

Christian Dior

Crisis Communication Plan

March 20, 2011

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The Current Crisis

In 1984, at the age of just twenty-four, John Galliano launched his own fashion label and by 1987, was the British Designer of the Year (Bio, 2011). In 1996, Galliano was appointed Creative Director of Christian Dior. He created what became known as “Anything Goes” by revamping the entire style of Dior (New York Fashion, 2011). In January of 2009, he received France’s highest honor as he was made a Chevalier in the French Legion of Honour (Vogue, 2008).

John Galliano is a highly respected and highly successful figure in the fashion industry. In Late February of this year, Galliano was sitting in a bar in Paris. A local French couple recognized him and a conversation between them began. From this point on, the reports differ. One eyewitness claims that Galliano tried to say “Cheers” to the couple and they insulted him. Another account is that they tried to talk to him and he suddenly began to spew anti-Semitic comments at them. A few days later a video of a December 2010 incidence of Galliano making anti-semitic remarks was released to a British tabloid. In the video Galliano said that he loved Hitler and that if he were alive today, “you would all be gassed.” “You would all be dead!” He then called them ugly. (Melendez, 2011). The individuals at the table were trying to converse pleasantly with Galliano and he was attacking them (White, 2011).

Galliano was eventually arrested for alleged assault and anti-Semitic remarks. On March 2, a Paris prosecutor announced that Mr. Galliano would stand trial for racial insults (Milligan, 2011). The behavior of Dior’s creative director has cast a bad light on the company and they are now trying to distance themselves from negative publicity (Milligan, 2011).

Dior's greatest concern at this point is controlling any damage that was caused by this incident. The bad press may cause problems for the company and its investors. This may be exacerbated if high profile celebrities begin to refuse to wear Dior fashions.

Action Taken to Date

Christian Dior's management was quick to react to the news of Galliano's antics. Upon learning of Galliano's February 2011 altercation in the Paris bar, Christian Dior CEO Sidney Toledano and Owner Bernard Arnault suspended the designer until a full investigation of the incident was completed. Toledano announced the suspension and issued a statement saying the company would not tolerate anti-Semitic or racist comments or attitudes by its employees ("Dior Suspends..." 2011). However, a few days later Toledano and Arnault were forced to act even faster. The video released to The Sun News, was posted on the tabloid's website. After watching the video, the pair decided to fire Galliano immediately. Arnault participated in interviews about the firing and expressed his belief that Dior would get past this moment and continue to flourish (Alderman, 2011).

During Paris Fashion Week, the company made one more attempt to distance itself from Galliano and his remarks. This gesture was addressed to the heart of their consumers. Toledano made a personal appearance at the beginning of the show. He never mentioned Galliano by name, but he did express the company's shame and sorrow for the anti-Semitic remarks. He also used the opportunity to praise the seamstresses, fitters and artisans for their hard work on the collection that was about to be shown. He credited them for what the audience was about to see. The collection that was revealed contradicted Galliano's style. It was subdued and linked more with fine clothes, than the usually flamboyant styles Galliano would send down the runway. At

the conclusion of the show, the employees who actually worked on the clothes made the final walk down the runway. Typically this would have been Galliano's moment. (Givhan, 2011).

Team Opinions on Actions Taken to Date

Our PR firm agrees with many aspects of how Dior has handled the John Galliano controversy so far. We believe that Dior made the right choice to take action relatively quickly after the scandal became public. The quick, decisive choices made by Dior show that the company does not tolerate this kind of behaviour at all.

We also agree with the statement that was released by Toledano. The CEO said "I condemn most firmly the statements made by John Galliano which are a total contradiction with the essential values that have always been defended by the House of Christian Dior" (Real Style Network, 2011). We feel that in giving this statement, Toledano is strongly reiterating the fact that Dior does not agree with, nor support, Galliano's racist remarks. Although Galliano was a long-time employee of Dior, not supporting him at this time is the best thing Toledano could do for his company.

Our PR team agrees with how the CEO handled the much anticipated Dior show at Paris Fashion Week. Before the show began, Toledano made another impassioned statement about the controversy. People from all over the fashion world were eager to see how the Dior show would fare without their most famous designer. By making a statement before hand, Toledano appropriately addressed the issue without taking the focus away from the new collection that was to be debuted. At the end of this show the entire Dior team came out on stage. This action provided a moment of unity and strength for Dior that everyone who was watching appreciated. We believe the entire fashion show was handled perfectly. The show provided an excellent PR opportunity that Dior successfully capitalized on.

We agree with the decision to suspend Galliano. A couple accused Galliano of making hurtful comments. He was questioned by the police about his illicit behavior. He was suspended by Dior's management pending an investigation of this incident. Dior's decision to suspend Galliano shows that the company was initially going to give him the benefit of the doubt. Galliano was not immediately fired as a result of the accusations, but was only suspended until the police investigation cleared him. The decision to suspend him was fair to the famous designer and to his accusers.

We also agree with the decision to fire him. Immediately after the video was released, providing hard evidence of Galliano making anti-Semitic remarks, Dior fired their designer. Given this new, obvious evidence of Galliano's guilt, Dior had no choice but to fire him. This decision was truly difficult for Dior. Since 1996, Galliano was Dior. Galliano helped revitalize Dior after he joined the company as creative director. His designs increased sales and made Dior a fashion staple with celebrities. Dior and Galliano had become synonymous.

Alternatives and Recommendations

First and foremost, Dior's internal communications leaders need to create a zero tolerance policy explaining that racism or any type of discrimination will not be tolerated. Severe consequences need to be included in the policy so that employees are less likely to engage in discriminatory actions. As in Galliano's situation, employees should be terminated from the company if they are proven to have violated this policy. This policy should be distributed to all employees and they will be required to sign and date the document.

In the near future, Toledano needs to make a final verbal and written apology to the Jewish community. This release should explain every step that Dior has taken to remedy the

Galliano situation, as well as what the company is doing to prevent future racist mishaps. Dior should explain its zero tolerance policy in detail in this statement.

Dior should also make sizeable donations to local and international non-profit Jewish groups. The company should also consider donating funds to Holocaust related ventures, such as the United States Holocaust Memorial Museum and the Dachau Holocaust museum. This financial backing to these non-profit Jewish organizations will not only be helpful to the organizations themselves but also to Dior's public image, specifically within the Jewish community.

Dior along with their legal counsel should also analyze Galliano's contract to investigate whether or not they can provide or force a final apology on behalf of the designer. Galliano, both as a former member of the Dior brand and as a prominent designer in the fashion industry, should be eager to repair his image within the fashion industry and Jewish community.

A replacement for Galliano should be hired as soon as French employment law allows. Hiring another experienced and accomplished designer that fits Dior's style is vitally important in showing consumers and the fashion industry that the company is still intact and as strong as ever. If the vacancy is long term, the company's target audiences may begin to think that the company cannot be repaired and that Galliano's actions have caused a huge rift in the company.

Conclusion

Our PR team firmly believes that Dior can overcome this controversy. So far, we feel the company has acted quickly, appropriately, and decisively. By following the recommendations in this plan, Dior will be able to publicly express its acceptance of all faiths and gain back the respect of its clients and the fashion world.

Resources

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