

# My Memorable Experiences as a Marketing Academic at the Federal Trade Commission

William L. Wilkie

## The Background<sup>1</sup>

I was fortunate to be the first marketing academic to be able to go in-house as a consultant to the Federal Trade Commission's (FTC's) Bureau of Consumer Protection (BCP) in June 1972. As I will relate, it was a memorable experience involving a host of activities, one of which was to help start a new FTC Marketing Academic Consultancy program, "Project MAC." During the ensuing ten years, some 30 marketing academics participated in this program, with considerable impact on both FTC operations and marketing academic thought itself. The program was briefly revived in the early 1990s, giving several more academics the opportunity to move in-house as well.

The impetus for marketing academics to join the staff of the FTC can be traced to a sharp change in the political context enveloping the agency in the late 1960s. In accord with general societal unrest accompanying the unpopular war in Vietnam, there was increased questioning of both big business and big government institutions. In addition, there was an impetus for more active regulation of marketers, which originated from a diverse set of institutions and represented a strong set of forces. Prominently, a report by the "Nader's Raiders" consumerist group harshly criticized the FTC's low profile during the 1960s (Cox, Fellmeth, and Shultz 1969). Among its allegations, the group pointed out that at this point the FTC was issuing *fewer than 70 complaints a year* against deceptive promotional practices in the entire country. Cast against the massive promotional activity of the American economy, it was obvious that the chance of detection and prosecution was extremely slim (Pitofsky 1977). President Richard Nixon then requested the prestigious American Bar Association (ABA) to appoint a blue-ribbon task force to investigate these charges.<sup>2</sup> Its detailed report (ABA 1969) provided findings similar to those of

Nader's group, concluding that drastic changes within the agency were needed. If such changes were not made, moreover, the ABA report called for disbanding the entire FTC and assigning its tasks to other agencies. President Nixon and Congress decided to support these changes. The head of the ABA Report, Miles Kirkpatrick, was named FTC Chairman, new appointments were made inside the agency, and the agency's budget was increased substantially.<sup>3</sup>

During the following decade, the FTC emphasized new powers and programs. Advertising was a major target: new proposals were advanced on topics such as advertising substantiation (Cohen 1980), corrective advertising (Wilkie, McNeill, and Mazis 1984), comparative advertising (Wilkie and Farris 1975), affirmative disclosure (Wilkie 1982), advertising to children (Mazis 1979; Ratner 1978), and advertising code barriers (e.g., opening more advertising in such areas as eyeglasses, drugs, and other professions). The net effect during the 1970s was to create a much more powerful regulatory agency, supported by a 500% budget increase throughout the decade (Murphy and Wilkie 1990). However, this increase in power and activity sparked a strong backlash from the business community, and the 1980s were marked by restrictions on FTC powers in several regulatory areas (a development I discuss subsequently).

## The Search for Marketing Academics at the FTC

President Nixon's decision to increase the scope and level of the FTC's marketing regulatory activity brought to consciousness the FTC's possible need for additional expertise. In particular, Commissioner Mary Gardiner Jones was active in advancing this view. She confronted some resistance from those with legal backgrounds, who were comfortable working with other attorneys and still gaining experience working with the different thinking advanced by economists. However, Commissioner Jones persisted, and she decided to begin the process by adding to her own small staff of advisors (Jones 1990). In 1970, she contacted George S. Day, then an assistant professor of marketing at Stanford University, about his willingness to serve as an in-house consultant. Day was unavailable but recommended his recent doctoral student, Murray Silverman (currently on faculty at San Francisco State University), who took the initial position as an advisor to Commissioner Jones.

<sup>1</sup>See also the Wilkie and Murphy (2013) article in *Journal of Historical Research in Marketing*, on which portions of this essay are based.

<sup>2</sup>I cannot be sure of the extent to which personal relationships might have influenced this development. However, this action was unexpected from President Nixon, a Republican who had been elected with strong support from a business community that did not particularly favor an active FTC. Speculation abounded that he had been lobbied by none other than Harvard Law student Edward Cox, the senior author of the Nader Report. Cox was dating Nixon's daughter Tricia at the time, and they were married in 1971.

William L. Wilkie is Nathe Professor of Marketing, University of Notre Dame (e-mail: wwilkie@nd.edu).

<sup>3</sup>Freer (1971) presents an interesting summary of early important changes.

## My Entrance to the BCP

Because of the FTC's status as a law enforcement agency, the commissioners must serve in judicial capacities when deciding on cases before them. This means that they (and their advisors) cannot interact with FTC staff on the preparation of a case. Thus, Murray Silverman found that he was unable to be involved with much of the work going on in the agency at the time. With the support of Commissioner Jones, he asked his former Stanford doctoral classmate, William L. Wilkie, about his interest in serving in an advisory role for the staff members of the FTC who were working on these matters. It also happened that, at that time, the Sears-Roebuck Foundation had agreed to support a new initiative of the American Assembly of Collegiate Schools of Business, the "AACSB Federal/Faculty Fellowship Program." This program was intended to familiarize business school faculty members with the purposes and operations of government (the Brookings Institution hosted a year-long seminar on public policy as part of the program) while offering government agencies valuable assistance in advancing management practices from business. At the time, I was completing my second year as an assistant professor on faculty at Purdue University. The Purdue administration was enthusiastic about the faculty taking part in the program, and it approved leaves of absence for several of us to participate in it. In June 1972, I moved to Washington, D.C., joined the AACSB program there, and began serving as an in-house consultant reporting to the Director of the BCP at the FTC, Robert Pitofsky.

At the time of my arrival, the FTC was staffed almost entirely by attorneys, with a group of PhD economists offering academic insights particularly into antitrust matters; however, the agency was inexperienced with the marketing and consumer research fields. They provided me with an office, an assistant, and considerable flexibility to move across the organization. It is useful to remember that I arrived at the very beginning of this type of work at the Commission, so things were very flexible. In addition, in my case it is helpful to look beyond my time spent there, as I continued my FTC activities after returning to the university world. So I have divided my recollections into these two zones. I begin with my time in residence at the FTC, which commenced in June 1972. (It was a memorable night that my wife and I moved into our Alexandria, Virginia, apartment: Hurricane Agnes was passing through the area, and [as I learned later] the Watergate burglars were breaking into those offices and setting off a major Presidential crisis!) The FTC was very interested in what our field might contribute to its work, and I agreed to pursue four projects during my tenure.

## Wilkie's Four Primary Projects While In-House at the FTC

### Project 1: Corrective Advertising

The FTC had just begun to develop a controversial new remedy of corrective advertising. It was in response to the recognition that some consumers could be deceived by an advertising campaign, which might later be stopped by an FTC order; yet the deceived consumers would never be

informed of the actual facts and might continue to rely on the previous misinformation. This would harm not only these consumers but also honest competitive marketers who would otherwise have benefited from consumers' purchases. There were many complexities to be addressed here (the remedy eventually was upheld in the federal courts in the famous *Listerine* case), and I worked on them at a high-level capacity as well as in specific cases in which the remedy was applied. Among my contributions was the proposal of a new approach to the remedy, in which the FTC would take itself out of the business of creating the corrections themselves, allowing consumer research to be used to ensure that consumers were no longer misled. This proposal was employed in the *Hawaiian Punch* case and was praised by both conservatives (e.g., an editorial in *The Wall Street Journal*) and liberals (e.g., reports from Nader's Raiders). An article I later coauthored with Dennis McNeill and Michael Mazis (Wilkie, McNeill, and Mazis 1984) provides more details about this program.

### Project 2: Cigarette Warning Statements

Cigarette warnings were another very controversial area, as it had only been eight years since the U.S. Surgeon General had formally stated that cigarette smoking carried grave health dangers and that people should be made aware of these dangers. Before my arrival, many steps had been proposed, and some implemented, including the required health warnings on every pack of cigarettes and in every ad. My task was to contribute to the continuing assessment of the FTC's possible role going forward—a fascinating assignment. I brought more structured analysis to the issues through the use of formal communication models as well as theories of consumer behavior, but I also learned a lot about the law, politics, government constraints, and public health from these discussions and meetings (which included private sessions with the Surgeon General and with the FTC commissioners). As is the case with much of my activity there, this was confidential, and I have never written about this topic. For those readers who are interested, however, this is still a major area of dispute more than 40 years later. The Food and Drug Administration has now been granted power over cigarette marketing (viewing cigarettes as akin to a drug), and its proposal for very strong, graphic consumer warnings has been in the courts for several years. Accounts of this battle should be easily available in the popular press.

### Project 3: Service as the "Behavioral Science Expert" for the Legal Staff<sup>4</sup>

The FTC staff was young, brilliant (mostly from Ivy League law schools), idealistic, and motivated to bring and

<sup>4</sup>A quick aside on this: Bureau Director Robert Pitofsky (a brilliant man who later became Chairman of the FTC and Dean of Georgetown Law School) called me into his office to discuss my role and asked me if his draft announcement introducing me to the hundreds of legal staff (the FTC has more than 500 attorneys today, and there are seven divisions within the BCP) would suffice. I noticed that he had called me a "Behavioral Science Expert" and politely demurred, saying that I surely did not deserve that title. He then patiently explained that in Washington, D.C., people only listened to two types of people—those with power and those with expertise. Because it did not appear that I possessed power, I thought it over, shook my head, and then agreed to the draft announcement and became an "Expert."

win cases. I met with many attorneys during all stages of their cases, from background investigations to in-court cross-examinations (I was not allowed to speak to the court but could sit beside the lead attorney and provide advice). I did not keep track of how many attorneys I dealt with (some only briefly and others for extended periods on a particular case), but it could well have been 50 to 100. I also participated in meetings and had many discussions with key staff people such as Jodie Bernstein (an advisor to Director Pitofsky who later became the BCP's Director herself and would eventually head the Children's Advertising Review Unit in the self-regulatory realm) and Mort Needelman (who later became a judge within the FTC).

It was clear that the fields of marketing and consumer behavior were central to the issues arising in these cases, and although at times I did not have much to offer, I do believe that I made significant contributions to several cases. One of the early ones was a potential deceptive advertising case involving a major firm, on which there was staff disagreement—did this advertising actually have a tendency or capacity to mislead or deceive or not? I proposed that we pay for an ad copy test to see how consumers were reacting. This was a budget item that (amazingly!) I do not believe had ever been expended by the FTC previously—at least, no one seemed aware of it. I worked on the precise design and had the test conducted by a nationally recognized market research firm that, pleased at the potential for future work with the FTC, quoted a rock-bottom price of only \$2,000 for the work. The results came back and were eagerly scrutinized by everyone involved. They indicated little likelihood of deception, and the potential case was dropped. This was an appropriate result, I think, and also proved to be a notable start for copy testing at the FTC, a practice that has been frequently employed since then.

Another notable memory was the case I worked on with Ben Stein, who later became a television and Hollywood star (and Ferris Buehler's memorable teacher!). At that time he was a young attorney at the FTC after graduating from Yale Law School. His father was the Chairman of the Council of Economic Advisors for President Nixon, so he was well connected in Washington (I believe he became a presidential speechwriter after leaving the FTC). I recall him as a very bright, pleasant colleague who was actually interested in the ideas coming from my field and willing to try them out. We worked very well together on the case at hand.

Again, all of my work with the staff was confidential, so I have never written directly about it. I did, however, give talks about the FTC at academic conferences in my field and wrote a journal article with David Gardner (a marketing professor from the University of Illinois who began serving at FTC's Office of Policy Planning and Evaluation [OPPE] while I was still in residence) titled, "The Role of Marketing Research in Public Policy Decision Making" (Wilkie and Gardner 1974). This article appeared in *Journal of Marketing* and reached a broad market that received it with much interest: it was sought out for reprinting in three readings books and was named among the "50 most-cited marketing articles" written during the 1970s.

#### **Project 4: Creating a Continuing Marketing and Consumer Research Presence at the FTC**

As I have noted, led by Commissioner Mary Gardiner Jones's advocacy, the FTC was interested in whether and how to best plan for a continued presence of our field within its work. Hiring Murray Silverman was the first step, bringing me on board was the second, and shortly thereafter the new OPPE brought in a third marketing professor, David Gardner (University of Illinois) as a staff consultant. Murray, David, and I continued discussions as we learned more about the policy-setting and other types of needs at the FTC. We were concerned that the creation of a permanent staff or division might diminish the quality, and certainly the independence, of insights provided to the FTC. We also believed that several fine academic researchers would be interested in working with the agency and contributing to better regulatory decisions concerning marketing. However, because our field's doctoral education typically avoids exposure to public policy issues, distant relationships might not work well—the marketing people likely would not truly understand the problem setting unless they worked within the agency for at least a brief period of time.

We thus instituted "Project MAC," a continuing "Marketing Academic Consultancy" at the FTC in 1972. Each year the FTC agreed to bring two (hopefully prominent) marketing professors in-house, one in the BCP and one in the OPPE. These academics would be expected to undertake the same types of tasks that David and I were working on within the FTC. In addition, we wanted them to serve as long-term liaisons to the marketing academic community (as we had been) by delivering conference talks and writing papers on public policy issues. Finally, they were to identify their replacements and keep the program rolling. I still remember how pleased I was when Professor Harold Kas-sarjian (from University of California, Los Angeles), a major figure in consumer behavior, agreed to take my place in the BCP, and Neil Beckwith (a fine quantitative researcher, then of Columbia University, later of Wharton and University of Notre Dame) agreed to replace Dave in the OPPE (and to move into the wonderful Alexandria apartment where Barbara and I had been living!).

#### **Wilkie's Continued Consultation with the FTC**

The issues I encountered while at FTC were big, important, and continuous in nature. Thus, my FTC consulting did not end when I returned to Purdue, then to Harvard and the Marketing Science Institute (both of which I believe invited me because of interest in my FTC work), then to the University of Florida, and finally back to Notre Dame—I worked for many years thereafter as an outside FTC consultant, sometimes paid, sometimes pro bono. Beyond specific cases, I discuss three interesting programs/projects with which I was involved in the following subsections.

#### **FTC Rule Making**

In 1974, Congress passed the Magnuson–Moss Act, directing the FTC to add rule-making activities to its previous legal case-by-case approach to marketing regulation. This was intended to add efficiency to the competitive marketplace—positive rules (e.g., in the funeral industry's marketing activities) could guide all competitors in an industry as to appropri-

ate actions, and consumers would benefit from both better information and fewer questionable marketing schemes in the marketplace. During the 1970s, rule-making processes were initiated on a range of topics, including product labeling, life insurance, used cars, funerals, advertising to children, and other areas in which evidence showed that consumers would sometimes encounter problems and/or that better information might improve purchases or save money. Together with Joel Cohen (University of Florida), I did extensive research on possible rules (again, all confidential, so no publications on these). Interestingly, our research contributed to stopping one of the initiatives and advancing another. However, the rule-making activities generated a huge political controversy that reached Congress, and they were essentially terminated by 1980.

### **The FTC Consumer Information Task Force**

As the 1970s progressed, it became increasingly clear that FTC remedies involving consumer information were to be preferred when possible. Not only does this comport with economic theory (in our competitive marketplace, buyers are assumed to hold sufficient information about their alternatives as to be capable of making good purchasing decisions for themselves, and these in the aggregate will guide allocations within our society), but it also tends to be a relatively less intrusive option for the government in its relations with the businesses it regulates. Nonetheless, this is a complex area involving consumers' processing issues, technical concerns of precise measurement and characterization of products or services, and myriad legal issues, such as freedoms accorded to a marketer in our economic market system (e.g., speech).

Accordingly, the Commission launched a blue-ribbon "Consumer Information Task Force" toward the end of the decade, charged with providing a comprehensive review of knowledge in this area as well as a set of guidelines for the FTC to follow in the future. As I recall, it comprised some FTC internal attorneys and economists as well as a few leading academics from the fields of law, economics, psychology, and marketing. After leaving the FTC, I had done quite a bit of research on consumer information and was one of the three or four people from marketing invited to serve on the Task Force. The discussions were stimulating, and I learned a lot (and contributed some as well)—everyone there was an expert in his or her area.

In addition to the formal FTC session reporting on the findings, the FTC (1979) issued a large volume titled *Consumer Information Remedies*. I used that volume for many years in the PhD seminar on Marketing and Public Policy that I taught at the University of Florida. The students responded to it favorably, as it combined high levels of theory with real issues in the public policy, marketing, and consumer protection domain. (It was thick and printed with a bright yellow cover. They called it "The Yellowback," and my personal supply dwindled across time as some of the PhD borrowers "forgot" to get it back to me.) I did not personally write any direct follow-up articles on this publication in academic journals, but others did, which led to considerable impact on research in our field during the 1980s.

### **The Affirmative Disclosure Project**

As I have mentioned, our field's work was clearly central to many of the FTC's activities, and this became increasingly

recognized as the decade progressed. Following completion of the Consumer Information Task Force, the marketing academics in residence at the FTC (Michael Mazis and Kenneth Bernhardt) approached me to see if I would be willing to take on a large evaluation research project on the topic of "affirmative disclosure." Affirmative information disclosures are a class of regulatory actions in which a marketer is required to inform consumers of certain facts about a product or service. They can take on a variety of forms, including provision of basic information about product characteristics, qualifications of product claims, warnings of risks with use of a product, how to reduce risk, and so forth (the corrective advertising program discussed previously is thus a form of affirmative disclosure). I agreed and set about working under the terms of a formal contract. It turned out to be a massive undertaking—an investigation of some 225 case dockets in which the FTC had ordered some form of affirmative disclosures to be made to consumers because there was reason to believe that they had been deceived by an earlier marketing effort. This took me a long time because I needed to ensure that I understood the nature of the case, the product or service, and the consumers involved; in addition, I had to examine the exact remedy that had been ordered, how it had been implemented in the marketplace, and its resulting effects. Some efficiency was available through interrelationships among some cases (e.g., some disclosures were ordered for a set of firms in an industry, such as cigarettes or weight loss). Still, it was a massive undertaking, and I spent many weekends in Washington diving through the docket rooms. Fortunately, it was very interesting, and I again learned much. My final report was voluminous and apparently quite helpful: I understand that it became assigned reading for FTC staff contemplating using these remedies for their cases.

Sometime after the report was issued within the agency, I received a phone call from Thomas Kinnear (University of Michigan), who had recently started a new publication, *Journal of Public Policy & Marketing*. He asked if I was planning to write a journal article on the project. I replied that I probably would not, as I did not see any way to condense it for a journal. He then offered the possibility of a series of articles (reflecting the chapters of my FTC report) as well as the assistance of his talented copy editor if I would publish the work in his new journal. We agreed that one article per year would work and did so over the ensuing years. There were five articles in total, and these had a significant impact on researchers studying consumer information issues (see Wilkie 1982, 1983, 1985, 1986, 1987). When *JPPM* instituted its "Outstanding Article Award" in 1993, the Editorial Board went back to the 1985 Affirmative Disclosure article and voted it as the outstanding article to have appeared in the first five years of the journal's publication.

## **Project MAC's Progress Through the 1970s**

### **The Initial Years: 1971–1974**

The FTC leadership was pleased with the contributions it had been receiving from the marketing academic consultants and agreed to implement our plan for a rotating consultancy. Two slots were allocated, one for the BCP and one

for the OPPE. David and I worked hard to locate strong replacements and, as I mentioned previously, were pleased and proud that Neil Beckwith (Columbia) and Harold Kassarian (University of California, Los Angeles) agreed to succeed us in our positions.<sup>5</sup>

Including the three of us (Murray, David, and me), some 22 marketing academics served in the rotating residency program at the FTC during the 1970s (the following section is drawn from Murphy 1990). During the initial period, 1971–1974, these academics participated in the following positions:

Murray Silverman (Advisor to Commissioner Jones)  
 William L. Wilkie (BCP)  
 David M. Gardner (OPPE)  
 Harold H. Kassarian (BCP)  
 Neil E. Beckwith (OPPE)  
 H. Keith Hunt (OPPE)  
 John U. Farley (OPPE)  
 Norman Kangun (BCP, National Advertising Division)  
 William A. Staples (OPPE)  
 Ralph L. Day (BCP, National Advertising Division)  
 E. Laird Landon (OPPE)  
 Alan Shocker (OPPE)  
 John A. Miller (OPPE and BCP, National Advertising Division)

The program was growing and working well at this time. As experience increased within the BCP, the FTC leadership began to place its arriving academics into its Division of National Advertising, a center of considerable case activity, as the agency sought out new remedies. The OPPE, meanwhile, was finding marketers' training and insights very useful for its activities, which included systematically assessing the consumer marketplace to identify areas most in need of FTC action. In addition, several other leading marketing academics, including Stephen Greyser (Harvard University), Raymond Bauer (Harvard University), Thomas Robertson (Wharton), and Joel Cohen (University of Florida) worked externally with the agency to provide expert testimony and target research undertakings.

### The Highlight Years: 1975–1979

The passage of the 1974 Magnuson–Moss Act added impetus to FTC activity during the later years of the decade. In addition to pursuing cases, the marketing academics during this time were also working on the development of prospective Trade Regulation Rules (TRRs). The TRRs represented a major shift in FTC processes, from its previous emphasis on the legal development of a case against a single firm to a new effort to develop useful rules that all firms in a given product/service category would be legally obliged to follow. The TRRs were intended to improve the performance of the marketplace and to assist consumers and honest competitors.

<sup>5</sup>At this point I began to discover some elements of an academic career of which I had been unaware. In discussing the possibility of joining the FTC, several younger faculty members at different schools told me that they were very interested but had been warned away by senior advisors, as this was "not a good thing" to be doing with one's career as compared with writing journal articles. I am pleased that I had remained ignorant of that insight, and I thank Frank Bass and Mike Pessemier of Purdue University for their strong support for one of their junior people to take this on!

High-ticket items and and/or vulnerable segments were initially targeted: early rule-making efforts began on such areas as children's advertising, life insurance sales, and the marketing of funeral services. The development processes were long and complex and required marketing and consumer research inputs. During this period, some of the earlier marketing academics continued to work with Commission staff as outside consultants, and nine new marketing academics joined the rotation program between 1975 and 1979:

John Eighmey (Division of National Advertising)  
 Michael B. Mazis (BCP and OPPE)  
 Dennis L. McNeill (Division of National Advertising)  
 Debra Scammon (Division of Food and Drug Advertising)  
 Ivan Preston (Division of National Advertising)  
 Richard Mizerski (Division of National Advertising)  
 Gary T. Ford (Bureau of Economics)  
 Ronald Stiff (BCP Office of Impact Evaluation)  
 Kenneth L. Bernhardt (BCP Office of Impact Evaluation)

The level of activity became very high, and increased budgets flowed to marketing and consumer research projects. Michael Mazis had moved to the American University in Washington and became a fixed source of influence. He was instrumental in the creation of the Office of Impact Evaluation within the BCP. In 1978, that office was run by program participant Kenneth Bernhardt, whose \$1 million budget for contract research supported 22 research studies that year (Bernhardt 1990). This was certainly a long way from the \$2,000 study that I had championed only six years earlier, but it is a good measure of the extent to which marketing academic contributions had come to be appreciated by the agency during the time of the academic consultancy program.

### The Program's Decline in the 1980s

Two significant events occurred at the dawn of the 1980s. First, the FTC's aggressive pursuit of a variety of TRRs had led the business community to join together and head to Congress, demanding relief from such activities. Congress placed a threatening set of constraints on the Commission, which now was in the process of backing away and shutting down many of the TRR undertakings. Second, the 1980 presidential election swung the nation from the previously liberal regulatory policies of President Carter to the distinctly conservative regulatory policies of Ronald Reagan. The Reagan administration brought sharp changes to the top appointed positions at the FTC, and over time the "Chicago School" of economics began to dominate the actions of the agency. It was no surprise to discover that these economists perceived no particular needs for insights from marketing academics, and both the roles and numbers of the academics rotating in residence declined during this time, coming to an end early in the decade. The following six people either were or became marketing academics and worked at the FTC during this time:

Thomas J. Maronick (BCP, Office of Impact Evaluation)  
 Edward Popper (Division of Advertising Practices)  
 Joshua Wiener (Bureau of Economics)  
 John E. Calfee (Bureau of Economics)

Gregory T. Gundlach (Bureau of Competition)  
Patrick E. Murphy (BCP, Office of Management Planning)

A quick perusal of this group's assignments indicates the shifts that were occurring within the FTC away from spirited activity in the consumer protection area (especially advertising) and toward a deregulatory approach to the marketing world. It is also clear that economic analysis was largely supplanting consumer and marketing research. The shift is further clarified by the backgrounds of these six academics. Of the six, only Murphy and Popper were "classic" marketing academics. Maronick, while recently having been trained in a marketing doctoral program, was also an attorney who could call on this training in carrying out his responsibilities. The other three could perhaps not be strictly included as participants in the Marketing Academic Consultancy program, though all fit due to their later actions. Gundlach was a law student working as an FTC competition policy intern when he was assigned a project to summarize findings in the area of vertical distribution restraints. This brought him into close contact with marketing academic research, and he recognized a strong personal appeal in pursuing this further. He then entered a marketing doctoral program to complement his law degree and undertook an academic career in marketing (which, incidentally, began by joining our department at the University of Notre Dame in 1987). Wiener and Calfee, meanwhile, held PhDs in economics, not marketing, and were hired to carry out economic analyses at the FTC; however, having discovered academic marketing issues in their FTC work, they also later chose to join the academic marketing community and, along with Gundlach, became central figures in the development of the marketing and society research area.

## Conclusions and Implications

### Contributions to Public Policy Decisions

In summary, over a period of just about ten years, some 30 marketing academics entered the FTC as members of its staff and had considerable impact on its operations. As Murphy (1990) summarizes, among their other roles, they

- Advised the leaders of the FTC (Commissioners and Bureau Directors),
- Advised attorneys on cases,
- Administered FTC contract research,
- Conducted planning studies,
- Contributed insights to policy review sessions,
- Provided economic analyses of cases and of potential trade regulation rules, and
- Served as experts in rule making.

Beyond the changes within the FTC itself during the early 1980s, there was another important factor behind the cessation of the rotating academic consultancy program. To be clear, our listing of the rotating consultancies does not fully capture the extent of marketing academic inputs that were occurring at the FTC as time went on. Previous participants also often continued working with the staff as outside consultants on specific matters, and other marketing academics became involved, especially as expert witnesses for specific cases and rule-making actions. Thus, there was

somewhat less need for the rotating program over time, especially when Michael Mazis decided to join American University locally and work on a continuing part-time basis with the FTC. This local talent relationship expanded in the 1980s with such people as Gary Ford (first at the University of Maryland, then also at American University); Thomas Maronick (Towson State University, University of Maryland), who served in the BCP's Office of Impact Evaluation from 1981 until 1997 while remaining in his position as a full-time faculty member; and Manoj Hastak, who also began working with the FTC when he joined the marketing faculty at American University.

Thus, when comparing the state of affairs at the agency, it is clear that the FTC's comprehension and use of marketing and consumer research is much advanced from its nascent state some years ago. Much of the credit for this salutary change is due to the Marketing Academic Consultancy Program; to Commissioner Jones for her strong support in developing it; to the AACSB/Sears Program for great assistance in helping to bring business school faculty members to Washington, D.C.; and to the participants themselves, who worked hard both to learn the public policy setting and to craft new and useful solutions to the issues there.

### The Academic Rise of "Marketing and Society Research"

Our tale does not quite end with focus on the FTC, as the MAC program participants tended to be relatively young in their academic careers, and many used this as a learning experience from which to build future research contributions. All of us are aware that an academic infrastructure—a journal, an association, and a conference—can be crucial in the development of a vibrant research area. Although perhaps not well recognized, the FTC consultancy program played a significant role in the development of such an infrastructure for marketing and public policy research (today broadened as "marketing and society" research). This occurred in large part because of the strong interest and contributions by people who had participated in that program and now were eager to pursue their research in advancing this area.

### The Birth and Early Years of JPPM

Tom Kinnear, for example, had recently served as an external consultant to the FTC's Office of Impact Evaluation and was well aware of the various projects the program participants were pursuing. He perceived an opportunity for further research if a journal were available for this area and worked to begin *Journal of Public Policy & Marketing (JPPM)* at his home school, the University of Michigan, in 1982.<sup>6</sup> His original editorial position stressed that the journal was targeted precisely toward public policy issues (social marketing papers were not welcome, for example,

<sup>6</sup>An interesting tidbit: the journal was originally called the *Journal of Marketing and Public Policy*, but Professor Kinnear received a troubling objection from the American Marketing Association (AMA), which indicated serious concern that readers would confuse it with the AMA's *Journal of Marketing* (and perhaps its *Journal of Marketing Research* as well?). He then switched the terms to avoid problems, resulting in *JPPM*. Notably, Kinnear later served on the AMA Board of Directors and arranged for the association to take over the journal and serve as its publisher, which it does today.

which is clearly not the case today), and the set of former FTC consultants played a significant role in helping run the publication as well as providing articles for it. Kinnear ran the journal until 1986, and Patrick Murphy took over as editor until 1992. Murphy was followed by Michael Mazis, then by Debra Scammon, Craig Andrews, Joel Cohen, Ron Hill, and now David Stewart. Each of these *JPPM* editors has previously served as a marketing academic consultant or expert witness with the FTC, as have many long-standing members of the *JPPM* Editorial Board. Over time, *JPPM* has become a respected niche journal in the marketing field and is now in its 34th year of publication.<sup>7</sup>

### **The 1989 Notre Dame Symposium**

Following the internal dynamic changes at the FTC in the early 1980s, almost all marketing academics interested in public policy were forced to pursue their research outside of the agency. The FTC underwent an abrupt, major change during this time, with economists gaining much influence and the mix of FTC actions shifting substantially. As the decade progressed, the public criticisms against the FTC shifted from concerns about too much activist regulation (in the late 1970s) to criticisms about too little regulation (in the late 1980s). Nearing the latter portion of the decade, the ABA commissioned yet another blue-ribbon task force, again under Miles Kirkpatrick, who had chaired the 1969 report and had served as FTC Chairman afterward. This report examined the FTC in detail and recommended a series of changes for the future (ABA 1989; for an overview, see Calkins 1990).

This development happened to coincide with a special invitation-only symposium that Patrick Murphy and I were planning to convene at the University of Notre Dame (the donor of the original Business School building, Hurley Hall, had been one of the inaugural commissioners of the FTC, reflecting a long relationship between the university and this government agency concerned with providing a fair and efficient marketplace for our nation). Our Notre Dame Symposium was convened in 1989, celebrating the 75th anniversary of the FTC and taking on issues for its future. It was centered on the recently released ABA report, with a select group of participants that included past and present commissioners and high-level officials of the agency, leading attorneys and economists, members of the ABA Task Force, and all former participants of the marketing academic consultancy program who were available to attend.

Debate was high level, informed, and civil, but intense. The event was a smashing success (according to participants), and our book covering its contents (Murphy and Wilkie 1990) has been named one of the "Six Superlative Sources on the Federal Trade Commission" by a Library of Congress specialist on this agency.<sup>8</sup> Following the symposium, the FTC commissioners requested that Pat and I organize a daylong briefing session at FTC headquarters to probe the promise of our field for future FTC efforts. Following that session, and with the especially strong support

of Commissioner Andrew Strenio, the FTC opted to renew its support for a rotating academic consulting position for marketing faculty members, commencing in the early 1990s. Craig Andrews, Richard Beltrami, and Manoj Hastak moved into these positions during this time, after which the FTC again ended this effort (instead retaining Professors Mazis and Hastak for consultation on a continuing part-time basis due to their availability at American University, as they discuss in their article in this section).

The Notre Dame Symposium also galvanized the marketing academic participants, who agreed that future meetings of this type would be most valuable. Paul Bloom and Michael Mazis volunteered to arrange academic conferences each of the next two years. These were well attended and included strong research presentations and excellent discussions, and they became the annual "Marketing & Public Policy Conference." This conference just held its 25th annual meeting and is now under the auspices of the AMA. It meets in Washington, D.C., in odd-numbered years and in other cities in even-numbered years (it was in Boston in 2014). It serves the crucial function of regularly bringing together marketing academics, government leaders, and public policy officials to examine issues of importance both to the marketing academic community and larger policy-making world.

Thus, in addition to their individual contributions to the FTC, the academic consultancy program participants have played central roles in the growth of a significant journal and a significant conference, each of which is instrumental in the development of today's vibrant field of marketing and society research. Altogether, this is a fine record for the Marketing Academic Consultancy Program, in which I am most pleased to have played a part.

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<sup>7</sup>Interested readers can consult a special section on the history of *JPPM* in its Spring 2011 issue (Vol. 30).

<sup>8</sup>See <http://www.infography.com/content/977851617139.html>.

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