



Have a Coke...

The Sixteenth in the series: ***An Executive Summary for Busy Managers.***

Roberto Goizueta was a captain of industry, but what was he thinking?

Guten Tag! Have you purchased your shares of SBUX stock yet? \$24B...that's billion with a "B", is the estimated value of the Starbucks company. Imagine the number of \$2.00 cups of coffee you would have to sell to re-create a company with that value. At last count, the company was getting close to opening store number 11,000. Hmm, if we apply some Pentagon Math we realize that each one of those little coffee shops you pass by are worth \$2M. We may be in the wrong business.

The CEO of the Coca-Cola Company relied on the same strategic planning abilities to quadruple the size of his company as he used 20 years earlier to flee Cuba under the Castro regime.

I'd Like the World to Buy a Coke, the Life and Leadership of Roberto Goizueta was written by David Greising in 1998. Goizueta passed away in October of 1997 from lung cancer. Unfortunately, Goizueta did not corroborate with Greising on this biography before his untimely death. Roberto Goizueta was very private about his personal and family life. His friends are also very private; however, after his death a few key individuals in Goizueta's life did finally agree to speak openly with Greising.

This brings us to the major downfall of the book; it is nothing more than a looking glass into the actions of the CEO as opposed to the thoughts and philosophy of his leadership style. Goizeuta, Welch (CEO of GE) and

Walton (founder of Wal-Mart) were titans of industry throughout the 1980's and 1990's. The difference is that Jack Welch and Sam Walton took the time to write their own stories and give us a glimpse into their thought processes. Greising tries to do the same for Roberto Goizueta, but it quickly becomes obvious that he is basically recounting historical facts from annual and quarterly reports as opposed to philosophical reasoning. Griesing does get credit though for weaving in many of the personal interviews that Goizueta gave during his sixteen years at the helm of Coca-Cola.

This book is an excellent look at the actions of the Coca-Cola Company during Goizueta's reign.

Having spent four years in the great city of Atlanta I can definitely appreciate the important role that Coca-Cola has played throughout the city's history. From Robert Woodruff (the CEO at the time) insisting that Coke would bankroll the funeral for Dr. Martin Luther King, to the financial backing given to the 1996 Olympic Games, Coca-Cola has been an important citizen for the surrounding area. The book spends a tremendous amount of time looking at Coke's corporate history and the impact on the City of Atlanta over the past 120 years. If you are interested in learning the history of Coke, then reading this book may be well worth your time.

The book also discusses how Atlanta and the United States were not enough for Roberto Goizeuta. He wanted the entire world to feel as if the Coca-Cola Company were resident in their hometown. To some degree he was



extremely successful in this endeavor. However, unless you own a bottling company or produce concentrate for soft-drinks, it is almost impossible to apply any of the practical knowledge offered in this book. There are some interesting anecdotes about business trips to far away places; but frankly, who cares?

I chose to review this book because the description led me to believe that we all might be able to benefit by learning about the infamous CEO. Goizeuta grew the Coca-Cola Company to four times the size it was when he first took the job 16 years earlier. However, this book gives almost no insight into Goizeuta's personal management style.

It is ironic that the pages discussing the second level management team (Don Keogh - Coke #2 man and Douglas Ivester - Goizeuta's Successor) were more focused on the practical management process.

The word "Pepsi" was never spoken by Goizeuta; he always said, "Our competitor".

There is one significant takeaway from this book. As with the other great leaders that have been profiled, Goizeuta was a **rabid** Coke fan. He became the soul of the company by becoming their biggest fan. The author hypothesizes that Goizeuta did this out of loyalty to the company that kept him on the payroll after he fled Cuba. I imagine that it also might have had something to do with the reality of being the leader of a company that gave him an \$81,000,000 bonus one year.

Goizeuta earned more than \$1B during his tenure with Coke. Even though this book does not explain how, the CEO must have had a pretty good leadership strategy and management process to have been able to grow his company while still maintaining record profit margins. I only wish that we all could find out exactly how he did it...

If you are interested in the history of the Coca-Cola Company, by all means read this book. If you are looking for practical leadership and management advice, move on down the book shelf.

The book in a nutshell:

- Coke is it
- Enjoy Coke

All I can really say is, "You're Welcome". I read the 304 pages over the last two weeks so you didn't have to!!!

Just my opinion and we all know what "they" say about opinions...

Thanks

JB

jbreitfeller@breitideas.biz

www.breitideas.biz