

THE HARDWARE Connection™

July/Aug 2014
Vol. 6, No. 5

THE INDUSTRY'S DIGITAL LEADER



Thriving After Disaster

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Not only is his store more prepared for an emergency, Vince Christofora of Woodstock Hardware makes sure his customers are prepared, too. This storm survival checklist is posted near the front entrance.



Thriving After Disaster

It was a chilly, winter workday like so many others. On December 3, 2007, Vince Christofora, owner of Woodstock Hardware in Woodstock, N.Y., closed his store and headed home at about 6 p.m. Then, about a half hour later, just as he was settling in for the night with his wife and young son, the store's burglar alarm service called.

"THEY TOLD ME THAT MULTIPLE doors had been opened, and it seemed like several people were in the store," Christofora recalls. "I figured it was a false alarm, but I put on my coat and went out into the snow to meet the police at the store."

On his drive back, he found firefighters blocking off the town's main street a few blocks



from his store. “You ought to come on through,” said a firefighter who recognized Christofora as the store owner. As he stepped within view of the store, his stomach dropped. The winter night’s sky was ablaze with flames shooting out of the store’s roof. Firefighters were scrambling to minimize damage and prevent the fire from spreading to other nearby shops.

“I was stunned, shocked,” Christofora says. “I just sat across the street and watched. Thankfully, no one was hurt and the firefighters were able to put out the fire and contain it to my building.”

ONE LUCKY BREAK

The night of the fire, a fireman asked Christofora if there was anything that

Left: Vince Christofora, owner of Woodstock Do it Best Hardware, has learned the importance of being prepared for a natural disaster.

Upper Right: Woodstock Do it Best Hardware was rebuilt and reopened within four months after being decimated by a fire.

Lower Right: A fire destroyed Woodstock Hardware in December 2007, but the store was rebuilt within four months.

he absolutely needed from the building. He asked if the firefighter could retrieve the store’s server under his desk.

“We got really lucky,” Christofora says. “I knew we’re supposed to back up and keep a copy off-site. But who does that, really? I had no backup, and was really lucky the firefighters were able to pull out the server.”

That server contained irreplaceable data, including the store's accounts receivable.

"The fire happened before saving files to the cloud was common," Christofora says. "If we weren't able to retrieve that data, it would have been much more difficult to try to rebuild."

Christofora was also lucky that the store had strong community support. With a customer base of 75 percent do-it-yourselfers, many in the community wanted to pitch in and help rebuild.

As Christofora assessed the damage to the store and create a plan to rebuild the store, he vowed not to rely on luck again—with the computer system or with the store operations.

RISE FROM THE ASHES

The next day, when Christofora walked through the building, it didn't seem so bad. The roof had burned off and half-frozen puddles were everywhere, but lots of products on the first floor seemed okay; maybe a little waterlogged, but usable.

"Almost immediately after any disaster, if you're a store owner, you'll have

VALUABLE ADVICE ON BUSINESS INSURANCE

During the process of getting his business back up and running after the devastating 2007 fire, Woodstock Hardware Owner Vince Christofora learned several tough lessons. But what is his most essential piece of advice for other retailers?

"Understand what your insurance company means by the term 'replacement value,'" Christofora says emphatically. "While you may think replacement value means that you get your whole store back, it doesn't—especially if you're in an older building."

For insurance companies, replacement value is very literal. After a disaster, you will receive compensation to replace what was lost, but not for the cost of any changes or upgrades needed to meet newer building codes.

For example, as Christofora rebuilt Woodstock Hardware, building codes required him to install more outlets throughout the building. However, insurance only paid for the number of outlets that were previously in the store. The difference between what the insurance company paid in replacement value and what Christofora needed to rebuild Woodstock Hardware was more than \$100,000.

Also, Christofora recommends taking a close look at your insurance policy's code and enforcement provisions. You may be able to increase the amount covered under these clauses, but it may also cause a premium increase.



Rebuilding his store after a devastating fire gave owner Vince Christofora the opportunity to expand his business more into housewares.

to deal with some business issues,” Christofora says.

For example: After fires or other mishaps, insurance adjusters may show up, offering to negotiate with the insurance company on your behalf. These negotiators take a percentage of any settlement. Christofora decided to forego such an adjuster, though.

“Fortunately, I had a good insurance company, and explained that the merchandise had to go, because of the potential for mold and the smoke odor,” Christofora says.

So, one of the first tasks to be dealt with is documenting the store inventory, so it can be packed and removed by a salvage company. Along with insurance company representatives, store employees and volunteers from the town worked for more than two weeks to catalog and pack the products. After four tractor trailers full of the store’s products left, then the rebuilding could continue.

The store was gutted, leaving only the exterior concrete walls and a concrete slab floor. From there, Christofora was starting from scratch. But he wasn’t alone. The community of Woodstock pitched in.

Local plumbers, electricians, painters and architects rearranged schedules and put in long hours to help rebuild the store. A building supply company down the street provided a forklift to unload supplies. Also, the town’s police

and maintenance departments allowed the store to use a nearby garage for storage and temporary office space.

Then, many of the same volunteers who helped catalog and pack the store’s ruined inventory gave time to restock shelves with more than 20,000 products. In less than four months after the fire—on April 1, 2008—Woodstock Hardware reopened.

EXPANSION WITH HOUSEWARES

The tragedy made Christofora rethink his entire business. “In the end, the fire really helped us,” Christofora says. “It was sort of a forced remodel. A lot of the store was outdated.”

As part of the rebuilding process, Christofora re-examined suppliers and decided to switch to Do it Best Corp. “Do it Best seemed to be a better fit, to allow me to make my own decisions about the store and how it fits within the community,” he explains.



Woodstock Do it Best Hardware created systems and documents that address ordering, receiving, communications and credit card processing and allow the store to function during power outages.

One of the biggest decisions Christofora would make would be to expand the store's second floor. Previously, there was only room for a small office on the second floor. During the rebuild, Christofora added what was supposed to be a rental space for another office. However, he had trouble finding a tenant so he converted the area to a new housewares department, with kitchen and bathroom décor that caters to the upscale market and those who visit the tourist area and stay in vacation rentals.

Now, housewares is a major department for the store, accounting for more than 10 percent of sales. It has become known as a destination in the town of 6,000 residents. Christofora credits the housewares section with bringing in more female customers, which has led to sales in other departments such as paint and gardening.

READY FOR ROUGH WEATHER

The fire taught Christofora that he needed to develop an emergency

preparedness plan, a lesson that came in handy during Hurricanes Irene and Sandy that struck the area soon after the store's rebuild.

Christofora outlined an emergency preparedness plan and keeps binders of the plan where the store's three employees can easily access the information.

"We created systems and documents that allow us to function during power outages that address ordering, receiving, communications and credit card processing," Christofora says. "We even have pre-made signs to put outside to promote our readiness during these storm events. No running around here—just implementing the plan."

Not only is the store prepared for emergencies, but the store's customers are better prepared for disasters and emergencies.

"After Irene and Sandy, we put a lot of time and energy into being better prepared to meet the needs of our customers during such storm events," Christofora says.

The store now has a reserve of essential supplies in stock for when the supply runs dry. Christofora also created a Storm Emergency Program, which includes emailing customers with information about potential emergencies, updates on the store's website and in-store signage about emergency

preparedness. Through the program, the store offers preparedness checklists, products and reference materials.

The store has also hosted a Storm Survival Program with about 50 people attending. Representatives from the local utilities and a generator supplier shared information about emergency preparedness, and Christofora provided presentations on several topics.

This past summer, on a clear summer day, business was brisk. Customers explored the housewares department and bought paint. This day was typical for the year. Christofora estimates the store is up 4 percent over last year. And even though the sun was shining, a poster behind the counter provided a list of emergency supplies customers should have on hand.

And while Christofora smiles and helps customers on this bright day in the Hudson Valley, he is secure in the knowledge that he is prepared for the worst. ■

10 TIPS ON SURVIVING A DISASTER

How you prepare for emergencies can make the difference between staying in business and having to permanently close your doors.

"After the fire and Hurricanes Irene and Sandy, we learned that you can't depend on anybody else," says Christofora. "We need to be here for our customers, so preparing for bad weather or some other disaster is essential."

Here, Christofora shares 10 tips for helping ensure your business can not only survive a disaster, but thrive:

1. Review your insurance policy, especially replacement value clauses.
2. Create emergency procedure plan and make sure all employees know where to find a copy.
3. Back up computers off-site or with cloud computing.
4. Use your e-mail list to send emergency information, such as checklists to be prepared for power outages.
5. Install heat sensors, smoke detectors and CO2 detectors where appropriate.
6. Stock about 5 percent of inventory (especially emergency items such as batteries and flashlights) and keep in reserve.
7. Monitor sales and stock up early. For example, Christofora sold 40 to 50 gas cans a day during Hurricane Irene.
8. Stay in close contact with distributors and ask about their emergency procedures.
9. Keep one paper copy of your distributor's catalog.
10. Create a phone, fax, and email list of every person and business you may need to contact in an emergency.