# The Victorinox® Blade

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Official Newsletter of the Victorinox<sup>®</sup> Swiss Army™ Knife Collectors Society

## The Victorinox Story Continues:

Everyone who reads the papers is well aware of the Swiss peoples' fiercely protected neutrality.

Recently however, part of that independence has come into the hands of an American company.

Victorinox® does business
through distributors in about 100
different countries. One of these,
now known as Swiss Army™
Brands, Inc., is here in America.
Recently known as the Forschner
Group, Inc., they are the exclusive
marketer of Victorinox® products
in America.

In 1987, they sold more than 4 million of the handy pocket tools alone. "It's a good business," were the words of then president James W. Kennedy. Of this number, the Classic model accounted for about 500,000 sale units. At the time, there were more than 60 different models available. In 1987 the United States accounted for about 35 percent of the factory knife

output. In spite of more than doubling in price over the next two years, due to a decline in the value of the dollar, sales continued to climb.

The R.H. Forschner Co. had started in 1855 as a manufacturer of butcher scales in New Britain, Connecticut. During the 1880's, they moved to New York City, where they remained until 1976. They then moved to Shelton, Connecticut, where they employed 80 people at a headquarters and a warehouse, where they also did some assembly and repairs.

Kennedy, who started with the company in sales in 1975, was named president and chief operating officer in June 1987. He was given the title of chief executive officer in March of 1988, when the then chairman left Forschner.

After World War I the company had started importing knives from Germany. Because they were



selling scales to the meat-packing industry, they therefore could assume that the same people would be buying knives.

With the start of World War II, the German source was lost, and nothing was available from them. When the war ended, because Germany had been devastated, the founder's grandson went over to Switzerland to visit Victorinox. He had heard that they made a very good quality butcher knife, and a deal was made to start importing them.

The same Swiss factory also made the Swiss Army™knife, and of its commercial production, supplied nearly 90 percent to the United States.

Back in 1957, the founding family had sold R.H. Forschner to a businessman who then expanded the butcher knife segment and phased out the scale business. In 1974, the business had been sold again, this time to Marline Resources Co. Inc. The business had been purchased for the butcher knife segment, and sitting in a

corner was a little Swiss Army™ knife. A research study conducted by the company concluded that there might be a great opportunity here, and a plan was formed. However, it took until after 1974, with the sales of 180,000 knives in the United States, for the company to begin to actively reach out to the consumers. This resulted in the introduction of sealed display cases, now used by over 20,000 knife retailers to show off the knives. They can't be opened, meaning that the retailers have to purchase the knives, but it also insures that the customers can see the product firsthand.

In 1988, a study was conducted that showed that the typical customer was a man, between the ages of 21 and 35, living in the Northeast or Northwest, with the weakest sales being in the Southeast. (I would be interested to see what the same study would show today.)

Americans got their first major exposure to the knives during World War II, from GIs stationed in Europe. They gave them the



name "Swiss Army™knives" because everyone in the Swiss Army carried one. They were required to do so as an item of equipment issue, and became to them, a memento that gave them a sense of pride, and at the same time, thanks when their service was over.

So why then was this agreement made? Signed about three years ago, the deal is meant to protect the trademark and quality standard of Swiss-made goods and clamp down on unauthorized products with military sounding names, to control the in-flux of cheap imitations. Officials say that the rights were licensed to an American company because of commercial reality. Millions of dollars have been spent building up-world markets and it was felt that a U.S. company would have the most clout in fighting piracy and cutprice look-alikes. It appears to be the best possible solution to a problem that had been growing for 40 years.

Meanwhile, many of the Swiss people are finding the agreement

hard to believe. Some Swiss industrialists feel that the deal should have been offered to them and not an American company. Using words such as "crazy, totally perverse, a joke, and shocking" they feel that it is a big mistake. Few people in Switzerland seem to be aware that a company on the other side of the Atlantic is entitled to virtually exclusive use of the Swiss Army™name. When told, most are incredulous.

The contract reportedly will earn \$6,000 to \$12,000 per month on royalties, depending on sales. In 1998, Swiss Army™Brands had profits of \$1.5 million on revenues of \$128 million.

Meanwhile, the knife that is the subject of the controversy, a knife that is a virtual household name, is not selling to the Swiss army.

The Defense Ministry, which issues a knife to every single recruit, has not ordered a single one for two years because of high stocks and because of cutbacks in the number of men under arms.

# COLLECTOR'S BITS & PIECES

- 15.) The tweezer on some models had metal ends
- 16.) Pocket knives are made most commonly in 58, 74, 84, 91, 108, & 111 mm lengths (closed), but there are some odd sizes
- 17.) Officer models come in two sizes 84 and 91 mm
- 18.) Motorist, Grand Prix, and Aut omobile models have either old car or St. Christopher inlay in handle
- 19.) A tent and the word CAMP-ING may be inlaid or stamped on the handle of the Camper, Picnicker, Ranger, and old model Rucksack
- 20.) Some knives marked "OFF-ICIER SUISSE" on the main blade have no Victorinox\*stamp on the other side

  To be continued-----

#### FROM THE PREZ

WOW! As I was putting this news letter together, I realized we are starting our second year. GREAT!

And things are happening. We now have an established LOGO, and it is available for t-shirts and hats. You will be receiving an order blank with information in a couple of weeks, along with details of the club knife. It is being finished as you read this, and will be really special. Charles Elsener III, the company president, gets credit for the design, which will be on a model Compact (similar in size to the Climber), and in its' own tin gift box. Only 100 will be made, so save your mad money. It will be worth it, I guarantee it.

The website is also very near completion. Some of you computer "cruisers" may have run across our mention on a few random sites.

These are not the official site, just someone doing us an unsolicited favor, and will show to be only



temporary. However, we'll take all the advertising we can get, especially when it's free. I will let you know when it is official and where to find us.

Last thing for now, and then I must go and celebrate our 1st birthday. I would entertain articles written by members, for the good of the club, to be used in future newsletters. I will reserve the right to edit them for size and content, but if they are of interest to the club members, I see no problems. How about it, do you have anything you'd like to share? Let us hear from you. I'm sure we can all gain from each other if we're willing to share. Let's give it a try.

#### WORDS OF WISDOM

Winston Churchhill once said that nothing in life is so exhilarating as to be shot at without result. (Does this go with being a politician?)

Do not do unto others as you would that they should do unto

you. Their tastes may not be the same as yours.

Criticism is one thing most of us would rather give than receive.

We could all take a lesson from the weather. It pays no attention to criticism.

#### CLASSIFIED

Estate sale - 1970/1980 Victorinox stock from a store that never opened. Price sheets or or picture catalog. \$5 to: G. Kettles, P.O. Box 1 301, Bancroft, Ontario, Canada KOL 1CO (613) 332-5864 egailk@northcom.net

Buying, selling, trading all brands of kitchen, hunting and pocket knives - Doug Dillman, Freeport Knife Co., 148 Main St., Freeport, ME 04032

Want to buy - Victorinox literature catalogs, price sheets, etc., for archive. Dan Jacquart, P.O. Box 145, Cochrane, WI 54622

### **IMPLEMENTS**









