



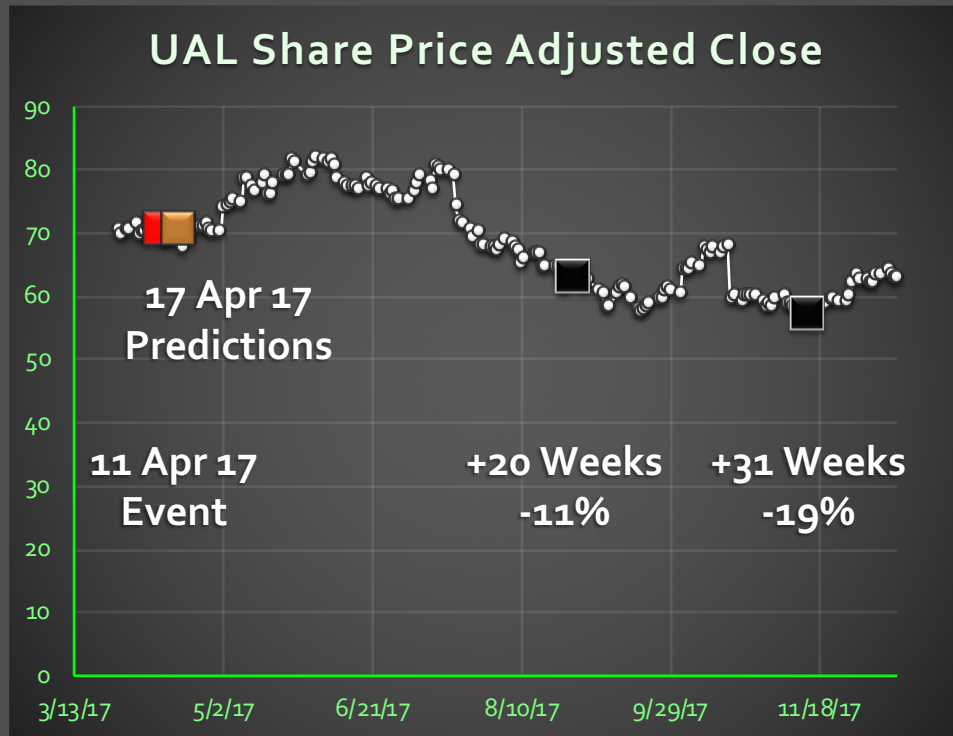
Case Study #3 United Airlines Passenger Is Dragged From an Overbooked Flight April 2017

Expected UAL 3411 Stock Price Impact

5 April 2021

Forging reputation resilience

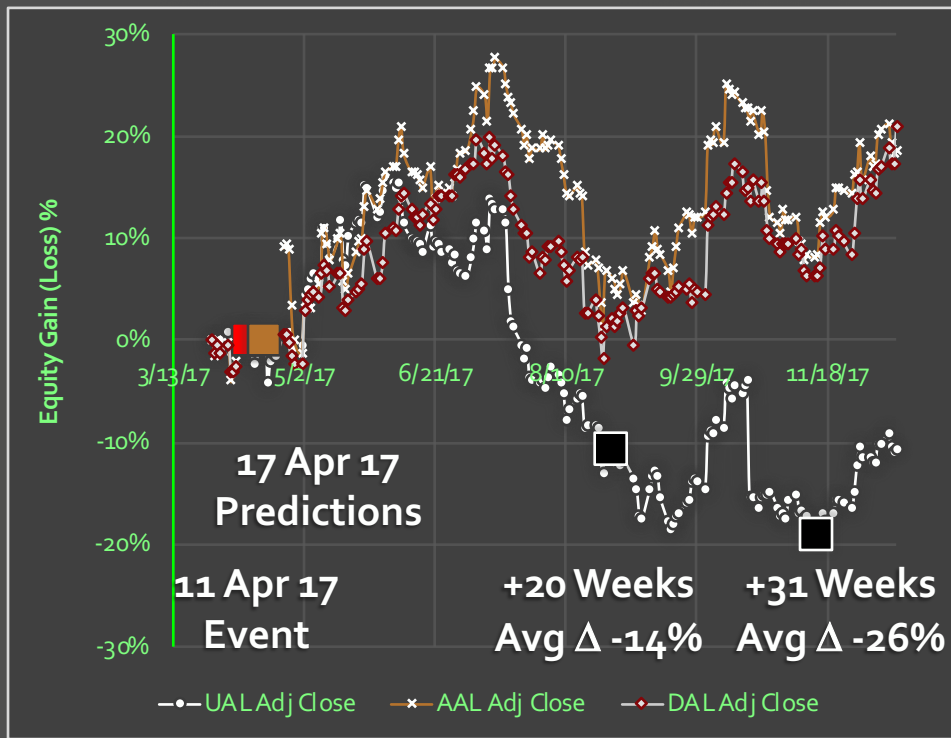
April 17: United Continental posts better-than-expected earnings amid passenger scandal (*Financial Times*)



- Most airline industry analysts said ...the event would(n't) have any substantial effect on United's profits
 - "This fiasco...is a classic media-driven overreaction...we expect it will blow over," Hunter Key of Wolfe Research.
 - Helane Becker of Cowen and Company raised her target price...to \$75 from \$72.
 - Jim Corridore of CFRA reiterated his strong buy opinion [...] (United) should be able to move past its PR nightmare."

<https://www.ft.com/content/3d8ae1ao-0516-362b-g28a-c8149bbe7e37>

Steel City Re correctly anticipates *going-forward* impaired reputation premium



- “My expectation is that this event will be more significant than investors thought initially,” says Nir Kossovsky, CEO of Steel City Re [...] “After 20 weeks the price drop on average is nearly 25 percent.”

<https://www.ft.com/content/3d8ae1ao-0516-362b-928a-c8149bbe7e37>