



PUBLIC RELATIONS

Level 6 Diploma

UNIT 5 – SYNOPSIS

Apple Says War Zones Don't Ship Its Supplies

SAN FRANCISCO – Apple released on Thursday its supplier responsibility report, and the company said its hardware factories did not use any tantalum, a metal commonly used in electronics, from areas that engaged in warfare.

Some warlords, particularly in the Democratic Republic of Congo, have profited from the sale of ores containing tantalum, tungsten, tin and gold to component suppliers that make parts for electronics. A grass-roots campaign has been pressing technology giants to keep minerals from those areas – often called conflict minerals – out of their supply chains.

The company said it had verified through third parties that the tantalum smelters used by its suppliers were conflict-free. It said it was pushing suppliers of tin, tungsten and gold to also use sources verified as conflict-free.

Nokia spoke up about conflict minerals two years ago and published a list of steps it was taking to avoid transactions involving conflict minerals.

In its supplier responsibility report, Apple also said that it was trying to put an end to excessively long workweeks. It said that last year it drove suppliers to an average of 95 percent compliance with its standard for a maximum workweek of 60 hours, up from 92 percent compliance the previous year. "Workweeks exceeding 60 hours have been a persistent problem for the electronics industry, and reducing excessive overtime remains a priority for Apple," the company said in its report. "We limit workweeks to 60 hours, except in unusual circumstances. And all overtime must be absolutely voluntary."

Apple said it was investing in helping workers throughout its supply chain better understand their rights. It said that last year, more than 280,000 people at 18 supplier sites took courses offered through its free education program, and suppliers trained about 1.5 million workers on their rights. Apple released a list of its major suppliers as part of its supplier responsibility report for the first time two years ago, following other corporations like Hewlett-Packard, Intel and Nike, which have released similar lists.

This is the eighth such report that Apple has released. The company started conducting audits and publishing reports in 2007 after media reports of poor working conditions at Foxconn, a Chinese manufacturer of products for Apple, Sony, Microsoft and others.

Apple's 2011 report showed that 137 workers had been seriously injured after cleaning iPad screens with n-hexane, a toxic chemical that can cause nerve damage and paralysis. The year before, there were several suicides among workers at Foxconn.

Adapted from: Brian X. Chen, 2014. 'Apple Says War Zones Don't Ship Its'. [online] Available at: <www.nytimes.com>.

You **must answer** Section A and **two questions** from Section B

Section A

Question 1

Analyse the importance for companies like Apple to ensure that its public relations department complies with the perceived corporate image of the company, especially in terms of supplier responsibility, corporate social responsibility and ethics, in relation to the case study above. (50 marks)

Section B

Question 2

In the last year, Apple has invested in educating supply chain workers of their rights in the workplace. Evaluate the protection of workers and suppliers in your country. Be sure to use examples that you have studied to support your answer. (25 marks)

Question 3

You are the general manager of a 5 star hotel located in the city centre. As a result of the economic downturn, you have had to shut down one of the three restaurants in your hotel. Examine the public relations tools that you would use to assure your target market that two of your restaurants are still open and functioning as per normal. (25 marks)

Question 4

The grass-roots campaign which has been pressing multinational technology companies to keep conflict minerals out of their supply chains should be given credit for the fact that Apple is not using conflict minerals. Critically evaluate the success criteria for pressure groups in terms of public relations. (25 marks)