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## The Decline of the American Match Industry

The American match industry is still with us, of course, but it's a mere shadow of what it was at its peak. Once, it was dominated by titans—Match Corp., Maryland, Monarch, Superior, Lion, Ohio, and, overshadowing them all, Universal...Now, all gone. Today, the domestic industry is reduced to two basic entities, Diamond and D.D. Bean.

What happened? Well, first, there was the infighting, inter-industry competition, buyouts, and mergers—Monarch merged with Superior in 1966, and Maryland relocated to Canada in 1980 before disappearing completely, for example. Atlantis was acquired by Atlas; Atlas was acquired by D.D. Bean; and so on.

But the real disaster came in a three-pronged attack, starting in the 1960s—the appearance of the disposable lighter, anti-smoking campaigns, and foreign competition.

The disposable lighter was invented in 1961 by Feudor, a French company. It was eventually bought out by Gillette and marketed as “Cricket”. Bic introduced its own brand in 1973, and it quickly became the most popular...and the match market took a hit.

The anti-smoking campaigns were by far the most devastating to the American match industry. Matchboxes, and certainly matchbooks, had always been associated with smoking, ironically demonstrated by your favorite movie stars up to the 1980s. Very swiftly, smoking virtually disappeared from any indoor spaces, except homes. Hence, most businesses stopped offering matches. And, the match industry took an even bigger hit. Illogically, those businesses have failed to appreciate the real use of matches...advertising!

But, while companies were being swallowed up by bigger companies, and customers were significantly declining in numbers, there was yet another, more insidious, predator on the scene—foreign competition, mainly from Japan and Sweden. Japan, through domestic outlets such as Pageant and Admatch, has been making inroads into the U.S. market for decades. Swedish Match, the global giant, has only more recently focused on prospective American dollars. It's the disparity in wages between American and foreign workers that is the killer, though. While D.D. Bean assemblers earn a reported \$12.45 a hour, for example, foreign counterparts earn a mere fraction of that amount. It's that way in almost all business enterprises, of course. The result is that the end cost of the American product is invariably more expensive than the corresponding foreign product. Thus, the American match industry takes yet another hit.

