

SC Johnson

A FAMILY COMPANY

THE MARKET

S.C. Johnson is a worldwide manufacturer and marketer of cleaning and insect control products. It operates in a vast and highly competitive marketplace, and owes its outstanding success to unique aspects of its products, company culture and environmental concern.

All S.C. Johnson products have what the company calls "Product Plus". That means that S.C. Johnson products have a distinct advantage over anything else on the market. A true Product Plus is a breakthrough, with a performance edge over competitive products that is visible to any consumer. S.C. Johnson holds firmly to the belief that while positioning and market segmentation are very important, the products themselves must establish that position, with a unique and appropriate attribute.

ACHIEVEMENTS

Headquartered in Racine, Wisconsin in the USA, S.C. Johnson is a family owned company that ranks in the top 200 of America's industrial corporations. Around the world the company employs over 12,000 people throughout some 50 subsidiaries.

S.C. Johnson & Son was founded in 1886 by Samuel Curtis Johnson, selling fine parquet flooring. In response to customer inquiries about floor care, he developed and marketed a floor wax which became a great success. The company's strong family leadership has since taken S.C. Johnson into the highest ranks of international companies. They are now a world leader in the manufacture of household cleaning and insect control. Today, the company's Chairman is Sam Johnson, the fourth generation family member to head the company.

The company has been guided by certain basic principles since its founding. These were formally stated in 1976 in "This We Believe" which details S.C. Johnson's dedication to enriching the lives of those who work in and around it. It has served



the company well by providing employees with a common statement of the basic principles which guide the company. It has also provided people outside the company with an understanding of the fundamental beliefs, and communicates the kind of company it is.

S.C. Johnson has always been a leader in caring for its employees. In 1900, S.C. Johnson was the first company to offer employees paid vacations. Today, S.C. Johnson takes just as much care to attract and retain the best people by providing a creative working atmosphere, challenging goals and competitive rewards.

Commitment to responsible environmental management by the company became widely recognised in 1975, when S.C. Johnson announced a unilateral decision to voluntarily eliminate the use of all chlorofluorocarbons (CFCs) in all aerosol products worldwide, thereby establishing a new industry standard.

Worldwide, S.C. Johnson earns the goodwill of customers through a deep commitment to quality. In essence, this means providing efficient and effective products and services which are environmentally sound and do not endanger the health and safety of users.

HISTORY

Long before most US companies had become interested in international markets, Samuel Johnson had the foresight to establish a subsidiary in Great Britain in 1914, followed by Australia in 1917.

By 1970 there were 160 employees in Australia and the company was thriving due to an innovative new product range.

In 1986, S.C. Johnson Australia settled into Yangoora. It had been an industrial site for many decades, and was badly polluted and degraded. S.C. Johnson restored Yangoora to its present, outstanding lush greenery that makes it a welcome retreat for many native species.

In 1998 S.C. Johnson acquired major products from Dow Chemical including Ziploc, Saran Wrap and Handiwrap, which are the market leading brands of the 'Bags &

Wraps' category in the USA.

THE PRODUCT

A heritage of top quality products has long been a hallmark of the company and has helped sustain appeal for S.C. Johnson Wax brands over many years.

With an extensive range of air freshening products, the Glade brand is a dominant player in the



air freshening market. Glade is committed to innovation and continually strives to provide the consumer with high quality products, as well as the freshest, most natural fragrances for all home and car fragrancing needs.

Raid is the worldwide insecticide market leader, and continues its drive for leadership in the fiercely competitive Australian insecticide market. The worldwide success of Raid is built on superior product technology, and commitment to research and innovation. This has been demonstrated in the launch of innovative products such as Raid 45 Night, an electric liquid mosquito repellent, Raid Surface Spray with Eggstoppers, and Raid Hypoallergenic, which was the first insecticide in the Australian market to meet the strict standards set by the Skin & Cancer Foundation of Australia.

Completing the S.C. Johnson Insect Control portfolio is OFF! Skintastic; a range of insect repellent products marketed for its superior skin feel qualities. A recent addition to the OFF! range has been a line of SPF30+ sunscreen repellents, which offer "total outdoor protection" for the Australian lifestyle.

Duck is another high profile brand which has won the support of consumers. Initially, its uniquely shaped neck introduced a major convenience benefit to the category, and has contributed to its leadership in the toilet cleaning market. The brand has since been extended to a wide range of product offerings including Duck Bluey (In Cistern blocks), Flush Duck (Under the Rim products) and Duck Disinfectant. Recently, the brand has also launched Bathroom Duck - a bathroom cleaner which quickly and easily removes soap scum and grime without the harsh fumes associated with traditional bathroom cleaners.

Windex is a more recent addition to the S.C. Johnson stable, as a result of the Dracketts acquisition in 1993. Windex is a heritage brand that holds significant market leader position in Glass Cleaning. Windex has achieved this firstly by

keeping the base business strong, through innovative launches such as Potpourri and No Drip. Secondly by the successful extension of Windex into the All Purpose Cleaning market with Windex Surface & Glass, and more recently into the Daily Preventative Bathroom Cleaning segment with Windex Shower Clean.

RECENT DEVELOPMENTS

To ensure continued growth, a carefully defined set of company goals has been developed.

Firstly, to consistently achieve above average growth and profit, the company intends to be an innovative, fast paced, customer oriented one, focusing on its ability to create, lead and manage its selected business categories.

Secondly, S.C. Johnson aims to be number one in each of the targeted markets, by pioneering new and better products.

Other goals are to ensure the goodwill of customers through customer service excellence, to attract and reward quality people, to protect and respect the environment and to ensure the safety, health and welfare of all S.C. Johnson employees.

PROMOTION

S.C. Johnson promotes not for short term gain, but for the long term building of trust and equity.

Promotion of S.C. Johnson products starts with an advantage - the company's Product Plus concept. Among the S.C. Johnson products with Product Plus is Duck Bleach Creme Cleanser. This is the only product in the Australian Toilet Care market to offer the germ killing ability of a bleach with the cleaning power of a creme cleanser. Raid Hypoallergenic is another example, as it is

the only fly spray to be endorsed by the Skin and Cancer Foundation of Australia. Windex No Drip also fits the strict criteria, and is the only glass cleaner designed to not drip down windows.

BRAND VALUES

Along with having so many strong brands in its portfolio, S.C. Johnson is in itself a well recognised brand name around the world.

The value of S.C. Johnson's philosophy continues to be that of



making products that are demonstrably better in function or value than those of competitors.

Concern for the future of the company balances concern for the future of the environment. In 1927, Herbert F. Johnson Sr. addressed company values in his Profit Sharing Speech on Christmas Eve. He said: "When all is said and done this business is nothing but a symbol and when we translate this it means a great many people think well of its products and that a great multitude has faith in the integrity of the men who make this product."

"In a very short time the machines that are now so lively will soon become obsolete and the big buildings for all their solidity must some day be replaced."

"But a business which symbolizes can live so long as there are human beings alive, for it is not built of such flimsy materials as steel and concrete, it is built of human opinions which may be made to live forever."

"The goodwill of the people is the only enduring thing in any business. It is the sole substance... the rest is shadow!"



THINGS YOU DIDN'T KNOW ABOUT S.C. JOHNSON

- The Australian firm was only the second overseas subsidiary of the American parent company.
- The name of SC Johnson's Sydney facility, Yangoora, derives from the Aboriginal word for "stringybark tree".
- Samuel Curtis Johnson started out selling parquet flooring, not the kind of product now associated with the name.
- SC Johnson's Yangoora site at Lane Cove, Sydney, has a one kilometre bushwalk open to the public. It also has its own lake. Some 80 species of birds live in Yangoora's woods and waters.
- Sam Johnson is a member of President Clinton's Business Council for Substantial Development.
- Raid is the biggest-selling insecticide worldwide.