



case 1-429-098 July 25, 2010

Coke in the Cross Hairs: Water, India, and the University of Michigan

Introduction: One Story, Four Perspectives -

In mid-April 2006, University of Michigan CFO Timothy Slottow walked across the central campus Diag, the historic, grassy student life nerve center surrounded by many of the university's largest departments, where "Killer Coke" banners had hung days before. Students were holed away studying for finals, the demonstrations were over and Coke was once again flowing from machines at the Michigan Union. That morning, Slottow's office had announced that the Coca-Cola Company had agreed to an independent inquiry into its manufacturing processes in India by The Energy and Research Institute (TERI). The resulting report would be released without prior review from Coke.

Amit Srivastava shook his head as he read Michigan's announcement from the screen of the single laptop that was the India Resource Center and hub of his multinational anti-Coke protests. It was now a matter of waiting to see if the inquiry would uncover evidence of the kind of deplorable practices against which he had rallied college students across the United States and Europe. He could feel the headline of his next press release coming to his fingertips: "University of Michigan Reinstates Coca-Cola Contract Prematurely, Allows Coca-Cola Funded Group to Design Investigation." For now, however, Coke plants across India continued to produce cola made from millions of liters of precious groundwater. The plants of local soft drink producers forced out by Coke remained silent and empty.

Amy Landau, leader of Students Organizing for Labor and Economic Equality (SOLE) at the University of Michigan, read the announcement of the independent inquiry with mixed emotions. True, SOLE had brought to light what it believed to be unjust corporate practices with the help of public student rallies, media coverage, and university administrative proceedings, but Coke was back on campus – if only until the results of the inquiry were in. Despite all efforts, Landau felt a sense of failure.

Coca-Cola executive Jeff Seabright was a nervous man. After acting as the corporate lead in the efforts to debunk multiple anti-Coke campaigns and liaison to the University of Michigan throughout the past tense months of negotiations, he now had to sit back and wait. A team of TERI investigators would be beginning work in India shortly to look into alleged ecological harm done by Coke's local independent bottler in the Kerala region. Seabright had put himself and his future at Coke on the line with the decision to agree to the inquiry, and especially to the no-review terms of its results' release. He was depending on the accurate

Published by WDI Publishing, a division of the William Davidson Institute (WDI) at the University of Michigan.

©2010, Andrew J. Hoffman and Sarah Howie. This case was written by Sarah Howie and Grace Augustine under the supervision of Professor Andrew J. Hoffman, as the basis for class discussion rather than to illuminate effective or ineffective handling of an administrative situation.