

Kotex, Kleenex, Huggies: Kimberly-Clark and the Consumer Revolution in American Business. *By Thomas Heinrich and Bob Batchelor.* Columbus: University of Ohio Press, 2005. xiv + 263 pp. Index, notes, bibliography, figures, illustrations, tables. Cloth, \$48.95. ISBN: 0-814-20976-9.

Reviewed by Rowena Olegario

If Kimberly-Clark had stuck to its original industry—papermaking—it would today be of far less interest to business, let alone cultural, historians. But World War I steered the papermaker into developing Cellucotton, a cellulose-based product used for bandages. Cellucotton, in turn, led to the development of Kotex, the first successfully mass-produced, mass-distributed feminine-hygiene product. Kotex transformed Kimberly-Clark into a diversified manufacturer of industrial and consumer paper goods. The company would eventually claim three entrants in the pantheon of consumer megabrands: Kotex, Kleenex, and Huggies.

Thomas Heinrich and Bob Batchelor use the three brands to structure the book's narrative. Kotex began Kimberly-Clark's transformation. Then, in 1923, a lab assistant suggested using Cellucotton as the base for a makeup-removal tissue, and Kleenex was born. The company later repositioned Kleenex as a disposable handkerchief, when it found that consumers used the tissue that way. It worked, and by the 1930s, 78 percent of consumers said they preferred Kleenex tissues to competitors' brands. Heinrich and Bachelor draw two lessons here. First, because Kotex and Kleenex drew on extant capabilities, Kimberly-Clark was spared the massive costs of investing in wholly new technologies. Second, during the interwar period the manufacturers of consumer products were well placed to improve their competitive position, whereas those in older industries (such as papermaking) had no option but to cartelize. Diversification into consumer products thus allowed Kimberly-Clark, still primarily a manufacturer of printing papers, to survive the cyclical dips in newsprint prices and ride out the Great Depression in strong financial shape.

The book's central theme is that the willingness to invest in innovation was critical. Even as a pure-play papermaker, Kimberly-Clark had spent heavily on research

and development, and it paid an unusual amount of attention to its trade customers. That early focus on innovation and marketing makes the company's performance from the end of World War II to the early 1970s look much less impressive by comparison. Like many of its peers, Kimberly-Clark spent these decades expanding and consolidating. It built new mills, integrated them (in hindsight a disaster, because this raised transportation costs), moved quickly into new domestic markets, established beachheads abroad, and made acquisitions. In the early 1960s, Kimberly-Clark joined the *Fortune* magazine list of the five hundred largest industrial companies.

Yet Kimberly-Clark's share in sanitary pads and tissues fell, as aggressive competitors introduced their own products and slashed prices. The company failed to develop a single brand comparable to Kotex or Kleenex, which might have compensated for the relentless commodification of its older products. Because the authors use the development of new megabrands as the benchmark for success, Kimberly-Clark inevitably looks like an underperformer during this period. (Indeed, by that measure, the company's performance since the 1980s has been lackluster, too.) Heinrich and Batchelor are especially critical of Kimberly-Clark's failure to invest in tampons, which later emerged as the era's most important new feminine-hygiene product. By contrast, Procter & Gamble, a relative newcomer to the consumer paper-products business, introduced its revolutionary Pampers disposable diaper and created a mass market where none existed.

Kimberly-Clark redeemed itself in the next two decades with its own disposable diaper, Huggies—like Kleenex, a product that drew on the company's extant capabilities. Manufacturers of consumer paper products continued to compete on price; the disposable diaper and tampon aside, they were less successful in creating truly new mass-market products. Yet the making of a megabrand, Heinrich and Batchelor argue, can occur through incremental product innovation. Kimberly-Clark did not invent the disposable-diaper market—Procter & Gamble had already done that with Pampers. Instead, Kimberly-Clark staked a claim to the premium end, which, as it turned out, was the one to which consumers migrated. After one failed entrant (Kimbies), the company once again invested heavily in design and in research and development, beating the competition with improvements such as adhesive tapes and a contoured shape. By the

late 1980s, Huggies had replaced Pampers as America's leading disposable diaper. Although Kimberly-Clark did not create a new market with Huggies, it managed to do the next-best thing: unseat a competitor that had seemed invulnerable.

One could argue that there is another part to this story: not only did Kimberly-Clark execute well, but, equally important, Procter & Gamble uncharacteristically fell on its own sword by failing to understand where the market for disposable diapers was heading. Instead, P&G embarked on a two-brand strategy (Luvs as the higher-priced premium diaper, Pampers as the lower-priced one), which blinded its managers to the reality that "premium" features were in fact becoming generic. Kimberly-Clark, in contrast, had only one brand, containing all the best features and priced to compete with Pampers. For many consumers, the choice was a no-brainer.

This work is aimed at business historians and management strategists interested in history. But because Kimberly-Clark was a pioneer in the market for feminine-hygiene products, the book should also appeal to gender and cultural historians. One-half of the world's population menstruates for about one-half of the time they are alive, yet it was not until a large corporation exploited this mysterious market that cultural taboos shifted in the United States, and a light finally was shone on a basic human—*female*—bodily experience. Corporations like Kimberly-Clark fundamentally altered the cultural meaning of menstruation through mass-distributed and heavily advertised sanitary pads, belts, and tampons. They produced instructional films that have since been viewed by several generations of junior-high and high-school students. The book contains fascinating material on how Kotex was first marketed, and the bizarre linkages made between menstruation and war, patriotism, and science.

Scholars frustrated by the dearth of recent corporate histories in the consumer-products industry must surely appreciate the observation about city buses: you wait for ages, then several show up at once. In addition to this study, 2004 saw the publication of a commissioned book on Procter & Gamble by the Winthrop Group; and a commissioned history of Unilever by Geoffrey Jones of Harvard Business School is due out in 2005. The topic of brand building has become a cottage industry among scholars. Yet the consumer-products firms that create and maintain brands are notoriously secretive, even about events and processes that occurred decades ago. With the publication of these

detailed histories, more robust generalizations and theories about the brand-building activities of consumer-products firms may soon be rounding the corner.

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