

Surviving the Worst of Times

September 08, 2005

This story by Eve Tahmincioglu first appeared in [The New York Times](#).

If you go to [NewOrleansProducts.com](#) and order a Mardi Gras poster, you will be taken through the standard ordering process, but you might have to wait awhile for delivery.

Jose Suescun, who ran the one-man operation in Metairie, La., picking up the items from New Orleans merchants and shipping them out of his home, was forced to flee Hurricane Katrina in his pewter Hummer and can only wonder what became of his old neighborhood. From what he could glean from news accounts soon after, he concluded it was badly flooded.

"My whole business went down the drain," Mr. Suescun said, speaking on his cellphone late last week from Houston, where he found temporary refuge. "You can't buy anything from New Orleans because New Orleans is gone. I didn't prepare for this and I didn't take anything with me, not even my laptop. I didn't think I was going to lose everything in one day."

Mr. Suescun also owns Mambito Records, which distributes recordings of New Orleans musicians. The combined sales of the companies were about \$500,000 a year, a figure that has been reduced, for now at least, to zero.

Contrast his fate with that of **McGlinchey Stafford**, a law firm in New Orleans. It was forced to abandon its headquarters a day before the storm hit, but unlike Mr. Suescun, its partners had planned for such a disaster. Most of its 88 lawyers and 173 staff members made their way to the firm's Baton Rouge office, while the rest were dispersed to satellite offices in other cities like Houston and Jackson, Miss. Most went to work right away on their laptops, according to **Rudy Aguilar**, the partner who runs the Baton Rouge office.

"We are focusing on keeping our people safe, finding them a place to live and making sure our offices are operational for lawyers," Mr. Aguilar said.

He said that the practice is now up and running and said the firm was already making preparations to rehabilitate its home office. "We believe our New Orleans location has not been damaged and hasn't yet fallen prey to looters," Mr. Aguilar said. As soon as the water recedes, he said, the firm will send in rental trucks to retrieve its paper files.

To repair the psychological damage the catastrophe has had on its employees, McGlinchey Stafford is also arranging grief counseling for those who request it. "Our New Orleans people left with the expectation they'd go back and clean up and be back to normal lives," Mr. Aguilar said. "They left with virtually nothing. This is a huge cost and tremendous toll on all these families."

And so it goes across the stricken Gulf Coast. According to Michael Lampton, a spokesman for the Small Business Administration's disaster-assistance division that covers 15 states west of the Mississippi, including Louisiana,

nearly 14,000 businesses had called his office by late last week inquiring about getting S.B.A. loans to cover restoration expenses and lost revenue. “It’s heartbreaking,” Mr. Lampton said. “I’ve been doing this for 13 years and this is by far the most challenging situation. And we’re only just beginning.”

The S.B.A. offices in New Orleans and Gulfport, Miss., have been knocked out of commission. “As far as we know, the Gulfport branch is gone, and we don’t know what happened to the New Orleans office,” said Mike Stampler, a spokesman for the S.B.A. in Washington, who said he had no idea when either office would reopen.

For companies of any size, business specialists say, the crucial factor in weathering disasters is to create a contingency plan. Carol Blake formulated one a year and a half ago for her flooring-accessories company, Access Floor Systems.com in Covington, La., 30 miles north of New Orleans, and it began to kick in before the storm hit.

Under the plan, she opened an office in Asheville, N.C., and began spending most of her time there. When Katrina struck, not only were Access Floor’s records safely tucked away there, but the office became the company’s backup shipping location.

In addition, Ms. Blake was able to have all calls that were placed to her home office’s nonfunctioning number forwarded to her Asheville location. She was also able to maintain the Web sites to Access Floor Systems.com and another company she owns that sells Mardi Gras products by switching from a New Orleans host firm to a national company.

Meantime, following the plan, her president is handling sales and administration out of Houston and her controller is dealing with accounting from Golden, Colo.

Of course, no plan can cover all exigencies. Ms. Blake’s vice president for operations stayed behind to try to ride out the storm but ended up calling her for permission to siphon gas from the forklift at the firm’s warehouse so he could fill up his car and flee.

For shellshocked small-business owners in the region, Mr. Stampler of the S.B.A. offered some advice. “The first thing is take care of themselves and the second is to start thinking about what it will take to get their business operational and develop a plan to accomplish that,” he said.

Once that is accomplished, he said, they should inquire about loans from the S.B.A. and keep alert for outright grants that might be made available in the weeks and months ahead. Once the dust settles on the recovery effort, small-business owners will be able to get information about S.B.A. funding at disaster recovery centers that are being set up throughout the region, he said. Also, he suggested checking www.sba.gov for details of what is available. (S.B.A. officials said it was too early to put a dollar amount on the damage done or how much monetary relief would be coming from the federal government.)

Also, Mr. Stampler said, do not lose hope. For many small businesses wiped out by the storm, that is a tall order – but coming back from the brink happens, as many of the owners of businesses pulverized by the Sept. 11 terrorist attacks can attest.

Consider Peter Lupassakis. His building code and zoning consulting business, P. Wolfe Consultants, was on the 22nd floor of 1 World Trade Center. “We lost everything, even the backup files,” he said about his company,

which employed 15 people at the time, all of whom got out of the building safely. But three days later, he embarked on a strategy to rebuild his firm, with an S.B.A. loan of \$350,000 and \$125,000 from a government recovery fund. Today, he has 12 employees and is close to bringing in the \$1 million in sales he generated before 9/11. "We didn't want to give in and we wanted to make sure we stayed in New York and do what we always did," he said.

Mr. Suescun of NewOrleansProducts.com is hoping that he will be able to match Mr. Lupassakis's tenacity. He was able to go back to his Metairie home on Sunday, and what he found was not encouraging. All his office equipment, including his computer, was under water. He was able to salvage some documents, including his passport and checkbook, but most of his business records were lost.

Even so, he is not giving in to despair. "I know I'm going to make it again, in New Orleans, assuming they'll be open for business soon," Mr. Suescun said by phone on Tuesday. "I'm not going to fall like a boxer. I'm going to get up again."

Related people

Rudy Aguilar