

**Hurricane Preparedness for  
Small Business**

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**HughesNet**   
Broadband Unbound.™

# Hurricane Preparedness for Small Business

## 1.0 Introduction

From the community grocery store operating a back-up generator in order to maintain power or the local pharmacy having a back-up network to maintain operations, small businesses are the backbone of their local economy and are in a unique position to serve as the catalyst of recovery following a disaster. Disaster-ready local businesses hold the key to allowing their communities to continue with life as normal and obtain necessities such as money, toiletries and food that will be essential during and after a disaster.

Small businesses can learn by the examples of bigger competitors. Take Wal-Mart for example. In the aftermath of Katrina, Wal-Mart's satellite broadband connection allowed the local pharmacies to act as a community resource. Wal-Mart was one of the few places that could offer access to life-saving medicines, food and basic supplies.

The best time to respond to a disaster is before it happens. A relatively small investment of time and money now may prevent severe damage and disruption of life and business in the future. Every area in the country is vulnerable to some kind of disaster—floods, hurricanes, earthquakes, ice storms, and landslides, to name a few. Even man-made disasters—oil spills, civil unrest, fires, etc.—can devastate the surrounding neighborhood and economy. Even if an area has never been damaged before, there is no guarantee that it will not happen tomorrow.

Taking a proactive step toward business preparedness contributes to an expedited economic recovery that re-energizes the surrounding community.

## 2.0 When Disaster Strikes, Will Your Business Be Prepared?

According to a survey of small businesses located in the Gulf Coast region, in the aftermath of Katrina, 37 percent of those surveyed were without broadband service for more than five business days and 25 percent of those businesses reported losses of over \$25,000 due to their lack of Internet connectivity.<sup>1</sup> Small businesses and the communities they serve cannot afford the downtime.

A disaster-ready business will be able to recover faster and suffer less financial loss. Even more importantly, a quickly recovered business is good for the local economy as it enables employees to return to work as soon as possible.

In May 2006, the National Hurricane Center made its hurricane predictions for 2006 and even though the season has been relatively quiet, they are still predicting an above-normal number of storms. The 2006 forecast calls for:

- **12 to 15 named tropical storms**; an average season has 9.6.
- **7 to 9 hurricanes** compared to the average of 5.9.
- **3 - 4 major hurricanes** with winds exceeding 110 mph; average is 2.3.

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<sup>1</sup> Hughes Network Systems, LLC Survey of Small Businesses Affected by Hurricane Katrina

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Though these statistical predictions cannot portend when any of the storms will form or where they will go, researchers calculate an 81 percent chance that at least one major hurricane will hit the US coast in 2006.

### 3.0 Tips to Keeping Your Business Connected

With the 2006 hurricane season expected to be unusually active, Hughes Network Systems, LLC (Hughes) suggests that small businesses follow these simple steps to stay connected, prevent revenue losses and eliminate Internet downtime:

- **Have a back-up generator and plenty of batteries on hand.** Maintaining electrical power will be a top priority for small business owners. Without electrical power, you will not be able to support your Internet connection. Additionally, a back-up generator is essential for supporting refrigeration, lighting and security systems in the event of a power failure. In hurricane-prone areas such as Florida, many businesses are making back-up generators a necessary component of their business operations. Publix, a Florida-based grocery chain, with about one-third of its stores located in hurricane-prone areas across the Gulf States, recently began a program to install generators in these stores. During the last hurricane season, power outages played a major role in the losses the stores experienced. Although each store had a backup generator, it did not provide enough power to remain open for customers and run all the coolers and freezers to prevent food from spoiling. In March of 2006, the company announced it is spending \$100 million to purchase 500-watt generators to protect Publix stores in about 575 communities.
- **Subscribe to a resilient high-speed Internet service,** such as satellite broadband, so your inbound e-mail, product orders and other business critical information can be maintained should your terrestrial network fail. Satellite broadband service is available to both large and small businesses, alike. Whether your business is a family-owned diner or a corporate chain like Wal-Mart, there is a satellite broadband service plan that can fit your business needs.

Katrina aptly displayed the need for businesses to protect their business-critical information in the event of a cable or DSL network failure. Satellite communications provides instant infrastructure where it's needed when terrestrial networks are severely damaged, allowing business owners to ensure their Internet connection is not interrupted, allowing them to send and receive e-mails, process orders, check inventory and conducting day-to-day business.

*Note that when terrestrial networks fail, dial-up, DSL, and cable lines are vulnerable to service outages.*

- **Prepare and protect critical data.** A study by the American Red Cross found that 40% of small businesses never reopen after a major disaster. The reason—lack of planning and preparedness. Developing a disaster recovery strategy is a critical undertaking for any small business. It is essential that small businesses evaluate which applications and data are vital to their operations, such as accounting documents and inventory logs. Businesses should back up the information in a timely manner and store the data in a safe, secure and dependable facility. Since data may be lost due to flooding, consider storing data at an off-

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site location. Consider just how much time, money, and effort it would take to recover a system whose files were destroyed by mechanical failure, a virus attack, or user error. Also, consider how much money you would lose simply because of downtime. A major reason for backing up data is to avoid such expenses.

- **Keep at least one corded phone** connected to a wall jack to ensure that your business has telecommunications service in the event of an electrical-only outage. If you use a cordless phone for your business, keep in mind that it won't work during an outage—the base unit needs electricity to pick up the signals from the handset.
- **Do not hesitate to go on alert.** If you believe you are in jeopardy of losing service for an extended period of time, put your web hosting provider on alert and find out what plans your provider has in place to support your business and data during the disaster.

If small businesses have a solid disaster recovery plan in place ahead of time, they will be able to successfully weather any storm or natural disaster that might arise. With a little forethought, a small business can avoid being incommunicado when communication is needed the most.

For more information on preparing for disasters, visit [www.hughesnet.com](http://www.hughesnet.com).