

# Chairman's Letter

## Why UPIC Must Be Universal

*"...what is doomed and done and obsolete, and what will crush a company more devastatingly than 20 tons of bricks and mortar dropped from the space shuttle, is a failure—or even a hesitancy—to acknowledge that the business world has changed and will never be the same."*

**Bob Evans, editor-in-chief,**  
*www.informationweek.com, July 26,*  
**1999**

Our Association's launch of the UPIC™, the new Universal Promotional Identification Code, is an acknowledgment that *our* world has changed. It signifies a commitment to the idea that PPAI is member-focused yet market inclusive. That is, we are committed to helping our members succeed, but realize that, in a world increasingly driven by instant access to information, insuring members' success is only possible over the long term if we seek to include the entire marketplace as members.

Some may say that the UPIC system should not allow distributors access to information on overseas product sources. They say "universal" should not mean "universal." I disagree. Here are eight reasons why:

### 1. Globalization is inevitable.

The globalization of the promotional products business is an inexorable process. Globalization has occurred in almost every manufacturing and service business, and it will happen in ours. PPAI member companies on both the distributor and supplier side are buying from or partnering with a number of overseas firms.

Several years ago, the pursuit of market share in Europe by U.S. promotional products companies was minimal. Now, it is being aggressively pursued by most of the major U.S. players. HA-LO has bought several European distributors; Cyrk has set up a European operation; Quill has partnered with Swedish Match; and ASI has partnered with PSI. The U.S./European connection for promotional products is now old news, indeed, a foregone conclusion. How can we reasonably believe that Asia, with its huge market and untapped advertising potential, will not be the next frontier?

### 2. No matter how PPAI responds to this reality, information on overseas sources will eventually become available, sooner rather than later.

Technology is facilitating globalization as globalization demands increasingly more refined technology aids. This has created a vortex that is continuously quickening the pace of globalization. Some U.S. clients are already buying directly from overseas sources over the Internet. We cannot stop that process. But, if given the opportunity,

we can educate our overseas colleagues on the advantages of our distribution system.

It's interesting how the arguments against "universality" echo those of several years ago that did not support the Association's involvement with office supply companies, business forms dealers or trophy dealers. Those "fringe" companies who have come to learn the promotional products business through contact with our membership are far more knowledgeable about, and supportive of, our distribution system. Sticking our heads in the sand was not prudent then, and it's not prudent now.

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