Assignment: Final Assignment

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*The Sea World Show: Blackfish*

Can Corporate Social Responsibility Save Sea World

**Initial Statement**

Corporate Social Responsibility is a becoming increasingly integrated into long-term business strategies and public relations plans. It is a sustainable way to manage risk and create new value. According to a *Forbes* article *The Value Quotient*, “Companies around the globe are finding that addressing societal issues such as protecting the environment or feeding the hungry can create significant business opportunities.”

Corporate Social Responsibility as defined by Swann as, “A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis as they are increasingly aware that responsible behavior leads to sustainable business practices.”

Corporate Social Responcibility and responcibility in general are emerging area in public relations. The phrase “corporate sustainably” is also used.

This seems to me like a natural fit for CSR.

**Background**

Dawn Brancheau, Sea World Trainer, died of blunt force trauma to the head, neck and torso on Febuary 24, 2010. Tilikum, a Sea World orca, bit Dawn pulling her into the pool and dragging her around underwater by her ponytail. The autopsy showed that on Dawn drowned suffering a broken jaw, fractured vertebra and dislocation of her elbows and knees.

This was not the first time that Sea World had an issue with its orcas and human safety. Tilikum killed a total of three people. In 1983, Tilikum was two-years-old, he was captured off the coast of Iceland. In 1991, before Sea World bought Tilikum, he killed part time trainer Keltie Byrne. In 1992, Tilikum was sold to Sea World. In 1999 Daniel Dukes was found deceased and nude (?? –crazy) on Tilikum’s back. OSHA fined Sea World $75,000 for three safety violations related to Dawn’s death.

In 2013 an expose documentary, *Blackfish*, was released at Sun Dance film festival. It was released six months later in the United States airing on CNN and then BBC. That year the Sea World float in the Macy’s Thanksgiving Day parade was protested by a 12-year-old. Seems odd – only one.

Sea World reported that The Shamu Show suspended due to needed repairs. Bob Barker, Willie Nelson, Joan Jett, Martina McBride, Cheap Trick, Red Speedwagon, and Trisha Yearwood all took steps to protest and speak out against Sea World. Many of them pulled out of a Sea World concert.

In December of 2013, Sea World claimed that the stock was not affected by Blackfish, the stock line graph shows otherwise. Sea World also stated that Blackfish is a “Coordinated campaign of digital harassment.” Then launches a Groupon program offering tickets at a 40 percent discount. The movie, Anchorman 2, is released and depicts main character, Ron Burgundy, as an alcoholic working at Sea World “at rock bottom.”

Sea World launches “Shamu Up Close” to fill the void of “The Shamu Show”. “Shamu Close Up” focuses on whale’s relationship with trainers. Timeline for this?

**Research on Sea World**

Sea World has more than 11 million visitors each year at its three parks in the United States in San Diego, San Antonio and Orlando. They have announced plans to open a fourth location in the Middle East. Originally Sea World was owned by Busch Entertainment Corporation then sold to Blackstone Group in 2009. Sea World went public on April 19, 2013. 19.9 million shares were sold at $27 each. What happened to the offering – up, down etc.

Sea World is part of Sea World Parks and Entertainment, which has 11 theme parks, 23 million yearly guests and 23,000 employees. As of this writing Sea World Parks and Entertainment is trading on the NYSE under SEAS 17.07 per share for a total of 1.480 billion. *Consumerist*‘s voted Sea World as third in the “worst corporation” bracket in 2014. So the shares went from $27 to $17?

Sea World is accredited by the Association of Zoos and Aquariums, a non-profit focused on conservation, education, science and recreation. Sea World has rescued and rehabilitated over 23,000 animals since it was founded. Sea World is known for its animals as well as rides, shows and attractions.

Sea World has 23 orcas under its direct care at its three parks. It has five additional orcas loaned out for breeding. Sea World had the first birth of a captive orca. Sea World has over 86,000 marine and terrestrial animals in it’s care.

According to the official website, Sea World’s mission is “To apply basic physiological research efforts and state-of-the-art reproductive technologies toward wildlife species management and conservation.”

**Sea World Response to *Blackfish***

Sea World choose not to participate in the film *Blackfish* and later released a statement stating that that film was inaccurate:

*“Blackfish ... is inaccurate and misleading and, regrettably, exploits a tragedy .... [T]he film paints a distorted picture that withholds ...key facts about SeaWorld—among them...that SeaWorld rescues, rehabilitates and returns to the wild hundreds of wild animals every year, and that SeaWorld commits millions of dollars annually to conservation and scientific research.”*

Sea World’s response included an open letter that refuted the claims made by Blackfish. Both the [Oceanic Preservation Society](http://en.wikipedia.org/wiki/Oceanic_Preservation_Society) and The Orca Project, a non-profit organization focusing on orcas in captivity, issued open letters criticizing Sea World.

A poll issued by the Orlando Business Journal on if Blackfish had changed reader opinions on Sea World found that the majority of votes said that it did not. However, after further investigation it was found that 55 percent of votes came from a Sea World IP address. Sea World’s defense was that each vote came from a member of staff Wow!

Sea World added a section to its website titled "Truth About Blackfish," addressing the claims and highlighting what it considered other problems with the film. Sea World also failed to host a publicity stunt where they planned to bring two live penguins to a bar in New York City.

Following the Blackfish release, Sea World suffered a $15.9 million loss, which CEO James Atchison attributed in part to high-ticket prices and poor weather.

Overall attendance at SeaWorld parks was down 5.2 percent and profits were down 28 percent over the same? quarter. Stock price nosedived and was down 50 percent from the prior year. In relation to a potential securities claim on behalf of Sea World investors, Sea World "acknowledged for the first time the negative publicity may have had a hit and may have been why the attendance has been flat for now and the past quarters." In September 2014, a class action lawsuit was filed claiming that Sea World misled investors by not attributing the decline in business to Blackfish.

The Blue World Project announced for? August 2015 by Sea World will almost double the orca’s current 7 million gallon habitats. It also pledged $10 million in matching funds for orca research.

**Problem/Opportunity**

Sea World has had issues with the orcas in its care showing aggression and hurting and killing Sea World staff and other people. OSHA and the court system has gotten involved to ensure safety in the workplace.

Sea World’s response included announcing that the Shamu Show would be taking a break so repairs could be made to the animal habitat. Sea World stated that Blackfish was made by a “small group of misinformed individuals” and calls it a “coordinated campaign of digital harassment.” This has damaged Sea World’s credibility and image. The *Consumerist*‘s voted Sea World as third in the “worst corporation” bracket in 2014.

The problem/opportunity is that Sea World is under fire for not implementing proper care of its staff and animals, specifically the orcas. Sea World issued an initial response tactic and has the opportunity to add on to it by incorporating corporate social responsibility.

**Current Sea World Corporate Social Responsibility**

Sea World’s current Corporate Social Responsibility webpage states:

*“Our Corporate Social Responsibility (CSR) platform is grounded in the vision that we can accomplish great things when we work together. By building durable partnerships, we encourage a common benefit for our business and the communities where we live and work.*

*Our goal is to consider the impact of our decisions, operations and investments; create measurable and continuing value for key stakeholders; and to build trust within our communities.”*

However, there is little to no information available on their CSR program and what they have accomplished. Here lies the CSR opportunity.

**Epilogue**

At the time of writing this Sea World is still working to rectify the damage done to their business and their image from *Blackfish* and their response to *Blackfish*. Sea World still has the section of their website “The Truth About Blackfish” which calls the movie “propaganda not a documentary.” How you decide to handle this case and integrate Corporate Social Responsibility into the DNA of the company could help write this section and give Sea World a positive end.

**Terminology**

* Orcas are often called Killer Whales
* Shamu is a term used to refer to orcas by Sea World. It is derived form the first orca they were able to keep alive in captivity for over 13 months.

**Question to Discuss**

1. What did *Blackfish* uncover in its documentary about Sea World’s orcas?
2. How did Sea World respond to *Blackfish*?
3. How would you have advised Sea World to respond to *Blackfish*?
4. What do critics say about keeping orcas in captivity?
5. What reasons are there for keeping orca’s in captivity?
6. What actions should Sea World include in it’s current Corporate Social Responsibility plan?
7. How could animal welfare and animal rights advocates play into it the Corporate Social Responsibility plan for Sea World?
8. What could Sea World do to “hardwire” Corporate Social Responsibility into their corporate DNA?
9. What do you think led to the celebrities pulling out of concerts at Sea World?
10. What do you think the role of celebrities taking a stand against Sea World had on the company’s image?
11. If you were developing Sea World’s Corporate Social Responsibility plan whom would you choose for the spokespeople? Why?
12. How should Corporate Social Responsibility fit into Sea World’s business model?
13. What typed of Corporate Social Responsibility activities would help Sea World the most?
14. What area of the company should be in charge of the Corporate Social Responsibility plan? Why?
15. What roles should company social channels play in the disseminating information about the new Corporate Social Responsibility actions?

**Dig Deeper**

* Watch the documentary Blackfish, available on Netflix.
* Visit the Sea World website to see what strategies they are currently implementing [www.seaworld.com](http://www.seaworld.com)
* Visit the Association of Zoos and Aquariums to see what is currently going on in the industry <https://www.aza.org/>

**Sources**

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<https://www.facebook.com/SeaWorld>

<https://twitter.com/SeaWorld>

Very thorough job as usual for you. Interesting case that I have followed over the past couple of years. I’d think a bump and run strategy would benefit. You never when by throwing mud at the other guy.

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