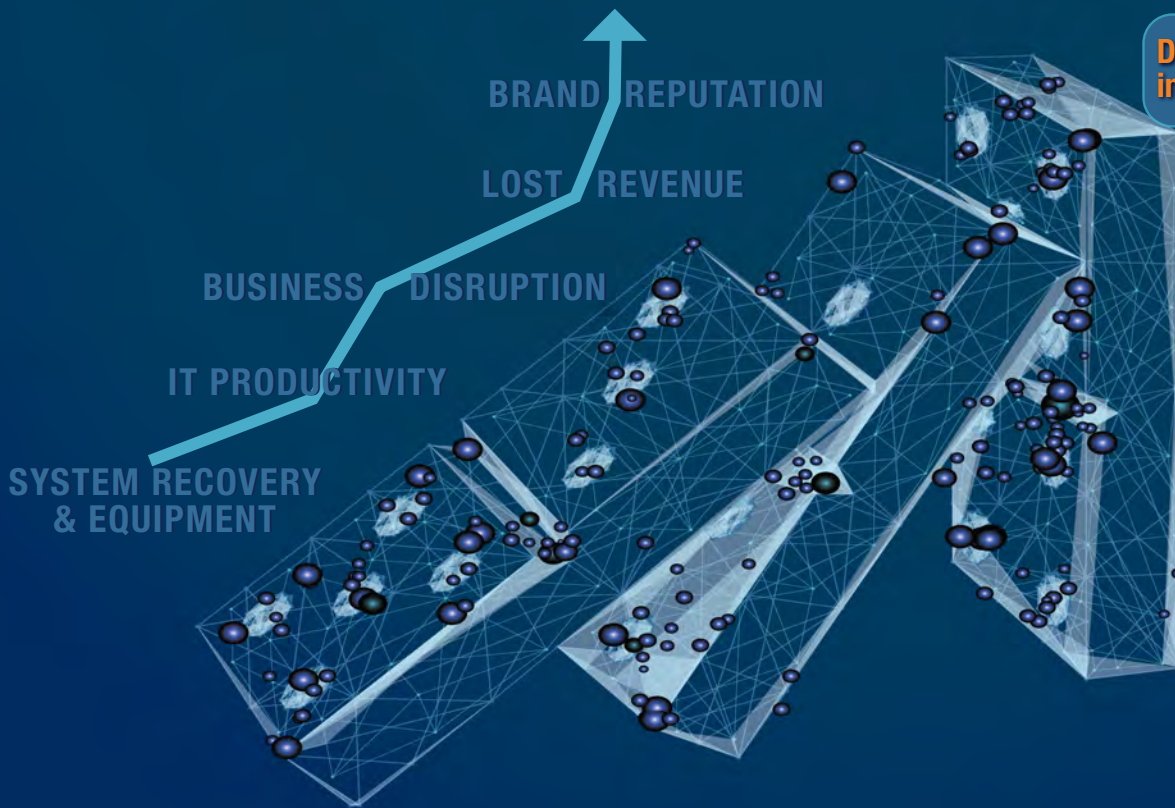


THE COST OF DOWNTIME



Downtime costs have increased 81% since 2010.

SOLUTION

100% Uptime For Mission Critical Industries

Tips for understanding, planning for and minimizing the consequences of outages and business interruptions

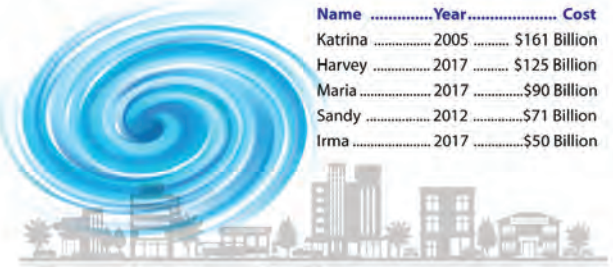


ATLAS
Fuel Services

The numbers are dramatic: power outages cost the U.S. economy between \$80 and \$188 billion per year. When power is disrupted to IT systems, 33% of impacted companies lose between \$20,000 and \$500,000; 20% lose \$500,000 to \$2 million; and 15% face catastrophic losses, facing more than \$2 million in damages. If you are a business owner or stakeholder, those figures are more than just dramatic—they are truly alarming.



The Top Five Costliest U.S. Hurricanes on Record



Hurricanes Trending Higher but Power Outages Happen Everywhere

Hurricanes get headlines. Hurricanes take time to form and make landfall, so the media gives viewers a blow by blow vantage point of each disaster as it unfolds. Over the past few years, hurricanes have become more disruptive and frequent, with every dollar of destruction representing a nightmare for the individuals and businesses affected.



While hurricanes will continue to happen – primarily during the high season of June 1 – November 30 – good old fashioned power outages remain a stealthy assassin for businesses in the mission critical sector who require 100% uptime. Large outages (those affecting 50,000+ individuals) are trending up since 1991 and the season for blackouts is summer. Most power outages occur between Memorial Day and Labor Day. That’s because demand for electricity outstrips the ability of many utilities as temperatures rise and cooling systems kick in. According to the 2018 Eaton Blackout Tracker, nearly 60% of outages attributed to overdemand occur during the summer months. Overall, the number of summer outages has increased by 45% from 2012 to 2016. The American Society of Civil Engineers gave the power grid a D+ grade in 2017. More than 640,000 miles of high-voltage transmission lines in the lower 48 states’ power grids are at full capacity and many of the substations and electrical poles that distribute power to individual buildings are working 20 years beyond their engineered life spans. The result? Every summer, nearly 4 million people are affected by blackouts that collectively encompass almost 30,000 hours – that’s 125 days!

Business Continuity Threats

Managing Risk



Below are tips and considerations for business owners and decision-makers when designing, deploying, and maintaining their business continuity plans and disaster preparedness protocols.

Have a Plan in Place

Having a plan in place and making sure that everyone is in the loop is critically important. Your employees need to understand not only how the emergency plan affects them, but also what their specific roles and responsibilities within that plan will be. Even the most strategic, thoughtful and well-designed plan will be of limited value if your entire team does not understand how to implement it. While many companies rely on outside experts or consultants to provide logistical support and planning expertise, failing to disseminate and integrate that plan into the ranks of personnel is an all-too-common mistake.

Role Play

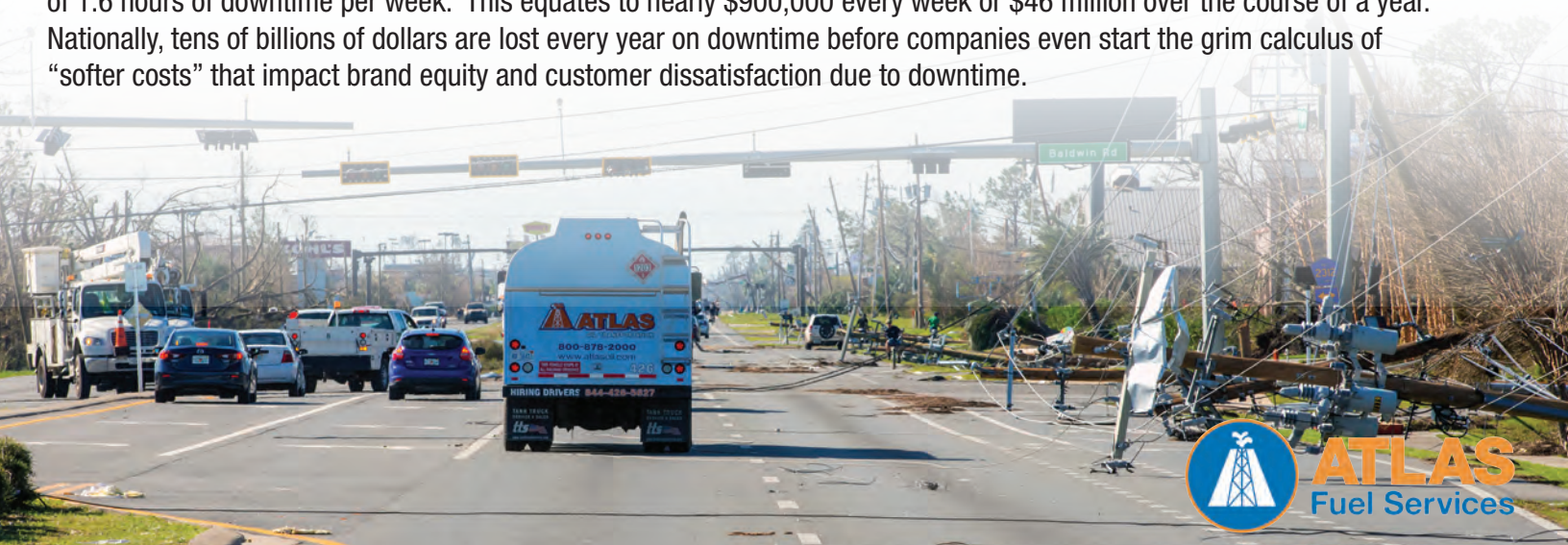
Planning alone is not enough. It is important to talk through and walk through your business continuity preparations and disaster preparedness regularly. The old sports adage explaining that you “play like you practice” holds true in business, as well. Comprehensive training should be an essential part of every business continuity plan deployment, and that training should not be a one-time event. Regular, rigorous, and repetitive emergency training and drills should be part of standard operating procedure for every company. One of the advantages of “role playing” and emergency walk-throughs is that they identify gaps and vulnerabilities that were not evident on paper.

Bridge the IT Gap

A recent survey cited in “Understanding the Cost of Data Center Downtime” from Emerson Network Power found that while the majority of senior-level staff fully support efforts to prepare for, prevent and manage unplanned outages, less than one third of the respondents believe their company utilizes resources correctly and efficiently to provide maximum protection to the most critical IT components. While executive staff may have a better appreciation for the costs and consequences of downtime, IT staff have a deep and technical understanding of where your systemic vulnerabilities are located and what essential systems and components should be prioritized in the event of an emergency. Clear and direct communication between IT and senior management is vital if you wish to develop a truly effective business continuity plan.

What Does it Cost?

Downtime is expensive and companies need to ask the question: what will it cost us? Research by Price Waterhouse found that after a power outage that disrupts IT systems, 33% of companies take more than a day to recover and 10% of companies take more than a week. A new report from Dunn & Bradstreet discovered that 59% of Fortune 500 companies experience a minimum of 1.6 hours of downtime per week. This equates to nearly \$900,000 every week or \$46 million over the course of a year. Nationally, tens of billions of dollars are lost every year on downtime before companies even start the grim calculus of “softer costs” that impact brand equity and customer dissatisfaction due to downtime.



Think About Equipment and Supply Chains

The difference between uptime and downtime in emergencies has a lot to do with interrelated systems. For example, backup generators are a visible and expensive part of an emergency backup infrastructure, but they do not operate without critical supplies like diesel that is free and clean of water and other contaminants that can otherwise impede start up or proper operations. A generator that can't start because the tank is empty or the fuel is old and infected with bacterial growth is as much of a problem as having a broken UPS system or no generator at all.

Secure the Right Vendors for Support

For many businesses (particularly those with large networks of generators or facilities that require elaborate or extensive technical support) an extended power outage may require extraordinary support. An emergency fueling plan should be an integral part of the business continuity and disaster response planning for these firms. When selecting emergency fueling vendors, it's important to prioritize vendors with the infrastructure of a national or at very least regional distribution network. Think about it. Disasters that affect a local area can be devastating to local suppliers who are dealing with the same disruptions and trauma that you are: power outages, IT networks disrupted, cellular phones not working, delivery trucks destroyed, you name it. An antidote to a local supply chain is true a nationwide network of emergency responders, supplies and relief workers. Ideally, that supply network should be supported by a dedicated fleet of vehicles and personnel capable of rapid deployment from outside the disaster area, into the disaster area. These national or regional vendors, combined with resource staging expertise and sophisticated post-disaster management and logistical experience under stress will afford your business the best opportunity to survive and thrive without downtime.



Know your Achilles Heel

Trust but verify what you are getting is what you need when it comes to mission critical services and support. Are you doing business with a handshake and a purchase order agreement? Chances are that is not enough to prevent downtime in dire circumstances. Some businesses like hospitals will gather a Memorandum of Understanding (MOU) from vendors to establish a quasi-formal agreement. But, it has little to no legal value and it falls far short of where you need to go to ensure critical services are met according to requirements (i.e., response time, number of units to be delivered, locations, costs, etc.) that will keep your operations alive and well. Don't let a weak commitment be your Achilles Heel. Demand a legally binding document like a Service Level Agreement (SLA). Chances are, the most prepared and capable vendors will collaborate on this type of agreement with the client to increase transparency and optimize an agreement that defines successful actions that lead to successful outcomes thereby reducing the chances of any downtime during power outages or other emergencies.

