

Problem No. 2: Document, document. Who has the document?

Players: Dick and Jane

(Dick and Jane are seated at a table.)

Jane: Dick, congratulations on your new job. Our firm has represented your company a long time and it's about time you got promoted to general counsel. That's a big job for a company like yours.

Dick: Thank you Jane. It is a big job. I had no idea how big. You know how our company relies on your advice, and that's even more important now with all the competition we face from China.

Jane: We really appreciate the confidence you have in us Dick. And we also appreciate the fact you let us set our own rates. What can we do for you today?

Dick: Jane, here's the problem. You know we make the most famous coffee maker in the world. Everybody loves it. Well, a company in China copied our design and could sell it lots cheaper. So our research group found a way to lower our costs and make the same product. The head of our research department gave me this yesterday. Look at it please.

(Jane takes a piece of paper from Dick.)

Dick: (As Jane is looking at paper) Jane, he told me that his tests show that with our new design if someone adds water to the tank that is too cold, then the whole thing can shatter and spray boiling water everywhere.

Jane: Dick that's very dangerous. Have you had any reports of injuries?

Dick: No. We've had no claims, there have been no injuries, and there have been no accidents that we know of.

Jane: Well what are you going to do about it Dick?

Dick: Well I've told the president that we have to recall every one of these coffee makers as soon as possible and he has agreed to do that and spare no expense.

Jane: Well that's the responsible thing to do and we can help you with how to do that.

Dick: Jane here's what I want to ask you about. As I said, we don't know of any accidents of any kind that have occurred. There are not that many of these things out in the marketplace and we think we can get them all back if we offer a new machine, plus some cash to return it. But here's the problem, the president wants to know if it is okay

for the research department to destroy all the copies of the tests that they made that found out what would happen if you add cold water to the machine. I want to know is it okay for me to tell them it is okay to destroy all of those documents?