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Strategic Communication - Team 1 & 3 Crisis Communication Plan

Nike Inc.



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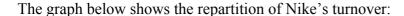


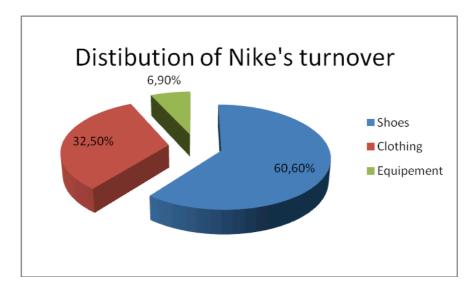
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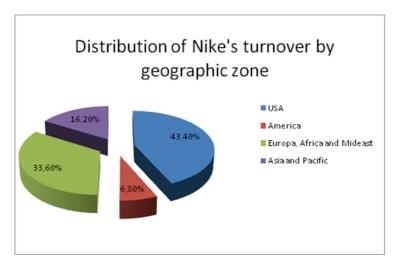
1. Company background information

Nike Inc. is a company which is on the stock exchange in New York. This company is worldwide leader on sport market since 1990, just before Adidas. The company was founded in 1972 and headquarter is close Beaverton in Oregon. Actually, the chairman is Philip h. Knight and the chief executive officer is Mark Parker. Nike's turnover was 11.9 milliard of Euro in 2007. Its famous logo was ordered in 1971 by Phil Knight, it called Swoosh and it was designed by a design student.





The main market of Nike is United State of America, but the company realizes about 56% of its sales outside of USA like the graphic shows:



To develop its brand image, Nike has multiplied sponsoring with sportsman, for example in tennis with Rafael Nadal or Roger Federrer, or with teams like in Football (Arsenal, Juventus of Turin) or Rugby (French National Team). In this field the company has stolen several markets at its first competitor Adidas. Since, its crisis with labor child, the company tries to improve its brand image to stay the leader on its market. But in spite of all its effort on works conditions, the company always employed salaries in Asia to reduce costs. For example, Nike designer and chemist are based on Saigon and paid \$5 per hour whereas shoes are sold \$100.

Portfolio

Nike Inc. owns different brands, which is its subsidiaries. Its portfolio is composed of:

- Cole Haan which designs and distributes dress and footwear and accessories for men and women.
- Converse Inc. is the famous brand of shoes.
- Hurley International LLC is specialized in surfing, skateboarding and snowboarding equipments.
- NIKE Golf designs all equipments for golf (bag, balls, shoes, accessories...)
- Umbro Ltd. is specialized on football sportswear.

Executives:

Philip H. Knight as Chairman of the Board Mark Parker as President and CEO of Nike Inc Chalie Denson as President of Nike brand

Company's history

1950s: The stories of Nike start with two ingenious men (Bill Bowerman and Phil Knight) who want to revolutionize the athletic sport. To begin they were distributor of Tiger shoes in United States which is a Japanese firm.

1960s: They sold the first Tiger shoes in 1964 and at the same time the two men tried to design theirs owns wears. 1965 the start-up is created and called 'Blue Ribbon Sport' based in Oregon.

1970s: They created their fist products brochures, ads and marketing tools. Moreover, the first retailer was created in California. 1971 the name changed the name for 'NIKE', the logo and their design. The two men started to sell their own products and sponsored Prefontaine who was the beginning of Nike's success.

1980s: Nike launched its famous and brand new technological shoes called "Nike Air" and became a publicly traded company. As Nike focused on its industrial shoes, it has missed the opportunity of a growing aerobic market but came back in front of its opponents by risking dealing with Michael JORDAN in NBA. Years later, Nike invested in marketing advertising the slogan "Just do it".

1990s: It created their first retail "Niketown" in Oregon and all around the world later. As Michael JORDAN, Nike multiplied sponsoring of sport's professionals. A new brand was created: Nike Golf.

2000s: Nike has found new marketing strategies involving a partnership with further worldwide events as Olympic Games and tournaments.

October 2007: Nike acquires the Umbro's firm.

February 2008: Nike wins a new market; the company becomes the official French team football supplier against Adidas. And during the Chinese New Year's Eve the firm becomes the official sponsor of Olympic Games.

Future strategies:

The main objective of the American firm is to obtain new markets. To reach its aim, the company will establish subsidiaries in emerging countries. Moreover, Nike wants to enforce its power on Europe market with developing product on main market (football and tennis).

3. SWOT & Industry Analysis

Strengths:

- Very competitive organization and strong spirit of competition
- Strong research and development in order to innovate permanently.
- Nike does not own manufactory so they are able to produce only where they can
 produce cheaply in order to sell at the lower price. If prices raise Nike change the
 place production.
- Number one sports brand in the world. The famous swoosh is instantly recognisable.

Weaknesses:

- Most of the incomes come from footwear whereas Nike has a diversified range of product. If footwear market share fall down Nike would be in danger.
- Most of the retailers sale other brand than Nike so they are able to bargain prices.

Opportunities:

- Nike does not reach only people who buy Nike product to practice sport. Nike seems to be perceived as a fashion brand by young people.
- Possibility to develop products as sunglasses, jewellery in order to increase profits.
- Emerging markets as India have a new richer generation of consumers

Threat:

- Costs and margins are not stable over long periods of time.
- The market is very competitive. The Nike model is copied by a lot of brands (low cost of production and high selling value).
- Retail sector become more and more price competitive.

Industry analysis

Nike's Porters Five forces:

The threat of substitute products is really important for Nike. The sector is really concentrated; there are a huge number of brands who sale similar products compared to Nike. Moreover, there are a lot of discounters (Go Sport, Decathlon, Retailers brands...) who are a threat for Nike because of the decrease of purchasing power.

The threat of the entry of new competitors. Because of the global aspect from Nike, the brand has to fight against a lot of new brands which can be created in the whole world. There are not a lot of barriers to entry on sportswear markets; we can see the creation of a lot of "little brands".

The intensity of competitive rivalry is really important. Rivals compete use an aggressive strategy in order to gain market shares. The rivalry can be about the product himself (innovation, design ...) with Adidas for example, or about the price (with retailers' brands for example).

The bargaining power of customers with the decrease of purchasing power becomes more important with time. Their price sensitivity is increasing and because of the positioning of Nike (high price of sales) this aspect has to be taken in account by the brand.

The bargaining power of suppliers is important too because of the concentration of the sector. As we saw before retailers can choose not to work with the brand if prices are too high. With the huge concentration Nike has to take in account seriously this aspect.

4. Potential crisis

To extrapolate the potential crisis that the company may face we must study at first the former crisis that Nike had to surmount and how it succeeded in its difficulties.

Since the nineties, the public opinion became aware of the fact that Nike did not respect the Human Rights during its production process. In fact, Nike does not own any plant, its production is distributed in various (40) plants in different countries where the labour cost is very cheap. These plants are called "sweatshops" because of the infernal conditions of working. Nike had been accused to pay its employees under the threshold of subsistence.

The "sweatshops" employ some children (in Asia) in order to find a cheaper and more servile workforce. The public opinion accused Nike to employ children and to practice psychological and corporal punishment on the employees.

In 1992, Nike created a "behaviour code" in order to stop criticises. This code indicates the attitude that the subsidiary has to follow:

- The subsidiary cannot use forced work
- The work of children under 18yo (or 16yo) is forbidden
- The salary cannot be reduced because of a disciplinary fault.

These measures were considered insufficient by the public opinion and a boycott appeared. During the meeting of the shareholders in 1997, some demonstrators gave a letter signed by 45 organisations from around the world. This letter condemned the abuses which occurred in the plants and urged the leaders to stop the disrespect of the Human Rights.

In 1997 testimonies of employees who worked in Nike's plants were diffused in American newspapers like Thuy and Lap (two workers of a Vietnamese plant) who said "You have to meet the quota before you can go home. She hit all 15 team leaders in turn from the first one to the fifteenth... The physical pain didn't last long, but the pain I feel in my heart will never disappear." The workers who spoke to the journalists were fired despite the fact that these testimonies were confirmed by a report of "The Board of Monitoring of the Labour Conditions" of the Vietnam.

This kind of testimony obliged Nike to react and to show that Nike was concerned by these social problems and tries to change the situation.

In order to preserve its reputation, Nike decided to reinforce its "behaviour code" in 1997: establishment of trade-union freedom, opening of a "department of the work conditions". Nike decided to adhere to the FLA (Fair Labour Association) in 1998 in order to validate its action in its plants. Nike has to be controlled by a NGO which check if the labour conditions are respected in its plants. This NGO has to give to the shareholders and to the consumers a report to show the situation in the plants.

This action gave Nike more credibility and permitted to diminish the rumors and the boycott.

- We can see that Nike had always been attacked on the working conditions in the plants; it is one of the biggest weaknesses of Nike. So we have to pay attention, because Nike may be attacked again on the social and working conditions by the pressure groups or by some lobbies
- Nike can have problems in the plants due to the difficult conditions of working (suicide, demonstrations...)

- Another important point is the environmental awareness. Nike could be attacked on this point, but Nike can argue that it had been elected the "greenest big firm" in the world (StonyField Farm is second and IBM third) by ClimateCounts in 2007.
- Nike can meet problems with its production (shoes, clothes...) like toxicity, dangerousness of some products...
- Another boycott of Nike can occurred because of the pressure groups.
- A crisis can occurred if one of the athlete sponsored by Nike is accused of doping. This situation can have a big impact on Nike's reputation.
- A fiscal fraud can be another crisis that Nike could have to overtake.
- A bad behavior of a director of Nike or of an athlete sponsored by Nike can tarnish the image of Nike

5. Introduction

The following part will be really useful in case of crisis because this is the procedure which teaches us how to react if an emergency occurs. This part answers to the questions "What we have to do? Who do we have to inform? How should we communicate? Who have to explain the problem? Etc..."

We do not have to improvise our reaction; we have to be relevant, effective and quick in our treatment of the crisis. This part is here to clarify some points, in order to win some time in our reaction during the crisis. It is like a "guide" even if some points can be adjusted if the crisis is small or big. In fact we have to stick the most we can with this plan and to follow its instructions.

We have divided this plan in different parts in order to be clearer and to identify more easily what we have to do. We will study at first the objectives (how will treat the crisis to keep the brand image), after that we will define the communication team. Then we will establish the media policies and procedures (we will observe what the media say about our crisis, and try to supervise their message). At the end we will study the collateral materials (with a sample news release, and a recommended evaluation and a follow up).

6. Crisis communication team

The team should meet at least annually to ensure that all people in this team are aware of their responsibilities. The crisis communication team is important to identify what actions should be taken in case of crisis.

In this team, we must have the **CEO** because for stakeholders he represents the brand so in case of crisis his presence show them that he's concerned by the situation what is really important for them. The **chief of Public Relation** will be in the team too because he's the person who will know how to make the link between the society and stakeholders. He'll be able to make the link between journalists and the brand if they organize a meeting to explain the position of the company for a given crisis. In order to cover the crisis with a technical view the **Senior manager** from the division in charge of the area that was involved in the situation responsible of the crisis has to be present. He will be the best person to explain in detail why the company know a crisis and will be able to show to Medias that the company wants to explain everything and not to hide facts. Moreover if a reporter asks him for something really technical he will be the one to be able to answer technically. Finally the

organization lawyer has to be present because he will be able to give advices to everyone in the communication team in order to avoid mistake. He can also explain the juridical position of the company and take in consequence measures to solve the problem (for example, he can advice the company to give money to people touched by the crisis in order to compensate for the disagreement).

The job of the team is to come up with a plan of action and decide who the spokesperson should be. They have to mix their knowledge and be present just after the crisis; they cannot decide to speak about the problem a week after the crisis. Because of they have met just after the crisis they should prepare a list with every cellular phone numbers and beepers of people we saw before in order to be able to communicate even if they're not a work when the crisis occurs. For the senior manager, the team should note every cellular phones and beepers numbers for every division of the company to be able to join every senior managers of the company. Ideally, permanent members of the communication team should have the list on them. On the list we must have the name of the person, his place in the company and his numbers.

In addition, to manage better the crisis we should take people from communication department to answer phones and escort Medias. As soon as people, the communication team should prepare a statement to this staff in order to have a unique position about the crisis and avoid mistake which could be bad for the company.

7. Positioning

The company needs to take a position about the situation. But it depends of the situation, so we will position Nike with its potential crisis finds in the first part.

Potential Crisis	Positioning
Problems about working conditions	Nike used suppliers to produce its products (shoes), so Nike is indirectly link to this crisis. But the company can be directly link, if the problem is in own premises

Non respect of the environment	It depends if the fault is due to its suppliers or the company itself. In the first case, the company is indirectly link and in the second case, the company is directly link
Problems with product (toxicity)	Nike is directly link because the company needs to control its products before to put it on the market
Pressure group (lobby)	The company is directly link, because Nike is directly attack
Bad behavior of an Athletics sponsored (like doping)	The company is indirectly touch by this problem, because the fault is due to the sportsman and the brand image is link to the athletics
Fiscal Fraud	The company is directly link, because someone makes some mistakes in its accounting to attract investors
Bad behavior of someone in the company	The company is directly link because it is one of its employees who make a mistake or fault
Employees die (suicide, accident at work)	The company is directly link because it does not have assured employees' security or it does not inform its employees about security information. But the fault can be due to an employees who does not respect the rules

8. Media policies and procedures

"Media policies and procedures" is a very important part of our communication plan, because company has to communicate with public, government, people who were injured during crisis and with people who may have been influenced by it.

The statement that we give to the media should be clear and should briefly explain what happened, where, when, who was involved in it, who takes responsibility for this and who is going to take action to solve the problem.

Company should take care if the information they send is the same in different media (different television channels and radio stations). The best way to guarantee this is to choose one person who is responsible for contact with media. Everybody who is hired in the company should be informed who this person is and should know his name and have a contact to him (telephone number and mail address).

Every employee should obey the rule not to give a speech to the media. They may not know all the important facts and some information may not be connected to the real facts. The information from each employee can differ because of the rumors and because of a general halos which definitely can take place during crisis. If there is one designated person responsible for contact with media, we can feel comfortable that the information given to the public audience is coherent.

We should also supervise what media transmit. We should follow the news and check the conformity to our official statement. If there are some divergences, we have to correct the wrong information. Divergences may be caused by misunderstanding during the interview with reporter or there is a possibility that he changes given information to be more dramatic.

It is better not to hide information from media, because when they find it out, we can lose our confidence. We should give the same information to all the media equally. If we say something to one of them, the others should also know about it.

The crisis communication team has to decide when and where to meet to have an interview. It is essential that the reporter feels that the company does not want to hide something from the media.

The spokesperson has to prepare himself before the interview. Reporter will probably ask some confusing questions, but the spokesperson can at least foresee some main and obvious questions.

One of the most important rules is to present information as soon as possible, because if we do not do this, other people will. If we postpone the time of our statement, we risk that the false information will be conveyed. The first information will be remembered by the public and then it would be much harder to change their opinion.

Extremely important thing is to take responsibility for the damage. If there is an obvious fault inside the company, we cannot deny it. We have to admit our mistake and say that we will do what we can to make up what we did wrong.

9. Sample new release

Headline

Summary paragraph (explain the crisis shortly, it must be easy to understand)

Date, place - 1st paragraph: contains essential information about the crisis. It must give information like who, when, where and why.

The rest of the new release expounds on the information given before. It includes quotes from key staff, customers or subject matters experts. We have to include too a quote for the human touch in order to show the implication of the company.

The last paragraph summarizes the facts and give details about what will be the "after-crisis"

About the company: short corporate backgrounder

Contact:

Xxxxx, director of public relations

Address

Phone number

www.thecompany.com

Safe harbor statement (if applicable in the case of the crisis)

10. Collateral Materials

In some kind of crises, a company needs to inform different stakeholder. But each of them, need different information. Moreover, the company could identify who is responsible for making decisions on each division of the company.

Here is some different Collateral Materials for Nike:

- To inform its employees about the situation, the company can provide information advices in its company internal magazine. In this document, the company can explain about how they will be affect by the crisis as changes in the organization and what will be the solutions.
- To inform the government, the company can provide a brochure or letter, to explains its situation and maybe ask help. To have good relationships with the government is very important in big company, because these companies have a huge impact in the region where it is establish.
- To inform local citizens, if the crisis will affect them. The company can make an announcement in local newspapers or local television.
- To inform its shareholders, the company needs to provide a brochure, because usually crisis affects shares of the company. Indeed, the shareholders need to believe the company.

11. Key audience

Nike is known as a huge international brand. This famous firm is known worldwide, in case of crisis (national or international) the notice will be spread in every country in a few time. In case of crisis, the directors of Nike have to react really quickly and in a relevant way in order to preserve the reputation of the firm. Indeed, regarding his popularity, a little crisis could develop very fast and have important effects on the sales.

This firm is known from many people, indeed Nike sells its products to all kind of people all over the world. His consumers are from all social origins, all nationalities and have different cultures, sexes and ages. So there is a very important challenge for Nike, it has to make all its consumers understand its message. That is why the message has to be clear, simple especially in crisis situation. So Nike has to deal with its different kind of customers in case of communication in order to reassure everybody.

Because of its notoriety, Nike must touch the most people that it can if a crisis happens, so a good way to communicate is the media (television, radio). Most of the time people really pay attention to what is said in the news. So it is a good thing for Nike to communicate with the news in order to touch more people and to be taken in serious.

Moreover, as we have seen it in the past, there are many groups of pressure who attack Nike. That is why in time of crisis, the brand has to be very vigilant, and address directly to those groups in order to limit their impacts.

In case of crisis, the shareholders must be reassured in priority because a fall down of the actions would be catastrophic for the firm. But the crisis must not be minimised and hidden.

Indeed, the reaction of the shareholders will be a test for the future evolution of the crisis.

Nike has to send an official letter to its shareholders if a crisis occurs, because a person seems more reassured if he thinks that the message is directly addressed to him.

In this way, Nike can make advertising (newspapers, television, and radio) to communicate on a crisis. With this solution the firm can choose whose consumers Nike wants to touch and so the company can adapt the message.

Nike has to communicate in its website in order to inform the consumers and the employees. Nike can make a internal official letter to inform the employees if a problem occurs and to let them know what they have to do and what procedure they have to follow.

12. Recommended Evaluation and Follow up

To analyze the evaluation and the follow up of the crisis, we need to base our study in potential crisis that we find.

Potential Crisis	Evaluation
Problems about working conditions	The company can send inspectors and doctors from HQ to evaluate evolution of working conditions
Non respect of the environment	The company can send inspectors from HQ and from NGO (like Greenpeace)

Problems with product (toxicity)	The company needs to do better control of our suppliers maybe chose new one. Checking quality of product before to sell them
Pressure group (lobby)	The company gives them more information and organize meeting to deal with the problem. Maybe one of them can spend time in the company to improve its organization.
Bad behavior of an Athletics sponsored (like doping)	The company must stop the contract and find someone with a better image.
Fiscal Fraud	The company must compensate victims, and publish every accounting document in our website.
Bad behavior of someone in the company	The company could fire this person and make apologies
Employees die (suicide, accident)	The company must to compensate his family (with money) and publish a document to commemorate him. In case of accident, add a better maintenance of our machines or premises.

Nowadays, there are some organizations which evaluate companies about many factors. For example, whit the development of the CSR (Corporate Social Responsibility), there are companies specialized in evaluation. Indeed, the Credit Rating Agency evaluates companies about their CSR.

13. Crisis Communication Plan

Nike sponsors LeBron who is a famous basketball player. With this man, Nike develops a range of product which includes shoes and clothes for about \$30.000. But one day, Lebron was accused of sexual assault by a young girl. Even if, his guilty is not proving, Nike needs to react at this crisis because group of consumer are already attack the company.

Objectives

The objectives of the communication crisis plan are:

- Company has to estimate the size of a crisis and then adapt its actions to it. Another actions have to be taken if the crisis is local and different if it is global
- Collect as much information about the crisis as we can
- Company should guarantee that the communication respond is as soon and as brief as possible
- Plan how to deliver the message to the audience and which transition way to choose
- Decide who in the company will be responsible for specific action (communication with the public, writing press realize, giving speech to the media)
- The communication team has to be chosen and there should be adequate people designated to right tasks
- Receivers of the information explaining crisis facts should be recognized and informed
- Explanation should be clear, so that there is no place left for insinuations and rumors
- How to behave correctly to minimize damages of the crisis
- Do what is possible to keep brand image
- Company should take care to redress the balance and bring back public trust

Crisis Communication team

To manage the crisis, the company should called people who will deal with the problem. For our crisis, Nike's communication team will be: the Chief of public relation, Cécile Basset, she will manage the link between Nike, stakeholders and Medias. Moreover, a lawyer organization wills advice the team about laws. And Lebron's agent will represent Lebron and give Lebron point of view. Two others people will help the team Riccardo Fabi (Director New Business Development) and Danielle Sarma (Senior Account Executive) will evaluate the extend of damages.

We organize a meeting in Oregon where the headquarter of the company are, to inform everybody about the details of crisis. We decide together what to do, our positioning and steps that we have to take.

The Positioning

To begin, we can see that Nike is indirectly by this crisis. Indeed, the company sponsors many athletics such as Rafael Nadal or Roger Federrer. In our case the company sponsors LeBron James who is the star of Cleveland Cavaliers Basketball team. But he is accused of sexual assaulted and with this mistake, Nike needs to limit the impact of its brand image.

Moreover, Nike should take off the line of product make with Lebron. But is this case, the company will lose its investment. So, it can change the name of the brand created in association with LeBron. The company needs to dissociate its brand and the LeBron's name in customers mind. But before breaking the contract with him, we need to wait the judgment.

Key Audience

We'll communicate via different Medias (press, television, website, radio...). But our key audience are customers, our sponsors and Media to inform everyone. We thinks are better to contact shareholder or employees by another way. (See Collaterals Materials)

Medias Policies

We have to react on this situation as soon as possible. The problem is that we have to wait for the judge decision. Everybody knows that Lebron is suspected for sexual assaulting, but we cannot judge him on ourselves. We cannot forget that there is a new Nike collection with his name on it advertised at the same time.

Company chooses a person responsible for contact with media. It is Cecile Blasset who works in Public Relations and Communications. Currently, she is hired in Public relation International at Nike Communications. She has already had an experience in working with the media.

We do not have a time to waste. We need to make an official announcement in order to present ours company positioning. Cecile Blasset contacts with media, makes interviews and explains our company's positioning. She also prepares the press release.

We do not know if Lebron is really guilty and moreover the girl has already falsely accused someone of sexually assaulting her. But even if it turns out that James is not guilty, his affair has a bad impact on our brand image. People will connect James and the thing that he could done, with Nike, the company which promotes him.

We need to plan what we will do according to a judgment. If James Lebron is innocent we will still have a contract with him. If it turns out that he is guilty, we will stop the contract and find another athletic who would like to represent our company. We would call Tony Parker- the basketball player.

Collateral Materials

Nike needs to inform several stakeholders to solve the problem: Media, customers, shareholders, employees and group of consumer.

To inform Media the company will provide a Simple News Release. (We can see an example is another part).

Nike must also inform its shareholders; because if they think there are some risks they can buy others shares. So, Nike will create a document to prevent how the company will manage the situation and the solutions that will apply. The company must prove that the crisis will not affect their earnings.

Then, Nike should inquire its employees. Indeed, the company must provide information about how the company will manage the crisis and the solutions that it will apply. Nevertheless, Nike must give explanations at its employees about how they will be affect. Thus, Nike must make restructuring the company (as redundancy). In our crisis, Nike is indirectly link, so normally, the company will not reorganizes its salaries. But Nike does not have to underestimate the power of consumer group.

Lastly, Nike must give the same information to consumer group and customers. But these indications will be providing by Media or by its website. In fact, Nike should prove that it will implement to solve the problem. In other words, Nike will do everything under its power to

Crisis Communication Plan

fix the mistake done by its sponsor. The aim is to prove that Nike disagree with the attitude of

LeBron. Nike must be honest and hold its agreements.

Sample News Release

Lebron's Case

James Lebron, a sportman sponsored by Nike has been arrested.

24/11/08 – Last weekend James Lebron has been arrested on the grounds that he allegedly sexually assaulted a 13 year-old girl. We have to notice than this young girl has already

falsely accused someone of sexually assaulting her.

Before the judgment Nike cannot status on the relationship between James Lebron and the

company. According to the innocence presumption and the past of the young girl Nike don't want to modify the contract before the judgment. For the moment we cannot accept the

request of women sponsored by the company who want to break the contract of James

Lebron. Nike denounces this type of behavior and is waiting for the judgment to take a

decision concerning the sponsorship.

Finally, after the judgment Nike will take a resolution about the contact. If James Lebron is

judged as guilty Nike will break the contract of sponsorship. On the contrary, if James Lebron

is judged as innocent Nike will continue the sponsorship and will launch the product line.

Sponsorship is really important for Nike Inc. in order to give a positive image via sport and to

protect a healthy way of living for mind and body.

Mrs. Cecile Blasset

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Recommendations and Follow-up

Nike must improve its control of its athletics, because if they make mistakes Nike will be touch. The first thing to do is to add some clause to all contracts. These clauses will allow to Nike to break the contract for breach of contract. Nike must find another sportsman to sponsor with a good image and that public loves. To be coherent with the new collection, Nike must chose someone who playing basketball. So, Tony Parker seems to be a good idea. Moreover, Nike can control its Athletics and lay down rules as healthy control.

Similar crisis for Nike

In May 2008, Nike terminates its contract with the famous football player of Liverpool City (UK). This man was accused of assault and went in jail. Nike's spokesman made an intervention and said: "While Joey Barton is a talented footballer, we cannot condone or accept what he did and his contract has been terminated".

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