

BUSINESS

Menu Foods fails test in crisis management

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Before last Friday, Menu Foods was an obscure Canadian pet food supplier.

By the weekend, Menu was known as the Ontario, Canada, maker of tainted pet food that had killed several dogs and cats.

Communications experts said Menu failed to get control of the crisis, and the resulting criticism levied against it reveals what happens when companies employ a bunker mentality in times of trouble.

"Any time a product is under a question mark, they have to get out information as soon as possible," said Bob Wright, public affairs director for the University of Texas at Arlington.

The company issued a recall Friday of dog and cat food sold under the Iams, Nutro and Eukanuba brands distributed by retailers including Wal-Mart, Kroger and Safeway. Menu said 10 pets died after eating wet food consisting of meat chunks and gravy.

However, the Food and Drug Administration said Menu first learned some pets had died Feb. 20 and that the company conducted tests last month in which seven animals died. An official of the FDA, which sent inspectors to Menu plants in Pennsauken and Kansas City this week, said more deaths are expected.

As retailers began pulling pet food off shelves, customers started complaining about a lack of information from Menu.

"It's worked out horribly, and Menu Foods has been noncooperative," said David Johnson, chief executive of Strategic Vision, an Atlanta public-relations company. "Their Web site gives you no information except a few press releases and some spreadsheets."

Johnson said the company should have reassured the public its dry pet foods weren't affected instead of "building up a wall of silence."

Sarah Tuite, a spokesman for Menu, didn't return phone calls.

Menu Foods' Chief Executive Paul Henderson told the Associated Press on Friday the company was still trying to figure out why the food was tainted. However, Henderson didn't hold a news conference to answer questions, which experts said was a crucial mistake.

Companies no longer have 48 hours to get control of the message, said Chris Anderson, who teaches crisis management at Southern Methodist University in Dallas.

"You've got 60 to 120 minutes," he said, because bloggers and Internet chat rooms will start buzzing about the problem. "Tell it all, and tell it fast. You want to go for the quick bleed, not the long hemorrhaging."

Menu officials should have appeared on talk shows with their own pets eating their products, Anderson said.

During a crisis, company lawyers often limit the flow of information in an attempt to minimize potential liability.

"The legal people are worried about what will happen in a court of law, and the public relations people worry about what will happen in the court of public opinion," said John Mooney, partner in Jaffe Communications, a

Westfield firm that provides crisis counseling.

But worrying about lawsuits also can hurt a company's brand in the long run.

The worst examples of how to react include Union Carbide's handling of a gas leak at a pesticides plant in Bhopal, India, that killed 3,000 people in 1984. Another involves the Exxon Valdez oil spill, which killed thousands of animals along the Alaskan shoreline in 1989.

The gold standard for crisis communication is the Johnson & Johnson Tylenol tampering case of 1982, experts said. The New Brunswick company portrayed itself as a victim and trotted out its CEO to say what steps it would take to ensure public safety.

A trickle of information can make a bad-news story last for days. Taco Bell found that out last month when a pack of rats were videotaped scurrying around a restaurant in Greenwich Village.

"They didn't reinforce that this was an isolated case," Mooney said. "They got hammered for days with the rat story, and then you become a target for ('Tonight Show' host) Jay Leno."

Menu's problem was compounded by the timing of the announcement during the weekend.

"Menu didn't seem to have a plan," said George Haley, director of the Center for International Industry Competitiveness at the **University of New Haven**.

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LIST: Talk about it Here are some tips for how companies can handle a crisis: Communicate often: Say what you know, immediately. Set up an 800 telephone number and Web page. Update re-tailers and other partners. Apologize: An apology isn't an admission of guilt, but can be an invaluable balm. Remember, it is the angry customer who becomes a plaintiff. Play offense: A credible executive should show empathy for customers, compensate them some-how and detail a plan to fix mistakes. MORE YOU CAN DO Here are more tips for how companies can handle a crisis: Be honest: A lie can irreparably harm your brand. Failure to return calls won't make the media go away, either. Know thy vendor: Find out how your vendor would "make good" on potential problems. How does it inspect or audit its processes? Develop a plan: Consider how you would handle hypothetical problems. Train key people in how to manage adversity.

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