

Playboy's frayed image is rebuilt

Christie Hefner revives enterprise her father started

By PAUL FARHI
The Washington Post

CHICAGO — Hugh Hefner was on the blower from the mansion in L.A., talking up his all-time favorite Playboy girl.

"I have a million reasons to be proud of her, a million," said Hef emphatically. "We have a wonderful partnership. Our views and values are just about identical." Pause. "You know," he added, significantly, "she was there when I needed her."

Hef gets all mushy when he's talking about his daughter, Christie. Hef — never Hugh, never Hefner, just Hef — can rattle off Christie's academic honors as if she'd won them last week, instead of 22 years ago.

"She's been an overachiever since kindergarten on," he gushed.

There is perhaps more than the usual paternal pride at work here. Christie Hefner, 44, has effectively remade her father's business and life's work, Playboy Enterprises Inc.

SINCE becoming chief executive of the house that Hef built nine years ago, the younger Hefner has stuck to Dad's original vision of blondes, breasts and bunnies. But at a time when the magazine was beginning to

seem about as hip as Hef's old Nehru jackets and love beads, Christie Hefner has pushed Playboy's brand of sunny sexuality into new realms, such as satellite TV and the Internet, and into markets abroad where the rabbit-head logo still bespeaks good old American decadence.

The result is that while Playboy magazine itself is a pokey middle ager — monthly circulation has fallen to less than half its 7 million-copy peak of the late 1970s — its parent company is starting to stir again. Last week, Playboy Enterprises is expected to report that its profit for the fiscal year just ended doubled to around \$8.3 million on revenue that is twice what it was at the start of the decade. That would make fiscal 1997 the best since Christie took over.

"We want to be the adult Disney," said Hef the younger, "and we're moving in the right direction."

It's taken a good 10 years for Christie Ann Hefner to be able to say that.

The legend of Playboy's founding is perhaps better known than the mid-life crisis that beset it a decade ago, just as Christie was ascending to the CEO's suite. Way back in 1953, after Hef was denied a \$5-per-week raise at Esquire magazine's promotions department, he borrowed \$600 from his mother and others and started his own men's magazine.

PLAYBOY'S then-daring mix of journalism, big-name fiction and glossy female nudity made it a near-instant success. By 1960, Hef was opening Playboy Clubs across the

CHRISTIE ANN HEFNER

Title: Chairman, chief executive officer, Playboy Enterprises Inc.

Age: 44

Career: Writer, Boston Phoenix newspaper, 1975; Joined Playboy, 1975; elected to board of directors, 1979; named president, 1982; named chairman and chief executive, 1988.

Education: Graduate, Brandeis University (English and American literature majors), 1974.

Personal: Married to William Marovitz, Chicago restaurant and real estate developer.

country featuring scantily clad hostesses called Bunnies.

Yet by 1982, the year Hef named Christie, then 29, company president, Playboy was a sprawling mess. The company had expanded into hotels, casinos, restaurants, movie and record production and book clubs. The rabbit logo had been exploited to the hilt, slapped on everything from beach towels to air fresheners. The magazine and casinos were profitable, but not much else was.

Hef admits that he didn't have much interest in actually running the businesses. "The day-by-day details

have never lit my fire," he said. "I have always been intrigued by the entrepreneurial and creative end of it."

The company lurched from crisis to crisis during the early and mid-1980s. In 1981, government officials in London and Atlantic City alleged a variety of regulatory breaches and began challenging Playboy's casino licenses, its most profitable assets.

What's more, in 1985 Hef suffered a mild stroke, leaving the business entirely in the hands of his unseasoned daughter and a revolving group of hired guns.

CHRISTIE'S efforts to right the sinking ship led to some painful decisions. Rather than contest what she calls "unwinnable" political fights, Playboy sold off its casino holdings between 1982 and 1984. She also consolidated divisions, cut overhead and sold or closed unprofitable ventures, including the nightclubs.

"The clubs made a lot of money for years," Christie said. "They were great image builders for us. When you think about it, they were the original theme restaurants."

"The world changed on us," Christie said. "In a world where there were singles bars in every city, women weren't going to go out and hang out in a Playboy Club."

With her famous name and sharp-tailored business suits, the younger Hefner is a dashing figure. Articulate and confident, she speaks rapidly and a notch or two above normal conversational level. Her lineage and position make her a frequent orator on



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"We want to be the adult Disney, and we're moving in the right direction," said Playboy founder Hugh Hefner's daughter, Christie.

topics such as freedom of expression and women's rights.

To rebuild Playboy's frayed image, she has moved cautiously. She has pared the company to four lines: magazine publishing, entertainment (essentially video and TV operations), product marketing (through licensing deals) and catalog sales. Just as important, she canceled many deals that

contributed to polluting company's image in the 1970s and 1980s.

"What you don't do is as important as what you do," she said. "We have had to find places where it made sense to have our mark on something and not just put it on everything. . . . A Playboy cigar is a great idea, but a Playboy air freshener is a stupid idea."