



Crisis in the C-Suite:

# Dos and Don'ts for GCs in the Heat of the Moment

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**Amanda Hettinger**, Partner, Thompson Coburn LLP

**Justice Douglas S. Lang**, Senior Counsel, Thompson Coburn LLP

# The Program:

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This program will present an opportunity for interactive discussion of hypothetical crisis situations.

## How will it work?

- General presentation of hypothetical
- Attendees will go into breakout rooms to discuss approaches
- Breakout groups will report back with their thoughts
- Elizabeth and Judge Lang will provide feedback

# Questions to Address:

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- How should you react to the crisis?
- How should you get the facts?
- How do you give the client what she needs? (Tell them what they need to know not what they would like to hear!)
- How do you provide advice: First blush reaction? Consider facts, law, personalities? Timing?

# Scenario No. 1: Grand Jury Subpoena

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- The CFO and CEO call you on the phone:

“We have just received a grand jury subpoena demanding we produce documents and appear to testify in 30 days. They demand all of our accounting records for the past five years regarding our widget pricing, our attendance and expenditures at the quarterly meetings of the National Association of Widget Manufacturers (NAWM) in Las Vegas, our balance sheets, income statements, statements of profit and loss, audit results, all C-Suite compensation, payment of fees to consultants, and reports to the board and shareholders.

# Rapid-Fire Questions From Client:

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1. What is this all about?
2. Do we have to comply?
3. Is this at our own expense?
4. Do we need to get outside counsel?
5. What legal problems does this raise for us? BY THE WAY, DROP EVERYTHING AND GET INTO MY OFFICE RIGHT AWAY!!

# Now to the Breakout!

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**Besides taking a deep breath and combing your hair:**

1. What is your first move when you arrive in the CEO's office?
2. What is your demeanor?
3. What answers can you supply right away or more importantly, what should you say in answer to questions right then and there?
4. Next steps?

# Open Discussion After The Breakout

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1. What is your first move when you arrive in the CEO's office?
2. What is your demeanor?
3. What answers can you supply right away or more importantly, what should you say in answer to questions right then and there?
4. Next steps?

# Scenario No. 2: HR Crisis

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The V.P. of HR calls you on the phone and outlines a situation where, for the last couple of months, an employee is repeatedly out of control, distracts others, and shows up late.

- Other employees have commented that this person appears to have “changed,” is really “down in the dumps,” and preoccupied.
- She has always been a very productive, innovative, and compatible worker here at XYZ, Inc.
- She has received three warnings and the other employees are restless.



# Rapid Fire Questions From Client:

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1. I want to fire her now, clean out her office, and march her to the parking lot with an armed guard. Can we do that?
2. She has seemed depressed and her personality has changed. Can we just ignore that?
3. Isn't it an emergency to get rid of her!! BY THE WAY, DROP EVERYTHING AND GET INTO MY OFFICE RIGHT AWAY!!

# Now to the Breakout!

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**Besides taking a deep breath and combing your hair:**

1. What is your first move when you arrive in the V.P. of HR's office?
2. What is your demeanor?
3. What answers can you supply right away or more importantly, what should you say in answer to questions right then and there?
4. Next steps?

# Open Discussion After The Breakout

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1. What is your first move when you arrive in the V.P. of HR's office?
2. What is your demeanor?
3. What answers can you supply right away or more importantly, what should you say in answer to questions right then and there?
4. Next steps?

# Scenario No. 3: The Deal Blows Up

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The Executive VP/COO calls you and says:

- “Our biggest competitor, ABC, Inc. has hired away three key engineers.
- The engineers have all of our secret process formulas in their heads. In fact, they helped create those formulas.
- They also know well our customers since they go to jobs and “trouble-shoot.”
- Also, two of them have a one-year no-compete and perpetual prohibition of sharing trade secret.
- As to the third, we slipped up and didn’t get her to sign a contract like the one the other two have.

# Rapid-Fire Questions:

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1. How can ABC, Inc. hire our people?
2. How do we protect our trade secrets?
3. What about the information they have on their laptops?
4. They may have been planning this for a while. I noticed two potential customers we have been trying to sign up have gone “radio silent.” What can we do about that?
5. Their new employer is very aggressive and vicious. Should we just back off?
6. What next? BY THE WAY, DROP EVERYTHING AND GET INTO MY OFFICE RIGHT AWAY!!

# Now to the Breakout!

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**For the Third Time, besides taking a deep breath and combing your hair:**

1. What is your first move when you arrive in the COO's office?
2. What is your demeanor?
3. What answers can you supply right away or more importantly, what should you say in answer to questions right then and there?
4. Next steps?

# Open Discussion After The Breakout

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1. What is your first move when you arrive in the COO's office?
2. What is your demeanor?
3. What answers can you supply right away or more importantly, what should you say in answer to questions right then and there?
4. Next steps?

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# Closing Comments