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HOW TO BUILD BETTER BRANDS THAT EARN YOU MONEY



Gregg Ritz: Bagging Bigger Bears

The third and final installment of my interview with WildComm's Gregg Ritz:

Last month, my interview with Gregg Ritz told the story of how he evaluates companies for acquisition. This month, in my continuation of the interview, we learn Gregg's secrets for creating high-value brands that pay off when it comes time to put a price tag on a company. There are some gems in here. (Take notes).

Bennet Langlotz: Gregg, let's talk about picking brand names, because you've picked a lot of great ones over the years. The proof is that those brands added a premium to the company that you sold for a staggering sum. People ask us all the time how do you pick a brand. You're in the business of picking brands that really add value customers like. What do you look for in a good brand, and what's the process of coming up with one?

Gregg Ritz: That's a great question. It is an art - it is not a science. I don't know that there is any right answer but there are a lot of wrong answers. You have to pick a brand name that is clean - that is the very first thing you have to do. And by clean, I mean clean by two perspectives. First from a legal standpoint - that it's not confusingly similar or identical to anything else in the marketplace. Otherwise, as soon as you introduce it, somebody is going to tell you that you're infringing and you have to stop. Any time you have to rename a product during the launch cycle, it's going to fail. So it's got to be a clean name.

The second part is it has to be clean from any consumer perceptions of what that brand may already stand for in the industry. In other words you want to pick something new and fresh, not something that's beat up in our marketplace or another marketplace - overused, if you will. From there you can create whatever the brand position is through good execution in marketing. A brand where the name is very synonymous with what the product stands for is perfect.

Like Icon is a great brand name for T/C's first bolt action rifle. We wanted to set the highest possible standard for production bolt action rifles. So we went to the custom gun makers and tactical rifle builders, absorbed all of that information, along with a hundred years of making bolt action rifles, to come up with the premier bolt action rifle. We called it the premier bolt action

rifle. We're going to set the standard in the marketplace - why not call it the Icon? The name perfectly fits what the product stands for.

Then there are names that don't mean anything, but you can create a brand behind it, like Omega. What's Omega mean? It's not the end of the muzzleloader? It's not the last muzzleloader that Thompson/Center is going to make? No. So sometime the names don't necessarily have to mean exactly what the product is.

Here's an important branding tip: You want as few syllables as possible. Omega has three. Icon has two. When you can get down to one syllable, like "Rage", then you're brilliant. You want to get down to something that is clean, understandable, and has few syllables. You don't want something that makes you think: "Oh my gosh! That's a mouthful to say!"

BL: The first brand ideas that people often come up with are ones that are kind of long winded - that try to describe the product and all of its features and benefits in a whole long phrase. That's what makes marketing easier, because the brand does the talking, but that's not how you create a high value brands, is it?

GR: That's right. Look at the mistakes some peoples make, but sometimes you need to look at the acronyms. What is the International Business Machine? That looks horrible, but what it became is IBM. Most people don't know IBM is an acronym. Or BMW for Bavarian Motor Works. "Hey what did you buy today?...Man you won't believe I finally could afford that Bavarian Motor Works." Also General Electric, which became GE. So sometimes you can have mistakes in brands, corporate or product, which you can boil down to an acronym and still salvage or grow the brand within today's market.

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Everyone wants to have a brand. I'm wearing an Under Armor shirt today. Whether it's Under Armor, UA, or the logo, people like the brand. So brands have to be "cool." Under Armor is a brilliant, cool name, easy to understand. Remember they positioned the initial product line brilliantly; they made it into a cult brand; then it became UA; and then it became the symbol. The symbol now is arguably as strong as NIKE "swoosh."

BL: And when it's time to come up with a new brand, do you sit down with an adult beverage, do you gather certain key people, or do you just sleep on it for a while and wait for it to come to you? What's your process for coming up with an artful brand?

GR: The art of the brand? I sit down with a whiteboard. I'm going to pick a product in a market space, list my competitors, names of their companies, names of all of their brands, and I highlight what their dominant brands are. What are the popular brands like? NK85 was a popular brand. Wolverine? Great name. So you start circling those with your whiteboard marker.

It's important not just to avoid legal conflicts, but also to differentiate from the competition. If Wolverine was the dominant brand for muzzleloaders at the time, I'm not going to pick Badger. I'm not going to pick something parallel to that name. I've got to be 180 degrees on the other side. I pick Omega, because Omega and Wolverine can't be confused. By looking at the marketplace, and what people are used to seeing now, you've got to be different. It's not just about being better - it's about being different.

BL: By the way, I think there's a connection between Omega and the Icon. They both carry a monumental, ancient Roman feeling of historic proportion.

GR: So does Triumph - another great name that we picked.

Here was another great name that we picked - Warlord. We were introducing the first 'bad ass' tactical rifle of Thompson/Center. Obviously it was a custom shop project but it was a tactical version of the Icon, and we wanted to create an authentic name that was 'bad ass'. It's a \$3,500 rifle, we might sell a limited quantity of them but it's a great marketing piece. You call something the Warlord and it's just right.

So back to the branding process, I first find direction by what the marketplace is already doing, that's where I spend my time. I have

an ongoing database now. When I'm reading a book or driving down the street, and I see cool names, I grab them and throw them into a file. I look at them and say "That's cool!" Like the name Bone Collector, which we introduced for Mike Liddell's new television show, and the licensing for all of his new products.

BL: That's a brand that definitely sticks.

GR: You just look at "Bone Collector," and have to say its name. It's just one of those things! You talk about it, you see a name, and just file it away.

When Lee and Tiffany were bringing out their own television show, they had been the hosts of the show "Getting Close" that Scent Lok owned. They needed their own brand. Well how do you create a brand name for a husband and wife team? They hadn't picked "Getting Close"; Scent Lok did. That's not a cool brand. It became Lee and Tiffany's show, because nobody ever followed "Getting Close". How do you come up with a male/female name that is cool to the marketplace? We came up with "The Crush". The Crush could be female, or male, as in "I crushed them; I killed them; I conquered them". There was a brilliant name, never chosen before, and you can make whatever you want out of it.

You can bring up old names from the past, from different genres. We introduced a show this fall called Legends of the Fall. Well there's an oddly-named one. Maybe it doesn't fit a product but it fits a TV show. Going through the TV directory, you have to think about how people are going to see it. On a gun, in print, in an ad, on a commercial, on the web. You have to think of the application and use of the name.

Think about a TV listing - here's "Billy Bob's Hunting", and "So and So's Outdoor Adventures" and then here's: "Legends of the Fall." You think, "That's kinda cool". You have to look at it as though you were the consumer and looking through a magazine, website, or if I own the product and I want to be proud of it.

After I come up with some names, and I know where not to go, I start thinking about the applications. So when I'm picking the name for a gun it has to look cool on the box, stamped on the gun, and in a print ad. It has to look cool in all the mediums.

BL: It has to sound right when spoken, I imagine?

GR: That's right. And if they come in and stumble when they're asking for a product at the retail counter, they are going to be intimidated to ask. "Can I see one of those Icons, Triumphs? ... I hear really good things about the Omega's...Heard there was a bad ass gun out there called a Warlord" That's the kind of role-playing you have to go through in your head.

BL: That's probably the reason why 99% of spoken reference to a certain German gun maker is "H&K" and not "Heckler and ... (How do they say that?)"

GR: Exactly.

BL: So you're alone in a room with your whiteboard and you've got colored markings all over it; circling names, crossing them out and erasing. What happens next?

GR: I start doing it myself first to get direction - so that I have already identified the personality, the position, features and benefits of the product. It's a premier product, or it's a value priced product. Maybe it's a price point product. What is the distribution? What are the features and benefits? I have to understand where it fits in the marketplace. The name of the product and how you launch the product has to be in concert to what the product delivers. Icon is an easy one. It's the premier; it's the best; it's the benchmark; it resets the standard in the industry. You write down the characteristics of the brand and start throwing them out there - it's rugged, it's reliable, its price point, what are the attributes of it? When you pick the name, it has to fit all of that.

So that part of my whiteboard strategy is already developed when we came up with the design specifications. I pull that out and write all of those design actions on the board. It's light, it's fast, it's this, it's that. Or you may say hey, maybe there are some other brand names out there I've got to license. Who's going to promote the product?

Take Bone Collector right now, we have 32 licensees that have products called "Bone Collector." From Thompson/Center, to Remington, to Lloyd to Bushnell. So we've got a lot of products in the marketplace called Bone Collector. But they all have to deliver what the Bone Collector brand is - on attitude, technology, and differentiation.

Also, sometimes you can go license a name and you don't always have to pick it.

BL: Licensing your brands is pretty nice because then you get into the business of going to the mailbox and collecting checks every now and then - letting other companies do the work of building products and getting them out there on the market.

GR: Yes, and they have a jump start on the brand because of how you created it. They don't have to create something from ground zero. There's a certain consumer perception, for example if I were to say "Whitetail Freaks," it's another brand that we represent with a television show, marketing and licensing, even if you know nothing about Whitetail Freaks, you're going to assume that product is for hard core whitetail fanatics. If I'm already a hardcore whitetail fanatic, and I see a Whitetail Freaks game camera, a Whitetail Freaks grunt call, or a Whitetail Freaks tree stand, I'm immediately going to read what that product is about. It probably does something better than any other product, and I don't care what the price is, because I'm obsessed with shooting whitetails.

BL: And when you've highly niched like that, the customer says, "Wow, they finally made one just for me!"

GR: You got it. Sometimes you can license the brand and you don't necessarily have to come up with it. There's a lot of great brands out there and a whole trend in the marketplace. You get the compounded effect because Scent Lok is marketing Bone Collector clothes, Hoyt is marketing Bone Collector bows, and Thompson/Center is marketing Bone Collector muzzleloaders. How many millions of dollars, from just those three companies, are being spent to market the product and association with the brand Bone Collector? As well at the television show that runs 52 weeks a year, which is a number one rated show on our network. Now if I've got a Bone Collector grunt call, it's easy to cut through the clutter then, right? Even if I don't have a lot of marketing dollars to market that specific product, the name Bone Collector, the brand, and because of the accumulated marketing efforts of all of these companies, the investment in the brand by each one gives benefits to all the others.

But once again, if you don't do your research on the back end, and make sure that you can license the name and perfect it, then it's not worth anything.

BL: Well Gregg, that's been a very helpful and almost a great text book explanation on how to come up with brand. Like you say, it's an art. There's no one secret to making it good, but if you have a process, you've got the chance to do it.

GR: I say this with all sincerity; you have to do your due diligence with your attorney. There is no doubt about that, because if you pick something that, as I said before, you have to retract later, you've killed the brand. Thompson/Center did that years ago. They came up with the name "Jaguar", and they introduced it on a gun. I believe Beretta already had that. I wasn't around at the time, as this goes back 25 years. They went to the SHOT Show, introduced Jaguar, and Beretta came over and said, "We have that trademarked." So they had to change the name of their product at the SHOT Show.

BL: Not exactly the ideal environment for rebranding.

GR: No.

BL: Thankfully, painful lessons like that don't usually happen twice to the same company. And you have certainly demonstrated how to take a company from promising but with some weaknesses, to a powerhouse that is a big acquisition target. Now, you're assisting other companies, or acquiring them, and showing how "building better brands" can be the secret to success. Thank you so much for joining us, and sharing so many of your success secrets.

GR: It's been a pleasure. Thanks, Ben. You keep up the good work for our industry!

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