## James Rorty

## OUR MASTER'S HOUSE

ADVERTISING



## 23 NIRA: The Ad-Man on the Job

When President Roosevelt succeeded to the politically bankrupt Hoover Administration, it was necessary not merely to legislate a New Deal but to *sell* this New Deal to the American People. Tribute has already been paid to the President's extraordinary persuasiveness in his radio addresses. It was natural that he should choose as his first lieutenant a high-powered sales executive, General Hugh S. Johnson, who became Director of the NRA.

The theory of the recovery, as outlined in the pronouncements of the President, was to raise prices and wages, eliminate cut-throat price competition, and thereby restore the solvency of the whole capitalist fabric of production and distribution for profit. One of the businesses that had to be rehabilitated was the advertising business.

Speaking before the convention of the Advertising Federation of America held at Grand Rapids in June, 1933, General Johnson said in part:

Good advertising will become more essential than ever. It will be in a position to help the business executive avoid those wasteful and expensive practices in selling which so often add needless costs to needed products. Good advertising is opposed to senseless price cutting and to unfair competition. These are two business evils which we hope to reduce under the new plan of business administration.

Constructive selling competition will be as strong as ever, and there will be great need for aggressive sales and advertising efforts. The only kind of competition that is going to be lessened is the destructive cut-throat kind of competition which harms the industry and the public as well. There should be more competition than ever in presenting quality products to consumers, and in selling those products. What we are going to need more than ever is energetic, honest efforts to sell goods to people who are going to use them....

If there is one job for advertising men and women to carry through at this moment, it is to study the implications and effects of the industrial recovery act and then to apply their skill in assisting business to gain fully from the planned results of the law. doi | original pdf

When General Johnson addressed the Advertising Federation of America, he was speaking to the responsible heads of the advertising business, including the owners and managers of major publishing properties. Certainly these gentlemen realized very clearly that if any deliberate deflation of advertising were included in the plans of the administration, it would mean their bankruptcy. General Johnson understood this as well as they did. He also must have realized acutely that the administration could not afford to do anything of the sort, since it is highly dependent upon press and radio support for the execution of its program—even for its continuance in office. Hence, the wings of the Blue Eagle were spread benignly over one of the most fantastically exploitative and non-functional businesses in our whole acquisitive economy. With this qualification, of course: "Good advertising will become more essential than ever...Good advertising is opposed to senseless price cutting and to unfair competition."

General Johnson knew his press and knew his politics. As a patriotic savior of capitalism he was convinced that the advertising business was one egg that couldn't be broken even to make the omelet of the New Deal. But it was impossible to keep the recovery program pure, even if the President had wanted to. Reform was bound to creep in. The investment bankers got it first in the Securities Act. And eventually that advertising egg did get cracked, or at least candled. It turned out to be Grade "C" or worse.

It was Professor Rexford J. Tugwell, Assistant Secretary of Agriculture, who started all the trouble by insisting that the Recovery Program should include passage of a New Pure Food and Drugs Bill, designed to protect the health and the pocketbook of the consumer. At this writing this bill, as revised by Senator Copeland, under pressure from the proprietary medicine, drug, food and advertising interests, is still being fought by these interests although most of its original teeth have been pulled. By the time this book is published it seems probable that the revised bill or a substitute measure will have been passed. Since the purpose of this book is not to analyze the legislative and other developments incident to the New Deal but to describe the advertising business, considered as an instrument of rule controlled and manipulated by the American business hierarchy, we shall be content in the next chapter with showing how and why the vitamin men, the medicine men and especially the ad-men were successful in beating the Tugwell Bill. The story is told in detail in the 500 page transcript of the hearings on S. B. 1944, otherwise known as the Tugwell-Copeland Food and Drugs Bill, held in Washington, Dec. 7 and 8, 1933. It is one of the most fascinating and revealing documents the Government Printing Office has ever issued. Reading it is a sobering experience, even though Moliere himself could scarcely

have conceived the rich comedy of the situation. What emerges is a cross-section of the American pseudoculture. Benjamin Franklin, Jay Cooke, Henry Ward Beecher and Elbert Hubbard were all there in spirit, represented by slightly burlesqued reincarnations in the bodies of statesmen, lawyer-lobbyists, medicine men and ad-men. Bruce Barton didn't appear at the hearings, but did his bit in the field by speaking against the bill. Dr. Walter G. Campbell, Chief of the Food and Drug Administration, did an altogether magnificent job in explaining the need for the bill so that by the time he had finished the assembled lobbyists didn't have a leg to stand on. They did, however, have plenty of money and an effective influence upon the daily and periodical press. In the Sept. 18, 1933, issue of the *Drug Trade News* appeared the following frank statement of the strategy and tactics of the United Manufacturers of Proprietary Medicines, as generalissimoed by lawyer-lobbyist Clinton Robb.

## The 17 Plans

- 1. Increase the membership of association at once to present a united front in combating the measure.
- 2. Secure co-operation of newspapers in spreading favorable publicity, particularly papers now carrying advertising for members of the association.
- 3. Enlisting all manufacturers and wholesalers, including those allied to the trade, and inducing them to place the facts before their customers through salesmen, and in all other possible ways, to secure their co-operative aid.
- 4. Secure the pledge of manufacturers, wholesalers, advertising agencies and all other interested affiliates to address letters to Senators to secure their promise to vote against the measure.
- Line up with other organizations, such as Drug Institute, Proprietary Association, National Association of Retail Druggists and others, to make a mass attack on bill.
- 6. Appointment by the President of a committee to work in conjunction with Attorney Clinton Robb.
- Co-operation of every member in forwarding to headquarters newspaper clippings and all available data as basis for bulletins and favorable publicity.
- Co-operation of every member in doing missionary work in home districts to arouse public to the dangers of the legislation proposed.
- 9. Carrying to the public by every means available, radio, newspaper, mail and personal contact, the alarming fact that if the bill is

- adopted, the public will be deprived of the right of self-diagnosis and self-medication, and would be compelled to secure a physician's prescription for many simple needs.
- 10. Arrange for conferences between Association Committee and representatives of all other trade associations interested.
- 11. Enlist the help of carton, tube, bottle and box manufacturers.
- 12. Defeat use of ridicule by American Medical Association, proponents of the measure, by replying with ridicule.
- 13. Convince newspapers of justness of cause and educate public to same effect.
- 14. Setting up publicity department for dissemination of information.
- 15. Enlisting aid of Better Business Bureau in various cities.
- 16. Direct and constant contact with situation at Washington under leadership of Attorney Robb.
- 17. Pledge of 100 per cent co-operation on part of every member of the association present for continued and unremitting activity in every possible direction to defeat measure.

Note plan No. 15, the mobilizing of the Better Business Bureaus, which are agencies set up by the organized advertising business to expose and penalize dishonest and misleading advertisers. We cannot stop here to trace the history of the Better Business Bureau, except to point out that its criteria of "Truth in Advertising" are the commercial criteria already discussed in an earlier chapter; further, that even these criteria cannot be applied to the disciplining of important advertisers or powerful advertising agencies. The internal politics of the advertising business is realpolitik. The Better Business Bureau can point with pride to the scalps of numerous "blue-sky" stock promoters and cheap and nasty patent medicine racketeers whom it has put out of business. But in the nature of the case it cannot successfully hunt bigger game, indeed it is not designed for this purpose. It is essentially a "Goose Girl" organization which is concerned with the maintenance of reader confidence, with keeping the methods and practices of the advertising profession within the tolerance limit of an essentially exploitative traffic.

But the Tugwell Bill attacked this traffic at several vital points: (1) the clause declaring a drug to be misbranded if its labeling bears any representation, directly or by ambiguity or inference, concerning the effect of such drug, which is contrary to the general agreement of medical opinion; (2) a similar clause leveled at false and misleading advertising, which provided that the advertisement of the drug or cosmetic be considered false "if it is untrue, or by ambiguity or inference creates a misleading impression"; (3) the clause authorizing the

Secretary of Agriculture to "promulgate definitions of identity and standards of quality and fill of container for any food."

But "ambiguity and inference" is the stock-in-trade of the advertising copy writer. And as for quality standards, it is the recognized task of advertising to establish *systematized illusions* of quality which will lift the product above the vulgar level of price competition.

Being thus clearly attacked, it was to be expected that the "reform" pretensions of the advertising business would pretty much collapse; that the profession would make a more or less united front with the patent medicine racketeers, and with the drug, food and cosmetic industries; that newspapers, magazines and radio stations would either actively fight the bill or fail to support it.

In effect that is what happened, although the more respectable advertisers and publications were considerably embarrassed by the rough tactics of the patent medicine lobby, and certain partial cleavages developed. At its annual convention the Association of National Advertisers failed to pass resolutions attacking the bill, for the reason, doubtless, that those advertisers who were affected slightly if at all by its provisions felt that "reader confidence" would indeed be somewhat rehabilitated if the patent medicine advertisers, the "Feminine Hygiene" advertisers, etc., were obliged to pull their punches a little. *Advertising and Selling* and *Editor and Publisher* attempted to play fair, gave much space to the proponents of the bill and stoutly refused to "go along" with the campaign of abuse, misrepresentation and press coercion laid down in Mr. Robb's "17 Plans."

To meet this attack Professor Tugwell and the officials of the Food and Drug Administration had to rely upon their excellent and popular case, upon the support of a handful of liberal and radical publications, which carried little or no advertising, upon the far from active or organized support of the medical profession, and upon the intermittent and poorly financed help of a few women's clubs and consumer organizations. The Food and Drug Administration had no propaganda budget; it did, however, manage to stage its famous "Chamber of Horrors" exhibit at the Century of Progress and later route this exhibit to women's clubs and other organizations which asked for it. This pathetically inadequate attempt to fight back was greeted by yells of rage from the patent medicine lobby which was busy spending money lavishly in the execution of Mr. Clinton Robb's "17 Plans." United States Senators began getting letters like the following from Mr. Daniel A. Lundy:

My dear Senator: It would seem, if Section 6 of the Deficiency Appropriation Act, for the fiscal year of 1919 and prior year, is still active, Walter Campbell may well be dismissed and prosecuted for his alleged gross violations and abuse of authority, in spending government

money without permission of the Congress for radio, Paramount News Reel, diversion of his employees' time for selfish purposes and other means to influence passage of unconstitutional Tugwell-Copeland-Sirowich Food and Drug Bills.

Walter Campbell, it would seem, has overridden all official propriety and wisdom in his alleged overt act, and no public trust or confidence once violated, as in this case, can be restored. There seems but one road for Congress—the road in dismissing the Chief of the F&D Department, with penalties, if substantiated.

All others who have aided and abetted in these vicious and irregular proposals, whether in lending their names or in actions, should come under the same discipline.

Honest industry and a decent public prays for a thorough and speedy investigation and not a white-wash of an alleged crime as despicable and deplorable as the sell-out of the "Teapot-Dome."

Mr. Lundy, as might be guessed, is a member of the Board of Managers of the United Medicine Manufacturers Association. He is also connected with the Home Drug Company, against which the Food and Drug Administration has a case pending. But the Senator didn't know this. Nor was the Food and Drug Administration empowered to tell him unless he specifically asked; it had no means and no power to expose one of the most brazen and vicious lobbies that ever disgraced Washington. In the *Nation* of February 14 the writer undertook to expose this lobby and the substance of that article, which was entered in the record of the second hearing by Mrs. Harvey W. Wiley.