

they have in Paris – you know, you pick up a bicycle in your street, ride where you want to go, and just leave it when you get there.

- A:** Well, I'm not sure how popular that would be in the winter!
- V:** I don't know – with all the traffic problems we have, maybe it's not such a stupid idea. That's the other big problem. Even if you drive luxury limousines, nobody wants to spend hours on end stuck in the traffic – and I'm not pretending for a moment that our poor old Ladas are limousines, they're uncomfortable, inefficient and expensive to run. There's still some money in the bank, but we can't afford Mercedes or BMWs. In the old days, it used to take us 20 minutes to drive to Sheremetyevo – now it's usually two hours, or more! How's a taxi supposed to make money when it's not moving?!
- A:** Exactly. Listen, Volodya, Andrey and I have been doing some thinking about this.
- V:** Look, I know you went to business school, Ally, but after 40 years in the taxi business, I think I know pretty much everything there is to know. If there was a solution, I'd have found it already. Andrey knows that.
- A:** Just let us explain our ideas, OK? It won't cost you anything, and it might just help. We think you need to completely rethink your marketing strategy.
- V:** Ally, this is a taxi company. We don't do marketing, we drive taxis!
- A:** And that's the root of the problem. Look, just give us a chance to explain our ideas – please?
- V:** All right, Ally. You know very well a Russian man can never say no to a beautiful woman!

6 Risk management

6.1 About business Crisis management

 2:11

Interviewer: Jack, tell us about Eric Dezenhall.

Jack: Well, Eric is certainly one of the most colourful characters in the PR world. He was once called 'the pit bull of public relations' by a journalist called Kevin McCauley, and the name stuck; I think Eric is probably quite proud of it, actually!

I: Yes. His firm was described by the National Journal as having a 'brass-knuckled, Machiavellian approach' to public relations. Is that an exaggeration?

J: Well, probably, but another journalist, Bill Moyers, went even further in criticizing Dezenhall's firm. This was at the time when Eric was defending the chemicals industry in the debate about the precautionary principle. Anyway, Bill called the firm 'the Mafia of the PR industry'! Of course, he was alluding to the fact that Eric also writes novels that feature the New Jersey Mafia. Well, PR people love calling each other names, but it's true that Eric has made a career out of an aggressively 'anti-spin' approach, and although he's certainly been very successful, he's also made some powerful enemies.

I: Such as?

J: Such as high-profile non-profit organizations like Greenpeace, or the Open Access movement. However Eric argues, and many people would concede that he has a point, that just because these organizations are just as 'the good guys', that doesn't mean that corporations they attack, like ExxonMobil or the Publishers' Association, shouldn't have the right to defend themselves.

I: OK, so the aggressive approach to crisis management is Dezenhall's USP, basically?

J: Yeah, but although he was probably a bit of a pioneer, he's not alone – other PR firms like Qorvis Communications in Washington and Sitrick & Co. in Los Angeles have successfully exploited the same approach. And they've received plenty of criticism too for representing some very controversial clients.

I: Right. So tell us, Jack, as an experienced observer of crisis management, have these firms got it right? Is it true, as Dezenhall says, that 'whoever attacks wins, whoever defends loses'?

J: Eric has certainly been very successful, but my own feeling is that counterattacking *may* work, but it's always going to be a high-risk strategy. Whether you're totally innocent or guilty as charged, there's always the danger that hitting out at your opponent may backfire and do your image even more damage.

I: Do you have any examples where it hasn't worked?

J: Well, not anything I can talk about on this programme, but I think a measure of the risk involved, is the way that, for example, someone like Eric, who is one of the shrewdest operators I've seen in this business, combines his gloves off aggression with being very extremely low-key and circumspect about who his own clients are and what he does for them: He's extremely discreet and he never gives anything away. He'll tell you he's respecting the attorney-client privilege, but I think he's also very aware that any damage control strategy, however good it is, can sometimes go wrong. It makes sense to give your opponents as little information as possible to work with.

6.2 Vocabulary Risk management and digital risk

 2:12

Interviewer: Steve, your website, Brand Intelligence, claims that digital infringements are costing e-businesses \$90 million a day!

Steve: That's right.

I: So, what sort of risks are you open to these days if you're doing your business online?

S: Well, if you have a successful e-business, one problem you're very exposed to is passing off, or ambush marketing. You wake up one day to find someone else has a website which is masquerading as your company, and making money by trading on your company's name – often they will even pirate your own text, images and logo.

I: Nasty!

S: Yeah, and not very easy to deal with. Another classic is cybersquatting – that's

when you have an established offline brand and you decide to start an online business to reach more customers. Much to your surprise, you then find out that someone else is freeloading on your reputation by using a domain name featuring your brand name!

I: Hm. And what about hackers?

S: Yes, of course, they're a major problem, and it's still growing as the Internet gets larger and larger – everything from simply defacing web pages to cracking credit card and information databases. Every year nearly half of UK businesses suffer a malicious security incident or breach. But there are also more unexpected risks, what we call protest issues. If your business relies on the Internet to reach an instant worldwide audience, you are vulnerable to protests and rumours of all kinds. It's incredibly easy to incite customers to boycott a company or its products, to try to manipulate your stock price, or simply to bombard a defenceless mailbox with hate mail!

I: Sounds like it's a real jungle out there! But you have solutions, right?

S: Right. We use a combination of unique, highly sophisticated software and specialist analysis to locate and report areas of brand risk, damage and abuse online. For instance, we can scan the Internet to find anyone who is illegally using your logo, even if it has been modified.

I: But what can you do to stop this kind of abuse?

S: Once we've identified the problem, there are lots of solutions; we track perpetrators; we initiate reversal, and then monitor progress.

I: Initiate reversal? Can you be more specific?

S: Each individual case is different, and we adapt to each customer's needs and wishes. At a basic level we issue 'cease and desist' orders to infringing site owners, to get them to remove their sites: we can also get sites removed from ISPs and search engines.

I: So if someone googles my brand, only the real site will come up, not the fakes?

S: Yes. And in more serious cases we get our expert legal trademark partners involved to litigate for damages or pursue criminal and civil action.

6.3 Grammar Perspective and stance

 2:13

Interviewer: So Li, you're an expert in risk management. Could you start by giving us a definition of what risk management is?

Li: Risk management is the attention that organizations must pay in simple terms to things that can and do go wrong. It covers the financial context, technology, human activities, professional and expert activities, and the interface between all of these things.

I: So it's quite wide-ranging then.

L: Oh, absolutely.

I: Do you have a specific example – you mentioned the financial context.