Abstract
The CEO of 23andMe started the firm in 2006 to sell saliva test kits with ancestry and health related genetic reports direct to customers (DTC). Disgruntled customers, clinicians, and government officials became concerned about the accuracy of the tests, the privacy of customer data, and the health consequences of the DTC approach. The Federal Drug Administration (FDA) believed the test kits and genetic reports fell into the medical device category and required agency approval to market them. 23andMe ignored FDA warnings about its unauthorized DTC approach and the FDA ordered 23andMe to stop the service. The CEO suspended its genetic reporting service but continued to market test kits and ancestry reports to emphasize the mission and business model. Students are asked to assess the CEO’s reactions in early 2014 from the viewpoint of her leadership approach, assess the legal, ethical, and marketing impact of her previous decisions, and propose improvements.

Learning Outcomes
In completing this assignment, students should be able to:

1. Evaluate the 23andMe business model.
2. Assess the legal and ethical aspects of a business that uses new technology with new (potential) risks, using concepts from business law and business ethics.
3. Assess the leadership style of the leader of a high technology, marketing intensive business.
4. Analyze the 23andMe marketing mix.

Application
This case is most appropriate for graduate and advanced undergraduate courses in strategy, business policy, ethics, entrepreneurship, product marketing, decision-making, and technology management.

Key Words
strategic management, ethics, entrepreneurship, marketing, biotechnology management.

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