Meanwhile, in Ohio, William Killgallon, Ohio Art Company's CEO, stated to the *Times* reporter that he considered Kin Ki's executives to be honest and that he had no knowledge of labor problems there. But he said he intended to visit China soon to make sure "they understand what we expect."

Case Discussion Questions

- 1. Was it ethical of the Ohio Art Company to move production to China? What were the economic and social costs and benefits of this decision? What would have happened if production had not been moved?
- 2. Assuming that the description of working conditions given in *The New York Times* is correct, is it ethical for the Ohio Art Company to continue using Kin Ki to manufacture Etch-A-Sketch toys?
- 3. Is it possible, as Killgallon claims, that the Ohio Art Company had no knowledge of labor problems

- at Kin Ki? Do you think company executives had any knowledge of the working conditions?
- 4. What steps can executives at the Ohio Art Company take to make sure they do not find the company profiled in *The New York Times* again as an enterprise that benefits from sweatshop labor?

Sources

1. Joseph Kahn, "Ruse in Toyland: Chinese Workers' Hidden Woe," *The New York Times*, December 7, 2003, pp A1, A8; Joseph Kahn, "An Ohio Town Is Hard Hit as Leading Industry Moves to China," *The New York Times*, December 7, 2003, p. A8; Carol Hymowitz, "Toy Maker Survives by Moving an Icon from Ohio to China," *The Wall Street Journal*, October 21, 2003, p. B1; and John Seewer, "Etch A Sketch Enters Fourth Decade," Columbian, November 22, 2001, p. E3.