C ADDLESHAW G GODDARD



REPUTATION – THE KEY INGREDIENT

How to protect your reputation and information



Operational issues, media enquiries, sensitive litigation, pressure groups, aggrieved customers, disaffected employees, regulatory or police investigations and activist shareholders can all put at risk the reputation of a hospitality business, its brands and its directors.

- Restaurants, bars and pubs are often in the public eye and so at increased risk of reputational damage.
- Some recent examples only serve to highlight the potential impact that operational and other issues can have on reputation:
 - Byron Burger found themselves at the heart of a media frenzy after pre-arranged Home Office 'immigration raids' at their restaurants. Whilst those deported were illegally living in the UK, the circumstances around the sting were widely criticised in the press with many accusing Byron Burger of entrapment.
 - Wahaca closed several branches due to a norovirus outbreak in London. The outbreak received much media – and social media – coverage, and the chain temporarily closed branches that had not even been affected.
 - Mexican food chain Chipotle suffered an e-coli outbreak in the US, with sales dropping by as much as 37%. Chipotle was criticised in its handling of the outbreak and accused of making "materially false and misleading statements", with their own investors raising a class action lawsuit.

- As restaurants, bars and pubs introduce increasingly innovative technologies into their business models, the risk of a security lapse increases. In 2016 US food chain Wendy's was hit by a massive cyber-attack. At least 1,025 of its restaurants were targeted, with debit and credit card information stolen.
- Social media gives all customers a platform on which to complain and criticise, which can go viral and/or be picked up in the mainstream media. Companies need to engage with social media and be aware that often the response may impact on reputation as much as the underlying issue.
- A business that understands the importance of protecting its reputation, and its information, will generally be better prepared to deal with any threats to either, whether low level or a full-blown crisis. An organisation which already has a crisis response strategy in place is likely to be able to respond more rapidly and effectively than one which does not.
- Our aim is always to provide quick, practical and commercial advice, and to complement our clients' protection of their valuable reputations.

"The overall level of service was exceptional, from beginning to end. The knowledge and professionalism was remarkable"

How can we help

| REPUTATION PROTECTION | INFORMATION PROTECTION |
|--|---|
| Advising (often in conjunction with communications professionals) on crisis management, whatever the source of reputational threat, including dealing with potentially damaging exposure in the media | Advising on data loss, cyber-attacks, leaks to the media and misuse of confidential information |
| Advising on legal remedies after the event, when damage needs to be contained and the record set straight Strategic board level advice; assisting with reputational risk management, for example in conducting internal investigations and reviews | |
| SOCIAL MEDIA | TRAINING |
| Advising on one-off or recurring social media problems, including having offending posts taken down | Crisis management planning and simulation |
| Advising in relation to social media policies and strategies | Customised training workshops |

Who we have helped

Preventing broadcast by Channel 4 of allegations about a convenience food outlet; representing the owner of a restaurant in relation to adverse social media coverage and harassment; representing a large retailer in connection with media coverage of high profile employment proceedings; advising a major clothing retailer in relation to supply chain issues; advising a hospitality sector client in relation to adverse coverage on *Panorama*.

Who to contact

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