



# Competing in the Global Marketplace

by Mary Lyle Weeks

**T**he area is hot—as only Southeast Asia can be hot—and overgrown with palm and banana trees. Open sewers flank the dusty road; the adjacent dwellings are huts made of cardboard or tin.

Instead of cars, a few old bicycles are parked nearby. The food vendor dispenses lunch to workmen from a board suspended between two saw horses and a kettle boiling over an open wood fire. Only visitors wear Western clothes. The dress of everyone else is that of Thailand peasants.

A vehicle pulls off the unpaved roadway. Its destination is a site identifiable only because a crude sign proclaims, "Industrial Park."

For the man who has come here today, the scene is in sharp contrast to his air-conditioned, carpeted office in corporate headquarters in Old Greenwich, Connecticut. It also is thousands of miles and many years removed from Durant, where he grew up, or the wind-swept skyline of his last Oklahoma hometown, Tulsa, or the hedge-lined sidewalks of the University of Oklahoma.

The man is William J. Alley. A 1951 OU business graduate, he now is chairman of the board and chief executive officer of American Brands Inc. He is visiting the Thai site of a plant for Acushnet, an American Brands company that manufactures windshield wiper blades and other molded rubber products.

Bill Alley is as much at home in the

emerging Thai industrial park as he is in the board rooms of New York City, as accustomed to the chaos of Tokyo traffic as he is to the quiet Connecticut town. The American Brands companies are far-flung, part of today's worldwide economy and international trade. And Bill Alley is an expert at articulating the reality of and necessity for

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**OU alumnus  
Bill Alley  
travels the world  
fueling  
the consumer  
consumption  
revolution.**

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competing in the global marketplace.

"Today, like it or not, we live in a global society and a global economy—whether we live in the heartland or on one of the coasts, whether we're one state removed from Mexico or at the edge of Niagara Falls, looking into Canada. If you and I—Americans, Sooners—are going to survive and prosper, we must compete effectively, both

domestically and internationally."

He describes it as a war of economics, being waged in "legislative chambers, corporate board rooms, classrooms and trading rooms in virtually every time zone around this great globe of ours." He insists that Americans, with formidable resources and an enviable record of achievement, must have "the will to work together to achieve a common goal . . . to assure that our nation continues to grow and prosper."

Alley is delivering an address as keynote speaker at the first Oklahoma Business Conference, sponsored by OU's College of Business Administration. Lights in the Great Hall of Oklahoma City's Myriad Convention Center are subdued, glistening faintly on crystal beads hanging from the fixtures. In the darkened room, more than 800 conference participants listen intently to his words, words of optimism and challenge.

"Oklahoma and business go together. The state has a well-earned reputation for fiscal soundness and for its superb work force. This past year, *U.S. News and World Report* ranked Oklahoma No. 1 in the nation for economic turnaround. Oklahoma has been achieving a great deal . . . but we cannot spend much time savoring our achievements because we confront a world that is at once more challenging but also more exciting in its possibilities than ever before in history."

Alley believes the global economy is

fueled by a "consumer consumption revolution," the increasing worldwide desire for consumer goods. Because of that revolution, he is optimistic about the future of international trade.

The revolution has occurred, he says, because of "communication—in its entirety. Advances in science—satellite communication which allows instant communication all over the world." With television sets in communal villages in China, the outback of Australia, Brazilian rain forests, and throughout rural America, "There are millions of television viewers whose parents never knew life beyond the village, and they want to buy what the industrial might of the developed nations is producing."

Alley has an air of informality and smiles easily. But his face is serious as he speaks adamantly against tariffs and opposition to trade agreements such as the North American Free Trade Agreement (NAFTA).

"The tide is against protectionism in any form," he says emphatically, "and there should not be impediments to the free flow of goods and services among the nations of the world." He acknowledges that the subject is complex but argues that with trade barriers removed, the global economy will function to the advantage of all nations.

"The incentive concept will come into play," he contends. "Human beings have a fundamental desire to excel, to achieve. In America, we have had that opportunity because we have had a mobile society, mobile within the social and economic structure—an individual's ability to move upward within society and economic groups." Alley cites a famous example. "Incentive—and an ability to move upward—allows an individual like Colin Powell to come from the inner city of New York and rise to be chairman of the Joint Chiefs of Staff of the United States. This kind of achievement is possible in America—it's the American dream."

While Alley acknowledges the competition in site selection for new businesses, he believes Americans need not fear for the future when more U.S. businesses set up shop in foreign countries. Even in that situation, he says, there is a benefit for America.

"The plant in Thailand produces

windshield wipers which we attempt to sell to car manufacturers in Japan, Korea, etc.," he explains. "We couldn't be competitive if we made them here and shipped to the Far East. It also manufactures rubber O-rings for the plumbing industry, which are very inexpensive but must be produced in volume with great quality. We can produce them in Thailand, ship them

where, Alley says, "the women do beautiful sewing work—they are so skilled, so dexterous." The gloves then are shipped worldwide.

Alley was not thinking of international horizons when he lived in Tulsa. In fact, to begin his college experience, he chose to stay close to home by attending junior college at Northeastern Oklahoma A&M in Miami. From there,



*Shown here at American Brands' 1993 annual meeting, Bill Alley believes that people who succeed in business are those who help others succeed—Oklahoma style.*

back here and put them into the plumbing industry cheaper than we can make them here in the states.

"But this operation also helped us expand our rubber-molding plant in the United States. The profits from the plant in Thailand allowed us to be even stronger here. It all works together."

American Brands golf products are a prime example of the global economy. Titleist golf balls are manufactured solely in the United States and shipped all over the world. Golf clubs are manufactured mostly in the United States and, for the European market, assembled in the United Kingdom. Golf carts are manufactured in the United Kingdom. For Titleist and Foot-Joy leather golf gloves, the product begins as goat leather in Ethiopia and other Eastern European countries. Tanned by a special process at a facility near London, the leather then is shipped to Thailand

he might have followed other family members who "historically had gone to Oklahoma A&M." But he "broke away from the pack." While at NEO, he became friends with a fellow student, the late David A. Burr, later editor of *Sooner Magazine* and a long-time OU vice president.

"David encouraged me to come to Oklahoma. He definitely was an influence." Upon Alley's arrival, Burr featured Bill and his brother, Tom, in a 1949 magazine article about two brothers going through fraternity rush. Tom pledged Beta Theta Pi, and Bill joined Phi Kappa Sigma. "We both had great experiences," Alley remembers. "Through a sorority-fraternity blind date, I met the lady I married (Marilyn Walter, '51 B.A.), who, during her lifetime, gave me four daughters and now five grandchildren. A number of years ago, I remarried, and Deborah and I have a son." One of the Alley daugh-

ters, Susan, earned a B.A. at OU in 1977.

After receiving his B.B.A., Alley entered law school and earned another degree. "I wanted law for background for the type of business I planned to enter. My father was in the insurance business, and my objective in life, from the time I was very small, was to be president of a major life insurance company." Alley was president, chairman and chief executive officer of The Franklin Life Insurance Company when it was acquired by American Brands in 1979. His election to the American Brands board of directors began his career with the corporation.

Alley believes the "Oklahoma experience" has contributed to his success and that of other OU graduates who have risen to positions of prominence in business and industry, such as W. R. Howell, chairman of the board and chief executive officer of JCPenney, and Lawrence Rawl, recently retired as chairman and C.E.O. of Exxon.

"Life has never been 100 percent easy in Oklahoma," Alley says. "The Dust Bowl, the Depression, the tough war years. Never all of the things that lead to people having an abundance. It seems to me that many areas of the country have an abundance compared to what you have growing up here in Oklahoma."

"That background gives you an incentive and a mental toughness. Coupled with a strong work ethic and the values you see in an Oklahoma way of life, it ultimately results in a desire to be competitive, a desire to achieve."

Alley also credits Oklahoma with instilling the people-based qualities for which he is noted in the operation of American Brands, a corporation with revenues of \$14.6 billion in 1992 and net income of \$884 million.

"Oklahoma has a uniqueness," he

explains. "It has a lot of people-oriented people. It has a feeling of openness, of helping your neighbor. The longer I'm around business, the more I'm convinced that success is based upon the relationship that people have with people within the business. Most



At the Oklahoma Business Conference, Alley was named one of the first Arthur Barto Adams Alumni Fellows, with Fred E. Brown of J. & W. Seligman & Co., John W. Nichols of Devon Energy Corp. and Robin Siegfried of LORI, largest NORDAM group affiliate.

people who succeed in business are helpers. They help others succeed. You get that in Oklahoma—it's part of our spirit, our way of life."

Alley has returned some of what Oklahoma has given him in his support of his alma mater. OU College of Business Administration Dean Richard Cosier points out that Alley and American Brands have extended to OU faculty and students the opportunity to increase their knowledge of global trade.

"Mr. Alley and American Brands have directly assisted the college in meeting the need for international busi-

ness expertise. Through the American Brands International Business Scholars Program, OU business faculty are afforded the opportunity to lecture and study in other countries. This has greatly helped our faculty develop and provide global business perspectives in their teaching and research."

The business college recognized Alley for the American Brands gift and for his other contributions to the college and the University of Oklahoma by naming him one of the first Arthur Barto Adams Alumni Fellows at the October Oklahoma Business Conference. He also serves as a director of a number of business, civic and cultural organizations, and is a member of the prestigious Business Roundtable and The Economic Club of New York.

Five years after that first visit to Thailand, Alley returned. The rubber molding operation was successfully meeting its goals, and the occasion was the grand opening of the new air-conditioned facility to manufacture Titleist and Foot-Joy golf gloves.

Now the dusty road is paved and open sewers are replaced by a modern system. Instead of saw horses and the boiling kettle, there is an attractive Thai restaurant. Bicycles have

given way to new motorcycles and a few cars. Gone are the shacks, replaced by modern apartment complexes. And the workers in the flourishing economy no longer dress as Thai peasants; their clothes are stylish and modern.

"The consumer consumption revolution had made its mark," Alley says. He believes that in any underdeveloped nation, the potential exists for this same phenomenon. Of the war of economics, he believes "this is a war in which everyone can be a winner, and America must enter the foray with courage and with conviction." 