**Mini-Case: White Star Line’s Titanic Sinks**

To illustrate terms, let’s examine a well-known crisis: the sinking of the *Titanic* in 1912.

*Titanic* was one of several ships of the White Star Line, which had a primary rival: the Cunard Line. The Cunard Line had two famously fast ships—the *Lusitania* and the *Mauritania*. White Star decided not to compete with Cunard on speed but to surpass it, as far as public opinion was concerned, in size, elegance, sumptuousness, and safety.

The White Star Line planned to launch three ships—the *Olympic*, the *Titanic*, and the *Gigantic*, in that order. In the area of media relations, advance publicity praised the immensely luxurious ships. Postcards went out claiming the *Titanic* was “the largest moving object in the world.” A promotional brochure claimed the *Olympic* and *Titanic* were “designed to be unsinkable” (Ziakas, 1999, p. 109). The trade journal *The Shipbuilder* bragged about the *Titanic’s* opulence—its grand staircase, its elevators, its Turkish baths, and, of course, its “unsinkable” construction.

*Titanic* personnel were chosen to appeal to a celebrated and wealthy clientele, the targeted public. Captain E. J. Smith, called the “millionaire’s captain,” was the highest-paid captain on the seas and a celebrity in his own right. The musicians were the tops in their field and could play a wide range of music. White Star felt it had thought of everything and had attained the highest form of customer relations.

Crisis management plans and crisis communications plans were believed to be unnecessary. After all, if the ship couldn’t sink, what could happen? There were medical facilities on board should passengers suffer a heart attack or some other unforeseen illness. The ship had state-of-the-art communications equipment; if help was needed, personnel could radio other ships.

We’ve learned that it was always possible, though unlikely, that the ship would sink. A long gash in the hull was the worst-case scenario, and that is exactly what happened. So, the non-planners were short-sighted. What about fires? Certainly the ship could burn. An adequate number of lifeboats would still be needed. In fact, a fire out of control on a ship could have been a worse disaster.

A crisis management plan would have detailed what would be done in the event of fire and other tragedies—how evacuation would take place; how to conduct practice drills for the crew and possibly for passengers; who would lower the lifeboats; who would ensure that passengers were guided safely to the closest lifeboats and ships; who would contact persons ashore by radio; when crew members would save themselves; and so on. A crisis management plan would also include making sure effective insurance policies were in place. In today’s crises, one must be sure payrolls can be met; special insurances may be necessary to cover computers.

The crisis communications plan would include notification of the home office, where personnel acting as

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public relations professionals would, in turn, notify the press, White Star Line executives and employees, and passengers’ relatives. These were also key publics. (The term public relations was not used at the time, although that management function has always been important to the success of any company or organization.)

The crisis communications plan would also include details about who would be spokesperson once the passengers were brought to safety. If Captain Smith had survived, he would be the best spokesperson. As it was, Smith went down with the ship. However, the managing director of White Star, J. Bruce Ismay, was aboard, survived, and was rescued from a lifeboat sent from the Carpathia. Many felt he should have given his place on the lifeboat to a passenger. However, because he survived, he should have been the spokesperson. Instead, he hid in the luxurious quarters of the Carpathia’s physician until the ship docked in New York, hoping to avoid the other survivors who huddled on floors and under tables.

There were two persons connected to White Star who participated in the media communications. Harold Bride, a radio operator on the Titanic who worked for Marconi Wireless Telegraph Company, was among the passengers picked up by the Carpathia. He wrote a first-person account of the tragedy that he sent to the New York Times by wire from the rescue ship. Phillip A. S. Franklin, who had been hired to head White Star’s New York office, called together a kind of crisis communications team. This came after David Sarnoff, also a Marconi employee, heard the signal from the Olympic that the Titanic had run into an iceberg and was sinking fast; Sarnoff gave his story to the Associated Press. Franklin attempted to stop the Associated Press from running the story, saying that, even though the ship had run into an iceberg, he had “absolute confidence in the Titanic ... We are not worried about the ship but we are sorry for the inconvenience of the passengers” (Ziakis, 1999, p. 116).

The morning before the sinking, the New York Times ran a story announcing that the “The New Giantess Titanic” would soon arrive in New York. The story was a PR person’s dream, a proactive story aimed primarily at a public of potential passengers and at educating and informing the general public, thereby assuring that when asked, “What is the biggest, most elegant ship afloat?” anyone would say, “The Titanic.” The Times story described the ship’s impressive size, luxury, and illustrious passengers aboard its maiden voyage.

On April 15, White Star was in a reactive mode, as is almost always the case in a crisis. Presented with information from the Bride and Sarnoff stories, the New York Times ran a story with this headline:

NEW-LINER TITANIC HITS AN ICEBERG;
SINKING BY THE BOW AT MIDNIGHT;
WOMEN PUT OFF IN LIFEBOATS;
LAST WIRELESS AT 12:27 A.M. BLURRED

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A later *New York Times* headline read as follows:

**TITANIC SINKS FOUR HOURS AFTER HITTING ICEBERG 866 RESCUED BY CARPATHIA, PROBABLY 1250 PERISH ISMAY SAFE, MRS. ASTOR MAYBE, NOTED NAMES MISSING**

Other newspapers’ April 15 headlines indicated that the editors were much less aware of accurate details of the story. The *New York Sun*’s headline was “All Saved From Titanic After Collision.” The *Washington Post* apparently chose to believe the spokesperson for White Star, Franklin. The *Post*’s headline was the following:

**TITANIC’S 1470 PASSENGERS ARE NOW BEING TRANSFERRED IN LIFEBOATS TO CUNARD LINE**

Twenty Boat Loads Have Already Been Transferred to the *Catania*, of the Cunard Line ... No loss of Life Is Feared ... Officials Confident Throughout Long Period of Suspense ... Halifax Hears That *Titanic* Is on Her Way to That Port

(Note that newspapers made estimates of the numbers of passengers rescued and deceased in early coverage. Also, the *Washington Post* thought the rescue ship was *Catania*, not *Carpathia*.)

The *Manchester Guardian*, on April 16, wrote about the miscommunications of White Star. Newspapers love to write about corporate mistakes; it’s the stuff of which interesting articles are made. Under the headline “The Day’s Strange Reports in America,” the story was a timeline of every arrogant message from White Star’s Franklin and from other reports. One message from the Government Marine Agency in Halifax said that the *Titanic* was sinking, whereas a message from Franklin said that, “all passengers are saved, and the *Virginian* is towing the *Titanic* towards Halifax” (Ziakas, 1999, p. 117).

Franklin finally received a telegram confirming that the ship had sunk, and he later described his reactions: “... it was such a terrible shock that it took us a few minutes to get ourselves together. Then at once I telephoned, myself, two of our directors, Mr. Steele and Mr. Morgan, Jr., and at the same time went downstairs to the reporters. I got off the first line and a half where it said: ‘The *Titanic* sank at two o’clock a.m.’ and there was not a reporter left in the room—they were so anxious to get out and telephone the news” (Ziakas, 1999, p. 117).

At Pier 54 in New York harbor, the surviving passengers came ashore and were regarded as celebrities from that point on. An embarrassed and tearful Franklin went aboard *Carpathia* to meet with Ismay, who was in a state of mental and physical collapse. Ismay and Franklin drafted White Star’s official reaction to the disaster and came ashore long after the passengers had left.
Ismay and Franklin also were present at a stressful media availability event and later issued the formal statement (shown in Fig. 1.1).

“In the presence and under the shadow of a catastrophe so overwhelming my feelings are too deep for expression in words. I can only say that the White Star Line, its offices and employees will do everything humanly possible to alleviate the suffering and sorrow of the survivors and of the relatives and friends of those who perished.

The Titanic was the last word in shipbuilding. Every regulation prescribed by the British Board of Trade had been strictly complied with; and the master, officers, and the crew were the most experienced and skillful in the British service.

I am informed that a committee of the United States had been appointed to investigate the circumstances of the accident. I heartily welcome the most complete and exhaustive inquiry, and any aid that I or my associates or our builders or navigators can render is at the service of the public and the governments of both the United States and Great Britain. Under the circumstances I must respectfully defer making any further statement at this time.”

The surviving passengers issued their own statement, which read in part:

We, the undersigned surviving passengers from the steamship Titanic, in order to forestall any sensational or exaggerated statements, deem it our duty to give the press a statement of facts that have come to our knowledge and that we believe to be true ... We feel it is our duty to call the attention of the public to what we consider the inadequate supply of live-saving appliances provided for on modern passenger steamships, and recommend that immediate steps be taken to compel passenger steamers to carry sufficient boats to accommodate the maximum number of people carried on board. (Ziakas, 1999, pp. 120–121)

The survivors were viewed as heroes, as was Captain Smith, who went down with the ship. Ismay was cleared of any wrongdoing by both British and U.S. inquiries, but his reputation never recovered. In motion pictures about the Titanic, Ismay was portrayed as a villain. The denotation of Titanic was “huge, colossal,” whereas its connotation was “doom.” White Star Line became synonymous with bad management. It suffered financial problems during the European Depression and, in the 1930s, merged with Cunard, with Cunard holding 62 percent of the shares. Both flags were flown on the ships until 1957, when the White Star flag was withdrawn. White Star liquidated its ships, and Cunard bought the remaining shares. By 1958, White Star no longer existed. Cunard went on to produce the Queen Mary, the Queen Elizabeth, and the Queen Elizabeth II.

Prodromes for the Titanic tragedy were ships that sank previously. White Star thought it had made, in the construction of the ship, all the necessary adjustments to warning signs. The company concentrated on the positives rather than the negatives. It did not examine the worst-
case scenario: “What if this doesn’t work?” That question was apparently never asked or heeded.

Prevention and preparation would have included making sure there were enough lifeboats and the development of crisis management and crisis communications plans. Containment would have meant recognizing the danger as soon as the iceberg was sighted and putting into effect the crisis management and crisis communications plans. However, much arrogance (“This ship is unsinkable”) existed. Although there were a limited number of lifeboats, many went unfilled because of poor crisis management. There was apparently time—if there had been a plan to be carried out—to save many more passengers.

Total recovery was not likely in this crisis. The reputation of White Star remained damaged after nearly a century had passed. If the company had done anything right in the pre-launch, the sinking, or the post-sinking period, there might have been a possibility of recovery of its reputation.

In some cases, a company in crisis can seem to be a victim of crises, but this was not true in the sinking of the Titanic. It was guilty of its own negligence and arrogance.