

Chemistry 3250
Ethics case study 3:
Potential conflicts of interest

Due: Tuesday, March 27, 12:15 p.m.

Geochemistry Analytical Services, Inc.

- You own a company called Geochemistry Analytical Services, Inc., which carries out chemical analyses of geological samples, particularly from oil and gas field sites.

- Your company is still small, but now hires six fully qualified professional chemists, in addition to yourself.

- While you are trying to get away from taking direct responsibility for chemical analyses, some of your oldest and most loyal clients prefer for you to be in charge of the work they send to your company.
Some of the analyses they require are tricky, and you have demonstrated that you are able to get reliable results.

- You have full confidence in the chemists you have hired and would have no hesitation in having your company's reputation rest on their work.

Two old customers, two new jobs

- Oil and gas exploration activity has increased substantially in Southern Alberta in recent years.
- Two of your oldest clients have acquired mineral leases on adjacent sections of land in Southern Alberta.

In one of those odd coincidences that frequently happen in a busy industry, they both come in to talk to you about some samples they plan to bring in for analysis from these leaseholds.

- While they are both oil-and-gas exploration companies, they have in the past requested different analyses, partly because of the drilling techniques they prefer, which create different technical requirements, but also due to the idiosyncrasies of the training and experience of the respective owners.

The potential for conflict of interest

- The relationship with a client is a privileged one.

As a rule, you cannot disclose to any other company, particularly to competitors, the nature of the work you are doing for a client.

- You immediately become concerned about potential conflicts of interest. In particular, because the two companies typically order different analyses, you are concerned that you might discover something in working for one client that would impact the interpretation of the data or other aspects of your report to the other client.
- Your preference would be to assign the analyses to two of the professional chemists you employ, with strict instructions not to talk to each other about their work for these clients.

However, both clients insist rather strongly that they want you to be responsible for their analytical work, as you have always been in the past.

What do you do?