

CASE FOR ANALYSIS | Oxford Plastics Company⁷⁸

Oxford Plastics manufactures high-quality plastics and resins for use in a variety of products, from lawn ornaments and patio furniture to automobiles. The Oxford plant located near Beatty, a town of about 45,000 in a southeastern state, employs about 3,000 workers. It plays an important role in the local economy and, indeed, that of the entire state, which offers few well-paying factory jobs.

In early 2004, Sam Henderson, plant manager of the Beatty facility, notified Governor Tom Winchell that Oxford

was ready to announce plans for a major addition to the factory—a state-of-the-art color lab and paint shop that would enable better and faster matching of colors to customer requirements. The new shop would keep Oxford competitive in the fast-paced global market for plastics, as well as bring the Beatty plant into full compliance with updated U.S. Environmental Protection Agency (EPA) regulations.

Plans for the new facility were largely complete. The biggest remaining task was identifying the specific

location. The new color lab and paint shop would cover approximately 25 acres, requiring Oxford to purchase some additional land adjacent to its 75-acre factory campus. Henderson was somewhat concerned with top management's preferred site because it fell outside the current industrial zoning boundary, and, moreover, would necessitate destruction of several 400- to 500-year-old beech trees. The owner of the property, a nonprofit agency, was ready to sell, whereas property located on the other side of the campus might be more difficult to obtain in a timely manner. Oxford was on a tight schedule to get the project completed. If the new facility wasn't up and running in a timely manner, there was a chance the EPA could force Oxford to stop using its old process—in effect, shutting down the factory.

The governor was thrilled with Oxford's decision to build the new shop in Beatty and he urged Henderson to immediately begin working closely with local and state officials to circumvent any potential problems. It was essential, he stressed, that the project not be bogged down or thwarted by conflict among different interest groups, as it was too important to the economic development of the region. Governor Winchell assigned Beth Friedlander, director of the Governor's Office of Economic Development, to work closely with Henderson on the project. However, Winchell was not willing to offer his commitment to help push through the rezoning, as he had been an enthusiastic public supporter of environmental causes.

Following his conversation with Governor Winchell, Henderson sat down to identify the various people and organizations that would have an interest in the new color lab project and that would need to collaborate in order for it to proceed in a smooth and timely manner. They are as follows:

Oxford Plastics

- Mark Thomas, vice president of North American Operations. Thomas would be flying in from Oxford's Michigan headquarters to oversee land purchase and negotiations regarding the expansion.
- Sam Henderson, Beatty plant manager, who has spent his entire career at the Beatty facility, beginning on the factory floor fresh out of high school.
- Wayne Talbert, local union president. The union is strongly in favor of the new shop being located in Beatty because of the potential for more and higher-wage jobs.

State Government

- Governor Tom Winchell, who can exert pressure on local officials to support the project.
- Beth Friedlander, director of the Governor's Office of Economic Development.
- Manu Gottlieb, director of the State Department of Environmental Quality.

City Government

- Mayor Barbara Ott, a political newcomer who has been in office for less than a year and who campaigned on environmental issues.
- Major J. Washington, the Chamber of Commerce chair of local economic development.

Public

- May Pinelas, chairman of Historic Beatty who argues vociferously that the future of the region lies in historic and natural preservation and tourism.
- Tommy Tompkins, president of the Save Our Future Foundation, a coalition of private individuals and representatives from the local university who have long been involved in public environmental issues and have successfully thwarted at least one previous expansion project.

Henderson is feeling torn about how to proceed. He thinks to himself, "To move forward, how will I build a coalition among these diverse organizations and groups?" He understands the need for Oxford to move quickly, but he wants Oxford to have a good relationship with the people and organizations that will surely oppose destruction of more of Beatty's natural beauty. Henderson has always liked finding a win-win compromise, but there are so many groups with an interest in this project that he's not sure where to start. Maybe he should begin by working closely with Beth Friedlander from the governor's office—there's no doubt this is an extremely important project for the state's economic development. On the other hand, it's the local people who are going to be most affected and most involved in the final decisions. Oxford's vice president has suggested a press conference to announce the new shop at the end of the week, but Henderson is worried about putting the news out cold. Perhaps he should call a meeting of interested parties now and let everyone get their feelings out into the open? He knows it could get emotional, but he wonders if things won't get much uglier later on if he doesn't.