

# Doing Business in Earthquake Country

## Learning from Experience



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The Re-Start Cashel Mall was set up in Christchurch, NZ, after earthquakes devastated the central business district. Shops occupy retrofitted shipping containers until new buildings can be built.

### In this fact sheet:

- What businesses can learn from the M6.8 Nisqually quake in 2001
- Lessons from New Zealand's quake zone
- Links to help your business prepare

### Why plan ahead?

*"It was having those plans in place that really helped us survive—helped us get back in business."*

—Rick Arthur,  
a Vice President at Starbucks, reflecting on the 2001 Nisqually earthquake

### How simple steps matter

As Starbucks' experience shows, securing non-structural elements, such as light fixtures, can reduce damage and improve safety during an earthquake.

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## Lessons from the Disaster Zone

How will a damaging earthquake impact your business? What should you do to prepare? Business owners and staff who have been through a major earthquake or other disaster can offer useful insights. Read on to discover some of the practical lessons offered by businesses in the disaster zone.

### Starbucks Coffee Company: M6.8 Nisqually Earthquake

When the ground started shaking on February 8, 2001, employees at Starbucks' headquarters in Seattle took shelter under their desks. Objects went flying, windows broke, and suspended light fixtures swung wildly and fell. The historic building had been seismically upgraded, and the structural retrofits worked as designed to help the building resist damage. The brick parapet, however, collapsed, falling more than 100 feet to crash onto the sidewalk and parked cars below.

When the shaking stopped, some 2,200 employees evacuated the building. This was a contingency that Starbucks had planned for and practiced: employees knew what to do and where to go.

Planning and drills paid off, but the quake also revealed a few shortcomings: Starbucks had prepared disaster supplies, but these were all in the building, now out of reach. (Today, supplies are kept in secured containers outside.) The staff had also planned to use cell phones in an emergency, but the earthquake took out land-lines and cell service. The lesson?—Backup devices, such as two-way walkie-talkies, are worth the investment.

After the earthquake, Starbucks set up a large tent in which to brief employees about repairs and plans for resuming operations. This helped reduce anxieties during the disruption.



Photo by Wesley H. Brenton

Starbucks' headquarters in Seattle was built in 1912, retrofitted prior to 2001, and repaired after a M6.8 quake damaged the façade and masonry infill walls.

### Boeing in Washington

Prior to 2001, Boeing saw that its computing assets were vulnerable to earthquake. The equipment was essential to operations and expensive to replace, so Boeing began strapping it down and investing in retrofits. The effort was worthwhile: When the Nisqually quake struck, the secured equipment came through undamaged; the unsecured equipment did not.

### Advice from New Zealand

- Expect aftershocks: Be prepared to evacuate repeatedly, have buildings re-inspected, find alternate locations, and help employees deal with ongoing stress and anxiety.
- Plan ahead: While the scale of New Zealand's disaster exceeded most continuity plans, businesses nevertheless benefitted from having made them.
- Focus on your people first: When it comes to resilience and a successful recovery, the welfare and attitudes of employees matter even more than the disruptions caused by physical damage.

Check out [www.resorgs.org.nz/](http://www.resorgs.org.nz/) to learn more

### True Grit Hair Spa, Christchurch, NZ

The first quake (M7.1) hit early on Sept. 4, 2010. True Grit's building was damaged, and its equipment and products were thrown to the floor.

The owner had been away on vacation, but she had the phone numbers of her employees and IT administrator with her. Once the IT system was restored (the provider fortunately had off-site data backup), the staff could access their data and call their clients to reschedule. True Grit's building was out of commission due to damage, so the owner contacted other salons until she found one that could share space temporarily.

True Grit had to relocate several more times over the next few months. In the end, they couldn't return to their original building on Manchester Street because it collapsed in a M6.3 aftershock in February of 2011.

Washington's M6.8 quake in 2001 was deep, so most of the aftershocks were too weak to be felt. The M7.1 quake that rocked New Zealand in Sept. 2010 was shallow: Strong aftershocks continued for months. Manchester Street in Christchurch (below) was hard hit. After a severe M6.3 shock, it was cordoned off, along with most of the city's central business district.



Photo by Gina Hubert, CREW.ORG, CC BY-NC-SA-3.0

Earthquakes as severe as those that struck New Zealand are difficult to plan for, but planning and preparation can still pay off. Simple steps, such as backing up data off-site and forging partnerships with other businesses, will improve resilience. The act of planning itself helps prepare business owners and employees to think creatively, address challenges, and persevere when times are tough.

### Featured Links

More about businesses in New Zealand:  
[www.resorgs.org.nz/Resources/case-studies.html](http://www.resorgs.org.nz/Resources/case-studies.html)

Learn from businesses in other U.S. disasters:  
[www.ready.gov/business/business-testimonials](http://www.ready.gov/business/business-testimonials)

Find tools to help your business plan and prepare:  
[crew.org/what-you-can-do/protecting-your-business](http://crew.org/what-you-can-do/protecting-your-business)

Order the video *Business Survival Kit for Earthquakes and Other Disasters*:  
[www.globalnetproductions.com/store/disaster-edu/business-survival/](http://www.globalnetproductions.com/store/disaster-edu/business-survival/)

Learn More at CREW.ORG