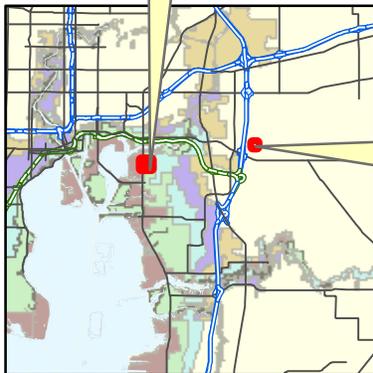
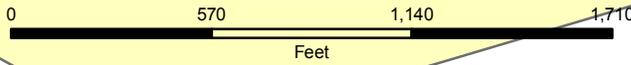


Disaster Preparedness Workshop Exercise - ABC Company



20,000 gal. IPA storage tank

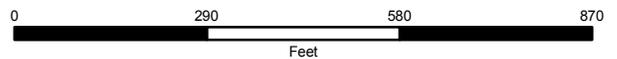
2,000 gal. diesel fuel tank



Evacuation Zone Reference Map



Area prone to local flooding



Information about ABC Company

ABC Company¹ manufactures and sells cleaning supplies. Its primary product is a specially-formulated cleaner, Orange U Glad, it makes at its manufacturing facility. Although less than 20% of its sales volume, sales of “Orange U Glad” represent over 80% of the company’s profit. Cleaning products made by other suppliers are stocked in and shipped from ABC’s warehouse.

ABC aggressively promotes its products through catalog sales, telemarketing and on its web site. 30% of its sales result for orders placed directly on its web site.

ABC has two separate facilities – a small, stand-alone manufacturing facility where it makes the Orange U Glad and an office building/warehouse for its administrative functions and warehousing. These facilities are located close to each other but not on the same property.

Both facilities are located in Hillsborough County, Florida. ABC’s manufacturing facility is located in a Zone B evacuation / flood zone. Its warehouse/office building is not located in either a flood or evacuation zone. The warehouse/office building is located in a business park that only has one entrance/exit. The entrance to this business park goes through an area that is prone to localized flooding.

Immediately adjacent to the manufacturing facility are elevated railroad tracks. This is a main rail line that is used on a daily basis to transport hazardous materials including gasoline and chlorine tank cars.

Across the street from ABC’s manufacturing facility is a day care facility that normally takes care of 10-20 children on Monday through Friday.

ABC Company has 180 employees. The majority of its employees (160) are in its administrative, IT, sales and warehousing operations located at its warehouse/office facility. Approximately 20 employees work in the manufacturing facility.

In its warehouse, ABC stores bulk raw materials, finished 1 gallon containers of its cleaner (which is not flammable as a finished product) and products purchased from other suppliers (some are flammable / all are in containers of less than one gallon).

The servers for ABC’s web site are located at the warehouse/office facility. Also housed on these servers is a special software program ABC uses to control its manufacturing operations.

ABC’s manufacturing facility is the only facility where Orange U Glad is made. Part of what makes it special is a unique and patented packaging / delivery system made using a one-of-a-kind specialized piece of equipment. The rest of the equipment it uses in its manufacturing process is standard equipment that is readily available (within 1 to 2 weeks).

Orange U Glad is based on a proprietary formula. One of its main ingredients is isopropyl alcohol (IPA) and the facility has a 20,000 gallon above-ground storage tank of IPA. Orange U Glad also includes a proprietary raw material that, when subjected to high heat, gives off noxious and toxic vapors. This material is stored in 55-gallon drums in both its warehouse and its manufacturing facility. Typically 2 drums are stored in the warehouse and 1 drum is “in use” at the manufacturing facility.

ABC has a diesel-powered emergency generator located at its manufacturing facility with a 2,000 gallon above-ground diesel fuel tank. ABC’s manufacturing facility is fully sprinkled; its warehouse/office building is not.

¹ ABC is a fictional company in a fictional location – any resemblance to a real company is unintended.

Hazard Identification and Risk Assessment

One of the first steps in developing a Business Continuity Plan is to identify the hazards and vulnerabilities that could negatively impact operations if such events were to occur. Your company's financial team regularly evaluates risk to the facility with their insurance carrier, and so the business continuity team should determine if there are any environmental or personnel risks to the business.

The Risk Assessment process identifies the events most likely to take place in the geographical area where your company has operations. To identify the potential hazards that might be faced by your organization, you should develop a list based upon historical disasters, likely natural hazards, risks associated with your community, areas adjacent to your facility and those that could occur in your facility, your vulnerabilities within workforce and supply chain, and your dependence upon technology.

If you determine some hazards do not present a threat to your business, you can eliminate them in the process. Other factors to consider are below:

- Historical -What types of events have occurred in the past?
- Human Error -What emergencies can be caused by employee error? Are employees trained to work safely? Do they know what to do in an emergency?
- Physical -What types of emergencies could result from the design or construction of the facility? Are there adequate and appropriate facilities for storing combustibles? Are evacuation routes and exits clearly identified and free of obstructions?

Once your company's management and planning team has identified all the possible hazards, they will need to rate the probability of these events by considering both the likelihood of occurrence as well as the degree of impact upon the organization. When rating the hazards, use a simple system of 1 to 5, with 1 being a low occurrence / impact and 5 being a high occurrence / impact. The 'probability' score and the 'impact' score can be added together to give a total risk assessment score.

Following the Risk Analysis rating process, your company can choose to categorize the assessment scores by level of risk, and then develop mitigation strategies to address only the most severe risks facing the organization.

