

Devil's bargain

How corporate buyouts impact the ethics of independent companies *By Mat Thomas*

THE PATTERN IS FAMILIAR ENOUGH: a small independent company starts out on a shoestring budget guided by laudable ideals and becomes a big hit in the burgeoning natural products market. It slowly gathers a faithful following by making a quality product that honors sustainable and humane principles. Then, once it grows large enough to be noticed by the industry's mainstream players, it's bought out for a king's ransom and swallowed up by a soulless corporate juggernaut.

No wonder loyal customers feel betrayed when the feisty underdog who bucked the system willingly gets sucked up for more money or greater "success." It's not unlike when your favorite obscure indie rock band signs on with a major label and suddenly becomes trendy. The more professionally produced sound that gets their songs played on Top 40 radio stations and MTV just makes their watered-down music mean that much less to those disappointed fans who once really believed in it.

An obvious case in point involves the recent acquisition of Tom's of Maine by Colgate-Palmolive, which now owns 84 percent of the company. For more than 35 years, ethical consumers could rely on Tom's of Maine to provide natural toothpaste, as well as 89 other personal care products,

made without artificial preservatives, sweeteners, dyes, animal ingredients or animal testing. Yet, when people purchase Tom's of Maine products now, they directly support a monolithic multi-billion dollar conglomerate that continues to test its own products on animals.

Tom and Kate Chappell, founders of Tom's of Maine, claim they made the deal with Colgate-Palmolive because they needed a powerful partner to meet growing demand for their products, which currently reach less than three percent of the natural foods market. Admittedly, we can expect to see Tom's of Maine on the shelves in far more stores now that they are a subsidiary of Colgate-Palmolive. Perhaps that's good news for the average consumer who will have the option of purchasing natural toothpaste at their neighborhood supermarket, but those who take a moral stance against animal testing will have to find a new brand of personal care products.

Colgate-Palmolive didn't pay \$100 million to get majority control of Tom's of Maine because they believe in its holistic philosophy: if that were the case, they would stop using artificial ingredients in their own products and phase out animal testing as a matter of course. The reason Colgate-Palmolive incorporated Tom's of Maine is money: the bottom line is that they believe they can make a healthy profit from this deal. That's also why cosmetics colossus L'Oréal recently paid \$1.56 billion for The Body Shop, and why Cadbury Schweppes acquired organic fair-trade chocolate-maker Green & Black's.

The real question is, can the ethics upon which these companies were founded survive the corporate takeover process? That doesn't seem likely given corporations' main objective to increase market share at the expense of meaningful values. **VN**

*Freelance writer **Mat Thomas** lives and works in San Francisco.*

Your Opinion

With recent corporate takeovers of Tom's of Maine and The Body Shop (see "Devil's Bargain," left), socially conscious consumers are having to rethink buying decisions. We asked VN readers to weigh in on whether they would support progressive companies owned by big conglomerates. Here's what you had to say:

IT'S DISCONCERTING TO HEAR about the corporate takeovers of ethical, conscientious-minded companies by corporations that have a track record of blatantly disregarding the welfare of animals to increase their bottom line. Therefore, it's important that we continue to speak out, as consumers, to reiterate that the initial success of these smaller companies has largely been as a result of the ethical choices they have made. Continuing to support these companies only if/when their ethical choices are maintained is the best way for consumers to respond.

GINAMARIE SHOWALTER Boca Raton, Fla.

I WOULD SUPPORT environmentally conscious companies that share my values of respect for all living creatures even if they were owned by large corporations. Of course, when a company is bought out by one of those corporations, it often change its tune. It becomes about PR rather than the product they sell and their original philosophy. In short, their products and practices change and no longer support their original intentions. I would have to weigh the pros and cons and decide this on a case-by-case basis.

ADRIA CIANCIULLI Stamford, Conn.

BEING BOUGHT OUT by larger, non-vegan-, non-enviro-, non-animal-friendly corporations is exactly that: being bought out. And to be bought out, the company has sold out. Do we view ConAgra better because it owns LightLife, or Coca-Cola because it owns Odwalla? Most certainly not! The same goes for Tom's of Maine and Colgate-Palmolive. Boycott them all!

GEORGE JEREMENKO San Francisco, Calif.

Question of the Issue

The vegan market has grown from a soy-milk- and tofu-centered industry to an all-encompassing world of plant-based wonders. This includes junk food, from donuts and ice cream to marshmallows and chocolate bars. Do you consume vegan junk food? Send your thoughts, in 75 words or less, to survey@vegnews.com by November 20.

