

Published on *International Labor Rights Forum* (<http://www.laborrights.org>)

[Home](#) > Statement for Hershey Shareholders Meeting

---

# Statement for Hershey Shareholders Meeting

**Date of publication:** April 12, 2006

**Source:** International Labor Rights Forum

By Bama Athreya

Good afternoon, ladies and gentleman. My name is Bama Athreya and I am here to deliver a statement on behalf of Global Exchange, a nonprofit human rights advocacy organization based in San Francisco, California. We have brought forward a resolution to urge the company to provide greater transparency to its shareholders regarding its cocoa supply chain. I would like to urge you all to vote in favor of this resolution.

The Global Exchange resolution calls upon the Hershey Company to report to its shareholders potential liabilities and risks related to its sourcing relationship with cocoa importing corporations that are currently the subject of litigation. The litigation and related media stories allege that these cocoa suppliers are profiting from the use of forced child labor. The resolution asks the company to review and report to shareholders on all sources of cocoa supply purchased for manufacture of all company products, including a breakdown percentage of total volume by supplying company or source. This review would enable shareholders to determine the extent to which their engagement with corporations accused of using forced child labor might affect the actual liability or pose a reputational risk to the Hershey Company.

Global Exchange believes that Hershey management would benefit from a thorough review of sourcing practices. We would like to clarify that we do not, in the resolution, suggest that the company alter its sourcing. Nor have we asked Hershey to share this information with its competitors. We simply believe it would be in the interests of Hershey management and shareholders to document and review the current sourcing relationships, particularly in light of the very serious allegations put forward regarding slave child labor in cocoa supply.

Lest anyone here believe the reputational risks to our company are not genuine, I have here a copy of an article that appeared just last week in Forbes magazine. The article is titled, "Slave Chocolate?" I will be happy to distribute copies of this article. It documents the case against Nestle, Archer Daniels Midland and Cargill, and it directly names Hershey Company as a possible downstream user of slave labor-harvested cocoa. Nor is this the only recent news article to mention the continued problem of forced child labor in cocoa harvesting. I was recently skimming my May 2006 issue of Food and Wine magazine, which features a lengthy article about gourmet chocolate. In the middle of that article I came across the following quote: "Today, three of the largest importers of cacao to America are fighting a lawsuit filed by a human rights group claiming that they buy beans harvested by child slaves, mostly in the nation of Ivory Coast. Several journalists have contended that the extent of slavery in the cacao industry has been overblown, but it's hardly comforting to hear that the number of slaves who helped make your afternoon snack has been exaggerated." (p 80, May 2006 edition)

To cite yet another example of the continued public and media attention to this problem, here is a quote from an article in the March 19, 2006 business section of the New York Times newspaper which, in a long article about Fair Trade certification, interviews an average consumer in New England: "He buys fair trade

products when he can, especially cocoa, after he read a report that much of the cocoa produced in Ivory Coast uses child slave labor. 'When I found out about it, I was horrified,' said Mr. Horowitz, who asked his wife to return a package of conventional cocoa to the store." (p. B5, New York Times, March 19, 2006)

In its statement of opposition to this resolution, the Hershey Company cites its active participation in an industry-led Protocol. While we respect the efforts of the Hershey Company to work together with others in the industry to address the very serious problem of forced child labor, our company has had a history of doing better than others in the industry, in ensuring the welfare of its own workers and their families, and in contributing to the greater good of the community. We believe the Hershey Company can go above and beyond what others in the industry are doing to improve the lives of West African farmers and to end the horrific practice of forced child labor. However let me be clear. We are not, in this resolution, seeking any new direct actions from the Hershey Company on the child labor issue. We are simply seeking to ask the company to review its sourcing relationships.

It is clear that, despite the actions taken to date, the problem of child labor in cocoa harvesting continues. The Hershey Company will continue to be questioned by media and by its consumers about any profits it may be making from cocoa produced by forced child labor. It may be the case in future that Hershey management and shareholders decide that participating in joint initiatives is not enough. However to fairly determine the best steps both to protect Hershey's reputation, and to end abusive child labor, the company management and shareholders need further information. This resolution is a simple first step, asking for identification of sourcing relationships. Transparency and information can only assist us in any efforts we make in future to protect ourselves and to make progress on this issue. Therefore we at Global Exchange ask you to vote FOR this resolution for the company to report to shareholders on cocoa suppliers.

---

**Source URL:** <http://www.laborrights.org/stop-child-labor/cocoa-campaign/news/11000>