

Surviving a PR crisis

DIANE PETERS

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Imagine, for one unpleasant moment, that you're the CEO of pet-food maker Menu Foods. In March, the Mississauga-based company recalled more than 100 of its products—sold under dozens of brand names—after reports that contaminated food had killed 16 dogs and cats across North America (reports now suggest the final death toll will be in the thousands). Angry pet owners have filed several class-action lawsuits, and the ever-expanding recall has savaged the reputations of numerous pet-food brands. Here's how to avoid losing it all when a public-relations disaster hits your company.

Assess your risk Every business has flaws that can crack open into a crisis. To lessen the risk, re-evaluate your suppliers both here and in foreign countries. Also, ensure your customers' private information is well protected.

Draft a crisis plan Not a document the size of War and Peace, but a few pages that include: a phone list of employees (including cell, home and cottage numbers), customers, suppliers and government; a step-by-step checklist; and Web documents that can be easily adapted for different scenarios. Review it with your staff (some companies even run crisis simulations) and keep it up to date.

Act fast Don't wait for the news to break. "Based on how fast the media moves, you do not have the luxury of time," says Mat Wilcox, CEO of Wilcox Group, a PR firm based in Toronto and Vancouver. She says you've got 15 minutes to make a public statement—before someone else starts talking on your behalf—and start acting. "You must be in control and be seen to be in control," says Bruce Rozenhart, principal with Counterpoint Communications in Vancouver. If you don't have all the answers yet, state that you're on top of the situation and will provide updates as more information becomes available.

Run with a small team In advance, choose a team of three or four key staffers to lead the recovery (with you at the helm) and possibly a PR expert who can help out. "Everyone in your company will want to be involved," warns Wilcox—but large teams can't make quick decisions.

Communicate Keep the public, your business partners and employees apprised of new information as you get it. Two caveats: Don't make promises you can't keep, and never go public with information you can't verify.

Snap out of it Once the heat cools, says Jane Shapiro, senior partner at PR firm Fleishman-Hillard in Toronto, "you've got to rebuild trust and show that you're fixing what went wrong." Forget letters to the public, says Rozenhart—action speaks louder. When you put in place new safety policies, involve a third party, such as a government agency or consultant, to show the public you're serious.

How not to do it: Menu Foods

While it used its website and 1-866 number to keep the public up to date, reports suggest Menu knew there was a problem long before the recall went out. Plus, it took weeks to find the source of the contamination. To make matters worse, it was revealed mid-crisis that the CFO of Menu Foods sold half of his shares three weeks before the recall.

How to do it: Tylenol

In 1982, when seven people died from taking Tylenol capsules laced with cyanide, Johnson & Johnson quickly informed the public and voluntarily recalled 31 million bottles. Then it invented safer gel caps and topped the bottles with a tamper-proof seal that's since been adopted by food and drug makers everywhere.