



A CRISIS SURVIVAL GUIDE

by
Greg Stone

Stone Communications
9 Chenery Terrace
Belmont, MA 02478
617-489-5400
www.gregstone.com
greg@gregstone.com

stone communications

Crises are Painful

During a crisis “you’re like a coyote in a hailstorm. Just hunker down and be pelted.” (Old Texas saying.)

Then, there’s the Army way of handling a crisis:

- Week 1: It never happened.
- Week 2: It might have happened, but we didn’t do it.
- Week 3: We weren’t responsible, but we’ll never do it again.

“The media that you have tried to pitch ideas for news stories, the media that toss ‘perfect’ news releases in the trash, the media that never return phone calls – THAT MEDIA will call on you in a crisis. They will probably not telephone in advance. They will show up on your premises – ‘in your face.’” (From Crisis Communications, by Kathleen Fearn-Banks.)

Here’s a list of events that could come back to haunt you on the front pages:

- acquisition
- age discrimination
- alcohol abuse
- bankruptcy
- boycott
- bribery
- building collapses
- chemical spills or leaks
- construction accidents
- contamination
- data security threats
- domestic violence
- drug abuse
- drug trafficking
- earthquakes
- embezzlement
- explosions
- fatalities
- fires
- floods
- hurricanes
- internet viruses
- kickbacks
- kidnapping
- lawsuits

- layoffs
- malpractice suits
- merger
- murders
- negative legislation
- plant closings
- product failures
- protest demonstrations
- racial issues
- robberies
- sexual discrimination
- sexual harassment
- strikes
- suicides
- takeover
- tax problems
- terrorism
- tornadoes
- toxic waste
- transportation accidents
- transportation failures
- workplace violence

Recommendations

“The public relations rules for crisis management are relatively simple (Source: Mass Media as Weapons of Modern Warfare, by Ray Hiebert):

- Tell as much as you can and tell it fast
- Centralize the source of information with an effective and well-informed spokesman, usually the chief executive
- Deal with rumors swiftly
- Make as much available to the press as possible
- Update information frequently
- Stay on the record
- And never tell a lie”

It is most important to express sympathy for any victims, even if they are merely inconvenienced. Audiences and media alike can forgive almost anything **except arrogance or indifference**.

If your initial response (like BP's in the Gulf oil spill) is brusque, uncaring or inappropriate, then you will spawn a secondary crisis. Be humble and polite, and take responsibility.

You must respond quickly, by saying what you can. For example:

- We know what happened and here's all the information.
- We don't know everything at this time. Here's what we do know. We'll find out more and keep you informed.
- We have no idea, but we'll find out and tell you. (Fearn's-Bank)

The media will want to know:

- What happened and why
- Whether there were any deaths or injuries
- Who or what is responsible
- What is being done about it
- When it will be over
- The extent of the damage and danger
- Whether it happened before
- Whether there were any warning signs

Don't bring up past good deeds: nobody cares about your little league team when people are injured. However, companies enjoying good communication with the press generally weather crises more effectively.

Rumors can be Crises Too

Here are examples of inaccurate, damaging rumors:

- Kids being kidnapped at K-Mart's
- After Liz Claiborne told Oprah that 30% of her profits go to Church of Satan, the screen went black; when the image returned, Liz was gone
- Corona Beer contains urine
- P&G's logo is satanist (in fact, the company eventually changed it)
- The K on the Snapple label stood for KKK (it actually meant kosher)

Types of rumor:

- Intentional
- Premature-fact (i.e. a leak of the truth)
- Malicious rumor
- Outrageous rumor (so outlandish it must be true)
- Nearly true rumor

- Birthday rumor (pops up again and again with regularity)

Recommendations for dealing with rumors:

- Do nothing and let it go away (if it's minor)
- Publish accurate information as soon as possible to contradict the story
- Deny the rumor vehemently
- Get an expert to refute it
- Buy ads

The Johnson & Johnson Tylenol Scare in 1982: **An Example to Follow**

Think you had a bad day? 7 people die from cyanide poisoning from tampered Tylenol bottles.

Despite all this, the company comes through with its reputation not only intact, but strengthened. Why? Because James Burke, the CEO, is out in front and available. 180,000 news stories run nationally in newspapers; J&J fields 2,000 media calls. Burke says, "We were all scared to death."

The company has one overriding goal: to warn the public. It recalls the product (some 31 million bottles) and asks Americans for their trust in an appeal to a sense of fair play. In six weeks, Tylenol is reborn, in tamper-resistant bottles; not only does the product recover, but it surpasses its previous market share.

A leading TV personality invites Burke onto his show, and gives him permission to use the podium as a "48-minute commercial," because he sees J&J as a victim!

Burke says: "I think the answer comes down to the value system... What's right works. It really does. The cynics will tell you it doesn't, but they're wrong... All of the previous managements who built this corporation handed us, on a silver platter, the most powerful tool you could possibly have," i.e. "real, palpable, bankable trust... Without a moral center, you can swim in chaos."

By the way, the case has never been solved and the murderer or murderers are still at large.

Cost to J&J: \$100 million (in 1982 dollars.)

The Exxon Valdez, 1989: **An Example to Avoid**

Exxon's tanker Valdez crashes into a reef off the coast of Alaska -- dumping 11 million gallons of crude into Prince William Sound -- enough to fill nearly half the Rose Bowl.

Some 2 million birds, seals, sea lions, otters and other animals die, not to mention countless fish.

Four days after the spill, Exxon CEO Lawrence Rawl explains that he did not travel to Alaska because he felt "technologically obsolete." [He has been at the company for 37 years at that point.]

He later issues a statement informing the public of the chemicals that would be used in the cleanup, but makes no apology to fishermen and shows no emotion.

10 days after spill, the company takes out full-page ads expressing concern and vowing to clean up but assuming no responsibility.

3 weeks after the spill, Rawl finally goes to Alaska.

"If the media had captured, on video and film, the CEO on the site at Prince William Sound holding an oil-covered bird in his hand and looking as if he were crying, the entire story would be told differently today." (Fearn-Bank.)

Instead, the phrase "Exxon Valdez" is synonymous with environmental disaster. In fact, the Sierra Club has used it as a nickname for gas-guzzling automobiles.