Starbucks = $50, Water and the Environment = ?
January 6, 2010

As we welcome the New Year, let's review some of the fundamentals of branding. Often, utility managers ask why branding is important considering that utilities are monopolies and typically have no direct competitors. However, to properly serve their communities, utility managers and policy makers need to propose and approve rates that fully fund a sustainable water environment. Sustainable means <u>always</u> having enough water for healthy communities and a healthy environment. Often, the discussion about rates includes angst-ridden and politically-charged discourse over raising rates by $3, $5, or $10 per month.

Let's put this into perspective. Over the last 10 years, Starbucks coffee houses have captured $50 to $75 per month of expendable income from many consumers. Other examples include cell phones, the Internet, computers, dining out, and ever more sophisticated home entertainment systems. Combined together, these "necessities" <u>easily</u> add up to $300 to $400 or more per month. Why make this point? It is not to suggest that people should give up their Internet service to pay higher water and wastewater bills. However, it does remind us that water professionals should not be apologetic about advocating for appropriate investment in water and the environment. It also highlights the fact that strong brands capture people's attention and money, and arguably change our culture. Implementing branding principles gives utility managers the tools to change the culture of water investment decisions.

Do Starbucks, the Internet, and other strong brands change the world? Absolutely! We can begin changing the water investment world by implementing utility branding in 2010.

Questions and Comments - Feel free to ask questions or to comment on this email. Questions and comments will be compiled and responded to with a follow-up call or email. Please reply to this message or email us at news@utilitybranding.net.

About the Network - The Utility Branding Network for water and wastewater agencies is committed to helping utilities better understand branding principles and to help them build a strong brand with their communities. A strong brand increases trust, support, and investment.

If you are not yet a member of the Network, or just want more information, please contact John Ruetten at john@utilitybranding.net or Jeff Mosher at jeff@utilitybranding.net.

The Network is administered by the National Water Research Institute (NWRI).

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