Top 10 Crises of 2010

Paul Holmes and Arun Sudhaman

1. BP Oil Spill

BP—a company that for the past decade has been assuring stakeholders of its intent to move "beyond petroleum"—was responsible for the worst accidental oil spill in US history following an explosion on a rig in the Gulf of Mexico that killed 11 and injured 17. Plugging the leak took months, and by the time the company had the situation under control, 4 million barrels of oil had been pumped into the ocean in one of the world's biggest environmental disasters.

Analysis:

"If the original Tylenol crisis is the ultimate textbook 'do' for crisis communications, BP's handling of the biggest oil spill in history will surely become the textbook 'don't' for this generation," says Carreen Winters, executive vice president at MWW Group and head of the firm's crisis practice. "While millions of people watched the spill growing via a live video feed on the internet, BP downplayed the impact of the incident, attempted to shift responsibility to a sub-contractor and generally did just about everything wrong."

Perhaps the most memorable moment of the crisis, according to Winters, was CEO Tony Heyward's misguided comment that: "I just want my life back," which alienated the media, politicians and most notably the Gulf community that was actually suffering the real consequences of the crisis.

The CEO—since replaced—seemed to get both the tone and the content of his response entirely wrong. The Observer's City editor, Richard Wachman, summarized: "Given that about half of BP's business and 40 percent of its shareholders are in the US, there was a need from the outset for Hayward to address US public opinion. The last thing the Americans wanted was aloofness, wry smiles and a stiff upper lip that were hallmarks of the Hayward riposte."

The company also seemed to be blindsided—at least initially—by some innovative use of social media by its critics. A Twitter account, @bpglobalpr, attracted more than 180,000 followers and pushed out a stream of statements that not everyone realized were parody: "The bad news: we're being sued by the United States. The good news: they sue in dollars, not pounds."

Finally, it was clear the crisis had a major impact internally as well as externally. Interviews conducted by the Financial Times "reveal[ed] a company where many are fearful about jobs and savings, dismayed at their employer's part in another terrible accident, and furious at management's handling of the crisis." According to one interviewee: "The question [employees] are asking is: am I working for the company I thought I was working for, with the right values?"

Lessons:

Perhaps one obvious lesson is that communicators need to rethink the idea that it is important for the chief executive to be the "face" of its crisis response.

"The CEO needs to be visible at the outset but can designate the person in the U.S. to be the face of the crisis." Harlan Loeb, director of US crisis and issue management at Edelman, told The Wall Street Journal. Davis Weinstock, chairman of Omnicom-owned Clark & Weinstock, agreed that Hayward "was not the right face" for this crisis.

But while the crisis was badly mishandled, the real problem was that in the preceding years, BP had worked to create an image that was detached from the reality of the company's behavior. "Ultimately, BP's lack of authenticity was its downfall," says Winters. "Three successive CEOs pledged to make safety a priority.

The company was recognized by the UN for environmental stewardship. The statistics of on the job injuries painted a rosy picture— mostly because of an emphasis on rules like all coffee must have a lid, and people must hold handrails, rather than processes that actually assured safety.
"If the company had been committed to improving and assuring safety, rather than simply giving the appearance of safety, it may have found itself with better communications ammunition than finger pointing and attempts to minimize the severity of what quickly became an environmental Armageddon. But even when BP said the right thing, it was too little, too late. Because saying the right thing is not a substitute for doing the right thing."

2. Toyota Recall

Toyota was forced to recall millions of its vehicles in the US and Europe and reports of accelerator defects emerged. The Japanese automotive giant was criticised for putting profits ahead of safety, and an ill-coordinated communications response did not help matters. Toyota's brand values—reliability, safety and quality—came under sustained scrutiny.

Analysis:

"Like most Japanese companies, corporate communications and overall corporate message development, was heavily centralized in Japan," according to Kreab Gavin Anderson Japan managing partner Deborah Hayden and New York CSR director Mark Boutros.

This caught Toyota's Japan HQ, dominated by its engineer-led, consensual culture, flatfooted. "There was a lack of leadership from Japan, which meant countries had to pick their own strategy in the early days," explains Porter Novelli corporate practice leader Neil Bayley. "This meant they appeared paralyzed, reacting in different ways across key markets." "The findings that are emerging from lawsuits are showing that there does not appear to have been a fundamental product problem; at the end of the day Toyota faced a public relations problem," adds Hayden.

Handling a PR problem of this magnitude was not something that Toyota was equipped to do.   "The media went chasing Toyota and the eventual press conference, where Mr Toyoda wore a surgical mask, didn't do the company any favors," says Bell Pottinger head of issues and crisis management Alex Woolfall. "Sadly, nor did his faltering English."

The press conference itself was held in Nagoya, further inflaming international media sentiment, and was conducted largely in Japanese.

"These were a few very simple problems that could have been avoided – leaving the media to concentrate on the issue and what Toyota was going to do about it," add Hayden and Boutros.

"This reinforces the fact that, in a crisis, the messenger is just as important as the message," says Woolfall. "But Toyota also failed to communicate with customers and dealers early on about the nature and scale of the problem, which simply heightened anxieties."

Eventually, Toyota plugged the communications gaps, enacting an aggressive social marketing campaign, coupled with a PR offensive, to try and mitigate the damage. By the summer of 2010, meanwhile, it finally called in external PR counsel, asking Brunswick to help it develop a better strategic PR architecture.

Lessons:

Toyota's insularity, compared to other companies its size, stood out, as did its evident inexperience in proactively communicating with key stakeholders in the US.

"As the biggest car brand in the world, they need to understand the world and listen to the world," say Hayden and Boutros. "They need to incorporate more diversity in their global team that can help them understand and communicate with the markets they operate in – for example, they have one American on their board – and this is new…Honda has none."

"The cozy tradition in Japan of simply briefing the Nikkei, knowing that they would portray the company in the 'correct light,' no longer worked," add Hayden and Boutros. "Toyota learnt that they needed to communicate with all their stakeholders, which meant preparing communications initiatives that fed both a domestic Japanese audience and an international one, instantaneously."

The company also reorganized its PR department in Japan, giving more access to senior executives, a development that would not go amiss at other Japanese manufacturing giants.

3. Goldman Sachs and the Global Financial Crisis

Arguably the most successful firm on Wall Street for several decades, it is not surprising that Goldman Sachs came in for much of the criticism when the financial markets crashed in 2008 and it was forced to seek assistance from the federal government. But the company's hardball tactics, lack of contrition, and swift return to profitability—and the culture of excess that fuels public mistrust of big business—made it the most tempting target for Wall Street's critics, and in April, the bank was accused of securities fraud in a civil suit filed by the Securities & Exchange Commission that claimed it had created and sold a mortgage investment that was secretly devised to fail.

Analysis:

Says Rich Tauberman, executive vice president, financial communications at MWW: "It was a rough year for Goldman Sachs, which suffered through lawsuits from the SEC, federal investigations on their mortgage practices and leaked emails disparaging investments the firm was peddling to clients and unhappy shareholders to name just a few highlights."

Early in the year, the company sought to ease its public relations problems by setting aside $500 million in a fund to help thousands of small businesses recover from the recession. It is an indication of how damaged the Goldman Sachs brand had become that most of the coverage was scornful rather than grateful. The New York Times editorialized: "The money will be welcomed by the recipients, but if Goldman wants to make a meaningful contribution, it would have to be in the billions and aimed more directly at taxpayers."

Asked reputation management consultant and author Peter Firestein: "When was the last time a company voluntarily took half a billion dollars out of its own pocket, contributed it to the good of others, and still failed to erase the perception that the money amounted to nothing more than a fine or a sentence of community service?"

One reason for that response was an interview provided by chairman and chief executive Lloyd Blankfein to the Sunday Times, in which he insisted that the bank was doing "God's work." The implication appeared to be that anyone who opposed Goldman or criticized its behavior was pretty much by definition an agent—wittingly or otherwise--of Satan.

According to Taubermann, Blankfein's "bravado assertion that Goldman Sachs was doing 'god's work' ranked right up there with BP head Tony Heyward's 'I just want my life back' as classic what not to say quotes for media training instruction.

"While many financial institutions had serious issues to deal with and public relations gaffes along the way, Goldman Sachs communications and lack thereof at critical points smacked of a hubris that didn't take into account the vastly changed views of Wall Street across audiences and the hyperbolic 24-7 media/social media environment that even the firm now lives in."

Blankfein's attitude appears to have infected the firm's approach to communications. Market Watch, commenting on the communications style of its senior public relations executive Lucas van Praag: "The message is you're emotional and don't have your facts straight. We're reasoned and objective about our own matters. You, dear media critics, don't know what you're talking about."

Lessons:

"After being tone-deaf to the mood of the country regarding financial institutions and taking his beleaguered shareholders for granted for too long, Blankfein did go on a mea culpa tour to repair his and the firm's reputation at the annual meeting of shareholders and a media tour where he pledged greater transparency at Goldman Sachs," says Taubermann. "Besides transparency which is always a good thing for a public company, the Goldman Sachs dramas also show that humility, a proactive approach to communications and thinking before you speak can also help protect one's reputation."

If Goldman Sachs wants to be seen as a responsible company, as part of the solution rather than as part of the problem, it needs to come a lot cleaner about what it did wrong ("we participated in things that were clearly wrong," is, as the Times points out, irritatingly non-specific) and about what it is going to do to ensure that it doesn't make the same mistakes again. It needs to define what a responsible financial institution would look like, and then provide sufficient transparency so that people can judge whether it is living up to that standard of responsibility.

4. HP's Leadership Transition

Mark Hurd stepped down from his role as chief executive of Hewlett-Packard following an internal investigation of his relationship with a former contractor, Jodie Fisher. The investigation found no evidence that Hurd had violated the company's sexual-harassment policy, but uncovered other violations, including expense-report irregularities and came to the conclusion that he had not been honest with the board about his relationship with Fisher. In September, HP named Leo Apotheker, former CEO of German software giant SAP, as Hurd's replacement.

Analysis:

H-P's board earned both criticism and praise for its decision to dismiss Hurd. "There was paucity of information from H-P," Irv Schenkler, clinical associate professor of management communication at New York University's Stern School of Business, told The Wall Street Journal.

"The aftermath of Hurd's departure leaves HP with a bigger problem – a continued lack of trust in the company, its board and its leadership," says MWW's Winters. "Indeed, lack of trust was the reason cited for Hurd's departure. Yet lack of confidence on the board's judgment—fueled by a shareholder suit over Hurd's severance package—has led to a shakeup of the Board and an almost constant defensive posture by HP."

As a result, "HP has a new board with some heavy hitters; a new CEO, accompanied by lots of management changes throughout the organization. HP needs to use communications to restore stakeholder trust and confidence by being visible, accessible and transparent; establishing (and delivering) on performance benchmarks over time, and creating a culture of integrity that begins at the top."

Lessons:

A prominent New York Times story suggested that HP public relations firm APCO played a significant role in the decision to dismiss Hurd (APCO denies that its role resembled the description offered by the Times) and suggested that "in ousting Mr. Hurd, the directors set off a media scrutiny they had hoped to avoid." It seems to me inconceivable that anyone at APCO--even the receptionist--would have counseled HP that if the company chose to dismiss Hurd it would "escape criticism" or avoid "media scrutiny." If you fire a CEO, particularly a high-profile CEO like Hurd, someone is going to notice and someone is going to question whether the decision was correct. In circumstances such as these, good public relations people have to balance the negative impact of firing a CEO (in this case, quite intense but likely short-term) with the negative impact of sticking with him (perhaps less intense, but enduring and distracting the company over a longer period of time). They will also focus on the company's values, and recommend that the decision be based on fundamental principles that are important to HP, including "trust and respect for individuals" and "uncompromising integrity." In an explanation of its decision, the company said it was enforcing the same code of ethics it would apply to any employee. It's hard to imagine how HP could have done other than it did and maintained any credibility.

5. Nestle and Palm Oil

Nestle's use of palm oil came in for sustained scrutiny when Greenpeace released a video that cleverly conflated the Swiss company's Kit Kat chocolate brand with the fingers of an endangered orangutan. The video attracted considerable interest and Nestle stumbled badly in its response, first by trying to have it removed from YouTube, and then by reacting in an angry manner to protests on its Facebook page.

Analysis:

"I think the problems with Nestle were poor understanding of risk, lack of appreciation for how little control brands can have if things go wrong in social media and insufficient processes or resources to cope with the crisis they faced," says Porter Novelli corporate practice leader Neil Bayley.

"They clearly made an error by being all 'social media friendly' up until the crisis broke and then flipping to corporate mode when the situation escalated, especially through the way they issued warnings about brand infringement," adds Bayley. "This just served to add fuel to the fire."

Lessons:

Given the number of brands implicated by Greenpeace for their use of palm oil, there is plenty that other companies can learn from Nestle's woes.

Ultimately, Nestle caved in to the pressure, promising to re-examine its supplier relationships and cut ties with dubiously sourced palm oil. The crisis appears to have had a profound impact on the company, sparking - by all accounts - considerable internal effort to rethink engagement with NGOs and online stakeholders.

"Since the incident, Nestle have gone to great efforts to ensure their corporate responsibility initiatives are well publicised through Facebook, but I would argue the audience is probably not so interested now the campaign has peaked," explains Bayley. "It's now much more important how they engage directly with Greenpeace, and some of the more rational voices in the palm oil debate, to talk about the changes they will make. Tangible action and a direct dialogue are probably the best ways to alleviate future pressure on this issue."

6. Facebook and The Social Network

In recent years, several companies have had to deal with crises arising from either documentaries (McDonald's and Super Size Me) or fictionalized accounts of real events (Brown & Williamson and The Insider) to the point that the movie-related crisis has almost become a sub-category for crisis communications experts. But no fictionalized account of business events has ever enjoyed the success of The Social Network, the Oscar-nominated movie about the origins of Facebook, which hit at around the same time that Facebook was dealing with allegations about

Analysis:
Says Leslie Gaines-Ross, chief reputation officer at Weber Shandwick: "The Social Network movie about the founding of Facebook by Mark Zuckerberg is a stark reminder to all companies and communications professionals that a whole new genre of movies/documentaries is in the making—the Anti-Business School of Film.
"The number of films and video that mock companies and their leaders are being dramatically rendered and becoming blockbusters. Although some of these films provide useful criticism and force executive introspection, the high drama often overrides the hard facts. Companies, predominantly Fortune 500 ones, are increasingly shown as a menace to society and this perception contributes to an overall anti-business climate that needs to be repaired."
Adds Winters: "Facebook pointed out that any film takes a certain amount of creative license, but declined to get into a tit for tat of responding to every allegation or implication of the film. Facebook has made it to the reputation big leagues, and handled themselves as well as they could under difficult circumstances."
Lessons:
According to Winters, "As crisis communicators, our first impulse in a crisis is to communicate, and ask 'what can we say to make it better?' But in some situations, the choices for communicating are all undesirable, and the right strategy is to say nothing, or very little—because what you can contribute will only expand, extend or otherwise exacerbate the crisis."
Gaines-Ross offers her advice on dealing with movie crises: "Train your spokespeople/CEO to narrate their side of the story before they are the story."
As for this specific crisis: "Facebook founder Mark Zuckerberg found his voice in 2010 as he was forced to confront issues over privacy controls and perceptions about his ruthlessness as depicted in the movie. Zuckerberg's more recent public appearances, gift to Newark public schools and external interviews have demonstrated an understanding of the need for greater transparency, greater comfort with messaging and less indifference to what others think about social networking privacy."

7. Foxconn

Uncomfortable questions were asked about Apple's supply chain when reports emerged of working conditions at its Chinese contract manufacturer, Foxconn. 14 Foxconn employees committed suicide in 2010, sparking a report by 20 Chinese universities which described the company's factories as labour camps, rife with worker abuse and illegal overtime.
Analysis:
"Foxconn made several sequential errors, far more fundamental than simply ignoring the basics of crisis control," says Wolf Group Asia CEO David Wolf. "First, it long laboured under the belief that business performance was a sufficient substitute for creating a brand. At the same time, it decided that communications was a marketing function, ignoring the need to create and sustain open channels with its range of stakeholders, starting with its own people."
"And nearly as bad, it forgot that it was obliged to protect the reputations of its customers, choosing instead to believe that the only brand that needed stewarding was its own." It is tempting to see these missteps as being emblematic of China's manufacturing sector as a whole, rather than a mindset that was unique to Foxconn. Given this state of affairs, Foxconn's attempt to respond to the crisis was inevitably hamstrung.
"When the crisis came, Foxconn then decided that corporate communications was spin, choosing to hone its messages than change its behaviour," continues Wolf. "Finally, when

it realised that it must act and not just talk, it chose to take only those actions designed to create the illusion of genuine change."

Lessons:

"It's a new era for companies operating in China," explains Weber Shandwick Shanghai MD Darren Burns. "Whether they be local, MNC or Asian they are increasingly being put under the spotlight by all manner of parties - internal and external. Whereas several years ago companies may be able to use local connections to hush things up - now it's increasingly difficult to escape the wrath of a rampant social media and national government focused on stability."

Wolf is not wholly convinced that Foxconn itself has learned these lessons, pointing out while the company did eventually realise that fundamental changes in its behaviour were required, by then it had "paid a horrible price in brand equity and reputation."

In common with many Chinese manufacturing companies, PR has never been a priority at Foxconn. The company's initial response to the news of the suicides was muted. Eventually, Foxconn promised to offer higher wages at its Shenzhen factories, as part of a more generous compensation structure. The company also called in Burson-Marsteller for crisis counsel.

Yet the need to be more transparent will not sit easily with China's manufacturing companies. "Painfully few companies - in China, in Asia, and elsewhere - have taken the lesson from Foxconn, choosing instead to believe that Foxconn's faults a strong business made corporate behaviour and communications," says Wolf.

"Most have grown at astonishing rates over the last decade but have yet to build up solid communications infrastructures to be able to sustain that growth," adds Burns.

The tragic events at Foxconn also demonstrate the growing importance of labour relations in China, one of the targets in the Government's next five-year plan. Burns points out that he recently sat down with local newspaper chiefs on behalf of an MNC client. "They asked our MNC client how they were creating a basic environment that respects its employees and treats them fairly. Another challenge for all companies in China - but an opportunity to build reputation."

"The main lesson here is simple: exemplary corporate behavior and great PR are intertwined, and they are not options," concludes Wolf. "Indeed, they are the foundation of strong, enduring brands. No lesson will be harder learned in China."

8. India's Commonwealth Games Organising Committee

Bedevilled by poor planning and infrastructure issues, the run-up to India's Commonwealth Games took a turn for the worse when journalists began reporting on the shoddy state of the athlete accommodation. Matters were compounded by a string of poorly-judged comments from India's CWG Organizing Committee chairman Suresh Kalmadi, amid mounting evidence of rampant corruption. "Eventually, Kalmadi's brand was so damaged that he was constantly heckled when making remarks at the CWG Inauguration – a real low point in a series of low points that plagued the event and its run in," says Fleishman Hillard Asia-Pacific SVP Tarun Deo. While the Games ultimately passed of without incident, a comprehensive fraud inquiry is underway, and Kalmadi has been sacked.

Analysis:

"The CWG made several strategic mistakes from a communications stand point. It clearly lacked an overarching strategic communications plan as well as a strong crisis plan, which for an international event should have been thought through up front," says Gutenberg PR CEO Harjiv Singh. "This showed when instead of proactively leading a communications effort they ended up being reactive once the negative stories broke."

Kalmadi's efforts, and those of other spokespersons, were particularly harmful, and the absence of strategic PR counsel was glaring. "The Organizing Committee did appoint a PR firm in a move that sought to provide a competent communications structure and some degree of professionalism in this area both in India and Internationally but like it was with everything else to do with the Games – they were poorly managed and directed and were not allowed to do the job they were hired to in the first place," says Deo.
Bayley points out that the Organizing Committee also erred in its engagement of athletes and officials. "The organizers needed to focus on maintaining the trust amongst atheletes and officials so that this community could be used as advocates to bring some perspective into the media reporting."
Lessons:
"Clearly, the one lesson that the Indian government needs to learn is that communications is an important part of governance and it requires professionals to train and manage this function," says Singh.
Bayley adds that the Games only served to reinforce international perceptions of India "as having huge potential, but struggling with the level of planning, organisation and disciplined execution required to make a success of this kind of high profile event."
The calamitous nature of its public relations also calls the Games' sporting legacy in India into question, despite the impressive performance of several Indian athletes. This, says Deo, will be "little remembered".
"In the end the CWG suffered from the deluge of negative sentiment that drove unfavourable reportage and the search for even more unsavoury 'news' material/angles to write about. Bottom line – very little sporting legacy."
Concludes Singh: "Even though the CWG ended up being a lot better than the perception that was created, the majority of people who did not attend it will always view it as a disaster. Perception is reality and the government needs to do a lot better at managing the country's reputation."
9. BAA and the Blizzard
When snow storms engulfed London during the peak Christmas travel season, Heathrow airport came to a virtual standstill. As the UK, and indeed Europe's, most important travel hub, this was bad enough. Even worse were the scenes of chaos that dominated news coverage: families sleeping on floors, a lack of food and water, and the erection of unheated tents to cope with overspill. All of this occurred while other European airports appeared to cope considerably better with even worse conditions. Ironically, the crisis struck while BAA was reviewing its corporate PR support, currently handled by Finsbury.
Analysis:
Woolfall, who was at Terminal 3 as the saga unfolded, believes that "BAA hid". "BAA failed to provide passengers with information. This was the single most complained about issue. People can be surprisingly patient in a crisis if they feel they are being kept in touch with what's happening. At Heathrow it was radio silence."
Instead passengers had to rely on online news sources, including Twitter, to glean information and vent their own frustration. "But the most ludicrous move was not to allow Sky and other broadcasters – running the story 24/7 – into T3 to film," says Woolfall. "Why stop them? What was the point and what do they do instead?
They ran mobile phone video that made the airport look like a war zone and BAA churlish for 'banning' them." The contrast with Gatwick Airport, which took to the airwaves to proclaim the success of its investment in snow-clearing equipment, was profound.
Lessons:

Woolfall uses the Gatwick comparison to demonstrate how a brand should behave in this situation. "Gatwick invited the media in to see the snow ploughs on the runway and repeatedly talked about the millions it had spent on them.

Its spokesman was accessible; he had clear and compelling messages and, critically, Gatwick managed to create the impression of a company that was in tune with its customers' concerns and on their side." "BAA's response to the crisis could have been an opportunity to show it was working flat out to help resolve matters and show a human side to the brand and the company," adds Woolfall. "It missed a trick and other brands should learn from this."

Specifically, Woolfall points out that brands must test their crisis plans regularly, media train staff to deal with hostility and ensure social media engagement is proactive. "If hundreds or thousands of your customers are tweeting about you, it doesn't take a genius to realise your clients need to be on Twitter."

10. Wikileaks

While the overwhelming majority of the coverage of Wikileaks' massive data dump of U.S. embassy cables focused on the political and diplomatic fallout, several of the leaked cables involved information about corporate activities. There were claims that Pfizer had dug up dirt of the Nigerian attorney general to avoid an investigation of the company's clinical trials in Africa, and that BP had experienced an unreported incident—similar to the Gulf of Mexico disaster—in Azerbaijan. And Wikileaks has already published material relating to the Swiss bank Julius Baer; the Kaupthing Bank in Iceland; and Barclays, JP Morgan and the Toll Collect Consortium in Germany. Now there is speculation that Wikileaks is about to publish embarrassing material about Bank of America.

Analysis: While business has, for the most part, not been the focus of Wikileaks' attention, it is clear that digital and social media have made whistleblowing easier, and more potentially damaging, for corporations as well as for governments.

In a Forbes interview, Wikileaks founder Julian Assange said about half of the unpublished material that Wikileaks possesses pertains to the private sector, and suggested: "Wikileaks means it's easier to run a good business and harder to run a bad business, and all CEOs should be encouraged by this."

According to Richard Levick, who runs crisis specialist Levick Strategic Communications in Washington, DC: "From a business perspective, a salient point is usually lost: that while credible forensics is wise and necessary, those initiatives – without more -- comprise a defensive strategy. To win this game, you need an offense as well. In fact, the entire WikiLeaks saga offers both a lesson and opportunity for businesses to permanently fortify just such an offense-based arsenal, not just for similar leaks but in most attacks in the Internet age.

"By 'offense,' we do not mean a concerted attack on Julian Assange and his colleagues. Let government officials here and abroad handle that. We're talking instead about a well-integrated campaign to seed the marketplace with ongoing positive messages that effectively defuse or at least diminish the impact of anything that may be disclosed in the months ahead."

Levick's analysis of search engine optimization reveals that "WikiLeaks and its progeny entirely control the conversation. There are no BoA messages to be found when the search is WikiLeaks related. It is long past time for BoA and others to see the Internet not just as an opportunity to control the conversation on the brand, but in crisis, litigation and public affairs."

Lessons:

“If the WikiLeaks story proves anything,” says Levick, “it’s that there is always a WikiLeaks lurking, be it an NGO or a plaintiffs’ lawyer or a regulatory agency. Every moment of silence is therefore a call to arms, and a decisive advantage once the inevitable war begins anew.”

Adds Stuart Smith, who heads the corporate practice at Hill & Knowlton in London: “The conversation around Wikileaks (in relation the private sector) that fascinated me the most was a side issue really: the whole debate around defensive domain registration.

“Anecdotally, the approach of various companies to this issue varies with some aggressively buying up variations on domain names such as ‘Ihateyourcompany.com. Bank of America received large amounts of coverage for apparently buying up a wide range of domain names. Commentary raged about the wisdom of doing this or indeed whether they were just the victims of unfortunate timing.

“Some called this practice ‘prudent brand protection’. Others called it a largely futile gesture. After all, no matter what domains are bought, it’s a red rag to a bull for a campaigner who can always find another caustically amusing phrase which will be just as damaging as those the company sought to suppress. Maybe it’s a case of damned if you do, damned if you don’t.”

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