



MULTIPAINT, INC. (ABSTRACT)

For more than a decade, WRI's Sustainable Enterprise Program (SEP) has harnessed the power of business to create profitable solutions to environment and development challenges. BELL, a project of SEP, is focused on working with managers and academics to make companies more competitive by approaching social and environmental challenges as unmet market needs that provide business growth opportunities through entrepreneurship, innovation, and organizational change.

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INTRODUCTION

MultiPaint, Inc. (MPI) is a comprehensive case about a fictitious company producing "environmentally friendly" paints and stains. When news is leaked to the press about a serious contamination problem at an idle manufacturing site, a team of consultants is called in to evaluate several alternatives. In addition to encompassing financial and managerial accounting aspects, the case also incorporates non-accounting issues as well – including legal, ethical, and public relations concerns. On the surface, the case seems to simply require a (reasonably rigorous) net present value analysis. However, when non-quantitative dimensions are considered, the appropriate course of action becomes less clear.

This case was prepared by Robert M. Bowen, Stephan E. Sefcik, and Naomi S. Soderstrom, University of Washington, Seattle, Washington, U.S.A., as the basis for class discussion rather than to illustrate either effective or ineffective handling of a managerial situation. This case is designed to facilitate classroom discussion. It has benefited from the helpful comments of Jane Israel, Jim Jiambalvo, Susan Moyer, Eric Noreen, Bill Resler, D. Shores, and participants in the First Annual Undergraduate Accounting Case Competition at the University of Washington. Holger Soderstrom prepared the artwork. Distributed by the Accounting Education Resource Centre, The University of Lethbridge, © 1996. All rights reserved to the authors and to the Accounting Education Resource Centre. Reprinted from The Journal of Accounting Case Research with the permission of Captus Press Inc., North York, Ontario, Canada and the Accounting Education Resource Centre of the University of Lethbridge, Lethbridge, Alberta, Canada. [Journal Subscription, Captus Press Inc., York University Campus, 4700 Keele Street, North York, Ontario, M3J 1P3, by calling (416) 736-5537, or by fax at (416) 736-5793, Email: info@captus.com, Internet: <http://www.captus.com>]