

Beiersdorf

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# CHRONICLE

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# 04



**Pebecco**

*Beiersdorf's first global brand*

# Even toothpaste brands can lose their shine

## *Rise and fall of a global brand*

“Pebeco toothpaste? Never heard of it!” This is how many people react when they encounter the brand for the first time. After all, most people are not aware that Pebeco made up almost half of Beiersdorf’s sales revenue shortly before the First World War and was the company’s first global brand. Within the space of just a few years, Pebeco evolved from a therapeutic product into a mass-produced article, prompting Beiersdorf to set up its “Cosmetics Department.” It paved the way for subsequent cosmetic brands such as NIVEA and Labello and ushered in the transformation of the company from a “chemical factory” to a manufacturer of consumer goods. On the international front, Pebeco soon became a top seller, and was even market leader in the USA shortly before the First World War.

So how did this major brand manage to erase itself completely from collective memory? And could something like this happen again?

The case of Pebeco illustrates that, if brands are to survive global crises, they need to be carefully maintained and have a clear strategy. Otherwise their swift rise will be followed – as with Pebeco – by a precipitous collapse. After the First World War, the brand was faced with quality problems, a temporary expropriation in the USA, and strong emerging competition from other brands. In the 1930s, Beiersdorf neglected the brand in favor of NIVEA – and by the end of the Second World War, Pebeco had disappeared. We retrace the path taken by Beiersdorf’s first real global brand.



This Newark, New Jersey street scene in 1916 with an outside Pebecco poster shows the high profile that the toothpaste enjoyed in the USA at the time.



## “Pebeco for healthy teeth and a healthy mouth”

*For many years, this was the slogan used for Pebeco toothpaste. It contained the promise to consumers that using this Beiersdorf product could help them to avoid unpleasant visits to the dentist – and, at the same time, the company’s first global brand went from strength to strength.*

In the late 19th century, dental treatments were often an extremely unpleasant affair, frequently involving the dentist’s forceps. By using toothpaste and looking after their teeth, people were able to avoid this painful experience.



Beiersdorf launched its Florisal toothpaste in 1892. International success came with Pebecco in 1905.

Text: Thorsten Finke

>> The first dental care “products” were already known in ancient times. While the Romans cleaned their teeth with a linen cloth and marble sand, the ancient Egyptians used frayed sticks and various powders. However, these rituals fell by the wayside over the centuries – dental care was not a notable feature of life in the Middle Ages. People did not care for their teeth – if a tooth caused problems, it was pulled. As this was very painful without anesthetics, people lived in fear of having their teeth pulled. Apart from this, they did not understand the reasons for tooth pain and tooth loss. Until as late as the early 19th century, “tooth worms” were thought to be the cause of tooth decay and the pain associated with it. It was only shortly before the start of the 20th century that bacteria in the oral cavity were identified as the cause of tooth decay. As a result, the notion of “a clean tooth is a healthy tooth” began to catch on. However, people still needed the right oral hygiene products to properly care for and clean their teeth.

### From “Beiersdorf’s toothpaste” to Pebecco

When Oscar Troplowitz went to keep an appointment with his dentist Dr. Floris on Hamburg’s Esplanade in April 1892, he had no idea what a vital role this visit would play in his company’s development. Floris complained about the general lack of dental hygiene products and asked Troplowitz for his help.

Cleaning teeth with tooth powders and brushes was by no means common practice at the time, but was beginning to catch on as people experienced more and more tooth problems due to their growing intake of sugar and white flour. In the following weeks, Troplowitz worked on developing a toothpaste that Floris sold in tin tubes under the brand name “Florisal.”

As well as this, Troplowitz worked together with Paul Gerson Unna on a different toothpaste that also contained Kali Chloricum, an ingredient that helped to avoid inflammation of the mucous membranes of the mouth. “Aromatic Kali Chloricum Toothpaste” was first produced by Beiersdorf in 1893.

Unna published articles on the subject in numerous specialist journals, explaining the special properties of Kali Chloricum. As well as cleaning the teeth, it also helped to strengthen the gums, thereby contributing to the overall health of the oral cavity.

Success was not long in coming, although arguably the kindest way to describe the taste of the toothpaste was “medical.” High-quality toothpastes were still hard to find at the time. The prominent brand for oral care was Odol, a mouthwash that was not designed to care for teeth. This meant that it was time to give the toothpaste its own brand name – just like Troplowitz had done with almost all his products at the beginning of the 20th century. Having been renamed “Beiersdorf’s Aromatic Kali Chloricum Toothpaste” in 1900, it was given a new name five years later: “Pebecco” – an abbreviation of **P. Beiersdorf & Co.** – a brand name that tripped easily off the tongue in any language.

The tubes of toothpaste enjoyed very healthy growth in Germany, and the popularity of Beiersdorf toothpaste quickly spread to the rest of Europe, the United States and beyond.

### BACKGROUND

## The Pebecco dental care range

During the brand’s glory days, the Pebecco dental-care range included mouthwash, tooth powder, even toothbrushes. Pebecco “mild” was launched in 1927 but was unable to hold its own. By 1932, all that was left of the product range was the toothpaste.



Toothpaste from 1905



Mouthwash from 1920



Tooth powder from 1921



Toothbrushes from 1927

CONTEMPORARY WITNESSES

“I believe that Kali Chloricum in toothpaste (Pebeco) has benefited mankind more than all other oral remedies put together.”

Paul Gerson Unna in a speech in the early 1920s



International success

Together with sticking plasters – Beiersdorf’s original business – Pebeco soon became the second mainstay of the company, prompting the company to set up its “Cosmetics Department,” which would also give rise to further brands such as NIVEA and Labello. In 1905, when the toothpaste was given the name Pebeco, it already accounted for an estimated 17 percent of overall sales revenue. Before long, the tin tubes from Hamburg were available all over the world and sold like hot cakes. In 1915, Pebeco was the company’s most important brand, representing almost 48 percent of sales revenue. By comparison, NIVEA products accounted for around seven percent of sales in this year.



Pebeco carnival float in Mexico City in 1923

Especially in the USA, the success of the German toothpaste appeared to know no bounds. The cornerstone for international success was laid by a contract signed in 1903, permitting the company Lehn & Fink to produce Beiersdorf toothpaste for the US and Canadian markets in return for the payment of a license fee. When the product was renamed in 1905, it was accompanied by a massive advertising campaign, making Pebeco the highest-selling toothpaste in the USA. Marketing campaigns ran throughout the country, with Pebeco ads placed in all major newspapers and magazines, including The New York Times, Vanity Fair, Cosmopolitan, Vogue, and The Saturday Evening Post. In 1915 and 1916, Lehn & Fink paid Beiersdorf a total of 2.25 million German marks in license fees for Pebeco – this was more than half of the company’s total profit.

The success in the USA also spread to the rest of the world: as of 1910, Pebeco was by far the most successful Beiersdorf brand worldwide. In 1914, it was available in over 40 different countries – Beiersdorf’s first ever global brand. The product range was extended to include mouthwash, tooth powder, and even Pebeco toothbrushes. In the 1920s, Pebeco products were manufactured in just under 30 countries; this was chiefly due to the protectionist import policies prevailing in many countries. Following the First World War, the continuing success in the USA was hampered by a complicated legal dispute, substandard raw materials, and strong competition. NIVEA products became more and more popular, guaranteeing higher margins than Pebeco, which had clearly passed its peak.



Filling and packaging Pebeco in the Austrian subsidiary, circa 1929



Pebeco packers, Buenos Aires, 1930s



Trade-fair stand in Canton (today Guangzhou), China, 1922

# The world of Pebecco

*In Pebecco's pre-WWI heyday, Beiersdorf toothpaste was sold all over the world.*

■ Pebecco was available in these countries before the war

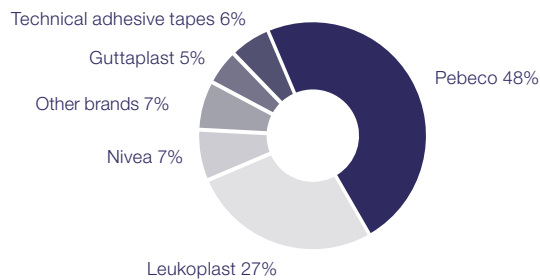


Bus with Pebecco advertising  
Mexico  
1922



Advertisement  
USA  
1916

## Share of sales revenue 1915



Advertising poster  
Germany  
1920s



Advertisement  
Great Britain  
1913



Advertisement  
International  
1930s



Trade-fair stand  
Sydney, Australia  
1920s



Advertising poster  
Italy  
1912



Pebecco in Tibet  
1926



Sales kiosk  
Dutch East Indies (Indonesia),  
1926



Advertising on a streetcar  
Buenos Aires, Argentina  
1922



BACKGROUND

## Oil discovered in Hamburg

On April 1, 1925, the daily newspaper Berliner Illustrierte reported a sensational story: during underground construction work on a building site, workers had struck oil – peppermint oil, to be precise. This find was “a godsend for Beiersdorf, as vast quantities of peppermint oil are needed for its Pebeco toothpaste.” In the following issue, this was revealed to be an April Fools’ joke by Pebeco’s advertising department.

## The umbrella brand concept

After the First World War, a legal dispute between Beiersdorf and former partner Lehn & Fink over the Pebeco trademark brought business to a standstill in the USA and, among other things, made it necessary to position the brand in different ways in different countries. In a number of countries outside Germany, NIVEA products were sold for several years under the Pebeco brand name. In many price lists in the relevant countries, the words “formerly known as NIVEA” were added to the names of the “new” Pebeco products. This product renaming affected the Netherlands, Scandinavia, Great Britain, and at least ten other European countries, causing the NIVEA brand to disappear between 1924 and 1927 to make way for



In many international price lists, the NIVEA range disappeared for a number of years to make way for Pebeco.

Pebeco. However, this plan was abandoned after a sharp upturn in the sale of NIVEA products following the blue-and-white relaunch masterminded by Beiersdorf advertising director Juan Gregorio Clausen in 1925. The precise reasons for the short-lived change of name are unclear. However, as Pebeco’s star was already waning at this point, it made tactical sense for Executive Board Chairman Willy Jacobsohn to try to reach an agreement with former partner Lehn & Fink.

## The end of the brand

From 1928, Pebeco sales fell by almost ten percent year on year. Since the end of the First World War, the raw materials used in the toothpaste had been largely substandard, leading consumers to look elsewhere and to try new products, particularly ones with a less “medical” taste than Pebeco.

After 1930, advertising for Pebeco ground to a halt, while the arrival of NIVEA toothpaste – ironically, direct market competition from the same company – in 1933 was accompanied by a massive advertising campaign. NIVEA products had enjoyed resounding success since the brand’s relaunch in the mid-1920s, which resulted in a “brand shift” within the company.

Pebeco – the brand that had launched the “Cosmetics Products” department at Beiersdorf and established itself as a genuine global brand – died a slow death and was finally laid to rest after the Second World War. It marked the end of an era. <<

In 1925, Beiersdorf invited US chemists to Hamburg in order to promote the sale of Pebeco and other products in the USA.





# Pebeco photo competition

*Beiersdorf's "inflatable tube" was used in the 1920s for photo contests in German seaside resorts. The best shots can still be found in our archive.*



Hamburg  
1926



Usedom (Baltic island)  
1928



Ahlbeck (spa resort)  
1928



Niendorf (Baltic spa resort)  
1926



Rügen (Baltic island)  
1926



Niendorf (Baltic spa resort)  
1928

**Ferien-Wettbewerb II.**

„Die Verlobung auf der Pebecco-(Nivea-)TUBE“ lautet der Titel des zweiten Bildes, welches als Photographie oder Zeichnung das belustigende Spiel der Badenden mit unseren in den Ostseebädern ausgetragten Schwimmtuben veranschaulichen soll.

Die Einsendungen müssen auf dem äußeren Umschlag mit dem Vermerk: „betrifft Wettbewerb II“ gezeichnet sein und uns bis zum 8. August vorliegen, zusammen mit einer Bescheinigung des Photographen oder Zeichners, daß wir im Falle einer Preisverteilung das Reproduktionsrecht des Bildes erwerben. Auch muß eine Erklärung des Einsenders beigefügt werden, daß die abgebildeten Personen, soweit sie deutlich erkennbar sind, gegen die Veröffentlichung des Bildes nichts einzuwenden haben. Die Zahl der Einsendungen von Photographien oder Zeichnungen ist für den einzelnen Bewerber unbegrenzt.

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Den Photographien oder Zeichnungen, die bei Nichtankunft zurückgefunden werden sollen, muß ein adressierter Umschlag beigefügt werden.

Unsere Aufgabe für das dritte Bild finden Sie in dem nächsten Heft.

Nun: „Pflügt die Zähne mit Pebecco, nehmt Nivea für die Haut!“ und schickt uns ein recht schönes Bild.

D. Beiersdorf & Co. A.-G., Hamburg 30

6 Nivea-Tübeln auf der Pebecco-Tube

Diet. Otto Eisenstein, Ostsee

In the summer of 1926, Beiersdorf placed newspaper ads like this one, asking readers to send in photos featuring the Pebecco "inflatable tube". The best photos were awarded a prize of 300 German marks.

# Too big to fail?

*Pebeco's demise demonstrates that a brand's strength alone cannot sustain it forever. Poor business decisions, changes in the fabric of society, but also failure to maintain the brand core can soon have disastrous results.*

*Here are three prominent examples illustrating that not even time-honored brands can claim to be "too big to fail."*



## Pan Am (1927–1991)

For over six decades, Pan Am was a byword for progress and innovation in the aviation industry. It was the first airline to offer transpacific flights in 1935. However, innovation alone is not enough: Pan Am never had the solid domestic route network that it needed to fill its long-haul flights at the major hubs. This misguided strategy was a major factor in the aviation icon's ultimate insolvency.



## Commodore (1954–1994)

Commodore was a legend all over the world and the market leader in home computers in the 1980s. Because the company failed to further develop its C64 and Amiga 500 models, it was unable to keep pace with the increasingly rapid development of IBM-compatible PCs from the 1990s onwards. And so, having attained the heights of a cult company, Commodore ended up as nothing more than a label being passed from one investor to the next.



**PONTIAC**

## Pontiac (1899–2010)

Pontiac became a legend with its extravagant sports cars such as the GTO or Firebird. The latter even achieved small-screen fame with the series "Knight Rider." As far back as the 1970s, stricter emission regulations and the oil crisis caused sales for the sporty brand to decline. It also lost its unique character when the General Motors Group undertook rationalization measures and standardized its range of models (including GMC and Chevrolet) to a great extent.

## IMPRINT

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