



*Louis F. Bantle '51, Chairman Emeritus of UST Inc.,
Trustee of Syracuse University*

L O U I S F . B A N T L E

Tough-Minded Thinker, Gentle Persuader



openhagen moist snuff and Lea & Perrins Worcestershire Sauce are the oldest packaged products in America. Both were launched in 1822, both have survived most of their early contemporaries, and both were long consigned to a narrow, if fiercely loyal, market niche.

When Louis F. Bantle '51 became advertising manager of U.S. Tobacco Co.

in 1962, the Copenhagen and Skoal brands of moist snuff were the company's mainstay. Yet, by a curious twist of demographics, their growth had reached its natural limits. Or so it seemed! Challenging conventional wisdom, Bantle devised the strategy that propelled moist snuff onto the national scene and U.S. Tobacco, and its parent company, UST, into the ranks of the *Fortune* 500.

In 1973 Bantle became president and chairman of the board, thanks in part to booming sales of moist snuff. Now he

tackled a broader challenge, demonstrating a knack for grand strategy, as well as razor-sharp instincts. Over the next 20 years, UST's net sales rose from \$100 million to \$1 billion, while its market value climbed from \$111 million to \$6 billion. By the time Bantle retired in 1993, UST had become a powerhouse.

Bantle's performance offers at least three surefire lessons in management. One: Question conventional wisdom. Two: Focus on what you do best. Three: Encourage people to lead and take risks.

Breakthrough Thinking

When Bantle became advertising director of U.S. Tobacco, only conventional wisdom stood between moist snuff and a national market. "Historically," he explains, "tastes in tobacco had always been regional—smoking tobacco in the East, dry snuff in the South, and so on. Moist snuff reflected the Swedish migration. Very little was sold outside of Minnesota and the northern tier of states reaching westward to Washington."

Bantle's challenge was to break through the demographic fatalism entrenched in the structure and beliefs of the sales force. "The old guys had the four different regions," he explains. "They knew their markets and they knew the business." That left Bantle to deal with a conundrum. If demography was a given, it made little sense to promote moist snuff nationally. Without promoting it, how could you expand the market?

But Bantle had a hunch and the hunch had credibility. He knew of a salesman who had tested the market for moist snuff in dry snuff country—with encouraging results. And he recognized that television had created an altogether new marketing environment and new possibilities.

Circumstance gave Bantle the opening he needed. In 1969 the company introduced Borkum Riff, a flavored Swedish pipe tobacco. "It was so successful," he recalls, "that we decided to launch an ad campaign on TV—a first for the company. Then I realized that this was the time to introduce moist snuff nationally." The directors gave the go-ahead, but left Bantle to find the \$1 million needed for TV. At one point, scrounging for extra dollars, he looked at the green, white, and brown Skoal package and asked how much could be saved by dropping the brown. By going to two colors, he found another \$80,000!

Launched on Monday Night Football in 1969, the moist snuff campaign accomplished all that Bantle had hoped for. "It brought consumer attention, and generated tremendous enthusiasm in the sales force. The product started selling in markets we never had a part of. After three years we were growing at rates of 25 percent annually!" So much for conventional wisdom!

"DUMB MOVES!"

Ask him what his smartest call was, and Lou Bantle will probably tell you it was the decision to go on television with the moist snuff campaign. Ask him what his dumbest move was, and he will tell you that, too—which gives you an insight into his self-deprecating style.

"Back in 1979," Bantle recalls, "the Swedish wine and liquor monopoly came to see us. They wanted us to market an obscure Swedish vodka through Ste. Michelle—it sold a mere 15,000 cases annually. A marketing study warned it would never survive because Stolichnaya commanded an 80 percent share of vodka sales. So we told the Swedes, no thanks!"

Yes, the brand turned out to be 140-year-old Absolut, the biggest success story in the liquor industry! Last year, Americans bought three million cases of this symbol of sophistication. Today it outsells Stoli three to one.

Unflinching Focus

When Bantle became president and chairman of U.S. Tobacco in 1973, the moist snuff campaign was working brilliantly, sales of Borkum Riff were still soaring, and the company was on a roll. The challenge was not merely to sustain the momentum, but to consolidate the gains and build for the future.

"The crux of our strategy," says Bantle, "was to focus on what we did best. That may seem pretty obvious, but focusing can lead to tough decisions. The hard part is following through. We focused, and we followed through. We sold our dog food company and our cigar operations. We abandoned cigarettes and sold the plant. We cut our product line down to those with the greatest potential." Sure enough, tough decisions were followed by new

gains, each contributing to greater financial and organizational strength.

Bantle's insistence on focus never precluded "a diversification that made sense." He saw such an opportunity in Ste. Michelle Vintners, a small winery with varietal vineyards in Washington state. Acquired in 1974, Ste. Michelle was the first of four wineries that formed UST's subsidiary, Stimson-Lane Ltd. In 1993 premium wines from Washington and California's Napa Valley accounted for more than \$80 million in sales.

Bantle can be credited for UST's leadership in the area of corporate event sponsorship. In 1974 the company began its relationship with the National Intercollegiate Rodeo Association; in 1983 it agreed to sponsor more than 350 professional rodeos nationwide. In 1981 the company began its association with auto racing; today it participates in most major racing circuits. Says Bantle's successor, Vincent Gierer Jr.: "Lou created a vision of the marketplace for our product and then, through racing and rodeo, created a feeling around the product."

When he retired in 1993, Bantle left an enviable record of achievement. The key to his success was not only a focused strategy and keen instincts, but imaginative thinking and a way with people. Never the passive receiver of conventional wisdom, he entertained possibilities that others dismissed. Always the gentle persuader, he inspired loyalty and leadership in those around him.

A Helping Hand

Now that Bantle has retired, he and his wife, Gini, have more time for causes that have always been important to them. In 1991 they received the Caritas Award from the National Conference of Catholic Charities. The same year, Lou Bantle received the National Human Relations Award of the National Conference of Christians and Jews.

Years ago, Bantle conquered alcoholism and, ever since, he has worked tirelessly for the cause of rehabilitation. At UST he created an employee assistance program that has proved to be a

corporate model. He serves on the board of directors of two noted rehabilitation centers, High Watch and Ashley Inc.

In the early days of perestroika, he was invited to lead a high-powered delegation to the Soviet Union to explain the method of Alcoholics Anonymous. He recalls: "When presidential adviser Mike Deaver told an audience of Russian doctors that we were recovering alcoholics, you could hear the moans in the hall. Over there, you just don't admit to it." With Soviet counterparts, Bantle co-founded the International Institute for Alcoholism Treatment and Training, which trains Russian professionals and supports a model treatment center in Russia.

The Bantles' commitment to the Miami Project to Cure Paralysis evolved in the

wake of a paralyzing injury to Marc Buoniconti, the son of close friends. With Bantle as chief fundraiser, the project has raised more than \$10 million to build one of the world's most comprehensive spinal cord injury research centers. In 1989 Governor Bob Martinez dedicated the Louis and Virginia Bantle Rehabilitation Research Center of the Miami Project to Cure Paralysis.

Syracuse University holds a special place in Bantle's life. "I made lifelong friends there, and it was a wonderful time in our life." As a trustee, he is excited by the University's focus on quality and its mission of excellence. "Any organization needs to take stock periodically, and the

LOUIS F. BANTLE

B.S. in marketing, 1951

Served on active duty in Korea as an officer in U.S. Marine Corps, 1951-53

Married Virginia Clark, 1961

Joined U.S. Tobacco Co. as advertising manager, 1962

Named vice president, 1965

Elected to board of directors, 1967

Named president and chairman of the board, 1973

Chairman emeritus, UST, 1993

CHILDREN

Robert Clark, 1962

Terri Ann, 1964

Granddaughter

Brittany Ann



Lou and Virginia Bantle cut the ribbon during dedication ceremonies for Bantle Hall at Father Martin's Ashley in Havre de Grace, Md.

University has done that in a thorough, thoughtful way. The result is a sharp focus, a compelling vision for the future. For alums, that's the greatest reassurance you can imagine." ■

—Tom Raynor

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