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Cramer-Krasselt [Encyclopedia Entry]

James Pokrywczynski

Marquette University, james.pokro@marquette.edu

John McDonough

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The 1930s were tough, but so was Crain. With a still-small staff, he managed to keep all three publications afloat, although *Class*, by then renamed *Industrial Marketing*, was folded into *Advertising Age* for two years before reemerging as a free-standing title in 1935. However, better days were ahead for Crain, both professionally and personally. In the waning days of the Depression, his publications regained their health.

In 1936 the widowed publisher married Gertrude Ramsay, who would herself eventually become a powerful force in the business publishing world, as would their two sons, Rance and Keith, who later ran the company.

Advertising Age grew and strengthened throughout the late 1930s, the 1940s, and the postwar years, eventually supplanting longtime category leader *Printers' Ink*, which ceased publication in 1972 as the renamed *Marketing/Communications*. And although the company eventually shed *Hospital Management*, it was definitely in a growth mode, adding to its stable during Crain's watch *Business Insurance* in 1967, *Automotive News* (purchased from the Slocum family) in 1971, and *Pensions & Investments* in 1973. (*Business Insurance* was an idea he had 50 years earlier, when he ran his news service in Louisville.)

Crain died on 15 December 1973 at the age of 88, and his wife, Gertrude, succeeded him as chairman of Crain the following January. He was posthumously inducted into the American Advertising Federation's Advertising Hall of Fame in 1975. Ger-

trude Crain was accorded the same honor in 1997, one year after her death. They were only the second husband and wife team to be inducted; the first were Stanley and Helen Resor of J. Walter Thompson Company.

At the outset of the 21st century, the company G.D. Crain founded had publications in the advertising, automotive, health care, insurance, pension, and wireless and electronic media fields and also published weekly business journals in New York City; Chicago, Illinois; Detroit, Michigan; and Cleveland, Ohio.

ROBERT GOLDSBOROUGH

Biography

Born in Lawrenceburg, Kentucky, on 18 November 1885; founded two trade publications to launch Crain Communications, Inc., 1916; introduced *Advertising Age*, 1930; died at age 88 on 15 December 1973; posthumously inducted into the American Advertising Federation's Advertising Hall of Fame, 1975.

Selected Publications

I Always Wanted to Be a Publisher, 1970

Further Reading

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Cramer-Krasselt

Founded by Frederick Cramer and William Krasselt in Milwaukee, Wisconsin, 1898; purchased Hackenberg, Normann, Krivkovich and Alex T. Fritz, Inc., building strong base in Chicago, Illinois, 1980; became fifth-largest independent U.S. agency by 2000.

Major Clients

AirTran Airlines
Corona
Hyatt Hotels
Master Lock
Miller Brewing (High Life)
Mirro Aluminum
Wausau Insurance
Zenith Electronics Corporation

Cramer-Krasselt (C-K) has the distinction of being among the oldest continually operating advertising agencies in the United States, surpassed in longevity only by such enduring firms as the J. Walter Thompson Company and N.W. Ayer. That it continues to

operate independently makes it unique among agencies of comparably modest size.

Frederick Cramer, born in 1878, was a typesetter by profession. William Krasselt, born in 1872, made his living selling cutlery to butcher shops. Both lived in the Milwaukee, Wisconsin, area and were members of the Badger Wheelman, a Wisconsin bicycling club. When the club decided to publish a house magazine, *The Wheelman*, the two men were asked to take on the job. They set up a company called the Pneumatic Press, and to finance the venture, the company decided to accept advertising. Soon both Cramer and Krasselt discovered that there was more profit in handling the magazine's advertising than they could earn in their regular jobs. With capital of \$3,000, the Pneumatic Press became the Cramer-Krasselt Company, and in 1898 it opened its office on Grand Avenue in Milwaukee.

The company's printing origins served it well. In an early example of vertical integration, the company not only created its clients' ads but also printed them. Its printing activities included everything from simple fliers and newsletters to billboards and catalogs. Its printing operations would continue for 70 years. Early clients included local businesses that were heavily weighted

toward the dairy and beer industries, as well as the emerging automobile business, which was still very much a cottage industry. C-K represented the Kessel Motor Company (“The car that stands up”), Miller High Life and Pabst beers, and Maytag washers. As early as 1909 C-K ads for Miller contained the celebrated tag line, “The champagne of bottle beer.” Office hours at the agency were from 8 A.M. to 6 P.M. six days a week, which was typical for office workers in those days. The agency regarded itself as “progressive” when it closed at noon on Saturday during the summer. By 1910 C-K had 50 employees. Ten years later it claimed annual “sales” of \$500,000, though its formulas for compensation were vague, making it difficult to translate such numbers into gross revenues. Growth was substantial enough, however, for the agency to open new offices in Detroit, Michigan; Los Angeles, California; and New York City. When C-K required larger quarters in downtown Milwaukee in 1927, it moved into two floors of the Graphic Arts Building at 733 North Van Buren.

During the Great Depression, the company’s printing business helped compensate for lost ad revenues and was a major element of its survival. However, financial pressures still forced the agency’s retreat from Detroit, Los Angeles, and New York City, and in 1937 it reported the first unprofitable year in its history. When Cramer died in 1934 and Krasselt in 1940, A. Walter Seiler, who had joined C-K in 1907 as a stenographer, took over the company. After World War II, C-K grew to be the largest agency in Milwaukee, though it was still a regional shop by national standards, with such clients as Milwaukee Gas Light, Wisconsin Telephone, and First Wisconsin National Bank. Mirro Aluminum and Evenrude were among the national brands C-K handled. By the mid-1950s reliable estimates put the agency’s billing at \$6 million. By the end of the decade, billings had grown to just over \$10 million—only 10 percent of which was in the booming medium of television, however.

Growth continued at an unimpressive but steady pace through the 1960s, during which time C-K veterans William Faude, and later Robert Christiansen and Ted Wing, managed the agency. Its creative prestige began to grow through various awards. But by 1970 billings still were only about \$15 million, limited by the huge competition for major accounts 90 miles south in Chicago, Illinois.

To break this barrier, C-K established a presence in Chicago in 1980 with the purchase of two agencies, Hackenberg, Normann, Krivkovich, founded in 1973 by two former account executives (Richard Hackenberg and Rolf Normann) from the Chicago office of Young & Rubicam, and Alex T. Franz, Inc. Another C-K office was opened in Phoenix, Arizona, and soon grew to become among the largest agencies in the southwestern United States. Wausau Insurance and Master Lock became platforms for some of the agency’s best creative work, which further enhanced its reputation.

Moving against an industry trend toward consolidation and merger in the 1980s, the agency sought to position itself as a strong midsize agency able to serve mid-level advertisers. It built up its capacities in direct marketing (1981), research (1986), public relations (1987), and strategic planning (1996). By the late 1980s C-K claimed it was “master of the \$2 million account”—the middle market. On that basis it successfully expanded into

A 1983 ad from Cramer-Krasselt emphasized the durability of handmade Allen-Edmonds shoes.

Courtesy of Allen-Edmonds Shoe Corp.

Orlando, Florida, in 1990. By 2000 C-K’s midsize strategy had made it the 38th-largest agency and the fifth-largest independent U.S. shop. Billings for the first eight months of 2000, according to *Advertising Age*, were \$470 million. Much of that volume came

from its largest clients, Corona, AirTran Airlines, Hyatt Hotels, Kemper Insurance, and Zenith Electronics. The agency planned to extend its growth strategy to international markets between 2000 and 2005, seeking accounts in the \$10 million–\$20 million range. C-K continued to operate jointly out of offices in Milwaukee and Chicago, although Chicago accounted for about half the agency's billings in 2000.

JAMES V. POKRYWCZYNSKI AND JOHN McDONOUGH

Further Reading

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Crest

Principal Agency

Benton & Bowles, Inc. (later D'Arcy Masius Benton & Bowles)

Crest toothpaste debuted in test markets across the United States in 1955, boasting the active ingredient Fluoristan, a Procter & Gamble Company (P&G) trade name for a combination of stannous fluoride and a fluoride-compatible polishing agent. Fluoride was the latest hope in a series of unrealized experiments and panaceas in the dentifrice market of the 1950s, joining chlorophyll, ammoniation, and anti-enzymes. Three researchers at Indiana University patented a stannous fluoride compound, and P&G became the exclusive licensee of the resulting product. P&G underwrote the major share of the studies conducted on the product.

In January 1956 P&G introduced Crest nationally. Benton and Bowles, Crest's first and only agency, opened the campaign with spreads in *Life* and the *Saturday Evening Post* proclaiming "a new era in preventive dental care" and outlining "milestones in modern medicine," the latest being Crest's "triumph over tooth decay." The ad also described how the fluoride toothpaste "strengthens tooth enamel to knock out decay from within." The American Dental Association (ADA) greeted Crest's bold claims with scientific skepticism, stating that it was "not aware of evidence adequate to demonstrate the claimed dental caries prophylactic value of Crest" and that further clinical tests needed to be evaluated.

Crest was launched in the shadow of another P&G toothpaste, Gleem, which was introduced to challenge Colgate Dental Cream. Both Crest and Gleem attempted to knock Colgate out of its position as market share leader.

In 1958 Benton and Bowles broke what would become Crest's most memorable ad campaign: Norman Rockwell artwork depicted gleeful, smiling children showing off their flawless teeth and holding check-up cards from the dentist. The copy beneath them read, "Look, Mom—no cavities!" P&G spent more than \$1.6 million advertising Crest that year, helping the toothpaste

succeed where other fluoride products had failed; however, it remained a distant No. 3 in market share, trailing Colgate and Gleem.

ADA Council on Dental Therapeutics continued to balk at toothpaste advertising in general and fluorides in particular. At a congressional hearing in July 1958 the assistant secretary of the ADA council on dental therapeutics said the Crest headline "Look, Mom—no cavities!" was "at best both a gross exaggeration and a misleading distortion."

That changed in 1960, a watershed year for Crest. In the 1 August 1960 issue of the *Journal of the American Dental Association*, the ADA recognized Crest as "an effective decay preventive agent." It was the first and only toothpaste at that time to receive any therapeutic acclaim from the ADA. The change of heart was not without its outspoken critics among dentists, who felt the ADA had no business endorsing a particular brand. In effect this announcement gave legitimacy to a product in a field with a history of unsubstantiated claims. Advertising could now simply cite the ADA's statement that Crest prevents cavities.

Furthermore, the ADA's endorsement extended only to the stannous fluoride used in Crest. The magnitude of this endorsement was certainly felt by competitors, and some viewed it as the biggest thing to happen in toothpaste marketing since the chlorophylls of the early 1950s. It would turn out to be much larger than that. Crest had only a 12 percent market share at the time, compared with Colgate's 35 percent share and Gleem's 20 percent. Propelled by the news, P&G's stock jumped sharply, and Crest unit sales jumped 3 percent in September 1960. By August 1961 Crest held an estimated 25 percent of the market, twice that of a year earlier, while Colgate had slipped to 28 percent.

Crest's advertising strategy nonetheless showed remarkable restraint. Clearly the company decided that this was a perfect opportunity to separate Crest from the irresponsible claims that marked the history of dentifrice marketing up to that point and position the brand as a modest but proven ally in the struggle for better teeth. Print ads stressed that Crest should be used as part of an overall dental program. One ad read, "Crest made news