

Introduction

Welcome to 'Ethics on Trial'. This is a role-playing exercise to examine one of the issues in Chinatown, the AS pre-Released Case Study. The format for this 'trial' can be used for a number of issues raised in the Case Study. For the purposes of this particular version it is 'ethics' that are on trial here – though it could equally be 'the decision to move/not move to France' or 'the decision to introduce cell production' etc.

This 'trial' has been test-run in two schools as part of the service provided by www.oxford-conferences.com

Kirkham Grammar School:



The Astley Cooper School



This is what pupils at the Astley Cooper School said:

- ✚ Was fun but confusing as to what we had to do at first
- ✚ Had fun but was a bit confused
- ✚ I was the defence witness which I preferred as I enjoy putting my opinions across although I think I would have equally enjoyed being on the jury to convince people
- ✚ It was a good task, fun and with it being fun you tend to learn more
- ✚ Good tasks
- ✚ I would have rather been in the jury as I like to listen and make a judgement but it was fun in the end
- ✚ The positions were picked well but the question was difficult as no-one really knew what it meant. The time for the trial was good
- ✚ The Trial Act was good as when you act something out I find it easier to remember than just reading a book or sheet
- ✚ The trial will help as we will remember it. It was a good way of learning
- ✚ Understanding the topic more would have been better but it was a really good laugh and enjoyed doing it. Working as part of a group really eased the role play.

Notes:

For the Astley School 'trial' the pupils were simply given the instructions as to how the trial was going to happen. I put names for the roles of 'Judge', 'Defence' etc because I had been given information about the pupils beforehand. Really for the 'trial' to work the 'defence documents' and also strategy should have been worked out beforehand. The pupils were doing this 'cold'. For the Kirkham Grammar School, pupils were given the 'defence and prosecution documents' before lunch and they thus had time to prepare.

The scenario was the same for both i.e. the 'Judge' ruled the proceedings. Defence and prosecution witnesses were called and then the jury debated – with the rest of the class listening in. Interestingly, in both schools the debate veered off the original title. Certainly in Kirkham, the discussion was nearly entirely about whether the supermarket was guilty of exploiting farmers/suppliers whereas whether this was to the ultimate loss of the consumer was hardly mentioned.

This was very useful as it showed how pupils can easily write/talk off the point – and the pupils (especially those listening) became very aware of what was happening.

The 'trial' also served as a very useful vehicle to discuss one of the less precise areas of the syllabus i.e. 'ethics' and was a slight change from a 'debate formula' as instead of a vote as to the 'winner' there was a discussion as to whether the supermarket was 'guilty'.

As an onlooker – I deliberately kept out the trial, leaving it all to Amy, the judge – I found the 'jury's discussion' fascinating.

Comments about this Trial and any and all of the Case Study analysis should be sent to:

chris@osl-ltd.co.uk

Chris Sivewright
May 4th 2005

Ethics on Trial

Syllabus states: *Morality in decision-making: potential conflict of ethics with profit*

The case study states: *“Ling was shocked at the high profit margin required by the supermarket, but accepted that there was little room for negotiation”.*

The charge: *Supermarkets abuse their market power to exploit suppliers to the ultimate loss of the consumer.*

The Judge:

The plaintiffs:

a.

b.

The defence team

a.

b.

The Jury:

a.

b.

c.

d.

e.

The witnesses

For the prosecution:

a.

For the defence:

a.

Procedure

(This next section on ‘vetting’ is optional)

The jury is vetted first by one member from the defence team and one from the prosecution. Any objections to the Jurors are stated and the Juror may be replaced. Thus if one of the pupils is a known vegetarian and the case involves the treatment of animals....

The judge calls the court into session (this time can be varied according to the length of the lesson)

- 1) The judge delivers a brief opening statement which includes an initial case description, an identification of the relevant issues in law as they appear in the syllabus, and an identification of the waived and contested issues.
- 2) The prosecution/plaintiff then the defence each deliver 3 minute opening statements.
- 3) The prosecution/plaintiff presents its case in 12 minutes through the direct examination of their witnesses. The witnesses use the resource material provided.
- 4) After each witness, the defence may cross-examine using a total of 4 minutes for all witnesses (this 4 minutes does not come out of the prosecutor's time).
- 5) The defence presents its case in 12 minutes through the direct examination of their witnesses.

The ‘witness’ is a pupil who uses ONE of the articles shown below/on the website. Before the cross examination the prosecution MUST have access to the material

The defence presents a 6 minute closing argument.

The prosecution presents a 6 minute closing argument.

The judge charges the jury

Throughout the trial the judge promptly and decisively resolves objections. The time spent arguing objections, if any, will come out of the time of the side that loses the objection.

Note: *The Jury now take centre stage. The rest of the class listen in to their debate. The jury has a foreman (to be elected) and his/her role is to make sure the case is examined purely on the evidence provided NOT any previous beliefs.*

Issuing a verdict.

The Jury discuss, with the rest of the class listening in. perhaps they elect a Foreman – it all depends on time. By listening to their discussion the rest of the class can tell whether they have been following the ‘trial’ and whether or not the title is actually being discussed – or whether the jury are really discussing something off the point. After ten minutes the jury votes and then, unless they are unanimous, they can spend time trying to convince the minority voters or the abstentions.

Resources/witness statements

These are the ‘statements’ that witnesses may read/refer to. Of course, ideally, the class can do their own research.

For the Prosecution

OFT MUST PROTECT SUPPLIERS FROM SUPERMARKET POWER - GEORGE
18 June 2004

Commenting on Tesco’s announcement of further increases in their market share and sales, **Andrew George MP, Liberal Democrat Shadow Rural Affairs Minister**, said: "We are told this is a cutthroat business. But the casualties are the supermarkets’ suppliers, smaller competitors and independent traders. "I don’t criticise any of the big four supermarkets for using every ounce of their power to pressurise and bully their suppliers, including the farmers, who are going out of business in their droves." Supermarkets operate within the laws of their jungle. "If Tescos weren’t prepared to take full advantage of their ability to dictate market conditions and decide the very fate of supplier companies, then their competitors would. And in doing so, would gain a competitive edge." The bottom line is profitability and growth. Being nice to their suppliers doesn’t really come into it. To an extent, you can’t blame the supermarkets for that.

"But I think it is time that the Government took action to protect suppliers. The scales have tipped too far in favour of supermarkets. "The creation of a food trade inspector, within the Office of Fair Trading, given powers to proactively monitor the nature of contractual relationships between supermarkets and supplier organisations would help to tip the scales back to a more equitable system of commerce.

"What is happening now is unsustainable for British farming in the long term."

Source: Liberals

OFT's Supermarket Code of Conduct audit ignores abusive trade practices says Grant Thornton

22 March

Today's Office of Fair Trading report, announcing that UK supermarkets are by and large sticking to the Supermarket Code of Conduct is no surprise whatsoever given the way the Code was drafted back in March 2002. Instead of setting out how business should be conducted between supermarkets and their suppliers the Code is designed to protect supermarkets from criticisms and to brick-wall them from claims of abusive trade practices towards their suppliers, says Duncan Swift head of Grant Thornton's Food & Agribusiness Recovery Group.

"The reality in the market is one of food suppliers to UK supermarkets that are increasingly finding themselves under major financial distress caused by the market power wielded by the major multiples. These are demanding ever cheaper products with longer payment periods and other supplier contributions as part of the unwritten agreements they readily pull out of when it suits them", says Duncan Swift. "Urgent action is needed through a radical reform of this ineffective Code and the introduction of a Supermarket Ombudsman. Only this way will we be able to ensure the long-term future of the UK's food industry", argues Swift.

The main problem with the Supermarket Code of Conduct is that all the power in the Code lies with the supermarkets. "The current code fails to stipulate the minimum required contract terms that should govern every supply from a food supplier to a major supermarket. Too much remains unwritten, even though suppliers can ask for some of it in writing most don't as they are too afraid of being seen as potential trouble makers. Most suppliers are also mindful that the termination of a relationship with a major multiple could all but cripple their business-no wonder they lay low", commented Swift.

"The reason why the OFT laments a lack of evidence to assess whether the Code has been effective or not is that the Code does not require the "additional particular terms" to which suppliers are often subject (such as those recording trading agreements, promotions etc) to be confirmed in writing by the supermarkets to the supplier. If it did, today we would be discussing what the industry already knows: the existence of mountains of clear evidence which shows how the disproportionate power of the major multiples is damaging suppliers", he continued.

Making this a requirement for the supermarkets to provide such written confirmation is not onerous and requires only a change of wording in the Code - a step which would significantly improve the transparency in the buyer / supplier relationship.

"The failure of the code is no particular criticism of any one supermarket but simply reflects the market power that consumers have delegated to them en mass. If any one supermarket fails to use that power to full advantage it will simply lose out to a supermarket competitor which does. Whilst this goes on, the other end of the food-chain is eroding as more and more suppliers struggle to make ends meet", continued Swift.

"As a leading adviser to the food industry, we are constantly seeing examples of disproportionate power damaging suppliers. A meat producer we are aware of for example can achieve sales of £2m per week but only has an indicative order book which does not stretch beyond the Friday of that same week. It clearly suits the supermarkets this producer supplies, to order the quantities required at the very last minute but makes it incredibly hard for the producer to run the business properly", said Swift.

Swift continued: The main problems with the code is that it's weak, vague and loosely worded. The principle of a code remains valid but to really make a difference it needs to include:

The stipulation that there must be an agreed written contract between supplier and supermarket for each SKU (Stock Keeping Unit), irrespective of point of delivery. (It is not intended that the requirement for a short form contract will create a lawyers' charter but to serve the primary function of evidencing the balance in transactions between suppliers and retailers. This would make any subsequent audit of the effectiveness of the code far more meaningful).

Each contract to contain the minimum terms of:

(1) 30 day notice of contract termination, sole exceptions being contamination/public health matters where such incidences have been reported by either party to The Food Standards Agency.

(2) Supermarket notifying supplier 1 week forward of total SKU order requirement of which 70% is guaranteed for payment by the supermarket if over 70% of that order requirement has been made available by the supplier to the supermarket at the relevant time. Sole exception should apply to promotional supplies.

(3) All retrospective financial discounts or contributions related to volume or otherwise to be recorded in the contract prior to relevant supply being made. Failure to record rendering such discount or contribution requirements invalid.

(4) Payment for SKU's supplied and accepted, or amount equivalent to guaranteed order requirement, to be made to supplier within 30 days without deduction.

"Suppliers are crying out for a code that is fair, enforceable and robust. It should be made compulsory for any supermarket with a market share above 5% (not the current 8%). The government should also consider going a step further and creating a Supermarket Ombudsman in the same way that there is a Banking Ombudsman, in order to oversee and supervise fair dealing in this key industry sector. Failure to act will result in more failures within the sector and an impoverishment of the choice the market offers".

Prosecution

SOMO

26 January 2005

The challenge of the role of supermarkets for sustainable agriculture and trade related issues

The rapid spread of supermarkets in terms of market penetration and geographical reach has resulted in an important restructuring within the agri-food system in many countries around the world. Supermarkets have increasingly become the dominant outlets of agricultural products, from fresh vegetables produced by farmers to foods processed by multinational companies (TNCs).

Agri-food experts more and more recognize that supermarkets influence the rest of the agricultural chain up to the farmers' level. This means a power shift in the distribution chain from suppliers and wholesalers towards retailers. This can have an effect on how developing countries' products can actually enter markets in industrialised countries, even in liberalised world markets, and on the income or value added for farmers and food producers in developing countries. In developed countries, supermarkets might distribute up to 83% of the food (as is the case in The Netherlands in 2003 as compared to 77% in 1995

During the last years, the role of supermarkets in food distribution in developing countries is increasing, even for fresh fruits and vegetables. The level of domestic and foreign supermarket penetration is not the same in all developing countries, with the Latin American region the most advancing. Increasing food retail by supermarkets, depending on the product, mostly begins in countries and areas with rich consumers, and then spreads to poorer countries and consumers. Fresh fruit and vegetables can be the last segment to be incorporated in the supermarket sales in developing countries, or it can be a segment that attracts customers who want quality and convenience that is not offered by wet markets. The overall picture is clearly one of increasing role of the supermarkets in food retail in developing countries

Recent mergers and acquisitions have reduced the number of supermarket brands per country. As a result, the major market share of retail in many developed countries is in the hands of 4 to 5 supermarkets. This level of concentration is yet far from being reached in most developing countries. However, in Latin America, roughly 60-80% of the top five supermarket chains are now multinationals that operate globally^[4], such as Wal-Mart.

The above trend has weakened the bargaining power of farmers and food producers and given enormous power to supermarkets to make deals to their advantage and abuse their dominant market position. For many producers and farmers, supermarkets have become their only possible outlet. For fear of losing their business, many farmers and producers accept some of the low prices offered by supermarkets and sell with low or no profit margins. In contrast, supermarkets often take very high margins on the fresh fruit and vegetable products they sell. In order to attract clients, price wars to compete against rival supermarkets sometimes take place in the fruit sector, for instance bananas. Producers however effectively bear the cost of the lost profit margin. Many farmers, domestically or abroad, are too disorganised to prevent the abusive supermarket practices. The ability to set prices and conditions is called "buying power" of supermarkets. Fresh fruits and vegetables are increasingly being sourced through arrangements of direct and (semi-)permanent relationships with producers ("preferred suppliers"). When fruits and vegetables are imported, such relationships are also built with suppliers from developing countries. Because supermarkets are avoiding wholesale markets and need huge quantities of particular products, large farms are those most likely to meet the quantitative requirements. Consequently, small farms are being marginalised from exporting to Northern markets dominated by supermarkets. These trends can have a significant impact on farmers' income and possibilities to produce – and on what they produce. Moreover, supermarkets are increasingly imposing high standards related to safety of the consumers and to meet some of the environmental and labour concerns expressed by consumers. EUREPGAP is an example of a private standard set by a

group of European supermarkets. However, supermarkets provide little financial and other means for meeting those standards while the cost of demonstrating compliance is difficult to bear for small producers. Existing forms of small farmers' organisations are sometimes not accepted for group certification by EUREPGAP. Many of those standards do not have strong requirements or monitoring mechanisms in regard to labour standards or the impact of low prices.

On the other hand, in cases where sales are guaranteed by the supermarket, farmers in the South might be offered attractive prices, transport to a guaranteed export market and perhaps financial or technical assistance. These conditions are appealing for farmers.

Supermarket buying power has led to particularly abusive practices^[6], especially for processed food and other industrial products, such as:

- Payments to be on the list of suppliers ("listing"), and threats of (de)listing from the suppliers list.
- Paying for advertisements, price actions and new openings of supermarkets.
- Payment by producers (!) of a percentage of the sales by the supermarket over the year of their goods.

A new trend is that supermarkets have created their own brands. These 'house' brands are cheaper because supermarkets have little costs to advertise or develop the products, in contrast with manufacturers of processed food. As a consequence of this new trend, in addition to supermarket dominance and abusive practices, even large food processors such as Unilever are loosing profits. Again, this might have consequences for producers of the primary products for processed food from whom traditional processing companies are sourcing and for producers sourced for the new house brands.

http://www.wervel.be/EN/dossiers/fm_200502/fm_200502-0303.htm

For the defence

TESCO
Every little helps

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My Account Login/ Register Help Basket Chec

Every week we check over 10,000 prices in Asda, Sainsbury's and Morrisons stores to guarantee you low prices every day.

See how our products compare on price this week:

Against	Tesco is cheaper	Tesco is the same price	Tesco is more expensive	Based on no. of lines found
	NO. OF PRODUCTS	NO. OF PRODUCTS	NO. OF PRODUCTS	NO. OF PRODUCTS
Asda	857	5586	451	6894
Sainsbury's	4893	2771	328	7992
Morrisons	2709	834	751	4294

Prices checked between 04 April 2005 and 06 April 2005.

If you want to see just how low our prices really are, simply search for any product in the Price Check below and see how we stack up!

Today at Tesco

go back to...

- Tesco.com home
- Today at Tesco
- Clubcard
- Baby and Toddler Club
- Healthy living
- Charity of the Year
- Computers for Schools
- Corporate Info
- Customer Services

What is Sainsbury's Supermarkets' position on price?

At Sainsbury's our aim is to offer our customers great products at fair prices. We believe that customers value our product innovation and the fact that we never compromise on quality. We will strive to remain competitive, supported by a strong promotional programme across all product ranges.

Source: <http://www.j-sainsbury.co.uk/>

Asda - Walmart in the UK

Jun 17 '02

The Bottom Line I do most of my shopping at Asda because I find there is plenty of choice and the prices are very reasonable

Many years ago a group of farmers got together to form a conglomerate to sell food to the public. This developed over time into one of the largest supermarket chains in England. It was called Asda. Recently Asda has been taken over by Walmart. At the moment the stores in England are still called Asda but that may change in the future. Many new stores are now being built to the new (to us) Walmart standards.

If this review looks familiar to some of you it is because I originally put it under on-line stores where it was rated as off topic. I was advised to try it under this heading instead. So if you have read it before please understand

Asda has always sold good quality goods cheaply. Not just food but other household items including many of the small electrical items. Toasters, kettles, irons etc. Then it built some larger stores called Superstores and went into selling clothing, music, televisions and videos, microwaves etc.

Food Asda sells a large selection of food. Both everyday and luxury goods. It sells both brand name food and its own make. It also sells a selection of food under what is called 'smart price' label. This is an ultra cheap range. Many Asdas have their own in-store bakery as well as selling 'bought in' items. There is usually also a delicatessen area, a pizza counter where they make pizzas to your own requirements, a rotisserie when you can get pre cooked chickens, a cheese counter and various other counters.

Electrical, musical and videos.

Asda now sell a wide range of electrical goods. Most popular brands and some cheaper versions. All Asda electrical goods are covered by a 3 year guarantee providing you keep the receipt. Not bad that. Most of the manufacturers only cover the items for 1 year but as long as you have the till receipt Asda will replace or refund the item if it breaks down within 3 years. They sell all the latest CD's, videos, DVD's and play station games usually cheaper than most other places.

Clothing

Asda does a wide range of clothing very modern and again reasonably priced. They sell from baby clothes up to a ladies size 20 and sometimes even larger. The ladies clothes are very good. I can usually manage to find something I like and so can my 21 year old daughter. Their baby and childrens range is excellent. As far as I know they are the only stockists of the Mary-Kate and Ashley range in the UK. This range is so good it makes me wish I had a younger daughter to dress up nowadays. However I have found that the choice for boys aged between 7 and 14 could be a lot better. There is far more choice for girls. There is also a range of clothes for men but I'm afraid I'm haven't spent much time looking at that.

They also sell footwear. From childrens shoes though to ladies slippers, sandals, shoes and mens shoes. Several of the stores have now started selling jewellery. I have bought quite a few different items of jewellery from Asda and have been quite satisfied with them all. One ring I bought had an amethyst in the centre and when I got it home I realised the amethyst was not quite straight so I took it back to Asda and they exchanged it with no problem.

One of the main things that Asda pride themselves on is their customer service. They employ a 'no excuses' guarantee which means they will exchange or refund anything that is faulty or not wanted. Their staff are always friendly and helpful – or most of them at any rate. If you cannot find an item and ask an assistant they will either show you where it is or if they don't know they will find someone who does. Their checkout operators always talk to you and always offer to pack your bags for you. In some supermarkets I have been to it is hard to even get a smile from their assistants let alone any help.

I have always been satisfied with Asda and they have always been fair with me. They do have an on-line store www.Asda.co.uk but I have never used it as I have an Asda store very close to me. I have always found them to be very reasonable with lots of special offers e.g. buy 1 get 1 free or buy 3 for the price of 2. The only problem I have with them is it is too easy to overspend due to their special offers. I once went in for a small match pot of paint to touch up my bathroom paint work and came out with a television and video recorder. But never mind – it was a bargain. Several of the larger stores are also open 24 hours a day which gives you plenty of choice of when to shop so you can go when you know it is not going to be too busy.

Source: http://www.epinions.com/content_2704187524