



Coca-Cola and the undisclosed funding of the Global Energy Balance Network (GEBN)

Ethics Audit

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0.0 | Executive Summary

This paper attempts to study, analyze and assess the overall ethical conduct of the Coca Cola company from the perspective of the recent crisis it faced due to its controversial conduct of obesity research and its approach to corporate advocacy.

In 2015, Coca Cola came under intense scrutiny after a story appeared in the New York Times that it secretly sponsored research by a group called the Global Energy Balance Network (GEBN) which had published research indicating that obesity is not caused by the fast food and soft drinks industry (O'Connor, 2015). The allegations were that Coca Cola paid the nonprofit organization millions of dollars to disseminate this information and confuse public discourse (Grodan, 2015). According to critics, this message was misleading and deceptive, and was part of a ploy by Coca Cola to use GEBN as a front group to convince the public that exercise could neutralize the negative effects of unhealthy diets (O'Connor, 2015). This was despite evidence to the contrary that the impact of exercise on body weight is negligible (Carroll, 2015).

We, therefore, studied and analyzed the steps the company took that resulted in so much criticism and controversy. We evaluated the company based on the quality of its response and the attempts it made to defend itself when the crisis broke based on its use of image restoration techniques (Benoit, 1997). We also took a look at the conduct of its research and advocacy through GEBN by applying the ethical baselines of responsible advocacy (Fitzpatrick, 2006) to assess its conduct.

To conclude our audit, we reviewed the company's mission statement and investigated how its self-defined corporate values or attitude to corporate social responsibility impacts on its conduct. We considered whether it lived up to PRSA's professional values in its conduct and response, and whether it truly considered its prima facie duties to its stakeholders which include consumers of its products, the media and the society. We did this by applying the principles advocated by Watley (2014) through the use of the modified Potter Box.

Our conclusion is that Coca Cola fell far too short in its overall ethical conduct and would have to act more ethically and more responsibly in the future in order to guarantee its financial, reputational and corporate survival.

1.0 | Overview of the organization

Coca Cola is the world's leading beverage company with more than 500 brands and offering about 3,600 different products around the world. It was founded and is headquartered in Atlanta, USA. With its brand portfolio valued at more than \$20 billion, it provides beverages to consumers in over 200 countries at the rate of 1.9 billion servings per day (The Coca Cola Company, 2016). In recent years, however, Coca-Cola and other soda giants like PepsiCo have experienced an ongoing decline in overall sales. From the 1960s through the 1990s, soda consumption was skyrocketing. But over the last 20 years, sales plummeted by more than 25 percent in the United States. Sales of bottled water are actually close to overtaking soda as the largest beverage category (Sanger-Katz, 2015).

This development might be pleasant from the health perspective of people in the United States in particular, but the threat for the brand is unquestionable. The online news outlet *Business Insider* already claimed that "if the company does not make a big strategic move soon, a massively mature market could be coming to an end" (O'Reilly, 2015, para 7). Besides product innovation to find new revenue streams, the company and the whole industry is involved in lobbying and other concerted actions to stop soda from being taxed (Sanger-Katz, 2015). Additionally, the company has been involved in the well-established strategy of funding of research studies that come up with results that are normally in favor of the sponsor.

2.0 | Overview of Coca Cola's communication efforts

About five communication efforts from Coca-Cola are important in its crisis communication during the obesity research crisis. Since the start of the crisis in August 2015 Coca-Cola company released numerous TV-spots and other marketing efforts which are not directly associated with the crisis and would have been released even without the crisis.

The first public reaction of Coca-Cola was an op-ed from the company's chief technical officer, Ed Hays. In a column published in *USA Today on August 16, 2015*, Hays tried to defend the company and its decisions (Hays, 2015).

The second public reaction, and the one with the most publicity, was an op-ed from Coca-Cola's CEO Muhtar Kent. Even though this second op-ed which was published on August 19, 2015 in the Wall

Street Journal did not include a direct excuse, it was much more of a confession than the first op-ed. This op-ed by Kent also included concrete steps the company wanted to take to resolve the issue and repair its wrong-doing. These promised steps were, amongst others, the order to Sandy Douglas, president of Coca-Cola North America, to disclose all research activities the company has funded in the past five years (Kent, 2015).

On September 22, 2015, Coca-Cola published this proposed statement on an exclusive domain on its website. On <http://transparency.coca-colacompany.com>, the company disclosed its efforts and also provided a list of all health professionals and scientific experts it is affiliated with. As a fourth reaction, one can consider the stepping down of Coca-Cola's chief science and health officer Rhona S. Applebaum in November 2015.

A few days after the step-down of Applebaum, the controversial group GEBN announced on its website that it is discontinuing operations due to resource limitations (Shankar, 2015). This step can be considered as a fifth and final action from Coca-Cola.

3.0 | Situation analysis

On August 9, 2015 the New York Times published an article in which Coca-Cola was accused for the first time that it secretly sponsored research by a group called the Global Energy Balance Network (GEBN) which had been publicizing research results to prove that obesity is not caused by the fast food and soft drinks industry (O'Connor, 2015). The allegations were that Coca Cola paid the nonprofit organization millions of dollars to disseminate at conferences and on social media, the controversial message that obesity is the consequence of inactivity and not due to the consumption of too many calories (Grodén, 2015).

After this first article, various news and media outlets picked up the story. The ensuing coverage mostly referenced the original article in the New York Times. The original article is the most detailed article about the issue, however, other outlets focused on different aspects of the original article, expanded the research and added more detail about smaller components.

One article in the Huffington Post UK highlighted the similarities of the case with the tobacco and oil industry. The article claims that Coca-Cola's "attempt to harness scientists in its support recalls the efforts of the tobacco industry. Big tobacco also funded scientists to become *merchants of doubt* about the dangers of smoking. Similar efforts have been made by fossil fuel industries in the battle over climate change" (Darzi, 2015, para 9). One article which was published in USA Today also highlighted these similarities to former scandals. It claimed that "[t]he beverage industry wouldn't be the first to use prominent scientists to cast doubt on research that is inconvenient ("Coke science isn't the real thing: Our view", 2015, para 9).

One article which was published on the online business analysis journal of the University Pennsylvania covered most of the original article, but also describes the issue from a more rational viewpoint. "I don't think we should be scandalized by the fact that Coke is giving money to obesity researchers. Consumers need to be savvy about this" (Riis & Glanz, 2015, para 12). The article explained that universities need to find financial support for its research but that disclosure is the key to making it credible or at least less questionable (Riis & Glanz, 2015).

The website, Medical News Today, covered the story with a more health oriented viewpoint. The article cites some researchers who clearly stated that the claims supported by Coca-Cola are not true and that "there is an overwhelming amount of scientific evidence that demonstrates that although sedentary behavior can lead to weight gain, a bad diet is the most influential factor in obesity" (McIntosh, 2015, para 18). Examining other news outlets like *The Guardian*, *Fortune*, *Slate*, and *Alternet.org* shows that the coverage is throughout negative and represents and repeats the view of the New York Times.

The coverage after the response of Coca-Cola's CEO Muhtar Kent was less extensive than after the original article in the NYT. On *Fortune.com*, one article was published which claimed that Kent "stopped short of addressing the criticism of the nonprofit, which one New York University professor called a "front group for Coca-Cola" (Grodin, 2015, para 5). In an article by Mark Braykovich in the PR Daily, however, Braykovich compliments the op-ed and he says "I give Coca-Cola an A for using the 3 O's" (Braykovich, 2015, para 9). The three O's he is referring to describe "own up to it", "put the CEO out front", and "make an outsized response" (Braykovich, 2015, para 5-7). With Braykovich's article as a

foundation, the website cyberalert.com published an article in which it describes the situation as a case study for PR crisis management. In the article Muhtar Kent's op-ed is valued and described as follows: "corporations under fire can look to Kent's op-ed for guidance when responding to attacks and considering apologies" (Comcowich, 2015, para 3).

Sporadically foreign outlets also covered the story with reference to the New York Times. In the UK, especially, similar coverage of the topic could be found in October. This coverage, however, is not describing the issue in the US but a similar case where it was revealed that Coca-Cola funded research in the UK and did not disclose it. *The Telegraph* claimed that Coca-Cola "spent £4.86 million setting up the European Hydration Institute (EHI) — a research foundation promoting hydration - which has recommended that people consume sports and soft drinks" (Ward, 2015, para 3).

4.0 | Analysis of stakeholders

Clearly a company like Coca-Cola has a wide range of stakeholders. For this audit, the following six groups are the most important – consumers of the company's products, society, the media, its shareholders, researchers and Coca Cola itself. Our analysis will focus on the first three groups.

Naturally, one of the most important stakeholders are the *consumers* of Coca-Cola products. The attempt to disseminate wrong or factoid information undoubtedly misleads and influences the informed decision making of consumers and the general public. A company like Coca-Cola should be aware of its impact and the resulting responsibility toward its consumers. Wrong or factoid information concerning health can impair behaviors that reach much further than just to the consumption of soft drinks.

Due to the size of Coca-Cola and its global reach, the actions of the organization cannot be limited only to its consumers but have to be expanded to the general public or society. Coca-Cola was apparently influencing allegedly *independent* research. This research normally is expected to influence other scientists, legislators, regulators, and other decision makers and influencers. For this reason, Coca-Cola's business driven attempt to influence research, which is considered to be a public good, contradicts with its responsibility toward the general public.

As the main middleman between consumers, the general public and the company itself, the

media is an important stakeholder. As an, in the best scenario, independent and neutral source of information the media has the right to receive rightful and complete information from Coca-Cola. A company with the size and importance of Coca-Cola has to communicate in a professional and fast manner to the media.

For a complete examination of stakeholders, it is important to separately include scientists, researchers, and therefore universities at which this kind of research is oftentimes conducted. As some articles mentioned, universities and researchers are more and more in the need of getting external support of private entities or company funding to sustain its research. Even when this research is mostly suspected to be biased, it is still important to sincere scientists. Undisclosed funding as in the case of Coca-Cola works as bad advocacy and harms the science and research industry, and biases the work of legislation and industry regulators such as the Food and Drug Administration (FDA).

From a business perspective the shareholders and investors of Coca-Cola are another group of important stakeholders. Not only is Coca-Cola obligated to pursue successful business strategies and growing the company's revenue but also to keep the reputation of the organization in an acceptable state.

Last but not the least, and as the main initiator of this crisis, Coca-Cola itself is also an affected stakeholder. The Coca-Cola company owns more than 500 brands of which must act independently from the parent company (vault.com, 2014). Due to the actions of the *Coca-Cola Company*, the trust and credibility of all sub-brands was and may still be jeopardized. A company whose success seems to be based upon its fan base and consumer centered marketing efforts, risks to be perceived as hypocritical with acts like this undisclosed research funding. As the main *face* for so many brands, the Coca-Cola Company owes its dependents deliberate actions and decisions.

5.0 | Targeted communication audit

As suggested in the *overview of communication efforts*, there are three efforts from Coca-Cola in its crisis communication which are important for this audit.

5.1 | Op-ed from Ed Hays, CTO Coca-Cola Company

The first reaction of Coca-Cola was the op-ed from its CTO, Ed Hays which was published in USA Today on August 16, 2015. The statement starts with the restatement of Coca-Cola's values. Hays claims that "Coca-Cola has always stood for quality and integrity with a commitment to serve [its] customers and communities" (Hays, 2015, para 1). After this introduction Hays starts to blame the NYT article and he says the "article created confusion about our support of research and non-profit organizations, stating we want people to think that only exercise matters and not diet — but nothing could be further from the truth" (Hays, 2015, para 2). Continuing, Hays admitted that Coca-Cola "need[s] to do a better job of being even more transparent about the research [it] fund[s], the non-profit organizations [it] support[s] and the way [it] publicly share[s] this information" (Hays, 2015, para 3). The second part of the statement lists various achievements Coca-Cola had accomplished with the help of research, such as the development of new beverages or biodegradable plastic bottles. However, this second part seems to be off-topic since the media coverage does not accuse Coca-Cola of funding research in general but the *undisclosed* funding of demonstrably false claims. The entire response of Ed Hays is attached to this document.

5.2 | Op-ed from Muhtar Kent, CEO Coca-Cola Company

The second response from Coca-Cola was another op-ed which was published in the Wall Street Journal on August 19, 2015. In the first part of the letter, Kent admits that "at Coca-Cola, the way [they] have engaged the public health and scientific communities [...] is not working" (Kent, 2015, para 1). He also stated that "[t]he characterization of [the] company does not reflect our intent or [its] values" (2015, para 3). He admits further that he is "disappointed that some actions [the company has] taken to fund scientific research and health and well-being programs have served only to create more confusion and mistrust" (2015, para 4).

In the second part of the statement, he describes steps the company will pursue in the future. Kent claims that "in the future [the company] will act with even more transparency as [it refocuses its] investments and [its] efforts on well-being" (Kent, 2015, para 5). After that he outlines that the company "will expand on the good things [it is] already doing so people may enjoy Coca-Cola products that have

the calories and ingredients that fit their lifestyle” (2015, para 7). He also mentioned the production of smaller pack sizes, waters, drinks with less calories and sugar, as well as diet soda and zero-calorie drinks as steps in this direction (2015). He then revealed that he has directed to Sandy Douglas, the president of Coca-Cola North America to publish a full list detailing Coca Cola’s research funding history.

In the final part of the letter he asks for forgiveness as he writes “it is my hope that our critics will receive us with an open mind” (Kent, 2015, para 10). The entire response of Muhtar Kent is attached to this document.

5.3 | *Transparency statements by Coca-Cola*

As promised in the op-ed by Muhtar Kent, on September 22, 2015, Coca-Cola made an exclusive domain public with the name <http://transparency.coca-colacompany.com>. On this domain the company writes: “We invite you to learn about the research, initiatives and programs we have supported and the organizations and individuals with whom we have proudly worked” (Douglas, 2015, para 2). Under this domain, one can find a detailed list of funded research and partnerships dating back to 2010. One can review the complete list or use a search form with the categories “Keyword”, “Type”, and “Year. The results disclose the name of the funded organizations as well as the amount and the year of funding. Additionally, the domain offers a list with the whole names of health professionals and scientific experts who were funded. Lastly the site lists various marketplace actions Coca-Cola is involved in such as the “Calories Count™ Vending Program” or a “responsible marketing policy” in which the company claims not to “buy advertising directly targeted at audiences that are more than 35% children under 12 years old” (Coca-Cola Marketplace Actions, 2015, para 4).

5.4 | *Coca-Cola’s chief science and health officer steps down*

On November 24, 2015, an article in the New York Times again disclosed that Coca-Cola’s chief science and health officer, Rhona S. Applebaum, was stepping down. The article claimed that Applebaum was crucially involved in orchestrating the establishment of the Global Energy Balance Network. In 2012 Applebaum “gave a talk outlining Coca-Cola’s strategy of “cultivating relationships” with top scientists as a

way to “balance the debate” about soft drinks” (O’Connor, 2015, para 7).

5.5 | Liquidation of the Global Energy Balance Network (GEBN)

On November 30, about one week after Coca-Cola’s chief science and health officer Rhona S. Applebaum stepped down, the controversial nonprofit, Global Energy Balance Network (GEBN) announced that it is discontinuing its business. Even though the statement mentioned *resource limitations* as the reason for the liquidation, the discontinuation can be seen as the final result of harsh criticism toward the organization and its research.

6.0 | Ethical Audit

For this part of our analysis, we shall use image restoration theory (Benoit, 1997) to assess Coca Cola’s communication and its response to the accusations made against it. The baselines for ethical advocacy as espoused by Fitzpatrick (2006) would be used as a parameter to assess the company’s use of GEBN to advocate its position that soft drinks do not cause obesity, and its affirmation that it is the lack of exercise that does. Finally, we shall apply the improved Potter Box as proposed by Watley (2014) to identify Coca Cola’s obligations to its stakeholders, which we had identified earlier, before coming to a conclusion and making our recommendations.

6.1 | Assessing Coca Cola’s communication response through image restoration theory

By applying image restoration theory, it could be observed that the first response by Coca Cola was to use the concept of denial to reject the veracity of the report. In a statement by its Chief Technical Officer, Ed Hays, Coca Cola claimed that the New York Times story created confusion around its funding of research by GEBN. “A recent New York Times article created confusion about our support of research and non-profit organizations, stating we want people to think that only exercise matters and not diet — but nothing could be further from the truth,” he said, (Peterson, 2015, para 3). After the criticism continued, the company tried to reduce the offensiveness of the situation by issuing a statement on its website accepting the criticism it faced, stating that it meant no harm and promising to be more transparent

about its research initiatives in the future (Kent, 2015).

Finally, Coca Cola quietly utilized the principle of corrective action by ending its relationship with the group and letting go its Chief Responsibility Officer, Rhona Applebaum, who was in charge of managing its relationship with GEBN (Rodriguez, 2015).

From the foregoing, it is clear that Coca Cola used denial, reducing offensiveness and corrective action as its image restoration strategies during the crisis. It did not use evasion of responsibility and mortification techniques which would have placed its response more negatively on the ethical continuum because it quickly owned up in order to put an end to the crisis. Though seemingly successful, this strategy, in our opinion, does not absolve the company of the charges by critics that it used GEBN as a front group without disclosing its funding and other relationships with the organization. It also does not acquit the company from the charges of deliberately deceiving the public.

6.2 | Assessment of Coca Cola's conduct with baselines for ethical advocacy

The baselines for ethical advocacy requires organizations to adhere to the principles of truth, disclosure, access and process when advocating on issues in the 'free marketplace of ideas' (Fitzpatrick, 2006). In choosing, working and cooperating with GEBN to advocate for its position on obesity, Coca Cola seems to have violated all these four principles. It violated the principle of access by using its financial power to try to present GEBN's position as the right one and dominate the public space while attempting to freeze out the voices of other researchers who had proved that this position was incorrect. Coke's advocacy with GEBN can also be considered a violation of the principle of process because it was an attempt to override the process of public debate and dialogue by presenting a position which is not only controversial but untrue and secretly influenced to be in its favor. In addition, Coca Cola violated the principles of truth and disclosure by presenting questionable and selectively favorable information as truth. It did not disclose its relationship with the group and used it as a front to present its position. It showed disregard for the potential harm that could result to consumers and the public. It also deceived the public by not fully disclosing its relationship with GEBN which includes over \$1million in funding and the creation and provision of videos and other information materials on its website.

6.3 | Ethical judgment with Potter Box analysis

In applying the modified Potter Box (Watley, 2014) to make ethical judgments about the conduct of the Coca Cola company, we shall be considering its values and the obligations it owes to its stakeholders especially consumers, society and the media who are trying to find out the truth about the issue of obesity, the impact of high calorie drinks on health and Coca Cola's position and influence on these issues.

6.3.a | Organizational Values

On its corporate website and in its 2014- 2015 sustainability report, Coca Cola appeared to be very committed to corporate social responsibility with several sections of the website dedicated to showcasing its commitment to social well-being, empowering women, environmental protection, sustainable packaging and human and workplace rights; and promoting values such integrity and accountability among others (The Coca Cola Company, 2016). The report highlights Coca Cola's commitment to well being and 'inspiring happier, healthier lives'. It stated that the company "introduced more than 100 reduced-, low- and no-calorie beverages, continued to increase the availability of small packages, and supported more than 330 active, healthy living programs across 112 markets" (Kent, 2016, para 7). But despite this positioning, how well did the company fulfill its obligations to its stakeholders in its approach to obesity research? Its calculated actions which led to the obesity research crisis does not seem consistent with these values. Arguably, its major objective or sole intention for supporting GEBN's research was to stay in business by advocating that soda consumption was not really to blame for the obesity crisis. It might not be out of place to mention again here that Coca Cola is also known to have fought vigorously against a soda tax which would have encouraged less soda consumption and healthier habits by consumers of its products (O'Connor, 2015). This is a sign of inconsistency in its actions and declared corporate mission and values.

6.3.b | Professional Values

Next, we shall apply professional values as outlined in the PRSA code of ethics to this scenario. The values that are relevant here are the professional values of honest and responsible advocacy, truth,

allowing the free flow of information, and disclosure. Obviously, the Coca Cola company did not abide by these values. It did not abide by the professional value of being an honest advocate because it used GEBN as a front group to present questionable research as absolute truth. It did not act in the public interest by considering the effect of the controversial report on society. Rather it acted in a manner that overrides public concerns about soft drinks and serves mainly its own interest of staying in business. The company did not allow the free flow of information by failing to disclose its relationship with GEBN. It misrepresented the advocacy of its position by the group in order to deceive the public, confuse public discourse and unfairly engender society's acceptance of its position.

6.3.c | Prima facie duties

The company also owes several prima facie duties to its stakeholders. To its consumers, it owes the obligation of non injury and beneficence. To be ethical, Coca Cola should endeavor not to take decisions that would harm all its consumers of its products physically, socially and psychologically. Its decisions must also be beneficial to this segment of stakeholders and improve their lives.

To society, it owes the duty of non injury and fidelity. It should take actions that will not harm members of the society. As a corporate entity, it should be truthful, not misleading in its dealings with the public and keep to its word about the quality of its products and the associated harms or benefits consumers stand to derive from them.

As it responded to enquiries about its role in the crisis, Coca Cola owes the duty to be truthful to the media who are purveyors of objective truth and serving the public interest. It should also stand by the fidelity of its responses. It is important to mention also that Coca Cola owes itself the duty of self-improvement. It should not only focus on improving its own wealth, influence and profits but also improve its corporate behavior by considering in a compassionate, fair and just manner the impact of its business decisions on other stakeholders.

6.4 | Conclusion

Our analysis of Coca Cola's communication and response to the crisis through image restoration theory revealed that Coca Cola seems to have acted smartly and gotten away lightly with its role in the

obesity research crisis despite the fact that its response moved slightly towards the negative side of the ethical continuum. But questions still remain about why it used a front group and tried to deceive the public by the non disclosure of its full relationship with GEBN.

Secondly, the analysis of the manner by which it handled the advocacy of its interests by GEBN clearly revealed that the company violated the four principles of ethical advocacy which are access, process, truth and disclosure. It could, therefore, be considered unethical in the conduct of its advocacy.

Third, Coca Cola's organizational values as listed on its website, show a strong commitment to social responsibility, environmental concerns and the health and well being of its stakeholders. Its action concerning obesity research, however, belies this professed commitment. Its action seems to reflect an unwavering commitment to corporate profits at the expense of the consumer and society.

Fourth, its conduct during the crisis also seems to violate several professional values as listed in the PRSA code of ethics. These are the values of honest advocacy, truth, free flow of information and full disclosure.

Fifth, a consideration of the prima facie duties that the company owes its stakeholders shows that it seems not to have performed much better with these criteria. Its action did not fulfill the duty of non injury and beneficence to its customers. Its decisions are likely to do more harm to them than good. It also did not fulfill the duty of non injury and fidelity to society. Its actions are likely to harm society and make them not trust its word. It is only in its duty of truth and fidelity to the media that it seemed to fare a little better by using image restoration techniques. Although it tried to deny initially, it later stuck to the truth by recognizing the problem and trying to reduce offensiveness and by taking corrective action. For this, it could be given a slightly positive rating for self improvement.

6.5 | *Universalization and Recommendations*

As our analysis has shown, Coca Cola has not acted ethically in its conduct and approach to obesity research though it fared better in its communication and response to the media during the crisis. In similar situations in the future, the company needs to have a better approach to how it conducts research and its selection of groups to advocate positions on its behalf. It must hold fast to the principles

of truth, transparency, honesty, fairness and responsible conduct. It should consider the ethical baselines of responsible advocacy and disclose all its interests with any organization with which it associates, keeping in mind that the source of funding could create bias in any research. If necessary, it should present only the objective and peer reviewed findings of truly independent researchers, not the findings of those it sponsors.

Coca Cola's actions should also be consistent with its professed organizational values which reflect social responsibility, environmental protection and commitment to society's overall interest. What science and research has now revealed about sugary drinks compels Coca Cola to own up to the deleterious effects of its products on consumers and the society, and informs the urgent realignment of its business structure with these new realities. Coming up with controversial research to advance its viewpoint and keep up profits might not be profitable in the long term.

Finally, Coca Cola should consider, each and every time, its obligations and duties to its various stakeholders which include not only its shareholders but consumers of its products and the larger society. To make more ethical decisions in the future, it should always consider its duties of beneficence, truth and non injury to various stakeholders. While it is true that product consumption is a matter of choice, it is our viewpoint that continuing to promote and defend products that are likely to harm consumers and inflict huge consequences on society such as lower life expectancy and increased medical costs will ultimately harm Coca Cola's shareholders, damage its reputation and threaten its financial and corporate existence. To guarantee its survival, our recommendation is that Coca Cola must adopt superior ethical principles and embrace more appropriate ethical conduct in the future.

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8.0 | Appendix

8.1 | Op-ed by Ed Hays

Coca-Cola: We stand for quality, integrity

Ed Hays 5:10 p.m. EDT August 16, 2015

Coca-Cola has always stood for quality and integrity with a commitment to serve our customers and communities. These are our foundational values that we apply to every drink we serve and every philanthropic donation we give.

A recent *New York Times* [article](#) created confusion about our support of research and non-profit organizations, stating we want people to think that only exercise matters and not diet — but nothing could be further from the truth. We have always operated under the fact that a healthy, balanced diet and regular exercise are key ingredients for a healthy lifestyle.

That said, we need to do a better job of being even more transparent about the research we fund, the non-profit organizations we support and the way we publicly share this information. And we will.

Coca-Cola funds research so we can learn. It is simply the best way for us to inform our business and customers about our ingredients, our packaging and on challenging public health issues, such as obesity. Thanks to research, we have been able to innovate and bring people some of their favorite drinks, such as Coca-Cola Zero, Gold Peak Tea and SmartWater.

Thanks to research, we better understand stevia leaf extract. We use it to help sweeten Coca-Cola Life, which has a third fewer calories and less sugar than a regular cola, in the United States and more than 20 countries worldwide.

Thanks to research, we created a prototype [plastic bottle made 100% from plants](#) as well as a mini-can that encourages moderation and portion control.

Research has helped inform and drive our business [for 129 years](#). And we are still looking to learn and improve.

And that goes beyond our beverages.

We are grateful to be even a small part of people's lives, and we want to give families and communities the quality and integrity that they expect from The Coca-Cola Company.

Ed Hays, who holds a Ph.D. in food science, is chief technical officer of The Coca-Cola Company.

8.2 | Op-ed by Muhtar Kent

Coca Cola: We'll do better

By **MUHTAR KENT**

Aug. 19, 2015 6:46 p.m. ET

At [Coca-Cola](#), the way we have engaged the public health and scientific communities to tackle the global obesity epidemic that is plaguing our children, our families and our communities is not working.

Our company has been accused of shifting the debate to suggest that physical activity is the only solution to the obesity crisis. There also have been reports accusing us of deceiving the public about our support of scientific research.

We have read and reflected on the recent news stories and opinions, online conversations and questions from our own family and friends. The characterization of our company does not reflect our intent or our values.

I am disappointed that some actions we have taken to fund scientific research and health and well-being programs have served only to create more confusion and mistrust. I know our company can do a better job engaging both the public-health and scientific communities—and we will.

By supporting research and nonprofit organizations, we seek to foster more science-based knowledge to better inform the debate about how best to deal with the obesity epidemic. We have never attempted to hide that. However, in the future we will act with even more transparency as we refocus our investments and our efforts on well-being.

Committed to acting with integrity when serving our customers and our communities, Coca-Cola has always believed that a healthy diet and regular exercise are essential for a healthy lifestyle. As the largest beverage company in the world, we believe that we are uniquely positioned to have a positive impact. Our business will continue to evolve and respond to the needs of society—from product innovation to responsible marketing to our sponsorships and partnerships. And we will expand on the good things we are already doing so people may enjoy Coca-Cola products that have the calories and ingredients that fit their lifestyle. We will also continue our work to provide more choices, in smaller pack sizes, in more communities—waters, lower-calorie and lower-sugar drinks, diet soda and zero-calorie drinks.

In addition, I have directed Sandy Douglas, president of Coca-Cola North America, to:

- Publish on our website a list of our efforts to reduce calories and market responsibly, along with a list of health and well-being partnerships and research activities we have funded in the past five years, which we will continue to update every six months.
- Charter and recruit an oversight committee of independent experts to advise and provide governance on company investments in academic research.
- Engage leading experts to explore future opportunities for our academic research investment and health and well-being initiatives.

Sandy will lead this work in the United States and the best practices will be implemented internationally. As we continue to learn, it is my hope that our critics will receive us with an open mind. At times we will agree and at times we will passionately disagree. The one thing we all have in common—we care.

We want to get focused on real change, and we have a great opportunity ahead of us. We are determined to get this right.

Mr. Kent is the chairman and CEO of Coca-Cola Co.