

Prepare your middle-market business now for future storms

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In light of the devastation following the recent hurricanes, it is important to evaluate what happened in Puerto Rico, Texas and even Miami, and consider how our middle-market businesses would have fared if a major hurricane, like Irma or Harvey, had been a direct hit on South Florida.

We fortunately dodged a bullet this time, and the damage to South Florida was nothing compared to what it would have been if we had taken a direct hit. Without a doubt, companies must have the right emergency contingency plans in place to protect businesses and people before, during, and after a storm. With proper planning, we can minimize the damage to our business operations and best protect our property and our relationships with

customers, employees and community. We need to be able to expedite the return to normal operations.

So, how can we achieve this? Planning. While the appropriate steps may vary depending on your industry and the type of company you own, in general these best practices can be helpful:

Review your insurance policies now, before an impending storm. Get an expert to assist you so you truly understand your coverage. When a storm approaches, it is generally too late to make changes.

Have a written contingency plan and a preparedness checklist to put in place five days in advance of the storm. The Internet is full of many good resources like this one <http://www.preparemybusiness.org/planning>, and I recommend combining ideas from several resources and creating a customized checklist for your company. Additionally, it is important to identify appropriate protocols for protecting and securing your valuables, including everything from documents to property. Assign specific roles and responsibilities and train employees to execute the plan.

As the storm approaches, refresh your recollection of your insurance policies. Keep printed copies safely stored as well as digital copies.

Negotiate upfront with key suppliers to ensure that you have an appropriate system for receiving key materials and with fair pricing in place. You can ensure better outcomes and lower pricing by negotiating ahead of time, well before hurricane season. Also, make arrangements for alternate sites for storing products or running operations in the event that yours becomes unusable.

Ensure that you have adequate technology to communicate with the necessary team members and clients. Cellular phones might not work. Consider satellite phones.

Identify key team members to help ensure your company has adequate power generation (i.e. a generator) and key employees have access to power

in order to keep the business running during outages. Have a secondary location(s) outside the market where you can move key people to continue operations.

Develop a post-storm plan, including assigned tasks, and train your employees to follow it. The plan should first assess the condition of your work force. Conduct practice drills — well in advance, and not just days before the storm. Make sure you do this regularly so that any new employees are properly trained.

Arrange for you and your key employees to have enough fuel, food and cash on hand. You would be surprised how many people fail to properly prepare for storms and are caught without basic necessities for a period of days. ATMs may not work.

While we cannot say for certain when it will happen, there is no doubt that, at some point, South Florida will get hit by a “big one.” Although it can be time-consuming to plan for future storms, it is a fact that when a major one strikes, the right planning can have a big impact on our businesses. Those who plan will protect their best interests and potentially gain an advantage over any competitors who, instead, opt to focus on their day-to-day business operations.

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