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Procter & Gamble's PUR Purifier of Water: How Global Corporate Philanthropy Builds Shareholder Value

When are you going to change this Children's Safe Drinking Water program and make money for your company? Surely Procter & Gamble wants you to profit on the water purification technology—you can't sustain your program as a non-profit!

Greg Allgood sighed internally at this question, as it seemed to surface frequently despite the continued and rapid growth of the Children's Safe Drinking Water (CSDW) program at Procter & Gamble (P&G). Allgood, director of the CSDW program, was not actually frustrated with the query, as he had an easy answer ready. Rather, he wished that people could more easily see how his team's non-profit work was adding greater value to the \$80-billion company than a for-profit sales model ever could. P&G was a data-driven company, and after 24 years as a "Proctoid," Allgood knew this better than anyone. He had significant qualitative and some quantitative information to support the idea that, in some cases, a non-profit business model could do much more for the bottom line than could a for-profit model. However, he knew that he needed to do even more to clarify this point for others. As he took a moment to think back on the year's highlights, he wondered again how to show others more data on this counter-intuitive idea. Before he addressed the question of why P&G administers the CSDW program as a philanthropic effort and does not plan to make a profit by selling the essential product at a price above a break-even level, he reflected back on the day he knew that the sachet of PUR water purification powder would save lives and was worth fighting for within the company. He also reflected on where supporting the product had taken him over the last few years.

Background on Procter & Gamble

Established in 1837, the Procter & Gamble Company began as a small, family-operated soap and candle company in Cincinnati, Ohio. By 2011, P&G marketed over 300 brands including Tide, Always, Crest, Braun, Charmin, Duracell, Folgers, Gillette, Pampers, Pringles, Downy, and Wella. With over 135,000 employees in over 80 countries worldwide, P&G was the world's largest consumer products company, with over \$80 billion in sales.

P&G had a strong history of philanthropy, understandable in a company with a mission to "improve the lives of the world's consumers now and for generations to come." The Corporate Sustainable Development (CSD) department was formed in July 1999 as a global organization under the leadership of George D.



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