

Case Study Tyco

Surrounded by devastation in the wake of Hurricane Katrina in 2005, the community of Meridian, Miss., USA, witnessed a minor miracle. Minor, as in the amount of damage suffered by manufacturing giant Tyco at its Ludlow Coated Products operation in Meridian.

“Parts of a roof and some garage and personnel doors were blown off, causing water to get into the building,” recounted Dennis Gemignani, Tyco’s director of risk management. “The evening Katrina came through, we had a team assessing the damage. The next day, we procured generators and were cleaning up and repairing the damage.”

With their generators running, Tyco was able to ship products made prior to the storm so their customers wouldn’t be left waiting. “Having our business continuity and disaster recovery plans in place was essential,” Gemignani added. “FM Global was very helpful in that regard.”

Hurricane Rita, another powerful 2005 storm, affected Tyco’s Beaumont, Texas, plastics facility. But, like the Katrina case, Tyco had assessment teams in place the day after the storm.

“In the interim, we’ve shifted production to other facilities, thanks to our preparedness plan and good communication,” said Gemignani.

And, when Hurricane Wilma blew through Tyco’s Boca Raton, Fla., USA, location, the facility lost power and suffered shattered windows and water



Photos courtesy of Tyco

Minor roof damage (top) and some debris on a loading dock (bottom) was about all Tyco suffered at its Meridian, Miss., location during Hurricane Katrina.

damage in limited areas. Tyco has two other Boca Raton facilities, one of which escaped damage completely.

“Pre-planning, coordination, and communication were key,” Gemignani explained. “Three days before a major storm hits, we send out a communication to our facilities alerting them to what’s happening and giving them contact information to keep in touch during the storm.”

In 2004, Hurricanes Frances, Ivan and Jeanne were causes of concern for most businesses. Tyco’s Deland, Fla., location, just west of Daytona Beach, Fla.,

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was an exception. FM Global recommended that Tyco secure its roofs on that strategic, significant manufacturing plant. According to Gemignani, Tyco found a contractor to batten down the hatches in between two of those storms.

“As a result, the immediate area sustained a lot of damage, but we were unscathed.”

Gemignani also reflected on how FM Global’s loss prevention philosophy helped Tyco.

“It’s a constant reinforcement that natural catastrophes can’t be controlled, but damage to facilities, including business interruption, can be prevented or mitigated. Pre-planning and programs for crisis management and business continuity are, and should be, part of a company’s culture. That’s what FM Global advises, and it’s definitely a competitive advantage for us.” ■