

Media Relations Case: The Wildebeest

The Wildebeest is Consolidated Motor Company's most promising entry into the burgeoning market for very large sports utility vehicles. The Wildebeest can hold as many as 8 adults in three rows of seats while providing extensive cargo capacity behind the last row of seats as well—an industry first!

Unfortunately, this increased capacity means the Wildebeest is big—and heavy. Consolidated Motor has noted some handling problems in test runs. Most notably, the Wildebeest has a disconcerting tendency to roll over during high-speed turns.

In further tests, it was noted that reducing the pressure in the tires helped avoid rollover, and made the Wildebeest much more manageable. Tires running at lower pressure, however, did show tendencies toward premature wear and, in some tests at high speeds, suffered a high rate of blowouts. A blowout at high speed makes the Wildebeest virtually unmanageable, and results in rollover in over 50% of occurrences.

Consolidated Motor consulted with several major tire makers concerning this problem. The company has had a longstanding business relationship with Tigerpaw Tire and Rubber Company, and was very pleased that engineers at Tigerpaw said their new combination of rubber compounds and stiff nylon belts could solve Consolidated Motor's problem. At the time, Consolidated had specified a tire pressure of 32psi.

With the delivery of the first tires, Consolidated began their tests, and discovered that it required a pressure of 28psi to stabilize the Wildebeest. The CEO of Consolidated Motor told the CEO of Tigerpaw that the tires seemed to perform very well at this pressure, and complimented him on their design as he indicated that Consolidated would order 1.2 million tires. The CEO of Tigerpaw was very glad to hear of this big order, which would make the company's third quarter look a lot better than it would without it, and said the company would be glad to supply the tires. This would be a very big sale, and would thrill the stockholders, who hadn't had a thrill out of Tigerpaw in quite a while.

Three Months Later

After making 100 Wildebeests available to car editors at major newspapers nationwide, reports came back about blowouts and even rollovers during test drives. With tire failure as the obvious cause, Tigerpaw is getting major media attention, and is now in crisis mode. They want to meet with Consolidated Motor to discuss how this crisis should be handled. They have learned from their engineers that the tires were tested and approved at 30psi, but that Consolidated recommended 28psi. For its part, Consolidated Motor engineers think Tigerpaw approved the tires at 28psi.

The Activity

Form groups of three, with a CEO, engineer and director of media relations for either Tigerpaw or Consolidated Motor. Your aim is to agree upon a strategy for dealing with

this crisis. You will be talking with a media consultant about this, but the consultant expects you to be able to describe your strategy, and show how it will allow you to deal with this crisis effectively. The costs of NOT dealing with this effectively will be dramatic; one reporter has already called the crisis “tiregate,” and another has fixed on Tigerpaw’s “X” symbol for its new tread design, calling this a new “X-on Valdez.” Others, with the GMC Hummer in mind, have noted that the Wildebeest should be renamed the Bummer.

Here are some questions to help guide your thinking:

CEOs

What was your role? Was something you did critical to the outcome?

What are your motivations?

What do you know that your colleagues don’t know? What do you know that the other company doesn’t know?

Engineers

What were the results of the tests you did?

What do you know about tests the other company performed?

If you are such a good engineer, why did these tires/this vehicle fail?

Directors of MR

Who is at fault here? How can tires and a vehicle that were specifically designed to work together fail to do so?

Are there things you don’t know? How will you find them out? Where will the nasty surprise come from?

What’s the best way to present this to the public? Your employees? Your customers? Your stockholders? Your business partners?