

Polluting the river

Introduction

1. You are the managing director of a factory. You discover that your manufacturing process pollutes the environment. Do you:
 - a) try to hide the facts?
 - b) do everything you can to stop the pollution?
 - c) prepare an emergency plan for when the news leaks out?
 - d) invite the press to visit your 'environment-friendly' factory?
2. The news of the pollution gets out and is published in the press. Do you:
 - a) deny the facts?
 - b) admit everything?
 - c) cover up?
 - d) explain that it can't be helped?
3. The local authorities say you will be prosecuted if the pollution is not stopped immediately. Do you:
 - a) ask for money from them to cover the cost of changing the production process?
 - b) threaten to close the factory?
 - c) pretend to accept their orders and do nothing?
 - d) move to another area?
4. You agree to stop polluting, but this will add 50% to production costs. Do you:
 - a) ask the unions for permission to cut wages by 50%?
 - b) sack half the workforce?
 - c) increase prices by 50%?
 - d) save money by using cheaper parts?
5. You are fined for pollution. Do you:
 - a) pay the fine and carry on polluting?
 - b) refuse to pay because the firm will go bankrupt if you do?
 - c) appeal?
 - d) make a generous donation to the local ecology party?
6. You are sacked by the parent company because of the pollution scandal. Do you:
 - a) publish proof that the president knew all about the pollution before you did?
 - b) retire and write your memoirs?
 - c) apply for a job with the firm's main competitor?
 - d) do a university course in environmental studies?

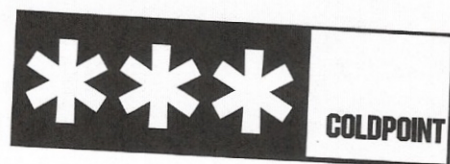


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Situation

Your company, Coldpoint, makes refrigerators at a factory in Bismarck, the capital city of North Dakota, USA. It is the subsidiary of a Canadian firm whose headquarters are in Hamilton, Ontario. The head office of this US subsidiary is at a modern factory in Milwaukee, Wisconsin, where the company's freezers are made. The Canadian parent firm is the market leader in North America, and your company is the number one on the US market, selling up-market refrigerators and freezers. All your products sell under the brand name 'Coldpoint', which is very well-known and has an excellent image.

The Bismarck factory was built some 33 years ago, and employs 600 of the 48,000 people living in the town. This makes it the second largest employer in the town, and a major contributor to the local economy, not least because North Dakota is sparsely populated and Bismarck is over 150 kilometres away from any other large town. Coldpoint is regarded as a reasonable employer; pay, working conditions and job security there are good.



It is common knowledge in the factory that chemical waste from the manufacturing process drains into the stream which flows through the factory site and on into the Missouri River. This has been happening for as long as the factory has been there. The pollution it causes is low-level, but the damaging effects on the stream and its animal and plant life seem to have got worse as production has increased. No complaints have been made about this, but a journalist from a local paper has now asked to visit the factory as part of a report that they are preparing on pollution in the area.

The Canadian parent company doesn't know about this problem at all, and the US managers have been very careful to keep the information from it. Fortunately for the subsidiary, Canadian policy is not to interfere with US affairs, provided business is good, but the company is very sensitive about problems of pollution.

You are meeting today to decide if your company should do anything about the pollution.

You must decide with your colleagues:

- how serious the problem is
- what, if any, action should be taken

Location of Coldpoint factory and surrounding area

