



### CASE 8.3

## Speaking Out about Malt

**WHEN MARY DAVIS, ASSOCIATE VICE PRESIDENT** for plant management at Whitewater Brewing Company, wrote an article for a large metropolitan newspaper in her state, she hadn't realized where it would lead. At first she was thrilled to see her words published. Then she was just worried about keeping her job.

It all started when her husband, Bob, who was working on his MBA, talked her into taking an evening class with him. She did and, to her surprise, really got into the course, spending most of her weekends that semester working on her term project—a study of wine and beer marketing. Among other things her essay discussed those respectable wine companies like E. & J. Gallo (the nation's largest) that market cheap, fortified wines such as Thunderbird and Night Train Express. With an alcohol content 50 percent greater and a price far less than regular wine, these screw-top wines are seldom advertised and rarely seen outside poor neighborhoods, but they represent a multimillion dollar industry. Skid-row winos are their major consumers, a fact that evidently embarrasses Gallo, because it doesn't even put its company name on the label.<sup>86</sup>

Mary's essay went on to raise some moral questions about the marketing of malt liquor, a beer brewed with sugar for an extra punch of alcohol. It has been around for about forty years; what is relatively new is the larger size of the container. A few years ago, the industry introduced malt liquor in 40-ounce bottles that sell for about three dollars. Packing an alcohol content roughly equivalent to six 12-ounce beers or five cocktails, 40s quickly became the favorite high of many inner-city teenagers. Ads for competing brands stress potency—"It's got more" or "The Real Power"—and often use gang slang. Get "your girl in the mood quicker and get your jimmy thicker," raps Ice Cube in a commercial for St. Ides

malt liquor. Like baggy pants and baseball caps turned backward, 40s soon moved from the inner city to the suburbs. Teenage drinkers like the quick drunk, and this worries drug counselors. They call 40s "liquid crack" and "date rape brew."<sup>87</sup>

Mary's instructor liked her article and encouraged her to rewrite it for the newspaper. The problem was that Whitewater also brews a malt liquor, called Rafter, which it had recently started offering in a 40-ounce bottle. True, Mary's article mentioned Whitewater's brand only in passing, but top management was distressed by her criticisms of the whole industry, which, they thought, damaged its image and increased the likelihood of further state and federal regulation. The board of directors thought Mary had acted irresponsibly, and Ralph Jenkins, the CEO, had written her a memo on the board's behalf instructing her not to comment publicly about malt liquor without first clearing her remarks with him. Mary was hurt and angry.

"I admit that the way the newspaper edited my essay and played up the malt liquor aspect made it more sensationalistic," Mary explained to her colleague Susan Watts, "but everything I said was true."

"I'm sure it was factual," replied Susan, "but the company thought the slant was negative. I mean, lots of ordinary people drink Rafter."

"I know that. Bob even drinks it sometimes. I don't know why they are so upset about my article. I barely mentioned Rafter. Anyway, it's not like Rafter is a big moneymaker. Most of our other beers outsell it."

"Well," continued Susan, "the company is really touchy about the whole issue. They think the product is under political attack these days and that you were disloyal."

“That’s not true,” Mary replied. “I’m no troublemaker, and I have always worked hard for Whitewater. But I do think they and the other companies are wrong to market malt liquor the way they do. It only makes a bad situation worse.”

The next day Mary met with Ralph Jenkins and told him that she felt Whitewater was “invading,” as she put it, her rights as a citizen. In fact, she had been invited to speak about wine and beer marketing at a local high school as part of its antidrug campaign. She intended to keep her speaking engagement and would not subject her remarks to company censorship.

Jenkins listened but didn’t say much, simply repeating what he had already written in his memo. But two days later Mary received what was, in effect, an ultimatum. She must either conform with his original order or submit her resignation.

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### DISCUSSION QUESTIONS

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1. Do you think Mary Davis acted irresponsibly or disloyally? Does Whitewater have a legitimate concern about her speaking out on this issue? Does the company have a right to abridge her freedom of expression?
2. Is your answer to question 1 affected by whether you agree or disagree with the views Mary Davis expressed?
3. Should there be any limits on an employee’s freedom of expression? If not, why not? If so, under what circumstances is a company justified in restricting an employee’s right to speak out?
4. The case presentation doesn’t specify whether the newspaper article identified Mary Davis as an employee of Whitewater. Is that a relevant issue? Does it matter what position in the company Mary Davis holds?
5. What do you think Mary Davis ought to do? What moral considerations should she weigh? Does she have conflicting obligations? If so, what are they?
6. Is the company right to be worried about what Mary Davis writes or says, or is the board of directors exaggerating the potential harm to Whitewater of her discussing these issues?
7. Assume a CEO like Ralph Jenkins is legitimately worried that an employee is making damaging statements about the company. How should the CEO handle the situation? Is discharge or some sort of discipline called for? Should the company adopt a formal policy regarding employee speech? If so, what policy would you recommend?



## CASE 8.4

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# Have Gun, Will Travel . . . to Work

**ORGANIZATIONAL THEORISTS AND EMPLOYEE** advocates frequently emphasize the importance, from both a moral and a practical point of view, of companies’ respecting the rights of their employees. Many employees spend long hours at work and remain tethered to the job by phone or computer even when they are off-site; not just their careers

but also their friendships, social identity, and emotional lives are tied up with their work. All the more reason, it seems, that companies should recognize and respect their moral, political, and legal rights. But enshrined in our Constitution is one right that frequently gets overlooked in discussions of the workplace: the right to bear arms.<sup>88</sup>