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When Disaster Strikes: A Cautionary Tale

BY ROBERT E. RIDGWAY

When his law office was destroyed by fire, this lawyer had to rebuild. He had some plans in place—and learned valuable lessons.

A Survivor's Story

On August 28, 1999, I awoke from a sound sleep to the ringing of my telephone. A glance at the clock showed that it was 4:47 a.m. Since there's seldom anything good that comes from a phone call at that hour, I developed an immediate pit in my stomach, with a touch of anger at whomever would call that early.

"Bob, this is Nancy." She's a client, and I immediately thought she was in some sort of trouble. "Did you know that the buildings are on fire?" she continued. She told me that the whole block where my office was located was in flames, though she couldn't tell if my particular building was on fire. But as I left my house, a glance toward town—where a huge red glow lit up the early morning sky—caused the pit in my stomach to grow.

A Nightmare Becomes Reality

A few minutes later, I was standing in the street across from my office, where I had practiced law for the past 25 years, looking at a true inferno. It appeared that, indeed, the whole block was on fire, though the fire had just started to spread into the back area of my office. I approached a fireman about entering to retrieve some things, but realized the stupidity of my request when I finally noticed that even at that distance the intense heat and smoke were barely tolerable. So I retreated back across the street to watch 28 years of practice go up in smoke. Only four structures on the entire block escaped total destruction. Six other businesses lost virtually everything.

For my part, I lost everything in terms of my furniture, equipment, inventory and library. We didn't save even a paperclip. All closed client and bankruptcy trustee files and old financial records burned. Everything sitting out on top of shelves, file cabinets

Disaster Strikes

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and tables as well as everything hanging on the walls was destroyed. The two upper floors and roof of the building collapsed into half of my office, making much of it inaccessible if there had been anything to retrieve.

Since the fire, people have often commented to me that "It's a lawyer's worst nightmare." Yes, it was a nightmare. And, as I keep telling my secretaries, the true extent of the disaster probably won't be known for years. But the immediate impact of the nightmare has been eased by a great community, a dedicated staff, tremendous cooperation from the courts, some planning and some pure luck.

A Lot of Help and Some Luck

As I watched the fire move farther and farther into my office, a seemingly endless procession of memories, heartaches and questions filled my head. Then wonderful things began to happen. My secretary became an instant hero on the street when it became buzzed through the crowd that she had an off-site backup disk for our main computer in her purse at home.

Offers of help began immediately. By midmorning I'd received invitations to share space in three law offices, two accounting firms and several other spaces. When I returned home later that morning, the answering machine was full of messages offering every kind of help imaginable, from office space, records reconstruction, computers and office furniture to "anything you need." Even the often-criticized phone company came through and efficiently handled the forwarding of my business phone and fax lines to my home by that first afternoon.

Then the luck came into play. An old safe without a fireproof rating turned out to be mostly fireproof when a good part of it was under water. It protected all my current financial records, although the heat

destroyed computer tapes and disks in it. The contents of two file cabinets, which just happened to be in a front office in a protected cove, did not burn, though they were badly damaged from water and smoke. Those cabinets contained current client files, some current bankruptcy trustee documents and records pertaining to office operations. Some badly scorched files were retrieved from other areas. And even though the computer at my desk had been under water for hours, its hard drive survived and my computer consultants were able to retrieve the information stored on it.

The Rebuilding Process Begins

When it comes to recovering from disaster, the most frequently asked question is, "Where do you begin?" I began with dedicated staff members who jumped right in and focused on two areas first thing Monday morning: keeping things going and putting things back together.

Because I had intended to be on vacation and therefore had cleared my calendar of all appointments and court appearances for the week after the fire, the adjustment was easier than it might have been for a normally scheduled week. By Monday morning we had operating space in a local accountant's office. By Tuesday we had a computer set up, with the material from my secretary's backup disk installed. We were in business and moving forward. Through the court's cooperation, a special order was entered allowing a commercial copier service to remove a designated number of original court files each evening. These were copied to re-create my files and returned to the court the next morning.

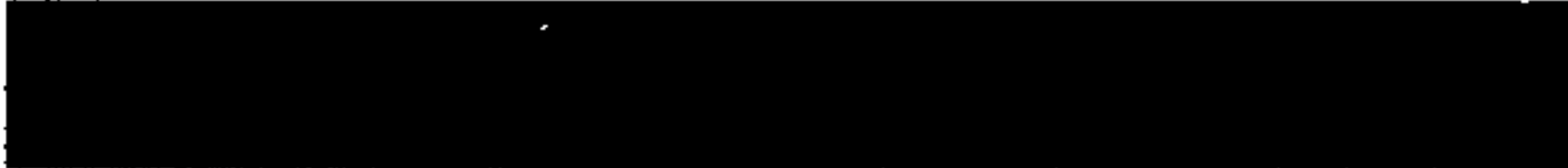
However, all the other materials typically found in a file—such as correspondence, phone messages, notes made from the hearings—were missing. The material removed from the fire scene had been taken to my home, and it took a couple of days to

go through it to decide what was useless and what might be salvaged. This work had to be done out of doors, because everything was permeated by an incredible smell and covered with thick black smoke and ash. We found a company that could restore records. We learned that paper begins to mildew within 24 hours of becoming wet and that, once mildew sets in, the paper grows together and cannot be salvaged. The restoration process began by freezing the records to stop the mildew. The frozen files were removed one by one to be sanitized and deodorized. Moreover, after wet paper is dried, it takes up about twice as much space as it did before, so entire files had to be photocopied and files re-created. Mainly, we learned that records retention is a very labor-intensive and expensive process. That is where the value of planning became clear.

Planning Is Invaluable

I can remember the first time my insurance agent talked to me about business records restoration insurance. I was resistant because of the cost, but I agreed to some limited coverage. Over the years that coverage has increased and kept pace with my developing practice—sufficiently so, it appears, to restore current client records and bankruptcy files. For those of you who now feel a chill in thinking about your own circumstances, be aware that it takes about \$1,000 per file drawer to restore smoke- and water-damaged files. And remember that fireproof file cabinets usually are not water- and smoke-proof. (Being in a ground floor office, I had from 2 to 4 feet of water in the office. The water coming out of my front door mail slot flowed like it was coming from a faucet.) So make sure you have the coverage you need for your office.

In addition, look at your computer procedures. Earlier I mentioned the off-site backup disk. Keeping such a disk has been a policy in my office for



a long time, and fortunately my staff followed through with it. It is important, however, to determine what is actually being backed up. We had our data backed up, but not our programs. Unless you have your initial installation material protected or off-site, that material will be gone.

Lastly, with the exception of some records for one client, I had no original client documents at my office. Plus, most on-site files were put away in cabinets, not stacked in piles on the floor. Sure, I lost things, but we were able to restore a number of files. And that takes me to what I call "being practically prepared." Most of us cannot afford to keep every record in fireproof cabinets or safes. And it is not practical to be so completely paranoid that you have everything put away all the time. However, you should take a regular glance around the office and assess the consequences of everything you see being gone tomorrow. It is quite sobering.

In sum, I reassert this advice:

1. Be aware of your surroundings and assess your risks.
2. Keep current backups of all computer programs and data off-site.
3. Review all aspects of your insurance coverage and make sure that your coverage is adequate for your potential loss.
4. Consider all your risks—not only fire but also the potential damage from water, smoke and building collapse.
5. Do not keep any original documents belonging to others in your office. If you must do so, make sure they are protected.

Most of this advice paid off for me. Here's hoping that you will never need it—though you never know for sure.

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