

Online Ethics Center FOR ENGINEERING AND SCIENCE

Playskool Travel-Lite Crib

Author(s)

David Zivan

Year

2002

Description

This case discusses the design, development, marketing, sale, and recall of the Playskool Travel-Lite, a portable crib manufactured by Kolcraft Enterprises and licensed by Hasbro's Playskool division.

Body

The Playskool Travel-Lite, a portable crib manufactured by Kolcraft Enterprises and licensed by Hasbro's Playskool division, came to market in December 1989, stopped shipping in April 1992, and was recalled in February 1993. The crib's recall was initiated after three children were killed, in separate incidents, when one of its top rails collapsed and strangled them. Approximately 11,600 of the cribs were manufactured, and by June 1996, when the U.S. Consumer Product Safety Commission (CPSC) closed its case, only 2,736 Travel-Lites could be accounted for. To date, six children have been killed in Playskool Travel-Lite cribs.

This case discusses the design, development, marketing, sale, and recall of the Travel-Lite.

Part A discusses how the Travel-Lite came to market, details the deaths of three infants in the product, and brings Sanfred Koltun, CEO of Kolcraft, to a point where

he must decide how the company will conduct a recall, as ordered by the CPSC.

Part B details the recall process as it occurred, including negotiations between Kolcraft and the CPSC, and Kolcraft's actions in conducting its recall. It also discusses three additional infant deaths that occurred after the recall.

Part C considers the numerous issues surrounding the succession of the company to Sanfred Koltun's son Thomas and details Travel-Lite deaths that occurred during and after the recall. The case ends with Thomas Koltun facing a major lawsuit, public relations challenges, maneuverings by Hasbro to separate itself from the product's liabilities, and the possibility that Travel-Lites are still in use by the public.

This case study is designed for use in business ethics and organizational behavior courses, as well as in courses treating new product development, brand integrity, governmental regulation, crisis management, succession management, and business law. The narrative of the case provides material for discussing ethically responsible corporate policy and practice. Analysis of the decision-making processes at Kolcraft and Hasbro that ultimately resulted in the tragic deaths provides an opportunity to discuss the many facets of corporate responsibility.

Acknowledgements

The author wishes to thank a number of individuals who gave generously of their time and expertise during the creation of this case.

- Numerous faculty members, Ph.D. candidates, and MBA students from the Graduate School of Business at the University of Chicago attended several brown bag seminars to critique drafts of the case study. Their input was extremely helpful, as was the help of various experts from around the nation. I thank all those listed here and apologize to those whose names do not appear: Robert Adler, Holly Burt, Jonathan Eig, Howard Haas, Josh Klayman, Richard Larrick, Harold J. Leavitt, Carmen Marti, Cade Massey, David Messick, Sharon Peck, Megan Rostan, Caroline Schoenberger, George Wu, and Jeff Zivan.
- Mary Abowd provided extensive research and expert fact-checking on the entire case, Patricia LaMalfa served as a tireless editor and proofreader, and Abhijit Bhalla helped to create the final version of the document.
- Attorneys Stephen Senderowitz, Bradford Springer, Patrick Stanton, and Bryan Sup of Schwartz, Cooper, Greenberger & Krauss generously provided expert

legal advice.

- Marla Felcher's *It's No Accident: How Corporations Sell Dangerous Baby Products* is a tour de force of investigative reporting in the area of juvenile product safety, and her work was a valuable resource and an inspiration.
- Tom Hellie, executive director of the Kemper Foundation, not only helped put this case in the public domain, but also provided insight and encouragement.
- Finally, my heartfelt thanks to Linda Ginzel and Boaz Keysar, who have shown great patience during the case's composition—and more courage than any of us should ever have to muster.

Notes

Written by David Zivan, Senior Editor, Chicago magazine. Funded by the James S. Kemper Ethics in Business Grant to the Graduate School of Business at the University of Chicago, under the direction of Professor Linda Ginzel.

This document, which can be downloaded from <u>http://www.chicagocdr.org</u>, is in the public domain and may be reproduced without permission. The University of Chicago and the James S. Kemper Foundation would, however, be grateful to know of any and all uses of this case. A teaching note, for faculty use only, is available by request.

Please write: Professor Linda Ginzel, Graduate School of Business, The University of Chicago, 5807 South Woodlawn Avenue, Chicago, IL 60637, USA. Or by email: linda.ginzel@chicagobooth.edu.

Rights

Use of Materials on the OEC

Resource Type

Case Study / Scenario

Topics

Product Liability Public Health and Safety

Discipline(s)

Engineering