

KirkpatrickPrice Case Study
May 2013

Natural Disasters Happen—Implementing and Maintaining a Business Continuity Plan to Avoid Disaster

In late October, 2012, Hurricane Sandy left devastation in parts of the Caribbean, Mid-Atlantic and Midwestern states, and Eastern Canada. With winds up to 80 mph, this Category 2 hurricane wreaked havoc along the eastern seaboard of the United States from Florida to Maine. Sandy was declared the largest Atlantic hurricane on record with a measured diameter of 1,100 miles, affecting 24 states. Severe flooding and power loss in New Jersey and New York left an approximated \$63 billion dollars in damage.

Many companies and businesses were left inoperable and critical systems left unavailable and unsecured. Without proper planning for a disaster like the wake of destruction left by Sandy and many of her predecessors, businesses suffered. Fortunately for some, there were those that took steps towards preventative action by developing Business Continuity Plans and Disaster Recovery Plans. These plans for preparedness can help any business analyze potential risks and threats that present themselves to the operation and functionality of the business in the path of disaster.

Blue World, Inc., a service organization that specializes in data collection, software application development, and marketing services, is located in lower Manhattan in New York City. After Sandy hit, Blue World told Gary Boardman, their Information Security Auditor with KirkpatrickPrice, that the building “had 5 to 6 feet of water through the first floor and filled the basement to a level 35 feet deep,” reported Ted Locke, COO of Blue World. He went on to comment, “There is not a single first floor business in lower Manhattan that was not destroyed. Most of the buildings in lower Manhattan will not be operational for months.”

Blue World, despite the destruction of Sandy, never missed a day of operation. Blue World engaged Information Security Specialists at KirkpatrickPrice to develop a Business Continuity Plan which they practiced and tested to its very limits. “It has worked,” said Locke. Blue World deployed their BCP on Sunday before the storm and when asked about their experience with engaging KirkpatrickPrice said, “If it weren’t for our work with KirkpatrickPrice these last two years, Blue World would not exist today.” Blue World’s Business Continuity Plan left them ready to operate through any disaster.

What exactly is a Business Continuity Plan and how did it help support Blue World’s operation? The process of developing a Business Continuity Plan helps service organizations to analyze the impact that potential risks could have on business functions and processes. This allows them to prioritize critical functions and strategize accordingly to develop recovery processes. There are many components that must be considered when developing a BCP including personnel, technology components, backup and storage facilities, and communications. With proper preparation and testing of disaster recovery plans, service organizations can mitigate any risk of



operational failure—the key is preparing, whether you think disaster will happen or not. Planning ahead is the only way you can protect your business and ensure that you’ll remain up and

running. Ted Locke summed up Blue World’s success in hopes to emphasize the severity of preparing for disaster by saying, “If you approach your BCP as if its enactment is an inevitability rather than a possibility, you will be much more successful in its development and deployment.”

KirkpatrickPrice is a licensed CPA firm, providing assurance services to over 200 clients in more than 40 states, Canada, Asia, and Europe. The firm has over ten years of experience in information assurance by performing assessments, audits, and tests that strengthen information security controls.

Contact us at info@kirkpatrickprice.com for more information on our services and how we can help you in your compliance efforts.