seeking a remedy in proportion to the evil? Or have they embraced a monsterous "catch-all" which worries a great many serious people, including experienced career people in the agencies which would have to enforce the law?

As one who believes there are indeed real gaps in our labeling and packaging laws that need to be plugged, I am particularly frustrated by what I regard as a self-defeating effort to do this job with this particular bill.

I would think that a soundly drafted law to encouraging the preparation of meaningful standards in the field of labeling and packages would leave substantial discretion to the regulatory agencies to identify the practices which warrant attention. By providing a catalog of specific areas for affirmative rule-making this bill seems to assume that there will be no new practices which are likely to develop in the future which will be worthy of the attention of the regulators.

Moreover, by listing specific practices, and by promising so much, the bill is, in a sense, a delusion.

For many years the Food and Drug Administration has exercised authority to develop commodity standards in the food field. Where standards involve elusive concepts vital to the welfare of individual companies, the development of each individual standard can require hundreds of hours of hearings, and two to four years of negotiation.

The government should have authority to assist industry in the development of standards which can be used to give the consumer more meaningful labels and packaging. But a bill which provides affirmative instructions for the regulatory agencies to concern themselves with a specific list of practices will invite the regulatory agencies to become enmeshed in a quagmire of litigation on matters that are virtually irresolvable; a process that must inevitably discredit the regulators, and profit no one except the hordes of lawyers and accountants who will charge fat fees for arguing the issues.

In due course the regulators may produce some of the standards which this bill instructs them to prepare. Yet for each deception singled out for "cure" hundreds will have to wait their turn. Consumers who have been led to expect too much from this "Fair Labeling and Packaging" bill soon will be wondering what it was all about.

III

This debate over "Fair Labeling and Packaging" legislation typifies one of the great areas of friction that divide the consumer organizations and advertising groups.

Confronted with an embarrassment of wealth in the market place--the need to make choices from a constantly increasing number and variety of complicated products--the consumer is frustrated by meaningless advertising slogans, seductive sales phrases, and gaudy packaging. He looks fruitlessly for a basis for making rational comparisons. The law doesn't require it, and the advertiser generally feels no obligation to provide it.

In fact, according to Federal Trade Commission Chairman Paul Rand Dixon, the advertiser's every instinct tells him not to provide a rational basis for comparison. "What the consumer wants," he said recently, "is a reasonable degree of comparability between competing goods, in order to make informed choices.

"The producer's interest, on the other hand, is toward product differentiation. The producer wishes to create, through advertising, labeling, package design and by all other available means, the notion that his product is 'different' from competitive products."

Our nation has pioneered in legislation to regulate the market place in the consumer's interest. The concepts established by Dr. Harvey Wiley more than 60 years ago in the Pure Food and Drug law have been applied and expanded. Whether it is drinking water, or green vegetables, or processed foods, Americans even in the most remote parts of our country can eat and drink, oblivious to the consequences . . . at least those consequences which can be attributed to troublesome bacteria. Whether it is chemical additives in foods, coal tars in cosmetics, flammable chemicals in household products--we shop assured that those things which represent potential hazards are carefully labeled--thanks to laws which we take for granted in our enlightened society.

And even where law stops, the consumer--in matters of health and safety--gets essential protections. Almost all electrical appliances are tested to the safety standards of underwriters laboratory. Were you aware that as recently as three years ago, the royal commission, which studied consumer protection in Great Britain found that no similar safeguard exists there--either privately or publicly--to assure a minimum standard of safety for electrical appliances produced in the United Kingdom?

We have recognized, also, the responsibility of government to assure truthfulness on the part of the seller.

Our postal fraud laws go back about 90 years. The activities of the Federal Trade Commission (though they are limited primarily to those who sell across state lines) and the labeling programs of the food and drug administration have made it unwise--and unprofitable--for those who expect to remain in business very long to engage in significant deceptions.

Our recent conflicts have been in terms of proposals which go beyond health, safety and truth.

For many years, particularly in meat products, we have had government grading standards, a program of affirmative information intended to provide a basis for comparability in the market place.

In textiles, in furs, in wool fabrics, we have laws of relatively recent vintage which are essentially informative also--an effort by the government to insure that labels and advertising are in terminology that is meaningful to the consumer.

But in the "fair labeling and packaging bill," business and advertising in particular see a dose of informative labeling under government auspices which goes considerably beyond anything that has been accepted in the past. However reasonable the bill may seem to the consumer, it represents a limit on the freedom of the seller to present his product and his sales message under the conditions which he may regard as his own best interest. In the competitive market place, the opportunity to innovate can shape the fortune of the seller. As the man who pays the bill, he is not likely to relinquish any of his maneuverability until he is confronted with irresistible social or legal pressure.

Many of the other points of friction between consumers and advertising are in the area of "taste." The stomach acid commercial that interrupts the fairy world of a ballet. The insipid portrayal of the head of the house in a TV situation comedy (and by head of the house, I refer, of course, to the mature adult male). The false values which lead children to believe they must have things which are beyond the means of their parents. Even the proliferation of brands and packages on supermarket shelves--which are really manifestations of a competitive business system: all of these irritants are collectively described as the doings of "Madison Avenue."

As the most exposed contingent in the marketing chain, advertising polarizes the grievances that inevitably accumulate in a free market system. By its very nature, as an intruder, bidding for attention, it generates its own share of indignant critics.

But after allowing for all this, the advertising man still finds it difficult to understand a person, or movement that harbors ingrained prejudices against his trade. For a few minutes, it might be profitable for us to take a look at the world of the advertising man.

IV

As to advertising itself. In his view, advertising is not really an industry at all. It is a technique for selling. It is practiced by individuals who are experts in the specialties of the technique. But it is--far from being an entity in itself--an extension of the sales organization for the particular company, or industry, or product that chooses to advertise.

Advertising, according to Alfred J. Seaman, President of Sullivan, Staffer, Colwell and Bayles, is like the voice of an actor--"it rings out in dramatic tones. But without the words and meaning of the playwright, it is nothing at all.

"Advertising is the voice of business. It is the salesman sent out to ring doorbells and sell goods. With high speed presses and electronics, it makes calls for two or three dollars a thousand homes," he says.

As a method of communicating with prospective customers, advertising responds to the ethical principles of those who use it. But advertising is neither inherently honest or dishonest; nor is it inherently confusing or informative. In the hands of honorable people selling good products, it can be a workhorse bringing buyer and seller together to the benefit of both. In less worthy hands, it can border on fraud, debase ethical standards, insult our intelligence.

Moreover, advertising is an unlicensed profession. One does not have to secure the endorsement of a government examining panel before he can offer his services as an advertising expert. Nor is it likely that a free society would tolerate such tests--either by government, or by any private licensing commission--in a profession which operates so close to the freedoms we prize in our first amendment.

So, accountable to no one except the businessman who employs his services, what is the standard of success that influences the ad man? Whatever other values he cherishes, he inevitably is confronted by one inescapable test: his ability to sell the product he is advertising.

If he is working in an advertising agency, he is operating in a world fantastic for its rewards--and its disappointments. An account worth millions of dollars may be in his hands one day. And gone the next. It may be gone for some logical reason--because a campaign failed. Or for no reason at all--because the client decided he ought to try another advertising agency.

His security rests, to a great degree, in sales results. Yet sales results may be due to matters completely foreign to the quality of his work. Several unusually energetic distributors in a number of important markets may have a remarkably good streak of luck. Or several unusually bad distributors--simply fail to get the merchandise on the shelves where the customers might pick it off.

His personal relationships with the client may be important. Still, they will not save him in the hour of crisis.

But the cards are not all stacked against him. The ad man himself sometimes tends to overlook what is probably the most important ingredient in the picture. His talent. For make no mistake about it, advertising involves a group of specialties that call for talent. An ability to write persuasively. To select the right medium that reaches the right people. To put together a program which provides maximum exposure at a price the client is willing to pay. Because there is no sure formula for successful advertising, every serious practitioner does in fact enjoy a degree of monopoly--monopoly in the sense that no other practitioner has had exactly the same experience, can copy his accumulated store of knowledge, is likely to see the problem from precisely the same point of view.

Living as he does in a world where so much depends on success the ad man becomes engrossed in one overriding fear: is anyone paying attention?

Herman F. Lehman, General Manager of the Frigidaire Division of General Motors, talks about "selective perception." "Today's consumer," he says, "is sophisticated, self-confident, selective and enlightened by exposure to magazines, newspapers, books, radio and TV, in addition to more formal education."

She is bombarded by hundreds of advertising messages and she has learned to look at ads without seeing them. "She can turn off her mental hearing aid when the commercial comes through," he laments. "She can stare right through a billboard, toss unopened direct mail into a wastebasket, and walk right through the appliance department of her favorite store."

Mr. Seaman reminds us that a recent survey showed 124 items in the detergent section of a typical supermarket. "You may think that is too many, but the women who choose do not, or some of these items would disappear from the shelves within a matter of months," he contends.

His surveys show that the average woman spends 10 seconds in that section. One hundred and twenty-four items to see in 10 seconds. Poetically, he tells us: "Each product sits like a wallflower, hoping for the nod."

"Meanwhile, back in some company, some advertising agency, people are straining to find better ways to make the prized consumer reach for their product through better or more persuasive advertising. Even if we wore our collars backwards," he asserts, "we might still show some human frailty, some penchant for hyperbole as we strain to earn our way."

There is, moreover, no rulebook on how to be successful in advertising. Are you pleased with some lighthearted ad which amuses, rather than jars? Pretty soon others will copy it, and the idea will get stale.

Advertising people make a big fetish about research which tells them what people like, and how they respond. From experience, however, they know that once advertising is prepared or planned on the basis of mathematics or formulas, it gets to be alike, and it loses its impact.

About a decade ago, the Gallup-Robinson organization assured the advertisers that the way to make an impact was to start selling in the first frame of the TV commercial. Now it is fashionable to catch the eye with pleasing pictures, lead up to the sales message slowly.

The first TV commercials were written by men who had trained in radio, where every word counted. Currently you see TV commercials where there are almost no words, until the time comes for the "punchline." A recent commercial for French's mashed potatoes, for example. A series of pictures of people in pleasant situations enjoying mashed potatoes. No words other than a tagline explaining that, of course, the potatoes are French's.

The ad man is an extension of his client's sales department. His function, as he sees it, is to relate his client's company or product to the consumer's need. Take the word of William Bernbach, of Doyle Dane Bernbach. "What you must do," he said in a recent interview with Advertising Age, "by the most economical and creative means possible, is attract people and sell them."

In a world where consumers are saturated with advertising, even the best ad gets ignored by at least 85 percent of the public. "You must be original and fresh to compete with the shrieking of the news events in the world today," Mr. Bernbach admonishes. "You must have all the right things in the ad. If nobody stops to listen to you, you have wasted it."

The advertising man has little patience with those who imply his advances to the consumer should be primarily in terms of facts about the product itself. His mission is to "provoke and persuade." So he exploits new price values and even irrational considerations.

His experience teaches him that the consumer "does not live by bread alone." That even the most menial have aspirations and hopes; and that each of us cherishes the freedom to select our purchases for reasons of our own, however impractical they may sometimes be.

The ad man's recommendations to his client are inevitably based on pragmatic reasoning. In the absence of effective ground rules, he is likely to act on his own estimate of what is best in the self interest of his client and himself.

Ted Bates and Company, which developed the famous sandpaper demonstration for Palmolive Rapid Shave--ruled to be deceptive in a recent Supreme Court decision--has been among the most rapidly growing advertising agencies in recent years. Mr. Rosser Reeves, the guiding genius of this agency, recently reminded Dennis Higgins of our Advertising Age staff that in 25 years, this agency has lost just one account. "Our clients are among the most sophisticated advertisers in the world," Mr. Reeves said. "They don't stay with us because we are incompetent."

Henry J. Kaufman, the head of his own advertising agency in Washington, was visibly annoyed by a discussion of TV commercials which took place during a recent consumer conference, conducted by the Advertising Clubs of Washington. "No advertiser is there to insult your intelligence," Mr. Kaufman commented. "When you see a commercial used year after year, you can be sure it is working well, or the advertiser would not be paying to continue it."

The survey which I mentioned a short time ago, which the American Association of Advertising Agencies recently completed, tells us a little bit more about the sources of irritation between consumers and advertising. 9,327 ads were classified into 78 product categories. The sources of annoyance were pinpointed to five of these categories: soaps and detergents--annoying to 55 percent of the people interviewed; dental products--47 percent; depilatories and deodorants--45 percent; cigarets--37 percent; liquor--13 percent.

But what does our ad man have to say about the kinds of ads which irritate us?

Among Mr. Rosser Reeves' successes is a commercial for M & M candy. Two fists appear on the screen, and the voice asks: "Which hand has the M & M's?" "Not this hand, it's messy. But this hand, because M & M candy melts in your mouth, not in your hand."

"There's nothing pretty about two fists poked out at you from a TV screen," Mr. Reeves exclaims. "But M & M had to build a new factory to meet the demand."

Another of Mr. Reeve's creations which has stirred some comment is a diagram commercial for Anacin with a portion of a man's head cut away to show a hammer pounding the brain. Not very esthetic, Lord knows. Yet he is fond of pointing out that this ad which cost $8,200 to produce, has been used for 10 years. The client has spent $86,400,000 on it--and it has made more money for the client than "Gone with the Wind."

One of Anacin's competitors, Bristol-Myer's Excedrin, has been using a magazine ad, produced by Young and Rubicam, where a hand holds a bottle of the product, and the text explains: "Over 31 million people have discovered Excedrin, the extra strength pain remover. Tablet for tablet, 50 percent stronger than Aspirin for the relief of headache pains."

You may not consider this a very stimulating ad, Mr. Reeves tells us, but in the last two years at least 7 percent of the 200,000,000 Americans who have headaches have taken Excedrin. "And to me, that's the name of the game."

What about those arty ads that win the praise of critics, and the blue ribbons at the annual commercial art shows? Mr. Reeves mentioned a poster on an express truck featuring a seductive picture of a very leggy Swedish girl. He didn't notice what she was advertising (it was Erik cigars). "Six out of 10 commercials," he complains, "are filled with distractions which cause people to forget the name of the sponsor or the product."

When a client who spends $15 million comes to an advertising agency, Mr. Reeves says, he has one goal in mind: to find out why his competitors are beating him, and to see if the fault is in his advertising.

There is more involved here than phrasemaking. The art of advertising is getting the message into people's heads at the lowest possible cost, and it is from this vintage point that the ad man evaluates the generalized contention that he is supposed to provide the consumer with more guidance and information.

Is he depriving the consumer of something he is obliged to give--morally, if not legally? The ad man has resolved this question to his own satisfaction. The magic is in the product itself, Mr. Bernbach tells us. "A good advertising campaign will make a bad product fail faster. It will get more people to know it is bad." Conversely, he claims good advertising gives an extra edge for a good product.

We have an academic explanation from our friend, Professor Bass of Purdue--also from the record of the Senate Commerce Committee's cigaret hearing.

"It is a fundamental principle in marketing," he told the committee, "that advertising cannot create demand for a product, it can only serve to accelerate demand for a product which is desired by consumers for reasons independent of advertising."

The American Association of Advertising Agencies study also produced some material which bears on this point.

Donald Kanter, Director of Research for Taitham-Laird, a member of the committee which planned the study, says the interviews show that consumers are "reality oriented." "The world of products is part of their every day life. When advertising has irrelevant fantasy and absurd selling propositions, the consumer senses it.

"He relates the content of advertising to his experience. The myth of the defenseless consumer can be laid to rest. He views sales messages through a filter of doubt, prior experience and not a little boredom and disinterest.

"Americans have learned to evaluate the salesman and advertising as they have learned to judge political promises, religious panaceas and other utopian calls."

V

I have been giving you a glimpse into the world of the ad man. The environment in which he works. The role that he plays--as he sees it. The standards by which he judges his performance.

But the ad man is not a world unto himself. He operates within the context of our market and our society. His judgements on what he can or cannot do must be within the framework of the mores and laws which are the established and accepted restrictions on individual freedom.

There are, for example, some interesting contrasts between the standard the ad man sets for himself, and the standard which is applied by the law enforcement agencies. Mary Gardner Jones, the newest member of the Federal Trade Commission, recently presented this in dramatic terms. "The ad man," she said, "seeks to penetrate the mind of a substantial percentage of consumers. He measures the effectiveness of his work in terms of the percentage of the population who listens and who retains his message.

"The FTC, however, is concerned with the individual, who listens just once and forgets. If on the strength of that momentary attention to your message, he purchased the product and discovered it was not what it had been represented to be, he has been hurt and the law says we should act to eliminate the deception."

The test, she points out, is that the FTC is expected to protect "the trusting as well as the suspicious, the ignorant as well as the intelligent, the unthinking and credulous as well as the thoughtful and careful."

In practice, however, even the regulators are somewhat uncertain about the amount of protection they are expected to provide.

"Some people, either through ignorance or incomprehension, may be misled by even a scrupulously honest claim," FTC Commissioner Philip Elman wrote in a recent decision. "Perhaps a few misguided souls might believe, for example, that all Danish Pastry is made in Denmark. Is it therefore an actionable deception to advertise Danish Pastry when it is made in this country?"

The lesson, according to Commissioner Elman, is that a representation does not become false and deceptive merely because it was unreasonably misunderstood by an insignificant and unrepresentative segment of the class of persons to whom it was addressed.

"If, however, the advertising is aimed at a specially susceptible group of people (for example, children), its truthfulness must be measured by the impact it will make on them, not others to whom it is not primarily addressed."

But what happens when the FTC tries to apply even this seemingly obvious yardstick? Last March the Commission examined "Puncherino," a toy which consisted of a seven inch plastic ball attached to the center of a pair of goggles by a rubber string. The Commission decided there is clear danger that the rubber string will break, and in breaking may injure the user's eye.

Miss Jones, like each of the other Commissioners, has her own test in approaching a problem of this kind. She says she is a firm believer in the importance of encouraging our citizens to use their intelligence. The Commission, she declares, must discharge its responsibility with all the sensitivity and sense of responsibility it can muster. "But neither the government nor anyone else should in every exigence seek to protect the human being from himself."

In the toy case, she chose to dissent. The majority called for a warning on the box, explaining that it did not think the danger would be obvious to a young child who goes into a toy store and buys Puncherino with his dollar. But Miss Jones, taking a more restricted view of her responsibility, was confident that the danger that the string will break is clearly visible to the customer. "It is obvious," she wrote in this, her first published opinion as a Commissioner, "that the Commission can never protect all consumers from their own inattention. Moreover, it is doubtful that those consumers who will not pause to consider the eventuality of the risks, even though apparent, will be likely to pause any more attentively to consider such risks by reason of any additional statement concerning such risks which the Commission might require."

So there it is. The law of survival in the advertising business is easy to comprehend, and the penalties for those who defy it are severe. Yet the laws of our society which limit the excesses that can occur in a free market puzzle even the experts. And the penalties, when they come, are generally less costly than a failure to serve the client's interests.

And this brings us to the critical question: What then, can the consumer expect from the ad man?

First, the consumer must recognize that advertising in today's marketplace is only one of the contacts between himself and the seller. Advertising takes a variety of forms. Our discussion this afternoon has focused largely on the national advertiser.

In addition, for example, there is retail advertising which originates in your own community and which is particularly valuable because it tells what you can buy, where you can buy it and what you will pay.

Retail advertising is also the source of a particularly high proportion of the malfactors that consumers complain about. For within its ranks--in addition to the decent merchants--are the schlag furniture houses, the theaters that specialize in "adult only" films, the "dollar down" auto dealers. The quality of their advertising is often on a par with the overall ethics of their operations.

National advertising has a relatively limited mission. It is essentially an attention getter, intended to create interest, to remind, to develop confidence in a company or its products.

On the radio or TV screen, or even in a newspaper or magazine, the advertiser has but a fleeting second to catch the consumer's attention--or forever lose it. The kinds and amount of information must vary according to the type of product, or the particular medium that the advertiser is using.

Each advertisement is part of a complete sales presentation which includes many forms of advertising, as well as the label and the package itself. If the advertiser provides on his label or in his literature, in understandable and readily accessible form, the information that is needed to shop and use the product intelligently, he has fulfilled his obligation. But the consumer who expects each individual advertisement to anticipate his questions misunderstands advertising as it is used today.

Second, the consumer has a right to expect that advertisers will be scrupulously honest and that they will behave in a respectable manner. In turn, a company and its products must be willing to be judged on the basis of the decorum of its ads, just as a guest in the home is judged by his decorum.

The consumer, in turn, might profit by following advertising with a more discerning eye. Within the advertising business, with its multitude of highly individualistic and creative personalities, are many who appreciate that each of us in the practice of his profession has responsibilities which go beyond immediate profit.

Some advertising is offensive and even deceptive. But many people within the business understand that there is a difference between simply selling something and selling it in a fashion which is essentially social, that tends to raise selling standards somewhat and thereby insure, hopefully, the long-term success of the seller.

The responsible people in the advertising business have no right, of course, to expect a display of gratitude from the public. But is it unreasonable to expect that the public will at least make some effort to identify the sources of offensive and deceptive material? For the consumer who trades with those who advertise in bad taste rewards those who deserve to be punished--and punishes those who deserve to be rewarded.

The advertiser should be held responsible not only for the decorum of his own advertising, but he should also be accountable for shortcomings which he shares with competitors. For in our society there generally is an answer for an industry which wants to eliminate advertising and labeling practices which are inimical to the public. And it does not always have to be through government action.

We know from experience that self-regulation need not be an empty gesture. In fact, advertisers can often accomplish under self-regulation results they would regard with horror if the authority were exercised by a government agency.

Through its advertising codes, the alcoholic beverage industry voluntarily abstains from advertising hard liquor on radio and TV stations, or in Sunday newspapers. The codes of the radio-TV industry prevent the use of advertising on the air for hard liquor, and for intimately personal products such as hemorrhoid remedies.

While the government agencies debated their ability to dispose of the pseudo-medico who appeared in a white coat to recommend a headache remedy, the broadcasters, through their code organizations, got him off the air.

Without public announcement, the cigaret industry has moved quietly to eliminate words and phrases which imply that one cigaret or filter is safe, or safer than another. With the tobacco companies under a compulsion to demonstrate a sense of self-restrain, their code administrator's blue pencil has been decimating the fruits of the ad man's creativity.

Familiar filter names, widely advertised in the past, are already gone--"deep weave," "dual," "keith," "micronite," "multifilter," "selectrate," "spin."

Words like "neat, clean," formerly used by Parliament; "clean, smooth"--Tarryton; "modern"--Montclair, Salem, Winston and others; "pure white"--Kool, Winston; "fine white"--Newport; and "activated"--Montclair, have all quietly slipped away, according to a study which appeared in Advertising Age recently.

Like every good citizen, the advertiser is obliged to advance the spirit as well as the letter of the law.

In a thoughtful discussion of this subject, Commissioner Elman declared last November: "Businessmen who enjoy the freedom and rewards of our economic system have an obligation to help make the system work effectively.

"A businessman who assumes that he has a right to exploit consumers' lack of accurate information about brands and products and disregards his social duty as a seller in a free enterprise system, to assure that the consumer is genuinely free in exercising a choice or preference, may or may not be violating a law. But he is striking at the foundations of the system."

I have not yet seen resolutions from the advertising associations endorsing the thought which Commissioner Elman discussed. Yet I believe the essence of that "great consensus" we started to talk about way back yonder--at the beginning of this discourse--embraces the same concept.

Mr. John Conner, formerly President of Merck and Company, now our Secretary of Commerce, presented the challenge in a recent speech before the Chamber of Commerce of the United States. He reported that he senses "a new social awareness on the part of business, reflecting the changing times and ideas of a different world." Business, he says, must be a leader, not a follower, "if it is to retain its rightful place as the central organizer of our economic life, and influence the total development of our society."

He had quite a list of suggestions for the members of the Chamber to think about. And among them was a suggestion that business better not take the consumer for granted.

"We know that the American consumer enjoys the highest standard of living in the world, and nowhere does the consumer have such a wide choice of quality products at such a low price. Yet today we can detect signs of consumer unrest about some phases of product and service merchandising. We see proposed legislation dealing with some of these situations, and I myself have been involved in reviewing some of these proposals."

He recalled that at a recent installment credit conference of the American Bankers Association one of the speakers warned: "The fact remains that the voice of the consumer will be heard more and more in the land. And if business does not hear the voice, legislators will."

"I hope"--said the former president of Merck and Company--"that those in business who should be listening will hear this voice before it becomes a shout."