Early on, a new category is a ladder of many rungs. Back in 1969, the Royal Crown company revitalized its fran- chise system, 350 bottlers strong, and hired the former president of Rival Pet Foods and a veteran of both Coke and Pepsi. The products are Coca- Cola, Pepsi-Cola, and Royal Crown cola, respectively, but the principles apply to brands everywhere. The law of duality suggests that these mar- ket shares are unstable. "We're out to kill Coke and Pepsi," declared Mary Wells Lawrence, the agency's head, to the Royal Crown bottlers. When you take the long view of marketing, you find the battle usually winds up as a titanic struggle between two major players--usually the old reliable brand and the upstart. The company also retained Wells, Rich, Greene, a high-powered New York advertising agency. While the future is unknowable (chapter 17: The Law of Unpredictability), a betting person would put his or her money on MCI. MCI has won the battle with Sprint for second place, so now MCI ought to become the upstart alternative to old, reliable AT&T. Gradually, the ladder becomes a two-rung affair. In batteries, it's Eveready and Duracell. In photo- graphic film, it's Kodak and Fuji. In mouthwash, it's Listerine and Scope. In sneakers, it's Nike and Reebok. In toothpaste, it's Crest and Colgate. The rest of the market included either private label or minor brands. Sprint is probably feeling very comfortable on the third rung of the ladder. Nine percent doesn't sound like much, but it translates to $6 billion in annual sales.

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