

McGlinchey on Hurricane Katrina

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Employers affected by Hurricane Katrina are relying on temporary offices, technology, resources from parent companies and other means to keep their businesses operating.

The law firm of McGlinchey Stafford had 88 lawyers and 173 support staff in its New Orleans office. Many fled with only small suitcases, thinking they would return in a few days to clean up. Instead, their five-story office building has had windows blown out and is no longer functioning. Lawyers are being sent to offices in Houston; Dallas; Jackson, Miss.; Baton Rouge; and other locations. The Baton Rouge office put deposits on 70 apartments in the area. So far, all employees are getting paid.

All data files at the main office in New Orleans are also backed up in Houston, so no electronic information has been lost. And as soon as the roads are passable, the firm plans to go in with U-Hauls to pick up paper files. "They had no earthly idea it was going to be this bad," says Rudy Aguilar, a managing partner in Baton Rouge. "But our people are safe; we've found places for them to live; our client needs are being met." The firm has helped get displaced employees' children into public and private schools in the area. And employees in Baton Rouge have set up a free store with clothes and toys in a conference room. What some others are doing: • Boh Bros. Construction, headquartered in New Orleans, moved its management and some employees to its office in Baton Rouge. About 100 employees now work out of the Baton Rouge office, which used to house 40 workers. About 60 to 100 more employees are working on construction sites nearby.

Although many employees have called in, the company has not been able to account for all 1,500 employees. "We've had a lot of wonderful people who showed up in Baton Rouge," says CEO Robert Boh. "We're scrambling to put the business back together. It's not easy. ... This has been a tremendous setback, and the full effect hasn't sunk in." Boh has seen aerial shots of his company's headquarters, which has three floors of space. The first floor, which is primarily for parking, is flooded, but the office space has been spared, he says. Landing on the rooftop via helicopter, some Boh employees broke into the office and retrieved crucial computer files, but some file cabinet records may not be retrieved, he says.

The company will attempt to meet payroll, though it's missing many of the relevant records. "We're trying to do the right thing," he says. • The Mutual Fund Store in Metairie, La., just west of New Orleans, was under water.

Managing partner Scott Capace, his wife and his three children have become nomads, staying with family because their home is flooded. Despite the chaos, Capace is beginning the search for a new location to meet face-to-face with clients. He's been able to keep operations running by relying on his parent company in Overland Park, Kan. Electronic information has been backed up, and he's logging on at hotels to check accounts.

"It's so, so terribly hard, it's unbelievable," Capace says. "If clients need anything, we're still here for them." • With some of its 13 branches in Mobile, Ala., unable to open due to the lack of power and flooding, Compass Bank didn't have to turn customers down. Instead, it sent in a specialized purple mobile ATM van, complete with its own generator, to dispense cash to customers and residents, with no ATM fees. • Health insurers such as Blue Cross and Blue Shield of Louisiana, Aetna and UnitedHealth say they are staffed and functioning in the affected states, processing claims and assisting policyholders. Most insurers have waived restrictions on prescription refills and are dropping additional fees they charge when patients go to "out of network" doctors or hospitals. • CVS is moving 30 mobile pharmacies into the three affected states. Walgreen and Wal-Mart are also opening mobile pharmacies.

CVS says it has about 300 stores in the three states hardest hit by the hurricane; about a dozen sustained enough damage to force them to close temporarily.

In addition to the mobile pharmacies, CVS and other major chain stores say they will provide needed medication to hurricane victims at their in-store pharmacies in seven states: Texas, Louisiana, Mississippi, Arkansas, Oklahoma, Alabama and Florida.

"Many people have no insurance," says Jon Roberts, senior vice president of store operations. "We will fill the prescriptions at no charge."

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