

Are You Ready for the Unexpected?

If a hurricane or other natural or man-made disaster was to hit, would your small business be able to get back on its feet and open right away? To a large extent, that would depend on what you have done to prepare for an eventual emergency. In this area we have seen hurricanes, floods and snowstorms wipe out power for days and even weeks at a time for some businesses. We have also seen man-made disasters and realize that cyber security and other threats could severely impact commerce, particularly for small businesses. September is National Preparedness Month and now is the time to take a few steps to get your business in the best shape to continue to be in business.

The Small Business Administration website has a great deal of information about preparedness in general and some extra steps for different types of situations. These can be found at www.SBA.gov/Prepare. Included on this webpage are resources for:

- How to create a preparedness program for your business
- How to identify critical business systems
- How to create an emergency communications plan
- How to build a disaster preparedness kit.

Now is also a good time to check your business insurance policies to make sure that you would be covered and ready to reopen quickly after a hurricane, flood or other calamity. Several years ago Jill Erber, successful local entrepreneur and owner of Cheesetique shared some her tips for preparing for a long-term power outage. They are:

1. Know your insurance policy. Your policy can cover both loss of sales from closure (business interruption) and loss of inventory due to spoilage (this is particularly important for food businesses). There are often minimum closure times before you can be reimbursed for sales loss (ours is 24 hours). But, you should be able to get reimbursed for the cost of any lost inventory.
2. Get a small generator that can at least power some of your basic refrigeration during an outage. That way, you can preserve more of the super-perishable items.
3. If you do lose product, make sure to have a detailed list of exactly what you lost and its cost to you. The insurance company will want this list as well as supporting documentation like invoices.
4. Have an "SOS" box in an easy-to-locate place within your business. Ours has a manual credit card machine, credit card slips, flashlights, batteries, and instructions for what to do in case of an outage. This will at least allow you to close out existing customers and keep everyone safe.
5. Put your critical computers and credit card terminals on power backup (UPS). That way, if you lose power, you can at least keep these machines running long enough to

batch our credit card charges, close critical files, and shut the machines down properly. These are not intended to keep your business open longer - they just help you shut down safely.

6. Make sure your emergency lighting works. It's a life-saver in times of an outage.

7. Your folks in charge should have training as to how to handle an outage. This will make everyone more comfortable when it happens (customers, staff, and management).

The resources mentioned in this blog post can help you develop a plan to protect your employees, lessen the financial impact of disasters, and re-open your business quickly to support economic recovery in your community. Start your plan now!