**Disaster Planning—Ensuring that calamity does not strike a knock-out blow to your business**

On Monday, April 3, 2017, an explosion rocked the industrial corridor of St. Louis’ historic Soulard district. An active, multi-ton boiler in a box manufacturing plant was launched into the air, traveling 500 ft. before crashing through the roof of the nearby Faultless Healthcare Linen company, ultimately killing three of its employees and temporarily suspending the facility’s operations.

While the loss of life was paramount among the concerns of Faultless’ management, it was also imperative that they continued to process the high volume of linens required by their many hospital and healthcare facility clients. Fortunately, the enterprise had a second plant at a nearby location, and production resumed with only minimal interruption.

**Not if, but when**

A horrible, freak catastrophe such as this can never truly be anticipated, but preparing for disaster –however improbable *or* inevitable—is essential in preventing that misfortune from being multiplied by a suspension of your operations. Over the years, TRSA has provided its membership with numerous symposiums, white papers and professional advice on the topic of Disaster Planning & Management. The recent tragedy in St. Louis serves as a reminder that anything that poses a possible threat to your business –man-made, nature or an Act of God—must have remedial or countermeasures in place to keep you up-and-running, and meeting the demands of your customers.

**Riding out the storm**

In 2008, Dave Fox and Dave Beavers, General Manager and Chief Engineer, respectively, of Crothall Healthcare provided TRSA members with a case study on how the Texas Medical Center (TMC) Laundry of Houston found their goal of “uninterrupted service” threatened by Hurricane Ike. Their emergency plan was a strategy that began implementation 48 hours before Ike’s 145-mph winds descended upon Houston. Among its 11 key points, it addressed matters of:

* Linen inventory in-house and among client hospitals; contacting linen vendors and demanding same-day delivery of surplus linens and assorted textiles;
* Notification of supervisors, engineers and laundry personnel of alert situation, extended work schedules and any extraordinary demands to ensure service fulfillment;
* Informing clients of emergency operations procedures; and
* Contacting contingency laundry processors, assessing availability of service.

Despite the devastating effects of Hurricane Ike, including a 20% reduction in area water supply, TMC did indeed meet its goal of uninterrupted service by observing their mantra, “If you don’t have a plan, the worst is almost guaranteed to happen.”

**Epic catastrophe? Insurance is key**

On a panel at TRSA’s October 2016 Production Summit in New Orleans, Charles LeBourgeois, COO of TLC Linen Services, told a harrowing tale of catastrophe and survival in the wake of Hurricane Katrina. When every strategy –every contingency—in a business disaster plan has been overwhelmed and defeated, only one measure of preparation can return an enterprise from ruin—insurance.

TLC Linen lost 6,000 sq. ft. of roofing and was filled with 28 inches of standing water for 14 days. Their offices and laundry facility were vandalized, and half their vehicle fleet was stolen. It was five months before they resumed operations, eight months before they reached full capacity and 14 months before their insurance claims were resolved. But unlike many less fortunate, they *were* resolved. LeBourgeois may be the Laundry Industry’s strongest advocate for comprehensive insurance coverage, with a critical eye on these key points:

* Flood insurance is essential with coverage at full Federal limit;
* Replacement-cost coverage—*not* Actual Cost Value;
* Business Income coverage.

As it took TLC’s monthly revenue two years to rise from $4,117 in September 2005 to $362,450 in September 2007, Business Income coverage was essential to its survival.

**Weather or not…**

At that same TRSA Production Summit in 2016, Don Maida of TBR Associates and J.R. Ryan of MODRoto presented a seminar that illustrated that nature’s elements aren’t the only potential disruptions to launderers’ operations. Possible threats also include:

* Spills and chemical remediation;
* Equipment or power failure;
* IT issues—data loss, hacking/cyber security failure;
* Delayed or failed delivery of mechanical replacement parts or chemicals;
* Key employee loss or failure of a sound management succession plan.

**Drafting a definitive disaster plan**

In September 2013, Lucien G. Canton, of his eponymous consulting firm specializing in hazard and risk management, addressed our membership on this topic at TRSA’s Annual Conference, held that year in Sonoma, California. Two years later, he drafted what remains the definitive guide on the subject, *Recommended Professional Practices For Disaster Planning.* In this expansive document, Canton breaks down a successful operator’s approach into eight essential steps:

1. Structured planning to build your day-to-day operations with inevitable calamities and production stoppages or interruption in mind;
2. Identifying and anticipating those potential risks;
3. Ensuring that business processes will continue to operate;
4. Providing for employee safety and welfare;
5. Developing strategies for dealing with potential operational problems;
6. Implementing immediate emergency plans;
7. Maintaining effective crisis communications; and
8. Planning for prompt business recovering.

When conceiving your own strategies and contingencies for Disaster Planning & Management, be sure to take advantage of the aforementioned resources and many others that are available exclusively to TRSA members on our website: www.TRSA.org.