

Hurricane season may catch some companies off guard

■ A survey shows that 25 percent of small businesses do not have a disaster recovery plan, which can be as simple as back-up disks stored off the company's premises.

BY JIM WYSS

jwyss@MiamiHerald.com

After Hurricane Wilma churned through South Florida in 2005, Citibank was having trouble tracking down employees. Even though the company had detailed contact information for its workers, a hotline for them to call, and telephones countywide were working, many employees had only cordless handsets that required electricity to function.

With hurricane season upon us, businesses throughout South Florida are starting to dust off business recovery plans and mull such post-storm pitfalls. Citibank, for one, has been encouraging its employees to have at least one old-fashioned handset that doesn't need additional juice.

But after two years of relatively mild storm seasons, there are some indications that businesses might be growing complacent.

A recent Office Depot survey found that one in four small businesses do not have a disaster recovery plan. The excuses fell into three categories: no time, no money and lack of know-how, said Tom Serio, director of global business continuity for Office Depot.

But planning can be as simple as creating a calling tree for employees and storing back-up disks in a zip-lock bag off premises, he said.

The consequences of not planning can be harsh. According to some statistics, about 40 percent of busi-

nesses that suffer a major catastrophe never reopen.

The last time South Florida saw a major hit was in October 2005 when Wilma swept through on the heels of Hurricane Katrina. The Small Business Administration reported almost 50,000 requests for business disaster loan applications from the tri-county area and ultimately made 16,622 loans worth \$767 million statewide in response to the two storms.

The National Hurricane Center is predicting a "near normal or above normal" storm season this year, with 12 to 16 named storms, six to nine hurricanes and two to five major hurricanes.

Since the one-two punch of Katrina and Wilma, the business community has taken on a larger role in post-storm planning. The private sector has a seat at The Miami-Dade Emergency Operating Center, which spearheads recovery efforts.

During regular meetings, state and local planners have tackled such issues as how to ensure that business owners and their suppliers have access to offices in evacuation zones and how to deal with ATM outages that turn South Florida into a cash-dependent economy.

"FEMA has always looked at helping the public, but we also want to look at how to help the business community," said Frank Reddish, recovery mitigation manager at the Miami-Dade Department of Emergency Management and Homeland Security.

"The idea is to help the entire business sector to recover faster."

As part of that effort, Florida International University is working on a website, www.bizrecovery.org, that would be a one-stop shop for the business community and state and local recovery agencies to exchange information ranging from up-to-the-minute damage reports to the availability of tarps at local home improvement stores.

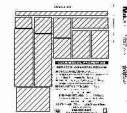
"The main focus from our perspective is to prove a hypothesis that if the business community had a way to organize and muster its resources and share information . . . as a community we can recover faster," said Steven Luis, who is spearheading the initiative.

FIU estimates that if it could help just 5 percent of businesses reopen one week faster than usual in the wake of a storm, it would prevent \$220 million in losses.

Luis, who is director for IT and business relations for the School of Computing and Information Sciences at FIU, hopes to begin testing the system this hurricane season in preparation for a wider release in 2010.

Speaking to a group of business owners during a meeting of the Greater Miami Chamber of Commerce last week, Office Depot's Serio said the best time to start planning for a disaster is when there's not one in sight.

"You have to do it while the sun is shining," he said. "If you wait until the wind is blowing, you'll never do it. Avoid becoming a statistic."



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– **FRANK REDDISH**, recovery mitigation manager at the Miami-Dade Department of Emergency Management and Homeland Security

DISASTER RECOVERY

These sites have tip sheets and guides for creating comprehensive business recovery plans:

- www.ready.gov – Run by Homeland Security, the site has a section for business disaster planning.
- www.floridadisaster.org – A step-by-step guide to creating a business recovery plan.
- www.sba.gov/services/disasterassistance – Produced by the Small Business Administration, the site has links to planning guides.
- www.fema.gov/hazard – Tips and planning guides for all types of disasters.
- www.officedepot.com/getprepared – Checklists, tips and guides to surviving a disaster.