

## SMALL BUSINESS

# Adding the Avian Flu To the Be-Prepared List

## In Crisis, Managing Perceptions Is Crucial

By PATRICIA R. OLSEN

The possibility of an avian flu pandemic is enough to give any small-business owner nightmares. What if a quarter of your business was selling home-delivered and takeout chicken across the United States? Or your sales force in Asia was subject to quarantine? What if your employees couldn't work from home?

With every passing week, another instance of avian flu has been documented in birds, most recently in India, France and Germany. After 9/11, severe acute respiratory syndrome, or SARS, and Hurricane Katrina, small businesses have learned: be prepared or else. Owners and managers have to develop contingency plans using limited resources.

"Many people plan for the worst-case scenario, but that's not the way to go about it," said Donna R. Childs, co-author of "Contingency Planning and Disaster Recovery: A Small Business Guide" (John Wiley & Sons, 2002). "Take incremental steps and build on that."

For the Steak-Out Char-Broiled Delivery company in Norcross, Ga., the first step was to get the message out that customers do not have to worry about eating chicken, said Aftan Romanczak, director for research and development. Chicken accounts for about a quarter of the business in its 70 franchises across the country.

If the avian flu virus were detected in the United States, "the chance of infected poultry entering the human food chain would be extremely low," according to the Department of Agriculture. But Steak-Out is not taking any chances. For example, it has distributed to franchisees preprinted bags containing reheating instructions for takeout and delivered meals. Each week, it sends reminders to operators about safe handling and proper cooking temperatures. The idea is to show customers how easily illness can be avoided without

spreading a negative message, Mr. Romanczak said.

In his business, perception of safety measures, by both employees and customers, is everything, he said, so warding off panic and the illogical behavior that can result is crucial.

"You never hear anything about food safety in this country unless it's attached to an outbreak of a foodborne illness," Mr. Romanczak said. "The bottom line is that ultimately, the employees at the store level are the last firewall before we reach the customer. It's a public service to educate everyone that chicken is safe to eat as long as you cook it to the proper temperature."

Last fall, after being spurred to action by his managing director in Asia, Lou Hoffman, chief executive of the Hoffman Agency, a San Jose, Calif., marketing communications firm with 105 employees, started planning for a possible pandemic. During the SARS outbreak in 2003, Hoffman employees in six Asian offices were quarantined. That made Mr. Hoffman think about the company's two offices in the United States and three in Europe, and what could happen regarding avian flu.

After meeting with his chief financial officer and information technology manager, he said, he revamped technology operations to enable all his employees to telecommute. Instead of having company data available on one computer, or server, at headquarters, as is currently the case, he bought a Web service that gives employees access to applications over the Internet. The company has also started backing up local servers to the computer at headquarters.

With these two changes, Mr. Hoffman said, should vital employees be unable to get to an office to run a computer or reset it, they will still have access to company data and applications.

As part of his preparedness plan, Mr. Hoffman is also duplicating, or



Tim Parker for The New York Times

Steak-Out does not want customers to worry about eating chicken. Chris LunDeen grills in Chesterfield, Mo.

## Plan how to keep customers buying and workers working.

mirroring, the data on the San Jose computer and storing a copy on a new server in the Denver office. He has supplied laptops to the third of his staff that lacked them, replacing older laptops and paying for broadband access at employees' homes where it is available. He also took advantage of a tool that many larger companies employ: an e-room, or online central repository for documents — a setup that also allows for collaboration.

Most recently, his staff established a preparedness budget of about \$145,000 for the remainder of 2006 to include training, equipment purchases and new or upgraded Internet services.

Besides backing up vital records and functions at a secondary location, it is a good idea for small busi-

nesses to start networking to find a source of replacement workers, said Peter Morici, an economist and professor of business at the University of Maryland.

In addition, he said, if a business's area is quarantined, but its customers are in areas that are not, then it pays to move to another location.

"The last thing you want to happen," Professor Morici said, "is that your business is shut down but your competitors are not because they're in another location."

Because of 9/11, Ms. Childs, 39, the chief executive of Childs Capital, a boutique Wall Street firm, is well aware of the need to back up data and ensure that employees are set up to work remotely, she said. The attacks left her company without services like gas, water, electricity and mail delivery for several weeks and in some cases, several months.

"We had contingency plans in place, but we learned how unprepared other businesses were," Ms. Childs said.

Childs Capital is in a building in a part of the World Trade Center site

For small businesses working overseas, she recommends developing communications, tracking and monitoring systems. She also advises having a preselected group in place to make policy decisions about things like employee travel because a pandemic would leave little time for planning once it hit.

"If the decision maker will be the C.E.O.," Dr. Pfingst said, "then that person needs to be fed reliable information and obtain professional advice to determine if, when and where to evacuate or relocate personnel."

In the event of a pandemic, Professor Morici also recommends a government plan that small businesses "can plug into so they can see what the framework will be."

Lisa Koonin, associate director of business partnerships for the Centers for Disease Control and Prevention, said her division was planning initiatives to provide tools to small businesses. Some of these could be added to the business planning checklist at [cdc.gov/flu/pandemic/checklists.htm](http://cdc.gov/flu/pandemic/checklists.htm).

Planning information for an avian flu pandemic is available at conferences in various countries. In October, Ms. Childs gave tips on business protection at a seminar in Beijing for small and midsize businesses. The Department of Health and Human Services lists state summit meetings at [pandemicflu.gov](http://pandemicflu.gov).

that incurred heavy damage. Insurance reimbursed the company for things like soot removal, but the physical damage the company suffered was not the half of it, she said. All small businesses should consider business-interruption insurance to cover their lost income during the time they are shut down, Ms. Childs said. This insurance was only an incremental cost to her existing commercial insurance, she said, adding 5 percent to her policy.

It is also a good idea to cross-train employees and identify potential new suppliers, said Joan Pfingst, director of health intelligence at iJET Intelligent Risk Systems in Annapolis, Md.; that company's small-business clients include law firms, event management companies and local and regional travel agencies.