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# The Tylenol Crisis:

## How Effective Public Relations Saved Johnson & Johnson.

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*"Public Relations is the management function that establishes and maintains mutually beneficial relationships between an organization and the public on whom its success or failure depends." (Broom, Center, Cutlip, 1)*

In the fall of 1982, McNeil Consumer Products, a subsidiary of Johnson & Johnson, was confronted with a crisis when seven people on Chicago's West Side died mysteriously. Authorities determined that each of the people that died, had ingested an Extra-Strength Tylenol capsule laced with cyanide. The news of this incident traveled quickly and was the cause of a massive, nationwide panic. These poisonings made it necessary for Johnson & Johnson to launch a public relations program immediately, in order to save the integrity of both their product and their corporation as a whole.

### The Story of the Tylenol Poisonings

When 12 year-old Mary Kellerman of Elk Grove Village, Ill., awoke at dawn with cold symptoms, her parents gave her one Extra-Strength Tylenol and sent her back to bed. Little did they know, they would wake up at 7:00 a.m. to find their daughter dying on the bathroom floor. (Beck, 32)

That same morning, Adam Janus, 27, of Arlington Heights, Ill., took Extra- Strength Tylenol to appease a minor chest pain. An hour later, Janus suffered a cardiopulmonary collapse and died suddenly. That very evening, when relatives gathered at Janus' home, Adam's brother Stanley, 25, and his wife Theresa, 19, took Tylenol from the same bottle that had killed their loved one. They were both pronounced dead within the next 48 hours. (Tiff, 18)

Mary Reiner, 27, of the neighboring suburb, Winfield, died after taking two Tylenol capsules the next day. Reiner, who was dead within hours at the local hospital, had just recently given birth to her fourth child. Paula Prince, 35, a United Airlines stewardess, was found dead in her Chicago apartment with an open bottle of Extra- Strength Tylenol nearby. Mary McFarland, 31, of Elmhurst, Ill., was the seventh victim of the cyanide-laced Tylenol capsules. (Beck, 32) (Tiff, 18)

The cause of these strange and sudden deaths did not remain a mystery for long. The connection to Tylenol was discovered within days with the help of two off-duty firemen who were at home listening to their police radios. The two men, Philip Cappitelli and Richard Keyworth were exchanging information about the deaths, when they realized that Tylenol was mentioned in two of the reports. The men made some assumptions and told their superiors that there was a possibility that the over the counter drug was the mysterious killer. (Tiff, 18)

**The Extra-Strength Tylenol capsules in question were each found to contain 65 milligrams of cyanide. The amount of cyanide necessary to kill a human is five to seven micrograms, which means that the person who tampered with the pills, used 10,000 times more poison than was needed. Dr. Thomas Kim, chief of the Northwest Community Hospital at the time of the poisonings, said, "The victims never had a chance. Death was certain within minutes." (Tifft, 18) (Tylenol Murders, 3)**

**The nation was warned about the danger of Tylenol as soon as a connection could be made. Police drove through Chicago announcing the warning over loudspeakers, while all three national television networks reported about the deaths from the contaminated drug on their evening news broadcasts. A day later, the Food and Drug Administration advised consumers to avoid the Tylenol capsules, "until the series of deaths in the Chicago area can be clarified." (Tifft, 18)**

**Officials at McNeil Consumer Products made clear that the tampering had not taken place at either of its plants, even though cyanide was available on the premises. A spokesman for Johnson & Johnson told the media of the company's strict quality control and said that the poisonings could not have been performed in the plants. Because the cyanide laced Tylenol had been discovered in shipments from both of the company's plants and had only been found in the Chicago area, authorities concluded that any tamperings must have occurred once the Tylenol had reached Illinois. (Beck, 33)**

**The tainted Tylenol capsules were from four different manufacturing lots. Evidence suggests that the pills were taken from different stores over a period of weeks or months. The bottles, some of which had five or less cyanide laced capsules and one which had ten, were tampered with and then placed back on the shelves of five different stores in the Chicago area. It seems that the person responsible for the deaths, spent a few hours distributing the laced bottles of Tylenol. (Tylenol Murders, 2)**

**The publicity about the cyanide laced capsules immediately caused a nationwide panic. A hospital in Chicago received 700 telephone calls about Tylenol in one day. People in cities across the country were admitted to hospitals on suspicion of poisoning by cyanide. (Tifft, 18)**

**Along with a nationwide scare, the poisoned capsules brought with them copycats, who attempted to simulate the tamperings in Chicago. In the first month after the Tylenol related deaths, the Food and Drug Administration counted 270 incidents of suspected product tampering. Although, the FDA thinks this number may have been inflated by the hysteria of consumers who blame any type of headache or nausea on food and medicine they think may have been poisoned. The FDA estimated that only about 36 of the cases were, "true tamperings." (Church, 27)**

**After this crisis, Johnson & Johnson was faced with quite a dilemma. They needed to find the best way to deal with the tamperings, without destroying the reputation of their company and their most profitable product, Tylenol. Many marketing experts thought that Tylenol was doomed by doubts that the public may have had to whether or not the product was safe. "I don't think they can ever sell another product under that name," advertising genius Jerry Della Femina told the New York Times in the first days following the crisis. "There may be an advertising person who thinks he can solve this and if they find him, I want to hire him, because then I want him to turn our water cooler into a wine cooler." (Knight, 2)**

## **What Did Johnson and Johnson Do?**

**Della Femina was quite wrong in assuming that Tylenol would never sell again. Not only is Tylenol still one of the top selling over the counter drugs in this country, but it took very little time for the product to return to the market. Johnson and Johnson's handling of the Tylenol tampering crisis is considered by public relations experts to be one of the best in the history of public relations.**

**The public relations decisions made as a result of the Tylenol crisis, arrived in two phases. The first phase was the actual handling of the crisis. The comeback of both Johnson & Johnson and Tylenol, was the second phase in the public relations plan. The planning for phase two began almost as soon as phase one was being implemented.**

**Phase one of Johnson & Johnson's public relations campaign was executed immediately following the discovery that the deaths in Chicago were caused by Extra- Strength Tylenol capsules. As the plan was constructed, Johnson & Johnson's top management put customer safety first, before they worried about their companies profit and other financial concerns.**

**The company immediately alerted consumers across the nation, via the media, not to consume any type of Tylenol product. They told consumers not to resume using the product until the extent of the tampering could be determined. Johnson & Johnson, along with stopping the production and advertising of Tylenol, recalled all Tylenol capsules from the market. The recall included approximately 31 million bottles of Tylenol, with a retail value of more than 100 million dollars. (Broom, Center, Cutlip, 381)**

**This was unusual for a large corporation facing a crisis. In many other similar cases, companies had put themselves first, and ended up doing more damage to their reputations than if they had immediately taken responsibility for the crisis. An example of this was the crisis that hit Source Perrier when traces of benzene were found in their bottled water. Instead of holding themselves accountable for the incident, Source Perrier claimed that the contamination resulted from an isolated incident. They then recalled only a limited number of Perrier bottles in North America. (Broom, Center, Cutlip, 59, 381)**

**When benzene was found in Perrier bottled water in Europe, an embarrassed Source Perrier had to announce a world wide recall on the bottled water. Apparently, consumers around the world had been drinking contaminated water for months. Source Perrier was harshly attacked by the media. They were criticized for having little integrity and for disregarding public safety. (Broom, Center Cutlip, 59)**

**Johnson & Johnson, on the other hand, was praised for their actions by the media for their socially responsible actions. Along with the nationwide alert and the Tylenol recall, Johnson & Johnson established relations with the Chicago Police, the FBI, and the Food and Drug Administration. This way the company could have a part in searching for the person who laced the Tylenol capsules and they could help prevent further tamperings. Johnson & Johnson was given much positive coverage for their handling of this crisis. (Atkinson, 2) (Broom, Center, Cutlip, 381)**

**An article by Jerry Knight, published in The Washington Post on October 11, 1982, said, "Johnson & Johnson has effectively demonstrated how a major business ought to handle a disaster." The article stated that, "This is no Three Mile Island accident in which the company's response did more damage than the original incident." The Washington Post**

cited many incidents where public relations programs at large companies failed in crisis situations. They applauded Johnson & Johnson for being honest with the public.

The Washington Post article stressed that it must have been difficult for the company to withstand the temptation to disclaim any possible link between Tylenol and the seven sudden deaths in the Chicago area. They added that the company never attempted to do anything, other than try to get to the bottom of the deaths.

According to the article, "what Johnson & Johnson executives have done is communicate the message that the company is candid, contrite, and compassionate, committed to solving the murders and protecting the public." The Washington Post also mentioned that Johnson & Johnson almost immediately put up a reward of \$100,000 for the killer.

The Kansas City Times published an article on November 12, 1982, by Rick Atkinson, that was comprised of interviews with top executives at Johnson & Johnson shortly after the Tylenol crisis. James E. Burke, chairman of the board of the corporation at the time of the tamperings, said that the poisonings put everyone at Johnson & Johnson into shock. He did say though, that some of the initial public relations decisions pertaining to this case were easy to make.

Burke said that the decisions to pull advertising for Tylenol, recall all of the bottles from the lots that were laced with cyanide, and send warnings to health professionals, were made with no hesitation. Although it seemed almost impossible that Johnson & Johnson could be held responsible for any of the tamperings, the corporation had a hard decision to make: Should they implement a nationwide recall on the product?

There was a great deal of discussion on recalling Tylenol on a national level. Some executives worried about the panic that could result in the industry over such a wide scale recall. There were arguments over which Tylenol products to pull and arguments over whether recalling 100 million dollars in Tylenol would humor the killer and spur him to poison other products. The executives held off on the huge recall through the first weekend after the deaths.

That Saturday, three of the victims of the poisoned capsules were buried. There was coverage of the burials that night on television. Johnson & Johnson executives wept not only out of grief, but some out of guilt. One top executive said, "it was like lending someone your car and seeing them killed in a traffic accident." That weekend, opposition to the national recall all but vanished and it was announced on Tuesday that 31 million bottles of Extra-Strength Tylenol capsules would be pulled off of merchants shelves.

On Thursday, as a final step in this phase of Johnson & Johnson's public relations plan, the company offered to exchange all Tylenol capsules that had already been purchased for Tylenol tablets. It was estimated that millions of bottles of Tylenol capsules were in consumers homes at the time. Although this proposition cost Johnson & Johnson millions more dollars, and there may not have been a single drop of cyanide in any of the capsules they replaced, the company made this choice on their own initiative in order to preserve their reputation. (Knight, 2)

## Tylenol's Comeback

The planning for phase two of Johnson & Johnson's public relations plan, or the "comeback" phase, was already in the works by the time the first phase had been

completed. Tylenol, which had a massive advertising budget prior to the poisonings, had become the number one alternative to aspirin, in the nation. The product had 37 percent of the market for over-the-counter painkillers. (Knight, 2) Because Tylenol was such a huge money-maker for Johnson & Johnson, the company unleashed a extensive marketing and promotional program to bring Tylenol back to it's position as the number one over-the-counter analgesic in the United States. (Johnson & Johnson)

Chairman of the board, James E. Burke said, in regard to the comeback, "It will take time, it will take money, and it will be very difficult; but we consider it a moral imperative, as well as good business, to restore Tylenol to it's preeminent position." (Johnson & Johnson)

In November, less than six weeks after the nation learned of the sudden deaths in Chicago, Johnson & Johnson subsidiary, McNeil Consumer Products, revealed its public relations plan for the recovery of Tylenol, at their sales conference in New Brunswick, New Jersey. There were five main components of the McNeil/ Johnson & Johnson comeback crusade. (Johnson & Johnson)

Tylenol capsules were reintroduced in November baring a new triple-seal tamper-resistant packaging. The new packaging was appearing on market shelves by December, making McNeil Consumer Products the first company in the pharmaceutical industry to react to the Food and Drug Administration's new regulations and the national mandate for tamper-resistant packaging. (Johnson & Johnson)

To advocate the use of Tylenol to customers who may have strayed from the brand as a result of the tamperings, McNeil Consumer Products provided \$2.50-off coupons that were good towards the purchase of any Tylenol product. The coupons could be obtained by consumers calling a special toll-free number. This offer was also made in November and December through popular newspapers where the \$2.50 coupon was printed. (Johnson and Johnson)

Sales people at McNeil planned to recover former stock and shelf facing levels for Tylenol by putting a new pricing program into effect. This new program gave consumers discounts as high as 25 percent. Also, a totally new advertising campaign was put in the works. The new advertising program was launched in 1983. (Johnson & Johnson)

Finally, over 2250 sales people from Johnson & Johnson domestic affiliates were asked by Johnson & Johnson to make presentations to people in the medical community. These presentations were made by the millions to promote support for the reintroduction Tylenol. The Tylenol comeback was a great success. Many executives attribute the success of the comeback to the quick actions of the corporation at the onset of the Tylenol crisis. They think that if Johnson & Johnson had not been so direct in protecting the public interest, Tylenol capsules would not have reemerged so easily. (Johnson & Johnson)

An article by Howard Goodman, published in The Kansas City Times, on November 12, 1982, covering a press conference where James E. Burke launched Johnson & Johnson's national campaign for the comeback of Tylenol, applauded the corporation's efforts. The article, in a sense, provided free advertising for Tylenol's new packaging, stating, "the package has glued flaps on the outer box, which must be forcibly opened. Inside a tight plastic seal surrounds the cap and an inner foil seal wraps over the mouth of the bottle... The label carries the warning: 'Do not use if safety seals are broken.' " This article was just the type of coverage that Johnson & Johnson needed to promote their recovery.

**More positive coverage of the Tylenol comeback was published in Advertising Age Magazine on November 15, 1982, in an article written by Nancy Giges. Not only did this article tell of Johnson & Johnson's new tamper-resistant packaging, but it outlined the corporation's entire plan for recovery.**

**The New York Times, published an article by, Tamar Lewin, on December 24, 1982, that announced to consumers that Tylenol had, in a short period of time, gained back much of the market that it lost prior to the cyanide deaths. The article stated that at that time Tylenol had 24 percent of the market for pain relievers, not much less than the 37 percent of the market that the product held before the crisis. This article continued the media trend of publicizing Tylenol's comeback in a positive light.**

### **How Did Johnson & Johnson Make These Decisions?**

**The public relations decisions made in light of the Tylenol crisis had to have come from somewhere. This basis for decision making became a bit more clear in 1983, when the New Jersey Bell Journal published article written by Lawrence G. Foster. Foster, Corporate Vice President of Johnson & Johnson, at the time of the Tylenol poisonings, joined the company in 1957 and helped the company build its first public relations department. In this article he explains that Johnson & Johnson simply turned to their corporate business philosophy, which they call "Our Credo," when determining how to handle the Tylenol situation.**

**Foster discusses that although, at the time of the crisis, corporate planning groups were including crisis management in their preparations for a healthy business environment, no crisis management plan would have been appropriate to tackle the Tylenol poisonings. This is because no management could ever be prepared for a tragedy of this scale. So, Johnson & Johnson turned to their credo for help. "It was the credo that prompted the decisions that enabled us to make the right early decisions that eventually led to the comeback phase," said David R. Clare, president of Johnson & Johnson at the time. (Foster, 2)**

**The credo was written in the mid-1940's by Robert Wood Johnson, the company's leader for 50 years. Little did Johnson know, he was writing an outstanding public relations plan. Johnson saw business as having responsibilities to society that went beyond the usual sales and profit incentives. In this respect, Foster explained, Johnson outlined his company's responsibilities to: "consumers and medical professionals using its products, employees, the communities where its people work and live, and its stockholders." Johnson believed that if his company stayed true to these responsibilities, his business would flourish in the long run. He felt that his credo was not only moral, but profitable as well.**

**As the Tylenol crisis began and became more serious as the hours went by, Johnson & Johnson top management turned to the credo for guidance. As the credo stressed, it was important for Johnson & Johnson to be responsible in working for the public interest. The public and medical community was alerted of the crisis, the Food and Drug Administration was notified, and production of Tylenol was stopped.**

**The first important decision, that put Johnson & Johnson's public relations program in the right direction, was made immediately by the public relations department with complete support from the management. This decision was for the company to cooperate fully with all types of news media. It was crucially important because the press, radio, and television were imperative to warning the public of the ensuing danger. Without the help**

**of the media, Johnson and Johnson's program would have been completely ineffective. (Foster, 3)**

**From this point on, the media did much of the company's work. Queries from the press about the Tylenol crisis were beyond 2,500. Two news clipping services found over 125,000 news clippings on the Tylenol story. One of the services claimed that this story had been given the widest US news coverage since the assassination of President John F. Kennedy. The television and news coverage on the crisis was just as extensive. (Foster, 3)**

**It is clear that the media played a huge role in Johnson & Johnson's public relations campaign following the seven deaths by cyanide-laced Extra-Strength Tylenol capsules. If the company had not fully cooperated with the media, they would have, in turn, received much less positive media coverage. Disapproving coverage by the media could have easily destroyed Tylenol's reputation permanently.**

**By creating a public relations program that both protected the public interest and was given full support by media institutions in the US, Johnson & Johnson was able to recover quickly and painlessly from possibly the greatest crisis ever to hit the pharmaceutical industry.**

