SCCE Compliance & Ethics Institute They made the news, but you don't have to October 23, 2018 Ben DiPietro Kitty Holt Agenda In this session, we will... • Provide tips for handling media inquiries. Discuss recent crises that made the news and social media, and the impact of the attention. • Discuss specific steps you can take to prevent negative attention. Tips for dealing with the media 1. Always be available. 2. Build relationships and good rapport with journalists. 3. Research the key reporters that cover your industry, and that you either want to reach out to, or expect to be contacted by. Be prepared before a reporter calls. Understand what on the record is, what off the record is, what being on background means.

Tips for dealing with the media 6. If you don't know the answer to a question, don't make up an answer 7. Control your message or someone else will. 8. Have a media plan for when something goes wrong. 9. Speak slowly. 10. Deadlines happen. #1: Ejected from an airplane A U.S. airline had sold-out flight; four flight attendants not working the flight boards. Passengers would not relinquish their seats for them; the airline randomly chosts One Asian male doctor refused to leave when chosen and was dragged from the plane. The incident was recorded, went viral and prompted outrage in the 35. and Asia. • The airline's CEO responded defensively, prompting negative pless, alls for his firing. CEO denied chairman position, new policy instituted, CEO ssues heartfelt apology. Despite apology, more problematic events took place soon after. #1: Ejected from an airplane How to prevent this from happening to your organization.... Take responsibility and apologize. Follow up on your promises. Review policies. Make sure customer service training is robust. Show sensitivity to cultural differences when responding to go Recognize the swift and awesome power of social media.

#2: Sorry 'bout that scandal... A major Japanese manufacturer admitted in October 2017 it sold aluminum and copper product failed to meet product-quality specifications the company said were "improperly rewritten" Problems grew after the company came back a few days later to say some 500 compa affected and involved units in other countries outside of Japan. The scandal forced the customers, including auto makers, to check the safety of their products. The crisis directed a spotlight on corporate governance in Japan, with the secondary to resolve its data-falsification problems amid worries the lapse with country's reputation for high-quality manufacturing. Between Oct. 8 and Oct. 20, the company released six statements in which it repeatedly apologized for the "considerable trouble cause to suppliers, shareholders and many others." The statements provided updates on the investigation "on the facts concepting improper conduct" in its aluminum and copper business, and outlined steps the company planned to take to prevent a recurrence. #2: Sorry 'bout that scandal... Avoid death by a thousand cuts; put out all the bad news at once. In the absence of a complete picture, provide a timeline for when more information should Apologizing sincerely is important, but it's not enough. Take responsibility but emphasize what is being done, not what happe #3: College student boycott What happened.... An undergarments factory in Honduras closed after workers union 1,200 workers lost jobs. A boycott ensued; more than 100 colleges severed contrages.

The company that ran the factory lost \$50 million in revenue.
It reopened the factory and rehired all the fired employees.

#3: College student boycott How to prevent this from happening to your organization.... Make controversial decisions slowly, consider impact to both sides • Walk through boycott scenario and ask if this would change becigion. • Ensure PR and compliance provide input before decision is finalized. #4: Sexual scandals (1) Since 1997, 265 women complained about sexual assault by a doctor for a gymnastics group also worked at a university. The university and gymnastics group were sued. The doctor to pornography and some assault charges. University staff were accused of suppress The university's board defended the university president until state lawmakers, spide president's resignation. The resignation letter focused on the president, not president, on the president of the presiden (2) Since the 1990's more than 300 complaints of sexual assault by the student bealth center gynecologist at a university. He was fired in 2017 for inappropriate behavior, but not reported. Two hundred tenured professors demanded resignation of the university's president, who eventually resigned. The university later created an Office of Ethics and Professionalism. #4: Sexual scandals How to prevent this from happening to your organization.... • Take allegations seriously; investigate. • Importance of individual does not matter. • Accept consequences of investigation. Communicate with emotion and humanity

