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# **LEARNING FROM MATTEL: SOCIAL RESPONSIBILITY AND PRODUCT SAFETY**

**Steve New and Dana Brown**

A white paper from the Oxford-Achilles  
Working Group on Corporate Social  
Responsibility



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**<http://www.sbs.ox.ac.uk/research/Corporate+Social+Responsibility/>**

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## INTRODUCTION

The phenomenon of product recalls is receiving increasing attention. Much of this work has taken a normative view of how organisations should manage (or preferably, avoid) the process associated with recalls, and there now exists a valuable body of best practice knowledge in this field. However, product recall events may also provide interesting insights into the corporate social responsibility. They provide an important rupture in business-as-usual which may reveal important features of supply chain systems and the way such systems are managed and represented. In particular, the reaction to product

recalls can open up the extent to which public discourse about supply chains can diverge from the operational reality, and reflect complex political agendas. This is of practical significance for organizations, as regulatory responses can have a substantial impact on how firms have to organize their supply chain operations. Our purpose here is to dissect one particular case, and illustrate how politics and economics frame an organisation's responsibilities.



## THE MATTEL STORY

In 2007, Mattel, one of the world's leading toy makers, suffered a

series of unprecedented product recall disasters in which millions of items had to be withdrawn from

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sale. The story is interesting not just as a first-order phenomenon of quality management, logistics and marketing, but also in terms of the way in which it became an important media event, and the focus of extensive public discourse. In particular, the story became swept up in a wider political and economic debate about, among other things: the reliance of western (and particularly, American) economies on Chinese manufacturing; the effect of globalization on consumer safety; the scope of corporate social responsibility; and, the nature of quality control itself. Tragically, the chain of events appears to have led to the suicide of one of the managers of one of the Chinese supplying companies.

The idea of allocating responsibility for a supply chain problem is not at all straight-forward. The Mattel case raises questions about culpability and complicity that defy simple analysis. It could be argued that the whole thrust of contemporary supply chain management is that the strict boundaries between organizations along the chain become blurred: trading partners become deeply interconnected and involved in each others' operations. Even the notion of supply 'chains' is problematic, as firms work in tangled and shifting networks, and indeed for many purposes it may make sense instead to consider meta-organizational units rather than the atomistic firms.

The structure of our paper is as follows. First we discuss the issue of toy safety, and raise some issues about the rhetoric of public safety. We then present a systematic analysis of the Mattel recall events and the public debate they engendered. We then proceed to a brief discussion of the public discourse and political

responses to the Mattel case, which illustrates some of the factors that shape perceptions of risk and responses to global supply chain management. We conclude with some thoughts on the way that the political, historical and cultural contexts have affected reactions and outcomes in the Mattel case thus far.



## TOY SAFETY

The issue of the toy safety is both emotive and technically and economically complex. Many studies have demonstrated the risks posed to children, but it is easy to overstate the risks, compared to other risks that children face from other hazards.

Although many of the concerns about toy safety are related to things which may be immediately obvious (for example, choking, impalement), the problems associated with lead paint in toys are in some ways more insidious.

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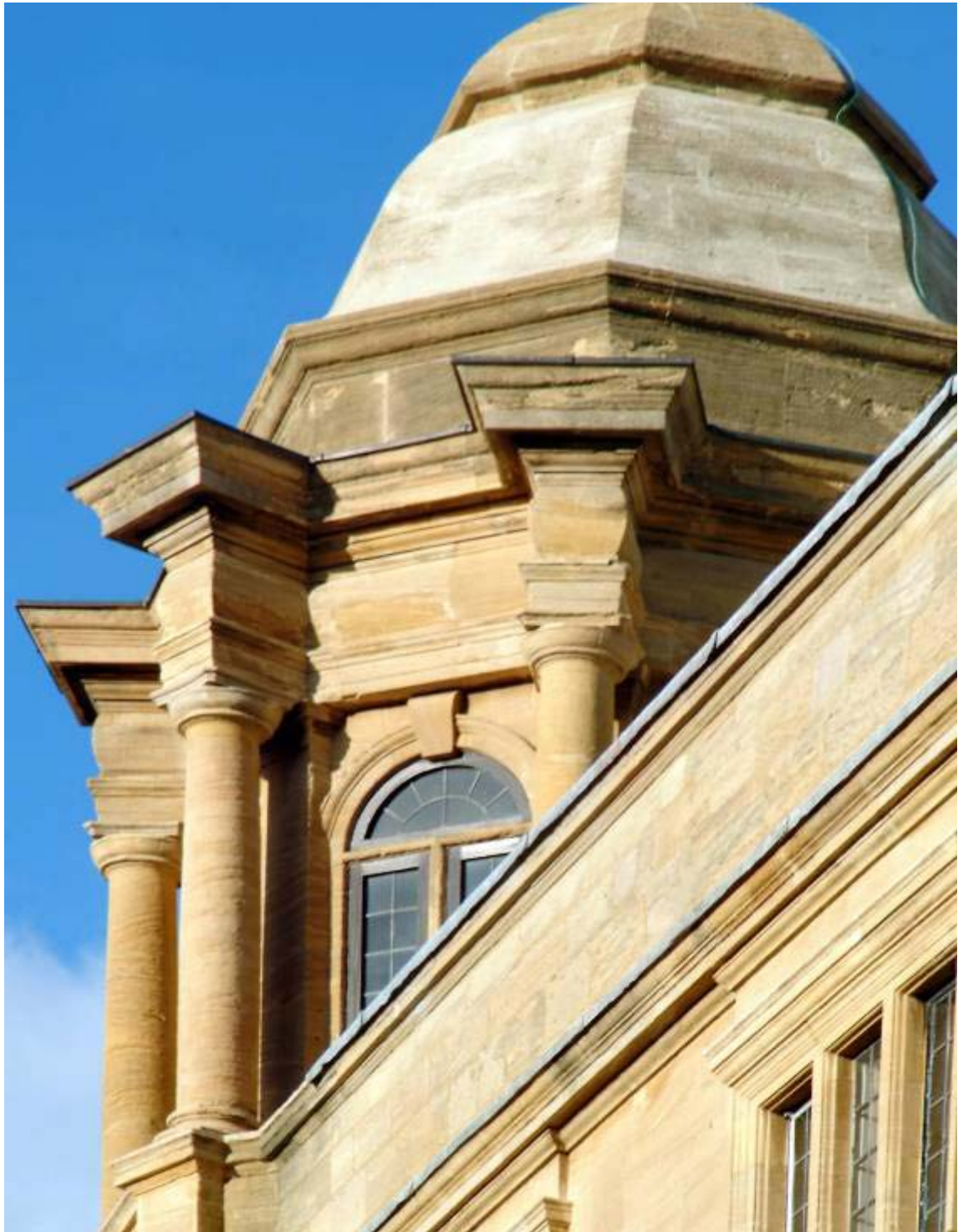
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The process of lead poisoning by repeated oral exposure to lead-contaminated surfaces (in the jargon, 'mouthing') may be initially symptom-less, although ultimately leading to serious physiological and neurological damage.



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**The Oxford-Achilles Working Group on Corporate Social Responsibility**  
The Said Business School, The University of Oxford  
OXFORD, UK  
OX1 1HP  
Queries: [hazel.fry@sbs.ox.ac.uk](mailto:hazel.fry@sbs.ox.ac.uk)