

## J. Michael Locke

### Musings

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#### #167: Musing February 26, 2022

Sorry for the delayed distribution. Not a lot of stuff this week.

Can the US still effectively compete and innovate post-Covid in the same way it did before? I am worried that our society is simply getting “soft” and there is a diminishing drive and work ethic. One study reported that 54% of Americans are currently re-examining their life priorities and only 17% of adults now cite their job or career as a source of meaning (WSJ). There is a reason we, as a country, have had more economic success than France or Greece and thus have the dollar as the world’s reserve currency. We don’t want to lose that. For too many individuals, work does not have any “meaning” beyond a paycheck. Employers need to fix that and create environments where people are actively engaged, develop deep relationships, feel appreciated and learn and grow. If not, we will continue to see high levels of resignation and growing distaste for work. Good NYT article (thanks Jon Locke) [anti-ambition-age](#)

Speaking of the dollar as the world’s currency, we are seeing the power of that with the situation in Ukraine. Many of the sanctions deployed by US revolve around the financial ecosystem and the fact that much of it flows through U.S. banks and leverages the dollar. This also highlights a risk of the cryptocurrency movement. If the world moves to Bitcoin et al., we lose a powerful international affairs negotiation lever.

I agree with Macy’s decision to resist pressure from an activist hedge fund to break up and separate out its online business. IMO the integrated “omnichannel” approach where you leverage your physical stores in support of your online business is the model of the future. The stores can be smaller and have less inventory (more like showrooms) but they provide an opportunity provide service to customers including fulfillment of orders and returns. According to WSJ, *“roughly a quarter of Macy’s digital sales was fulfilled by stores in fiscal 2021.”*

There is an underreported downside to the Covid vaccine. The technology behind Pfizer and Moderna is called mRNA which triggers responses in the human immunity system. Real progress was being made using mRNA to help with fighting cancer. This work got delayed/halted as the scientists pivoted to creating a Covid vaccine. I am not saying this was wrong but it will be great to get the efforts fully ramped again to help those fighting cancer. (Thanks to Tom for teaching me this one.)

There are not many markets like the Ketchup market. Can you name another provider than Heinz? It has a 70% market share. Chalk it up to good marketing back in the day. There were not 57 varieties. That was simply a marketing technique created by H.J. Heinz. *“Visiting New York City in 1896, Heinz spotted an advertisement for “21 styles” of shoes. He found it memorable and thought attaching a number to his own brand would help it stick with consumers.”* [heinz-ketchup-57-varieties-history](#)

Many of you might have seen the “situation” that occurred in an NCAA basketball game last week where during the standard post-game shaking of hands, a fight erupted including the coach of Michigan. In the aftermath, some have suggested getting rid of the handshake custom. You have to love Michigan State’s coach Tom Izzo’s reaction to that idea: [izzo on handshake elimination](#)

jml