When Disaster Strikes: Recovery Strategies for Law Firms
1. It’s Only a Category 1 Storm

My Personal Experience
Saturday Aug 27, 2005: Played Golf and Had Lunch With My Wife

• My Wife: “Are you paying attention to the storm in the Gulf?” My reply: “What storm?”
Sunday Aug 29: Securing Grady White T-190 and Preparing Family for Evacuation

- Here it is before I bought it
- Trailer straps removed so it would float the trailer
- Trailer was to be an anchor
- It had 70 gallons of fuel aboard
Leaving New Orleans with my family and dog

- Two vehicles, two teenage sons, my 80 year old Mother, my wife and my dog.
- A 3 hour drive to Jackson, MS took over 14 hours.
Serving as Executive Committee Chair, I stayed with Chuck Adams the Firm MP in Jackson, MS.

Chuck’s back yard during Katrina- We lost Power soon after NO Flooded.
Make a personal plan

• Here was my evacuation plan for Katrina
We Watched New Orleans Flood
And Flood...
Katrina Plan Chuck and I First Adopted
Jackson to South MS, then to Birmingham, Baton Rouge, Nashville and Beyond

• Left Jackson to help family in So. MS
• Then moved to Birmingham
• Enrolled our two sons in school over Labor Day
• Then to Baton Rouge to help open New Orleans West
• Back to Jackson to fly to Nashville to open new office
• Back to B’ham to visit family
• Then to “my new home” in St. Francisville, 30 minutes North of Baton Rouge
• Performed 2 days of relief work for family in So. Mississippi with my brother Bryan
• Bryan and my sons worked as volunteers at B’ham Red Cross Shelter
• I began work on Firm Recovery Plan with EC and MP at B’ham Office
• All worked a second day at the Shelter-It was humbling and therapeutic
Make a Personal Plan-Family First (after boat)

- Here is what you can expect
  - Extended time in vehicles
  - Food – outlets closed
  - Fuel – little or none available
  - No power
  - Bathrooms – none open
  - Hotel rooms – all booked
  - Family- Aged or with Special Needs
  - Family Pets – must care for
  - No Access-to home or office
  - Power Outages-Extended Periods of Time
My New Home in St. Francisville

A one room B&B on a foggy lake in the woods 30 minutes from Baton Rouge

I was happy to have it but missed my family
My New Office in New Orleans West

• My Office was larger than my living quarters

• It was the former Board Room of Regions Bank in BR—(After all, I was the Chairman)
2. What worked and what didn’t
Automobiles worked, Refineries did not

Gasoline Lines were literally Miles Long
• Cell phones worked but towers were down.
• Generators worked but power outages were widespread for weeks.
• Finding Fuel was a challenge—I carried 15 gallons in my Tahoe
• I also carried Chuck’s 9mm pistol
• Airlines worked but no one flew into New Orleans or Baton Rouge or flights were all booked.

• Military and police worked, but New Orleans was closed.
Military Vehicles on Gen De Gaulle Avenue

Military Humvees on St Charles Avenue
• Our building was slightly damaged, but access was denied.
• Our servers worked, but we could not access them directly or remotely
• Our lawyers worked but their files were in New Orleans
• Our computers worked but many of them were still on our desks in New Orleans
Building Access Finally Granted

- We threatened both injunctive relief as well as a clandestine plan to storm our building with choppers dropping us onto the roof.
- The owners finally relented and we rented a U-haul to move files from New Orleans to Baton Rouge.
4. New Orleans West
New Orleans West

- Crisis Leadership Emerged
- Rented office space in Baton Rouge
- Began a system of communicating with employees
- An employee relief fund was established with personal donations by partners
New Orleans West

- Accessed our business interruption insurance
- Accessed our preferred vendor status for office furniture and computers
- Accessed our bank for funding
- Set up a system of locating temporary housing and reserving space for employees
New Orleans West

- Set up a system for communication with clients
- Established criteria for office reassignments
- We were back up and operating in 10 days
Nashville Office to the Rescue

- Other offices pitched in and delivered relief supplies and aid for our dislocated staff
• Other law firms and businesses followed suit and then the courts began to open in Baton Rouge as well.

• Baton Rouge became very crowded very quickly (some BR residents were annoyed)

• Returned to our New Orleans offices in mid-October
6. What We Learned and What We Adopted
Communications

- Hotline for Disaster Preparedness and Communications
- Crisis Management
I. Be Prepared

- Establish Emergency Management Team (EMT)

Fundamental Leaders of the Business

- CEO
- CFO
- CAO
- CIO
- CMO
- General Counsel
- HR Director
- Office Manager
• Name Alternative Team Members/Back-ups
• Team Members Should Not All Be From the Same Office
• Mandate That Members of EMT Go to a Pre-determined Command Center
• Alternative Sites Needed
2. Maintain Centralized Lock Box of Key Items

Include:

- Insurance Documents
- Banking Information
- Lease Information
- Business Recovery Plan (Place On Emergency Website)
- Vendor Information
- Software Documents
- Current Company Contact Information
- Floor Plans
- Listing of All Client Matters
- Furniture Inventory
- Essential Accounting and Personnel Forms
3. Be Ready to Communicate

Consider Who You Must Communicate With

– Management
– Attorneys/Business People
– Employees
– Clients
– Vendors
– Community
Contact Information

Have Hard Copies of Current Contact Information
• Provide Card to Employee with Company Contact Info
• Update Annually

Cell Phone
• Text-Messaging
Email

- Emergency Mail Systems (EMS)
- Mandate more than 24 hours before, employees must turn on email to learn password, etc.
- Have Blackberries and iPhones set up to receive emergency messaging
Telephones

Telephone

- Establish a Toll Free Number
- Anticipate Whole Area Codes Out of Service
- Have Prearranged Conference Call Facility Established that can Be Used Repeatedly.
- Satellite Phones – Expensive, But Only Pay for Phone and Service for Minutes Used
Media

Develop Press Release or Format of One in Advance
4. **Be Prepared to Relocate**

**Business Issues**
- Mandate that Lawyers/Business People Go to Offices in Advance
- Take laptops
- Move servers
- Locate Office Space in Advance Same State for Law Firms
- Length of Lease?
- Determine Needed Supplies
- Buy?
- Rent?
- Create a Team to Manage Relocation
Employees and Housing

Employee Issues

• Housing, Transportation, Access to Schools
• Critical to address housing opportunities in advance
• Are there key employees that want to provide housing for?
• Lease Assumptions?/Do you want to get into housing business?
• Reduction in Workforce?
• Reduction in Hours Required to Work?
Employees and Work

• Require Employees to Come to Work?
• Require Employees to Relocate to New Business Location?
• Less disruption of other offices
• Length of Time Willing to Pay Employees When they are not Working?
• Accrued Leave Time
• Donations and Distributions to Employees
• Create a Team to Manage Employee Issues
Clients

Client Issues

• Communication, Continued Quality Service
• Continuity of Client Conflicts Data Base for New Business Acceptance
5. Prepare to Access the Affected Building

- **Lease/Lessor**
- Know Lessor’s Contingency Plan
- **Contract Ahead of Time with Security Company to Provide Security/Access to Building**
- **Consider In Advance Obtaining Personal Insurance on Those Reentering City/Building**
6. **Insurance and Leases**

Choose Needed Insurance Coverage

- Business Interruption Policies Vary Widely

Choose Insurer Wisely

- Who Has a Good Product?
- Who Deals with Claims Best?

Outline Important Contracts

- Know the Notice Provisions
7. **Technology**

Create a Redundant Office Network

- Maintain Multiple Servers
- Maintain Documents Properly in System
- Scan and Add to the System All Essential Leases, Insurance Policies and Vendor Contracts
Remote Access

Have Remote Access

- Software (e.g. Citrix, GoToMyPC)
- Call Forwarding

Consider Third Party Hosting
8. **Finances**

Determine Methods for Collections and Payroll

- Online Banking
- Electronic Payments from Clients
- Credit Card Payments from Clients When Mail Is Disrupted
- Direct Deposit for Employees

Have Available Lines of Credit
II. Post-Disaster Operations
1. **Communicate with Employees**

**Post Messages Electronically**
- Use Emergency Mail Systems

**Use Toll Free Number**
- Employees To Inform of Their Location And Current Contact Information
- Provide Status Reports

**Create a Team to Determine**
- Is Employee Returning to Work?
- Match Staff with Lawyers/Business People
2. *Does Business Have Multiple Offices?*

*Are They All Affected?*

- Keep Offices Not Affected Operational and Focused – Business as Usual
- Isolate the Non-affected from the Affected
- Designate Person to Communicate with Non-affected Offices
- Serves to Decrease Disruptive Inquiries
3. **Insurance**

**Business Interruption**

- Track Your Losses
- In Some Policies BI Coverage Ends When Office Is Reopened for Business
4. **Public Relations**

**Communicate with Clients Marketing**

- Communicate/Advertise on key websites

**Employment Issues**

- Firings?
- Temporary Salary Adjustments?
- Require Relocation?
III. One Size Does Not Fit All
Multiple Plans May be Needed

Different Disasters Can Require Different Contingency Plans

• Is One Office Affected?
• Are Multiple Offices Affected?
• Some Disasters Allow Time for Preparation; Others Do Not
• In the Case of Hurricanes Have a Management Meeting at Least 24 Hours in Advance to implement Plan.
Planning for Different Disasters

Good Exercise to Consider Disaster Plan for a:

- Fire
- Bombing
- Tornado
- Hurricane
- Epidemic
- Pandemic
5. My Home and Family (and my boat)
Curfews, Cleaning Up and Commuting

- Commuted to New Orleans by day to begin Clean up 2 weeks after storm
- Curfew in effect after dark—but no power and no food
- Home suffered about $125,000 in damage, but no flooding
- Saw a Great American City Pitch Black one night
- Returned home at the end of September
- Commuted to Baton Rouge with adjusted hours
- Wife and younger son remained in Birmingham until Mid-October
- Older son (HS Senior) finished the fall semester in Birmingham
- Flew my Mother to Michigan to live with her sister
My Grady White T-190 Was Trashed

- My 19’ Grady White was a total loss
- It floated through the roof of 25’ tall dry shed
- The trailer is at the bow at a right angle
- Remember all of that fuel?
My 2004 Grady White T-204

The new GW T-204 is a year newer and a foot longer.