LINGUALIZE · BUSINESS CASES

The Tylenol Case

Teaching Note

Seven people are dead, and all of them took your company's best-selling product. No law tells you what to do. You are the CEO of Johnson & Johnson.

NÍVEL	B1 em diante (o texto do caso é curto; a discussão sobe com a turma)
DURAÇÃO	30, 45 ou 60 minutos de discussão + 15 minutos de jogo
FORMATO	Aula individual, dupla ou turma; presencial ou online
OBJETIVO DE LÍNGUA	Argumentar e discordar em inglês (I'd rather..., The risk is..., If we..., we'd...), vocabulário de negócios
OBJETIVO DE NEGÓCIO	Gestão de crise, recall voluntário, comunicação do CEO, recuperação de marca

Como conduzir

1. **Abra com a abertura (5 min).** Mostre o vídeo de abertura. Pergunte: o que você sente? O que faria nos primeiros cinco minutos?
2. **Uma decisão por vez.** Leia o briefing em voz alta (ou deixe o aluno ler), faça a pergunta e peça um voto antes de qualquer debate. Registre o voto de cada um.
3. **Discuta com as perguntas-guia.** Uma por vez. Cobre: “Why?”, “Give me a number.”, “Defend the other option.”
4. **Revele o que aconteceu só no fim de cada decisão.** Nunca antes do voto: a graça do caso é decidir sem saber.
5. **Feche jogando.** Os alunos jogam o caso sozinhos (15 min) e comparam o resultado deles com o real (30%).

> **Correção de inglês:** não interrompa o aluno no meio da frase. Anote os erros e corrija no fim de cada decisão, em bloco. O caso funciona porque o aluno se arrisca a argumentar.

Versões de tempo

30 MIN	45 MIN	60 MIN
Abertura + decisões 1 e 2. Prós e contras só da opção escolhida pela turma.	Abertura + as 4 decisões, 2 perguntas-guia em cada. Debate final com 1 pergunta.	Abertura + as 4 decisões completas, com prós e contras de todas as opções e o cenário alternativo. Debate final com 3 perguntas.

DECISION 1 · OCTOBER 1, 1982

What do you do first?

BRIEFING (READ ALOUD)

Chicago. Police cars drive through the suburbs with loudspeakers, telling people not to take Tylenol. Every TV network leads with the story.

The numbers. Tylenol is America's best-selling painkiller: 37% of the market and close to a fifth of your company's profit. No law forces you to recall anything.

New Brunswick. Nobody knows yet how the poison got into the bottles. Your phone has not stopped ringing. The FDA, the FBI and the press all want an answer.

Deaths: 7 · Market share: 37% · Tylenol sales a year: $500M · Of J&J's profit: ~17%

THE OPTIONS

OPTION	PROS	CONS	IF THEY HAD CHOSEN IT
Gather the facts A task force first. No statement until we know.	• No decision based on rumors • Time to coordinate with the FDA and the FBI	• Every silent hour is an hour the bottles stay on shelves • If the FDA acts first, you look like the defendant	After a day of silence, the FDA and the press set the story: "J&J says nothing as death toll rises." You start the crisis behind, explaining why you waited.
Warn and pull Warn the country, pull the suspect batches, open every door. **WHAT JOHNSON & JOHNSON DID**	• Fewer people take the capsules • J&J leads the response instead of reacting to it	• You lose sales before you know the cause • The warning may spread fear far beyond Chicago	This is what J&J did. It warned the public, recalled the suspect batches, stopped all Tylenol advertising and worked openly with the FDA, the FBI and the police.
Calm the public A statement asking for calm. The product stays.	• Avoids national panic • Costs almost nothing today	• Asking for calm after seven deaths reads as indifference • One more death and the statement becomes evidence against you	The evening news runs your statement next to the funerals. Regulators publicly keep their distance. You lose the story on day one, and getting it back costs more than any recall.

GUIDING QUESTIONS

1. What do you know for sure at this moment? What don't you know?
2. Who should hear from J&J first: the public, the FDA, the police or the press? Why?
3. What is the cost of acting too early? And of acting too late?
4. Write the first sentence of J&J's statement.

What really happened: J&J warned the whole country, recalled the suspect batches, stopped all Tylenol advertising and opened its doors to the FDA, the FBI and the police.

Vocabulary: to recall (recolher um produto do mercado) · batch (lote de fabricação)

DECISION 2 · OCTOBER 5, 1982

How far do you pull it?

BRIEFING (READ ALOUD)

What you know. The poisoned bottles came from two different factories. Someone opened them after they left your plants, most likely on store shelves around Chicago.

The country. Copycat threats are coming in from other states. Some stores are pulling Tylenol on their own. Datril and Anacin-3 are ready to take your shelf space.

The cost. There are about 31 million bottles in American stores and homes. Pulling them all would cost more than $100 million. Your finance team reminds you: the deaths happened only around Chicago.

Bottles in the US: 31M · Cost of a full recall: $100M+ · Deaths outside Chicago: 0 · Legal duty to recall: None

THE OPTIONS

OPTION	PROS	CONS	IF THEY HAD CHOSEN IT
Pull it in Chicago Only where people died.	• Matches the evidence: every death was in Chicago • Saves most of the $100 million	• Bets that the danger stops at the city limits • Says, without words, that money came first	The next copycat case outside Illinois makes the national recall inevitable. You pay almost the same, weeks later, and now the headline is "J&J knew and waited."
Warn, don't pull Stop production, add warnings, keep it on shelves.	• The product stays on the shelf • Much cheaper than a recall	• A warning doesn't remove a poisoned bottle • If someone else dies, the warning proves you knew	A new case is reported and your own warning becomes evidence of negligence. The FDA orders the recall you refused, and J&J is now forced to do it.
Pull everything Every bottle, in every state. WHAT JOHNSON & JOHNSON DID	• Removes the risk everywhere • Gives J&J the moral high ground for everything that follows	• More than $100 million in one decision • Empty shelves for your rivals to fill	This is what J&J did. It recalled about 31 million bottles across the United States, with no law requiring it.

GUIDING QUESTIONS

1. The evidence points to Chicago only. Why might a national recall still make sense?
2. Who pays for the recall? Who pays if you don't recall?
3. What does a company say about itself when it spends $100 million that no law requires?
4. If you were on the board, what would you ask the CEO before approving this?

What really happened: On October 5, J&J recalled about 31 million bottles across the United States, worth more than $100 million. No law required it.

Vocabulary: copycat (imitador, quem copia o crime) · write-off (perda lançada no balanço)

DECISION 3 · OCTOBER 1982

How do you talk to America?

BRIEFING (READ ALOUD)

The noise. It is one of the biggest news stories in America in years. Reporters camp outside your headquarters. They want the man at the top.

The invitation. 60 Minutes and The Phil Donahue Show want you live. No script, no list of questions, millions of viewers.

Your lawyers. Your lawyers say every word on camera can be used in court. Your PR team says written statements are safer.

Market share now: <8% · Recall bill: $100M+ · News stories on the crisis: 125,000 · TV requests: Dozens

THE OPTIONS

OPTION	PROS	CONS	IF THEY HAD CHOSEN IT
Face the cameras Live interviews, no filter, any question. WHAT JOHNSON & JOHNSON DID	• Puts a human face on the company • A hostile question answered well builds trust	• One bad answer on live TV can undo everything • Enormous pressure on one person	This is what J&J did. Burke went on 60 Minutes and The Phil Donahue Show, and the company answered reporters openly for weeks.
Controlled statements Press releases and a trained spokesperson.	• The message is controlled • No risk of a bad answer on live TV	• A filter looks like hiding • Written statements don't rebuild trust	The recall did the hard work, but without a face in front of it, the public never fully believes it. Reporters move from curious to suspicious.
Advertise TV ads about what J&J is doing now.	• Shows action, not only words • The CEO stays out of risky interviews	• Advertising during a tragedy looks like selling • An ad can't answer a question	A reporter notices a national J&J ad days after the last funeral. The story becomes "J&J moves on to marketing." The ads come down, but the damage stays.

GUIDING QUESTIONS

1. Why is a CEO on live TV different from a press release with the same words?
2. What is the worst question Burke could get on 60 Minutes? How would you answer it?
3. Your lawyers and your PR team disagree. Who decides, and how?
4. Role-play: one student is Burke, the other is the interviewer.

What really happened: Burke went on 60 Minutes and The Phil Donahue Show, and J&J answered reporters' questions openly for weeks.

Vocabulary: spokesperson (porta-voz) · to go on the record (falar oficialmente, assumindo o que diz)

DECISION 4 · NOVEMBER 1982

How do you bring Tylenol back?

BRIEFING (READ ALOUD)

The shelf. Your market share has fallen from 37% to about 7%. Every week without Tylenol, your customers learn to buy something else.

The fear. In surveys, many consumers say they are afraid of capsules. Many say they will not buy Tylenol again.

The experts. Advertising experts say the Tylenol name is finished. Some tell you to start again with a new brand.

> *"I don't think they can ever sell another product under that name." — Jerry Della Femina, advertising executive, 1982*

Market share: ~7% · Before the crisis: 37% · Weeks off the shelves: 5 · J&J sales a year: $5.4B

THE OPTIONS

OPTION	PROS	CONS	IF THEY HAD CHOSEN IT
Change the name Same medicine, new brand, new box.	• No bad memories attached to the name • Freedom to change price and package	• Confirms the public's fear that Tylenol is dead • Building a new national brand costs hundreds of millions	The new brand starts from zero while Datril and Anacin-3 take the customers Tylenol had for decades. Years later, you are still the challenger.
Change the package Same name, a package nobody can open in secret. **WHAT JOHNSON & JOHNSON DID**	• A visible answer to "what has changed?" • Keeps decades of trust in the Tylenol name	• Costs money and margin on every bottle • Another tampering after the relaunch would end the brand	This is what J&J did. Its own survey said 75% of regular users would buy Tylenol again in a tamper-resistant package. It came back triple-sealed and regained most of its market within a year.
Spend on marketing Coupons and big ads. Same package.	• Wins back shelf space fast • No new packaging cost	• Doesn't answer what changed in the product • Big ad spending after a tragedy can backfire	Sales come back slowly, then stall. In every interview the question is the same, "what stops this from happening again?", and you have no physical answer.

GUIDING QUESTIONS

1. Is the Tylenol name an asset or a liability in November 1982? Why?
2. What does a customer need to see on the shelf to buy Tylenol again?
3. Why would a new package work better than a big ad campaign?
4. Which other brands came back after a crisis? Which didn't?

What really happened: On November 11, 1982, Tylenol came back in a triple-sealed package: glued box, plastic neck seal and foil under the cap. Within a year, its market share was back near 30%.

Vocabulary: tamper-evident (à prova de violação (mostra se foi aberto)) · market share (participação de mercado)

Final debate

1. No law required a recall. Why did J&J do it anyway? Would your company?
2. Was the $100 million recall a cost or an investment? Defend your answer.

3. Burke went on live TV. When should a CEO be the face of a crisis, and when not?
4. J&J's Credo puts customers first and shareholders last. Did the shareholders lose?
5. Think of a recent company crisis. What would Burke have done differently?

> **Depois da aula:** jogue o caso sozinho antes de levá-lo à primeira turma. Faça as decisões de formas diferentes para ver os cenários alternativos que os alunos vão encontrar.

Fontes: Fortune (1982), UPI (1982), The New York Times (1982), Chicago Sun-Times, Smithsonian Magazine (2018), Retail Brew (2022), EBSCO Research Starters. J&J: vendas de US$ 5,4 bilhões em 1981; Tylenol: cerca de US$ 500 milhões por ano e 17% do lucro. Participação de mercado: 37% antes, cerca de 7% no pior momento, perto de 30% em um ano. Os números do caminho do aluno são simulação.
lingualize.com.br/business-cases-em-ingles/tylenol