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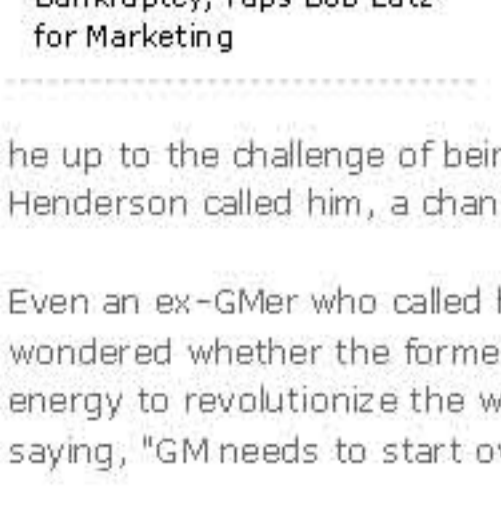
Is Bob Lutz the Right Guy to Run GM's Marketing?

Far-From-Retiring Design Guru Will Be CMO, but He'll Need the Right Stuff to Lead in New-Media Age

By [Jean Halliday](#)
Published: [July 13, 2009](#)



DETROIT (AdAge.com) -- He's got the guts: He's a blunt-speaking attack-jet aviator who gets his jollies flying fighters at age 77. He's got the name: He's an acknowledged automotive-industry star and a design ace. And he's got the experience: He's worked in the auto industry for 46 years.



Bob Lutz
Photo Credit: Tim Klein

But the question being bandied about in advertising circles is whether that vast experience could work against Bob Lutz in an age in which selling cars is increasingly about amplifying peer-to-peer recommendations and data-driven direct marketing commercials that have long been the mainstay of GM's brands.

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True, the dramatic comeback of the vice chairman -- who was slated to retire at the end of the year before being named last week to run marketing at the country's fourth-largest advertiser -- gives GM a much-needed "name" to put in front of a skeptical public. But is

he up to the challenge of being, as GM President-CEO Fritz Henderson called him, a change agent?

Even an ex-GMer who called himself a supporter of Mr. Lutz wondered whether the former Marine captain would have the energy to revolutionize the way the carmaker communicates, saying, "GM needs to start over."

The unflappable Mr. Lutz, who until April headed global product development, is taking on the added responsibility of advertising and marketing czar. It's a far-reaching role. "Bob's responsibilities beyond creative design will include brands, marketing, advertising and communications," and his job "is to integrate those activities and provide accountability for consistent messaging and results," Mr. Henderson said.

New blood needed?

The new chief marketer put it in more typical Lutz fashion: "I have always been a vocal critic of much of the [advertising] that we do," he said. "Maybe one of the reasons I got the job was 'OK, you don't like it? Fix it.'"

But some believe GM needs more of an up-and-coming, digital-savvy CMO than an established Mr. Fix-It. They said new blood is needed to signal that it's not business as usual at the "new" GM, which the appointment of Mr. Lutz seems to indicate. "GM has to do something radical" in communications, one of them said.

Indeed, one of Mr. Lutz's first tasks was to call meetings next week with officials of GM's remaining four vehicle brands to see proposed ad work and to get him up to speed on some of the most current messaging. But there wasn't mention of overall marketing strategy, new media or media planning.

And while GM spent \$2.9 billion last year, \$669 million of the total was spent in unmeasured media, which is a swifly growing part of the business for automakers and marketers at large.

Mr. Lutz, however, talked a good game when it came to integration and bringing design into the equation. "We're going to shift resources," he told Automotive News. "We're going to have design have a powerful influence on public relations and advertising and vice versa. It's really going to be, for the first time, an integrated communications approach." And it won't be a timid one, either. GM will be "less worried about 'gee, what is somebody going to think?'" he said. "We're going to go from being very defensive and risk-averse in communications" and become "much bolder in getting our story out."

Outspoken ad man

No one doubts his ability to be bold. Dave Rooney a former director-marketing and global communications at Chrysler, who worked with Mr. Lutz there, said, "Bob is a marketer by passion and he has an innate sense of the marketplace."

Arthur "Bud" Liebler, former senior VP-marketing at Chrysler, who also worked with Mr. Lutz there, said his former boss has a good understanding of marketing. Mr. Liebler, who now runs an eponymous communications-strategy firm, recalled Mr. Lutz being outspoken after being shown a proposal for an emotional and sensual ad campaign for the Dodge Ram pickup in the mid-'90s. Mr. Lutz called the work "pretty advertising," then asked why the managers behind it weren't telling consumers about the changes in the truck. "We changed that campaign in a hurry," Mr. Liebler said.

He said he's unsure whether Mr. Lutz is up to speed on the digital world, though he noted that the GM executive has a blog and added, "I don't like to second-guess Bob."

Susan Docherty, VP of Buick-GMC, told Ad Age last week that Mr. Lutz "already booked a meeting with us Tuesday" to see the most current messaging and work in progress for the two brands. She called Mr. Lutz "an icon in this business" who has a "tremendous amount of experience."

That's undebatable. Mr. Lutz began his automotive career in 1963 at GM in Europe before joining BMW in Munich as exec VP-sales for three years. Mr. Lutz spent 12 years at Ford Motor Co. and served on its board. He logged a dozen years at Chrysler, where he led all auto activities, including marketing and product development, and he chronicled his time there in his 1998 book "Guts: The Seven Laws of Business That Made Chrysler the World's Hottest Car Company." He rejoined GM in 2001.

There'll be those who'll say a guy who's been selling cars for 46 years is going to have trouble changing the way it's done, but the consensus from those who know him is that if any 77-year-old can rip up the rulebook, it's Bob Lutz.

~ ~ ~

Contributing: [Jamie Lereau](#)

9 Comments

By Rodney33 | FRISCO, TX [July 13, 2009 12:57:55 am](#):

Bob Lutz is the exact right person for the job here's why;

Renewing interest and trust with consumers during this tumultuous transitional period requires a stellar understanding of all the resources, how they benefit the consumer and which ones need the most emphasis and attention no matter what the forum is.

Bob can rely on good people and agencies to develop appropriate go-to-market strategies, but at the end of the day, if he's approving the communication priorities and assuring that consumers are being listened to and have a voice, he's got the best available gut to make the approving calls and provide macro direction.

Additionally, Bob can articulate the specific challenges of the industry probably better than anyone as he's literally lived and worked through every possible market condition the industry has faced.

Even now, as the hybrids are finally being embraced, Lutz is leading the charge to change the game for the better. He and GM have been harshly labeled by the Washington Post as ambivalent in their efforts to move forward on their 2010 launch of their new hybrid Volt.

Volt is a game-changer for hybrids, as the category to date uses small electric motors for low speed driving, and switches to a gas engine for faster speeds. The Volt uses the electric motor at all times, with the gas engine serving as a generator for the batteries. The first 50 miles require no gas, just a charge. After that, the car is on target to get 50 MPG. 10 gallons of gas will get 550 miles or 55 MPG.

Lutz hasn't settled for the norm in this expensive, controversial space. He has helped move it to a place where only a category leader can take it. And he's done so with personable, open communication designed to build a pipeline of customers and associates in waiting through social media and PR.

He can and will do the same for all the rest of GM.

Rodney Mason, CMO
Moosylvania
The Great State Of Design
www.moosylvania.com
www.twitter.com/rodmoose
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By Rodney33 | FRISCO, TX [July 13, 2009 01:12:04 am](#):

Two corrections for above from the same paragraph - "But" and "gallons"

But Volt is a game-changer for hybrids, as the category to date uses small electric motors for low speed driving, and switches to a gas engine for faster speeds. The Volt uses the electric motor at all times, with the gas engine serving as a generator for the batteries. The first 50 miles require no gas, just a charge. After that, the car is on target to get 50 MPG. 10 gallons of gas will get 550 miles or 55 MPG.

Rodney Mason, CMO
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By Matthew | Chicago, IL [July 13, 2009 10:18:49 am](#):

I like and admire Bob Lutz. But the most recent news of him reviving the Caprice name for the awesome but defunct Pontiac G8 shows how much things haven't changed and will continue not to. It's time for GM to reinvent itself - like it promised the taxpayers who saved it.

Permalink

By tddaly | Yardley, PA [July 13, 2009 11:32:37 am](#):

If their most recent email marketing campaign over the weekend, called the "New GM", is a starting point for a new marketing approach, it might be wise to re-evaluate. First, they didn't have my opt-in permission to speak with me and second, they didn't provide a proper Opt-Out mechanism that functioned correctly. Not a good start.

Permalink

By J | Dana Point, CA [July 13, 2009 01:36:07 pm](#):

Bob Lutz has the experience to do the job, but the question is does he have the insight as to what the next 10 or 20 years for GM will need to be?

His ideas and future thinking can not be based on what happened in the past couple of decades at GM.

Permalink

By mrjoe | Redondo Beach, CA [July 13, 2009 02:52:40 pm](#):

Bob Lutz is part of the problem not part of the solution. Bringing in this 77 year old dinosaur who has been wrong about EVERYTHING for at least three decades now is exactly the kind of failed mid 20th Century thinking that has made GM the joke of a bailed out failure they are today.

Lutz on global failure is evidence of Lutz's complete cluelessness and failure to connect with the reality based world. He's a gas guzzling Camero in a plug-in world.

You could take all the relevant expertise Bob Lutz has today, stuff it in the navel of a flea and still have room for the intelligence of those who support his continued relationship with what's left of GM.

Maybe Lutz the Putz should paint himself green and pretend to be the new enviro friendly version of an auto exec.

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By jmsptrck101 | Chicago, IL [July 13, 2009 03:43:14 pm](#):

no

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By jmsptrck101 | Chicago, IL [July 13, 2009 03:48:50 pm](#):

"He's worked in the auto industry for 46 years." Somehow, with public perception of the ineptitude of the entire American auto industry over the past few decades, I'm going to bet that this doesn't exactly sound reassuring.

Guess we'll just have to wait and see.

But, let's put it this way... how many of you with money to invest are investing in GM? Thought so.

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By mmirkil | Portland, OR [July 13, 2009 06:04:28 pm](#):

I hope GM succeeds, but in order to do so, that company needs far more than a seasoned veteran to "shake things up." GM needs fundamental change throughout all aspects of the organization, not just in advertising, non-traditional media and marketing.

GM has a major brand issue.

I've seen nothing yet that shows me they are entering into this post-bankruptcy stage with open eyes knowing exactly how tough of a challenge this will be (and how to tackle it).

And I'm not sure that a senior executive with 40+ years of living and breathing the old GM and Detroit auto industry culture is going to be the one to lead them successfully out of this mess.

Best of luck, GM!

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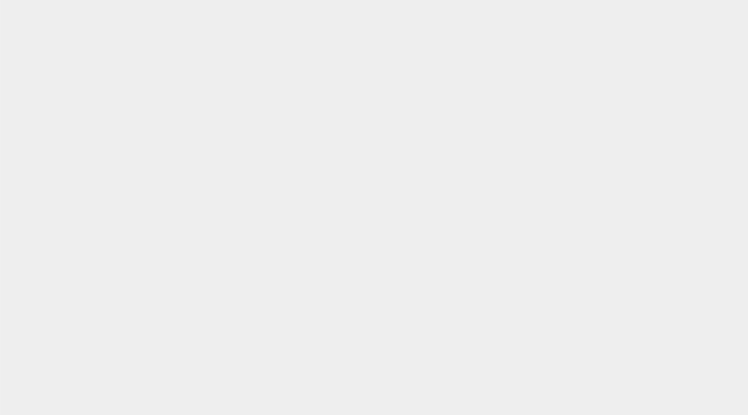
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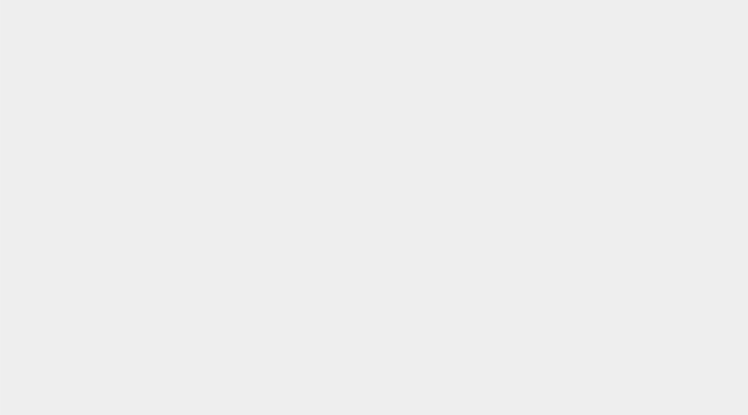
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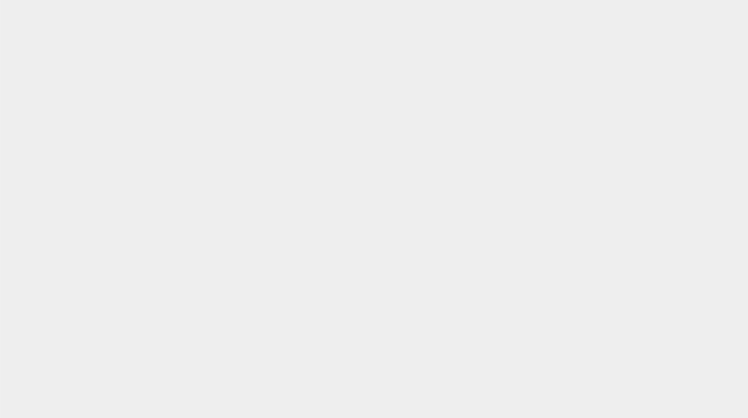
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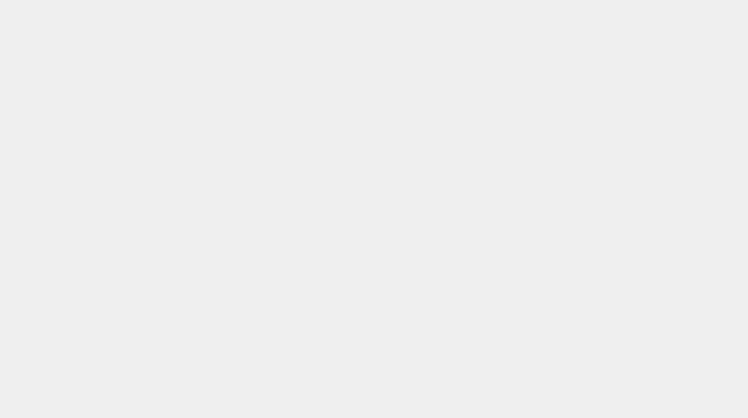
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