

## **Correspondence re appointment**

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### SUMMARY OF CAREER.

- 1912-1918 Associated Newspapers Ltd. (Daily Mail, etc.) - financial advertising. (Earnings £4-500 p.a.)
- 1914-1918 War service on various fronts in field and on Staff. Staff Captain - 161st Inf. Bde. E.E.F. and Hejaz Operations (G.H.Q.). Mentioned in despatches. Hold permanent rank of Captain.
- 1918-1924 Manager and a Director of a London Merchant House (Westman Ltd., Lombard Street) dealing with Swedish iron, steel and allied merchandise in all world markets. (Earnings £1,000 p.a.) Left to get broader experience and was appointed
- 1924-1926 Special Representative of the Calico Printers' Association Ltd. (Manchester) on a 2-year contract for the investigation of the U.S.A. and Canadian markets, where I made extended visits and considerably increased their business. (Earnings £1,000-£1,150 p.a.)
- 1926-1927 Sought experience on the "speciality" side of distribution by joining Electrolux Ltd. as Divisional Manager. Completely organised the London and S. Counties Division and doubled its turnover. (Earnings £1,200 p.a.) Was offered the Managing Directorship of one of their associated Companies (Volta Ltd.) but left to organise in
- 1927-1928 By introduction of the Charterhouse Investment Trust, the distributing side of a Company (printing process) in which they were interested. Later carried out an investigation of another proposition for this Trust in Portugal. (Earnings £1,500-£2,000 p.a.)
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- 1928-1932 Appointed General Sales Manager (£2,000 p.a.) and 4 months afterwards, Managing Director (£2,500 p.a.) of Johnson & Johnson (Gt. Britain) Ltd. (Slough) - subsidiary Company of Johnson & Johnson Inc., U.S.A. - controlling all Johnson & Johnson operations in Eastern Hemisphere. Manufacturers of surgical dressings, catgut, plaster etc. and pharmaceutical specialities - Johnson's Baby Powder, Tek Toothbrush, etc.
- Handed a "mess" in 1928 - transferred in December 1932 a modernised, fully organised business with a first-class reputation in the pharmaceutical field. Under my direction, in addition to many merchandising developments, plant was completely reorganised, modern production methods introduced, up-to-date methods of remuneration instituted in factory and field, modern Staff Life and Pension Assurance schemes initiated, adequate welfare arrangements installed, etc.
- Responsible for press advertising and all kinds of publicity, sales promotion schemes etc. Increased English turnover by nearly 70%.



Frequent visits to various European markets as well as Canada and U.S.A. (Earnings between £3,000 and £3,500 p.a. in salary (£2,700 p.a.) and annual allotment of shares).

1933 -

Following special investigations for Foster Clark Ltd. (Maidstone) into distribution arrangements in the Home Market and for E. Griffiths Hughes Ltd. (Manchester) into certain European markets, joined Urwick, Orr & Partners Ltd. as Chief Marketing and Selling Consultant. In this capacity, investigated and advised on various businesses in the pharmaceutical, brush manufacturing, boot and shoe, provision, educational supplies, textile and other trades. Later became Development Manager and was appointed a Principal. (Earnings between £2,500 and £3,000 p.a.).

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Educated privately and at Birkbeck College (London University).

B.A. Hons. 1911.

A Governor of Birkbeck College 1912-1922.

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50 - married - two children.

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Note - It will be observed that up to 1928 I sought every opportunity of frequent change in order to gain the widest possible experience of business organisation and management, particularly on the Distribution side.

April 1940.



THE ESTATE OF THE LATE SIR HENRY S. WELLCOME.

TRUSTEES

~~CH. HUDSON~~ ~~WALTER M. B. E. M. A.~~

SIR HENRY H. DALE, C.B.E., M.D., F.R.S.

L.C. BULLOCK.

MARTIN PRICE, F.C.A.

PROFESSOR T. R. ELLIOTT, C.B.E., D.S.O., F.R.S.

SECRETARY'S OFFICE:

*Empire House,  
St. Martin's-le-Grand,  
London, E.C.1.*

TELEPHONE: NATIONAL 4051.

L. C. Bullock, Esq.,  
5, Bishopsgate,  
E.C.2.,

16th April 1940.

My dear Bullock,

Burroughs Wellcome & Co.

Thank you for your letter of yesterday.

I do not think we need have any fear that Bennett will fail as a practical man, by being overburdened with academic theory. It is clear from his record that all but four or five years have been spent in practical executive appointments in a wide field, and it is in this field that he claims his chief qualities to lie. He possesses, however, the very rare combination of both practical and technical study and experience, and it is in this field of commercial research and expert marketing that the present organisation is so deficient.

The theories expounded in his address to the Sales Association were based on methods successfully employed in practice, and before his period of experience as expert business consultant. I have ascertained in confidence that his Firm of Business Consultants have advised, in various respects, such well-known concerns as Courtaulds, Boots, Glaxo, Huntley & Palmers, Lilley & Skinner, Vacuum Oil, and other concerns familiar to you, probably in a similar capacity to the man you mention as adviser to Horlicks.

I agree with you that we Trustees would have to work in close collaboration with the new man in the early stages, in order to see, first, that he got fair play, and, second, that he is the man for the job. I think it should be possible to avoid, or remove, jealousy in all quarters, but the one constitutionally averse to all changes; but in any case we have decided that new blood is essential, and need not displace, or discourage, the men who really matter.

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The new man would require a considerable period in which to saturate himself in the business, before formulating a final plan for the future. I would suggest, therefore, that a relatively short appointment be made in the first instance, with a view to investigation and formulation of a long-term scheme, and presume that a definite appointment of at least one year might be necessary for this purpose, coupled with the option on both sides to break at the end of that time, but subject also to the understanding that, if confirmed in his appointment, he would then be granted a longer term agreement during which to put through his reorganisation, with a view to handing over the machine in full running order on completion.

The latter contract should probably be for anything up to ten years, at a remuneration commensurate with his responsibilities and duties, and perhaps based upon a reasonable fixed salary coupled with a share in net profits in excess of an agreed datum. I doubt whether a good man, with the necessary training and experience, would undertake the very onerous and delicate task without an understanding of this kind, and the assurance of our loyal support.

Yours sincerely,

*Martin Shire*



15th April, 1940.

Bk.10.

My dear Price,

BURROUGHS WELLCOME & CO.

Thank you for your letter of the 12th inst., enclosing copy of one you have written to Dale, copy of Mr. Bennett's letter to you and other enclosures. I have read all these documents with considerable interest especially the paper which Mr. Bennett read at the 5th Annual Conference of the Incorporated Sales Managers' Association of the United Kingdom.

Mr. Bennett sounds just the man we want and I shall very much look forward to meet him on Wednesday. We must I think all bear in mind the fact that the man who is an excellent theorist is not always a good practical man. You probably know McFarland Davis. For some time past he has been the leading spirit of the Institute of Industrial Administration and went to America on their business.

The firm which did an enormous amount of very useful work for my firm's clients, Horlicks, were J. Walter Thompson. Their advice produced wonderful results.

I suppose it would be a good thing to fix up with a new man for a comparatively short period in the first instance. The introduction of a new man into the business is almost bound to cause a certain amount of jealousy. I think we and our co-Trustees would probably have to spend a good deal of time in conference with the new man after he has had a few months work and also with the Board of Directors in order to decide whether we have really got hold of the right man. If this proves to be the case we can, of course, then fix up for a term of years.

I personally very much appreciate the efforts you

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are making in connection with this matter and hope that Mr. Bennett will prove in every way satisfactory.

Yours sincerely,

Martin Price, Esq.,  
Messrs. Viney Price & Goodyear,  
Empire House,  
St. Martin's-le-Grand, E.C.1.



C O P Y.

PRIVATE

41, Buckingham Mansions,  
Hampstead, N.W.6.

11th April 1940.

Martin Price, Esq.,  
Messrs. Viney Price & Goodyear,  
Empire House,  
St. Martin's-le-Grand,  
E.C.1.

Dear Mr. Price,

(1) Following our meeting on the 2nd inst. when you were good enough to outline to me the general situation obtaining in the Burroughs Wellcome business, I am now writing you as requested to set down the chief impressions gathered from what you told me and to indicate the main directions in which I would seek to begin to improve the position. I am also explaining why it happens that I am personally keenly interested in assuming responsibility for carrying out this task, should you and your colleagues entrust me with your confidence by appointing me to undertake it.

(2) As I understand it, the Trustees have for some time been disturbed because of the unsatisfactory trend of the business and their anxiety has now reached a point where they feel that drastic action to correct the situation should no longer be delayed. From the outline you gave me coupled with a good deal of experience in investigating and diagnosing business troubles, I was able to discern fairly clearly some of the symptoms that are characteristic of undertakings of the type and age of the Burroughs Wellcome business which have been found to be slipping.

Management at the top has in all probability been ineffective for some time past due I expect to some or all of the following causes -

- (a) to age not necessarily of years but of mind and outlook
- (b) to lack of knowledge of modern methods of organisation and control and of a clear understanding of the principles underlying them
- (c) to failure to 'provide for the succession' adequately by developing and encouraging initiative and responsibility on the part of younger executives



- (d) to omission to introduce new blood from time to time so as to counteract the 'commercial in-breeding' so disastrous to many old businesses, particularly those of the 'family' type
- (e) to a marked deficiency in the imaginative and creative faculty vital to continued progress
- (f) to complacency that frequently sets in after a long period of profitable operating
- (g) to an encyclopaedic knowledge of the things that 'cannot be done'.

(3) From what you have told me together with my own contacts in the pharmaceutical trade I should say that the business has for years been living on its past. History is interesting but it does not of itself continue to produce profits - the Burroughs Wellcome business will not go on developing solely because the late Sir Henry Wellcome was a great man. Its foundations are incontestably excellent but (and this is true of any business) the superstructure will need to be modified from time to time to meet changing conditions and requirements. Indeed in these days I feel that it is more appropriate to ask oneself whether, if a certain method has been followed without change for 5/10 years, it is not perhaps more likely to be wrong than right - at least it should be questioned to make quite sure that it is in fact standing the test of time. In businesses that are not kept up to date it is customary to think the other way and laissez-faire becomes the order of the day.

(4) The Burroughs Wellcome business is a 'consumption' goods business, and apart from your sales of bulk drugs which probably represent a portion of your total turnover, its products are sold to the public via the usual wholesale and retail channels of the pharmaceutical trade. Most, if not all, of these lines bear one or other of the Burroughs Wellcome brands.

(5) Some of your products presumably are sold through such doctors as still do their own dispensing but in the main they reach the public via the chemist as the result of prescription by the members of the medical profession or of recommendation by the pharmacist himself.

(6) You have also, however, certain lines of a 'popular' nature such as the Hazeline series, 'Tabloid' Tea, 'Tabloid' Saxon, 'Tabloid' photographic products, etc., the sales of which can only be maintained and increased by a vigorous marketing policy including the appropriate use of publicity in one or more of its many forms. The retail chemist today is less and less interested in stocking lines that do not sell themselves and I have so far been unable to trace any evidence of advertising effort directed to the public to make them ask the chemist for Burroughs Wellcome products. The name



'Burroughs Wellcome' means something to your generation and mine and those older - I take leave to doubt if at present it registers so extensively with younger folk.

(7) What I have said in the last three paragraphs touches on the marketing aspect of the business, that is, its contact with the general consuming public. I have the impression that the selling side of the Company, that is, its activities vis-a-vis its actual customers - the doctors and the chemists - probably also needs extensive overhaul and adjustment. Certainly the 'take it or leave it, we are Burroughs Wellcome' attitude of which I have heard in some quarters is quite unhelpful and, with many able competitors around assiduously cultivating the goodwill and friendship of the trade, its effect is bound to be inimical to the interests of the business. I will hazard the guess that the average age of your sales and detail representatives is probably too high to admit of the degree of selling effort that is essential. I would question too the effectiveness of the methods and extent of such supervision and control as are at present in force.

(8) The Burroughs Wellcome business is worldwide - how far the situation outlined above may obtain in the principal overseas markets I do not know. It is certain, however, that a changing national economy due to the present war and its aftermath will necessitate tremendous effort in the export markets by concerns with suitable products if their individual profits are to be maintained. Some firms have recognised this - I know of at least one in this trade that is taking still more far-reaching steps to deal energetically with the new situation although it has already for a long time been operating vigorously through its overseas branches and agencies.

(9) I hope that I have said enough at this stage to have indicated fairly fully to the Trustees my general attitude to the kind of problem that now confronts them in the Burroughs Wellcome organisation as well as the broad approach I would make towards its solution after thoroughly investigating all the relevant factors. You will observe that I have confined my remarks mainly to General Organisation and to Distribution Management for it is there, I feel certain, that the main adjustments in the business will require to be made.

(10) It may save time if I attach to this letter a summary of my own qualifications and business experience. As noted in my Summary of Career, up to 1928, this was as ample and varied as I could make it - I purposely sought frequent change in order to gain the widest possible experience of business organisation and management particularly on the Distribution side.

(11) After that, five years as Managing Director of Johnson & Johnson (Gt. Britain) Ltd., gave me a very comprehensive experience of the pharmaceutical trade both in Great Britain and abroad and it was fully



recognised that I built up for these interests a very successful organisation on modern lines. Perhaps one of the most satisfactory signs of this is that of about eight senior executives that it fell to me to appoint, all except one who has moved to a bigger post are still serving the Company today.

(12) My subsequent experience in management consultancy over the last few years has afforded me the opportunity of investigating and of assisting in improving the situation in a number of businesses including incidentally one in the pharmaceutical trade. But the full results of consultancy (which is advisory) depend ultimately upon Management. I am executively minded and I would prefer not merely to recommend a course of action but to see it through to fruition and accept the full responsibility for the result. That is my chief reason for wishing to return to General Management of a consumption goods business.

I will say frankly that I cannot think of any other business or situation in which I could employ my particular abilities and experience more fittingly than in the Burroughs Wellcome organisation. If, after discussion with the Trustees, they were to take a similar view, I should feel that a period of valuable and creative work lay ahead of me in the reinvigoration and further development of the Burroughs Wellcome business.

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I look forward with the keenest interest to meeting you and your colleagues at the Wellcome Research Institution on Wednesday, 17th inst. at 12.30 p.m.

Yours truly,

(SIGNED) T. R. G. BENNETT.