

Hershey, Cocoa, and
Child Slavery/Labor Abuse: A Case Study

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Introduction

In 2000 and 2001, a story broke in the media that majority of cocoa plantations exploit children as forced labor “and many are actually slaves (child trafficking) sold to the cocoa bean producers.” [1] Yet, forced child labor still plagues the cocoa industry to this day.

In 2005, two U.S. congressmen, Senator Tom Harkin (D-Iowa) and Representative Eliot Engel (D-NY), proposed legislation to address the child slavery-labor problem in the cocoa industry. Their proposal said it would “require chocolate manufacturers to certify and label their products as ‘slave free.’” [1] However, “intense lobbying from the chocolate industry created an alternative to the legislation, and no laws were passed for ‘slave free’ certification for U.S. chocolate.” [1]

Instead, a voluntary system was put in place where the chocolate industry would “self-regulate the child slavery-labor problem.” [1] “The industry pledged to have certification of cocoa beans as free of the major child labor problems by 2005. In 2005, the chocolate industry admitted it had not achieved its objective and set a new deadline for 2008 with a goal of 50% of cocoa being certified as free of major child labor problems.” [1] The chocolate industry also did not reach that goal as experts estimated that “70% of the cocoa used in 2008 was connected to child slave labor.” [1]

Then four non-governmental organizations (NGOs) “collaborated to pressure Hershey into ending exploitative child slavery-labor in its supply chain.” [1] Thus, the campaign “It’s Time to Raise the Bar Hershey,” or “Raise the Bar, Hershey!” for short, came to fruition. Hershey has been around since 1894. “Raise the Bar” chose Hershey because it is a market leader in the cocoa industry. “Moreover, Hershey has been aware of the child slavery-labor problem since 2001.” [1]

According to a 2011 study conducted by Tulane University, many other chocolate-related companies have made changes in their supply chains to reduce child slavery-labor, including Mars, Kraft, Nestlé, and Cargill. However, the study identified Hershey as still having abusive child labor practices in its supply chain. [1]

By this time, Hershey had barely engaged with or responded to the “Raise the Bar” campaign. “In 2012, Hershey spokesperson Kirk Saville said he had no knowledge of the Raise the Bar, Hershey! action.” [1] Whenever Hershey was asked about child labor abuse in its cocoa supply, people were referred to “its corporate social responsibility report and its work with the World Cocoa Foundation and the International Cocoa Initiative.” [1]

Explanation of the Case

Summary

Why target Hershey? Much of Hershey’s cocoa is sourced from the Ivory Coast, which produces over 40% of the world’s cocoa beans. As of 2011, Hershey did not have a system in place to ensure that its cocoa was purchased from child slavery-labor free plantations. Hershey was not transparent with its stakeholders—customers, competitors, media, its plantation workers, governmental organizations and the NGOs behind the “Raise the Bar” campaign—continuously refusing to identify its cocoa suppliers. Hershey also still lags behind its competitors as most have met certain labor, social, and environmental standards through the Fair Trade certification system for years. Hershey highlighted its social responsibility such as its various charitable donations to children in the U.S. and programs in West Africa, yet it still had not placed any policies to ensure that its cocoa used in its products were from a child slavery-labor free plantations. [1]

The “Raise the Bar” campaign wanted Hershey to meet the following demands to end the problem with child slavery-labor:

- Agree to take immediate action to trace its supply chain to farm level, show its farmers do not use forced or child labor through independent verification, and asking suppliers to end such practices at the farms where they source.
- To make a commitment to source cocoa that is “100% certified by an independent third party certification system that meets or goes beyond the fair trade standard” [1] by 2012.
- To commit “to sourcing certified cocoa for at least one additional top-five selling bar every two years thereafter,” [1] so that all of Hershey’s products will be certified by the fair trade standard by 2022.

The “Raise the Bar” campaign has its own website “that provides information about child slavery and labor abuse in the chocolate supply chain, explains why Hershey is the target, and provides various ways to get involved with the effort.” [1] The campaign also has its own Flickr and YouTube accounts where it has hosted competitions to raise awareness for the campaign.

The “Raise the Bar” campaign uses both traditional media relations and social media relations with activist actions. This includes email alerts, online petitions, boycotts of products, in-store actions, and more.

Due to its online presence, “Raise the Bar” was able to get enough signatures on a petition posted on change.org to have Hershey commit to using Rainforest Alliance Certified cocoa for its Bliss chocolate products. This certification verifies that the cocoa from Bliss is harvested slave free. However, this is considered just a minor victory to those behind the campaign. This was also right before an incredibly damaging Super Bowl advertisement was to air paid for by the “Raise the Bar” campaign. Fortunately for this strategic move, the “Raise the

Bar” campaign decided to pull the damaging advertisement after Hershey committed to slave-free cocoa for its Bliss products.

The campaign also takes advantage of holidays to create public and media awareness of child slavery-labor in the cocoa supply chain as they create a “natural hook for news stories and a reason to remind followers about the need to take action.” [1] The three big chocolate holidays in the U.S. are Halloween, Valentine’s Day, and Easter.

In 2012, “Raise the Bar” targeted Cadbury/Kraft, which is most known for its Easter-themed chocolates. Cadbury committed to ending forced child labor in the Ivory Coast by selling Fair Trade certified chocolate in multiple countries across the globe except for the U.S. because Hershey purchased Cadbury’s U.S. chocolate business in 1988.

North Carolinian campaign supporter, Steven Waters said, “I was shocked to learn that Cadbury’s products in the U.S. are made by Hershey. Learning that forced child labor was an ingredient in their seemingly innocent Easter chocolates made it easy to persuade my girlfriend’s family to discontinue their large quantity purchases of Chocolate Creme Eggs this year.” [1]

Hershey had created the “Say S’mores” campaign where people were asked to upload photos of themselves eating s’mores while celebrating National S’mores Day. “Raise the Bar” took advantage of this and urged its followers to upload a photo of them protesting child slavery-labor, and they did, which raised awareness of the issue.

In 2012, Hershey announced its commitment to ending child slavery-labor in its cocoa supply chain by having all of its cocoa harvested from certified Fair Trade sources by 2020, twenty years after “Raise the Bar” Hershey first highlighted the child slavery-labor supply chain to the media and public. Hershey’s announced this after Whole Foods claimed “it would ban Hershey’s Scharffen Berger chocolates until the company could prove no child slave labor was

used in its production.” [1] Hershey then promised to invest \$10 million into West Africa’s cocoa farms, which will increase farmer income and, therefore, school attendance and community health. This indirectly stops children from being forced to join cocoa plantations.

“Raise the Bar, Hershey!” Campaign Crisis Communication Concerns

The largest crisis communication concern for the “Raise the Bar, Hershey!” campaign was amplifying the issue and gathering enough awareness to produce an action by Hershey to commit to child-free slave labor.

The Cocoa Industry/Hershey’s Crisis Communication Concerns

The largest crisis communication concern for the cocoa industry and Hershey was customers and stakeholders boycotting chocolate products, which would affect the bottom line and reduce the industry.

Another crisis communication concern was the damaged reputation that comes with being associated with forced child slavery labor.

Crisis Team Objectives

Hershey’s crisis team objectives were keeping the concern of the “Raise the Bar, Hershey!” campaign quiet. Hershey chose not to engage with its critics. Instead, it decided to highlight its social corporate responsibility.

Analysis of the Case

Image Repair Discourse Theory

Hershey strategically kept the fact that its supply chain used child forced slave labor quiet and the activist movements by the “Raise the Bar” campaign quiet by utilizing Benoit’s image repair discourse theory. This included the strategies of bolstering, reminder and corrective action. Bolstering “attempts to improve the audience’s positive affect for the rhetor to outweigh the

offensiveness of the wrongful action.” [2] Hershey highlighted its social responsibilities and reminded the public of its charitable work. Corrective action “promises to repair the damage caused and/or prevent its recurrence.” [2] This is where Hershey promised to get rid of child forced labor in its supply chain by 2020.

Contingency Theory & Situational Crisis Communication Theory (SCCT)

Contingency theory and SCCT are theories based on scope and severity of threat during a crisis. Coombs created a set of strategic responses to use as a foundation for different sizes and levels of scope and severity of the threat during a crisis. “SCCT identifies how key facets of the crisis situation influence attributions about the crisis and the reputations held by stakeholders. In turn, understanding how stakeholders will respond to the crisis informs the post-crisis communication.” [3]

Hershey’s must have thought the “Raise the Bar” campaign was not doing an effective job of reaching its stakeholders to really cause a significant change in its reputation or bottom line. However, Hershey realized the campaign was serious about its cause once it had plans to air a damaging commercial during the Super Bowl and Whole Foods had caught wind of the cause and threatened not to sell its products. Therefore, Hershey changed its strategy and committed to the Rainforest Alliance Certified cocoa for its Bliss chocolate products so the commercial would not air and raise damaging awareness about the state of Hershey’s cocoa supply chain and Whole Foods would still sell its products.

Potential Solutions

There comes the question of whether or not to publicly address the “Raise the Bar” cause, thus increasing the awareness regarding forced child slave labor in Hershey’s cocoa plantations. I believe ethics plays a part here. While not many of Hershey’s stakeholders know of its forced

child slavery labor in its cocoa supply chain, many would be outraged to hear about it. While it has not significantly affected Hershey's reputation and bottom line, if more people knew about it, it certainly would.

Hershey dealt with this very strategically by keeping it out of the spotlight for almost two decades. Perhaps Hershey, with its humble beginnings, was ashamed of its supply chain and thought it would be better handled on the sidelines. Being one of the largest chocolate organizations in the world, it has the most to juggle attempting to improve the working and living conditions of each of its cocoa plantations across the Ivory Coast and South America. Hershey continuously refusing to identify the "Raise the Bar" campaign gave an advantage to Hershey, which gave Hershey the privilege of time and zero judgment to put together contingency plans for its cocoa plantations.

Final Solution

I believe what Hershey did was incredibly strategic. It gave Hershey the upper-hand, not its critics of the "Raise the Bar" campaign. While those who knew of the "Raise the Bar" campaign and of Hershey's atrocious cocoa supply chain, it wasn't significant enough for it to be worth it for Hershey to publicly address it.

Hershey pushed the topic out of the way for years before the threat exponentially increased during the possible Super Bowl commercial and Whole Food's threatened to not sell its products. Hershey waiting until then to finally do something was able to show its publics that Hershey was committing itself on its own time to fix its supply chain.

Hershey has taken over a decade to self-regulate its cocoa plantations, and when it did for its Bliss chocolates, it was the perfect timing, strategically, to announce its promise and commitment to rid all of its products from forced child slavery labor cocoa plantations. This

way, in the perspective of Hershey's stakeholders, Hershey is doing something about it—
Hershey cares where its cocoa comes from and it cares about its customers.

Works Cited

[1] Timothy Coombs, *Applied Crisis Communication and Crisis Management*, Hershey, Cocoa, and Child Slavery/Labor Abuse, 2014, ch. 4, pp. 47-61.

[2] William L. Benoit, Image repair in President Bush's April 2004 news conference, *Public Relations Review*, Volume 32, 2006, pp. 137–143.

[3] Timothy Coombs, Protecting organization reputations during a crisis: The development and application of situational crisis communication theory. *Corporate Reputation Review*, Volume 10 Issue 3, 2007, pp. 163-176.