The Red Cross Symbol

The ARC benefits from brand recognition in the form of its internationally recognized Red Cross symbol, although this symbol also has generated controversy in the form of a lawsuit filed by Johnson and Johnson regarding licensing the Red Cross icon for use on commercial products. In 1887 Johnson and Johnson began using a red cross on its surgical packages and registered the trademark for commercial use with the U.S. Patent Office in 1906. The ARC, on the other hand, cites its federal charter from the year 1900 as the adoption date for its emblem, and further points out that the image was developed in Switzerland in 1863 by the International Committee of the Red Cross, where the group decided that "volunteer nurses braving battlefields shall wear in all countries, as a uniform distinctive sign, a white armlet with a red cross."

The ARC has sold first aid kits, preparedness kits, and related products that have generated over $2 million in revenue. Johnson and Johnson believed that the ARC was benefiting from consumers confusing the ARC packages for those of Johnson and Johnson, which has very similar packaging. The lawsuit was resolved in 2008, with both parties dismissing their suits and countersuits.

Focusing on Positive International Effects

From a marketing perspective, the greatest strength the ARC possesses is its ability to focus on the positive doings of its sister international organizations. The International Federation of Red Cross and Red Crescent Societies (IFRC) wrote a report discussing discrimination against women, the elderly, and the disabled in disasters. The IFRC concluded that these situations, as well as sexual violence, can be prevented with an improvement in disaster-preparedness programs. This conclusion states that with stronger support from charitable organizations, such abuse can be reduced or eliminated in the future.

Even in negative circumstances, positive coverage of the ICRC benefits the overall marketability of the ARC, such as when the International Committee of the Red Cross (ICRC) was forced to leave Myanmar in 2006. An article in *The Economist*, for example, noted, "Last year the [ICRC] paid individual visits to more than 3,000 prisoners in 55 places. It has also been providing aid—foods, medicines, help with sanitation, and so on—to villages on the border."

CONCLUSION

The American Red Cross faces many ethical risks and challenges. Some are common challenges for any organization of its size, such as executive compensation, preventing and handling employee misconduct, and considering all stakeholders in its operating model. Other risks are unique to the Red Cross, such as transparent and accurate representation of the organization's need for, and use of, monetary donations, volunteer time, and blood donations. Employee misconduct also has been an issue, from the discrimination in disbursing relief after disasters to employee embezzlement. Addressing stakeholder needs, particularly those of the ARC's thousands of donors, is an ongoing challenge. Donors need open, honest communication about how the ARC allocates its resources. The ARC must also maintain effective and efficient operations to respond to disasters and transparent