



Inside Out

Crisis averted: Managing a client emergency

How do you define a client crisis?

Martini: A client crisis is an issue that arises which is of great significance to the client — a high-stakes matter. Crises can come in all shapes and sizes. They are sometimes easy to spot, but other times they are more insidious, meaning the client may not realize a situation is even a crisis until it has reached a fever pitch, which may ultimately make it more difficult and costly to resolve.

Susler: There are crises which threaten the existence of an organization, such as a natural disaster, the loss of a key leader or a data breach. But there are also crises that simply arise in the daily functioning of a business, such as discrimination claims or employee injuries. Crisis management is not just about navigating and managing through such events; it is also about advanced planning and managing on a daily basis to prevent crises and to minimize their impact when they occur.

What are some client crises you have encountered, and how did you address them?

Martini: I have partnered with numerous clients in crisis management over my career. For example, a few of my life sciences clients have experienced crises when a regulatory agency has rejected a proposed brand name a few weeks before a product's expected launch date. Postponing a drug launch can cost a company millions of dollars. When in this situation, we work with clients to help them conduct expedited global risk assessments for alternate names until they find a substitute.

I also regularly assist clients with crises outside of my practice area. For example, I recently had a client who was encountering difficulties with a labor union engaging in activities intended to profoundly disrupt my client's business and customer relationships.

The initial grievance seemed to be primarily

based in violations of intellectual property law, but it became evident the situation required the assistance of my labor and employment colleagues who specialize in addressing these types of union issues. This is one of the many advantages of being at a general practice firm; I can tap into the expertise of attorneys outside of my practice area.

Susler: I dealt with a crisis in a previous in-house position. We learned our largest customer was encouraging our employees to leave us for work at a competing company. We assembled a team to develop defensive and offensive plans, and I delivered a letter to the customer declaring them in breach of contract. The next day, the court granted a temporary restraining order, including a key provision that prevented the customer from hiring away our employees during the TRO — giving us breathing room to remain in business and reach an amicable settlement.

I generally employ one or more of the following forms of crisis management: (1) immediately investigate and appropriately address the situation or behavior; (2) create and maintain a culture of open communication and respect for both people and processes at all levels. By identifying a crisis early and investigating quickly, most cases can be resolved with hurt feelings ameliorated, jobs saved and existential crises averted.

What are lessons you have learned in navigating client crises?

Martini: There are a number of things I have learned over the years. First, crises can be difficult to identify. Sometimes people conflate an urgent matter to a crisis when it doesn't warrant the same level of significance; at other times, a real crisis may not be treated with the proper level of attention, at least not right away. Thus, it is important to do what

you can to properly identify an issue for what it is — crisis or not — as quickly as possible.

Moreover, it is helpful for organizations to consider whether there are costly and disruptive situations that come up regularly. In those instances, you should help your clients create a protocol for addressing those issues and ensure the team you assemble is well-equipped to handle crises when they arise. It is imperative the crisis management team remains calm, even under the most difficult of circumstances, and receives the proper training so it is prepared substantively.

Susler: The most important lesson in handling a crisis is to remain calm. It is also important to cultivate a culture where employees feel a sense of ownership and the freedom to speak up and help fix mistakes or problems. In such an environment, mistakes are less likely to grow into problems that can quickly become full-blown crises. I also believe documentation is key to avoiding crises, whether it is processes and procedures that can help a company get back on its feet after natural disaster strikes or to defend itself against litigation. ■

questions.insideout@gmail.com

Christina L. Martini is a practicing attorney, author and columnist. She is chair of the Chicago intellectual property practice group at DLA Piper and sits on its executive committee. She focuses on domestic and international trademark, copyright, domain name, internet, advertising and unfair competition law.

Martini's husband, David G. Susler, is associate general counsel with National Material LP, a manufacturing company primarily engaged in steel processing and aluminum extrusion. He has a general practice, providing advice, counseling and training to all business sectors and operation.

To submit a question for future columns, e-mail questions.insideout@gmail.com.