My earlier study of this subject, *Networks of Power* (1983 and 1993), had a more limited scope. It covered Edisonian origins in New York City, utilities in Berlin, London, Chicago, and hydropower in California, as well as regional systems in Germany, the United States, and the United Kingdom from 1980 to 1930. In contrast to *Global Electrification*, *Networks* took up concepts—such as technological momentum, average load to peak load, load diversity, and load dispatching—commonly explored by electrical engineers. In comparison, *Global Electrification* is far more abstract and encompassing.

Multinational enterprises played a critical role in the spread of electrification from the 1870s through the 1930s. Electricity providers within a national structure then replaced them. Since the 1980s, however, multinational enterprises and international finance have resumed their active participation in the sector. This capital-intensive industry has witnessed the development of large networks, such as the giant power plants in the United States and a national grid in the United Kingdom.

*Tom Hughes is emeritus professor at the University of Pennsylvania and a distinguished visiting professor at Massachusetts Institute of Technology. His most recent book is* Human-Built World: How to Think about Technology and Culture *(2004).*

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Global Brands: The Evolution of Multinationals in Alcoholic Beverages. *By Teresa da Silva Lopes*. New York: Cambridge University Press, 2007. xxii + 303 pp. Illustrations, tables, appendix, bibliography, notes, index. Cloth, $50.00. ISBN: 978-0-521-83397-4.

Reviewed by Stephanie Decker

*Global Brands* by Teresa da Silva Lopes, a carefully considered history of the state of the global alcoholic-beverage industry since the 1960s, covers major multinationals on every continent. In addition to its empirical contribution, the book is noteworthy for its coverage of the comparative marketing advantages that shaped the industry. While it is possible to imagine an alternative analytical lens for the industry, such as regulation, Lopes's decision to focus on marketing allowed her to extend the framework to cover additional consumer-goods industries.

In the first of nine chapters, she introduces her sample of firms and describes the industry more generally. Subsequent chapters are devoted to topics, such as ownership and control, distribution, diversification, mergers and acquisitions, and brand management, that yield fascinating insights into a complex and unusual industry whose history has received relatively little attention. In her final chapter, on brand management, Lopes draws from the numerous interviews she conducted with industry insiders and brand managers to trace the evolution of their sophisticated marketing strategies. In one insightful passage in her conclusion, she demonstrates that brands have become a form of intellectual property: they appear on balance sheets and are bought and sold for strategic reasons, enabling the industry to transform itself. In the 1960s, most companies did not differentiate among their marketing approaches in the regions or countries where they opened branches. While the trend toward convergence accelerated over time, the markets developed at different speeds.

In the chapter on channel management, which covers changing distribution strategies over time, Lopes describes the disparity that occurred in global developments as firms developed multiple solutions for distribution. During the 1960s, the decision by most companies to organize their distribution methods so as to avoid risk prevented them from gaining market knowledge. Later, they became more concerned with keeping down costs. Changes in the retail sector were critical to shaping industry responses, which took the form of greater concentration through mergers and acquisitions and more willingness to engage in alliances with competitors.

With the emergence of Diageo and other beverage giants in the 1990s, the industry became even more concentrated. Small to medium-sized family firms catering to local or national markets arose as independent brands, and they became global marketing powerhouses through a complex route that relied heavily on strategic brand ownership. While Lopes does not always clarify the reasons for the survival of some firms and the failure of others, she does explore the nature of marketing knowledge, the common types of ownership and control, and the creation of brands.

Firms prefer to acquire existing brands, because it is cheaper to buy a brand that has been established than to develop one from scratch. Products like the popular alcoholic drink Smirnoff Ice may represent an existing brand that has been used as a springboard for a new one that has been updated and repositioned. Multinationals that employ marketing generalists as dedicated brand managers are equipped to endow a brand with global reach, to create a unified image, and to renew and extend the brand's appeal. On the other hand, small to medium-sized, family-owned, sometimes family-run, firms, whose owners understand their product's appeal and are familiar with what their customers want, can succeed as well. Thus, Lopes challenges the argument put forward by Alfred Chandler in *Scale and Scope* that family firms do not have the entrepreneurial capabilities and innovative potential of managerial companies, pointing out that large multinationals with extensive market and consumer knowledge often are not successful in their attempts to launch new brands. Although she does not always provide examples to back up this claim, she shows that large companies are ridding themselves of brands that lack global or cross-regional appeal, abandoning them to smaller, regional competitors or distributors.

Marketing strategies were certainly important to the development of this industry, yet, as Lopes points out, changes in production technology initially enabled alcoholic beverages to become global. The changes were less important to the spread of spirits than to the growing popularity of beer and, to a lesser extent, of wine. One successful brand, Baileys Irish Cream, used a patented new production technique and a marketing campaign tailored to the introduction of a new type of drink. Recent changes in the wine industry, including the development of New World brands, exemplify marketing approaches that have reshaped drinking habits. The fact that consumers choose brands as signifiers of their lifestyles and identities points to marketing as the most obvious explanation for recent consumer trends.

This is an impressive book, filled with reams of research from companies' annual reports and archives and insights from industry insider interviews. Lopes makes ambitious use of concepts and theories from marketing, business, and management, as well as from business history. The scale of her coverage, stretching over more than forty years, means that the questions she raises cannot always be answered. Nevertheless, the questions she asks are a starting point for further research: Why do some firms diversify successfully, while others are unable to do so? Why has a critical market, like Germany, avoided trends toward concentration in beer and wine that have been adopted elsewhere? Why do alcoholic beverages perform strongly in both emerging and developed markets (even in some countries, such as Nigeria, with large Muslim populations)? *Global Brands* is an important book that offers a new approach for analyzing consumer-goods industries and firms.

*Stephanie Decker is lecturer in international business at the University of Liverpool Management School. Her most recent English-language article is "Corporate Legitimacy and Advertising," which appeared in* Business History Review *(Spring 2007).*

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