realize how much he's been overpaying. At that point, the customer may decide not to follow the rules. He may switch without giving you the chance to match. Or he may give you the chance to match and then switch even if you do. What will you do then? You can sue your customer, but that's generally a bad idea, and it certainly won't be good publicity when people discover what brought you to that point in the first place.

Another reason that your rule may be overturned is either that you lose power or that someone else gains power. Before Nintendo arrived on the scene, the rule in the toy business was that retailers placed their orders in January or February, received the product in the summer, and then waited until December to pay their bills. Nintendo changed the rule. It required retailers to place orders, take delivery, and pay in quick succession. Nintendo was able to rewrite the rules because, as we saw in the Added Values chapter, it had the added value.

In 1994 Maurice Saatchi was ousted from the chairmanship of Saatchi & Saatchi, the advertising agency he had cofounded with his brother. Saatchi's response was to establish his own new agency, M&C Saatchi. He brought with him several of the people at Saatchi & Saatchi who'd worked on the British Airways account. British Airways had to decide whether it wanted to stick with the old Saatchi agency—now called Cordiant—or follow Saatchi to his new firm.

Cordiant found itself facing a new competitor and, worse still, had lost some of its best people to that new competitor. But Cordiant had a rule that gave it some protection, so it seemed. Because the people that Saatchi took with him had had a noncompete clause in their employment contracts, they couldn't do anything that would take the British Airways business away from Cordiant.

So when Maurice Saatchi pitched the British Airways account, he couldn't use any of these people. Instead, he sat life-sized color cutouts of his excluded colleagues around the table. Saatchi then told British Airways that to do the best work possible, he'd need these people on the account. He suggested that British Airways go back to Cordiant and pressure it to drop the noncompete clause.

Cordiant was put in a no-win position. Saying no wouldn't exactly please British Airways. And remember, British Airways was Cordiant's customer—a jumbo-sized one, at that. Turning down a

customer's request is hardly a recipe for keeping the customer's business, but saying yes would make the new Saatchi agency a more formidable contender for the account. Either way, the British Airways account would be put at greater risk.

In this game, British Airways had the real power. Saatchi leveraged the power of British Airways and succeeded in changing the rules. He got his people freed to work on the British Airways account. And he got the account, too.

Even when a rule seems firmly established, you always need to remember it might get renegotiated. If you can't control a rule, it's risky to base your strategy on it.

In the marketplace, it's the party with the power who gets to make the rules. A straight flush is almost unbeatable in poker. But, as they said in the Old West: "A Smith & Wesson beats a straight flush."