

read more...

Continued from November 2012 CTI Newsletter

Hurricane Sandy Flood Report

Yep... we got flooded. No one was hurt. We do have insurance. We have finished cleaning up and are back in business. Our machinery is running and we are making parts, filling orders, and shipping products. We will bounce back as a stronger company. It's been quite an adventure, but as they say, "Life has to be experienced to be understood."

What We Gained

Besides getting our file cabinets cleaned out, and a lot of miscellaneous trash out of the building, we gained a great bond with our staff that no teambuilding exercise could duplicate. Our staff grew to know each other really well and some great leaders emerged. In a time of crisis, all secrets are revealed in everyone's personality, and so many of our staff showed they are dedicated and persistent with genuine love for each other and for the company. It was a joy to work with them every day.

New Machinery

Since we were forced by the flood to make a lot of changes, we took the opportunity to invest to improve and upgrade many of our manufacturing systems and infrastructure, including:

- Adding another Amada CNC punch press, which gives us 100% more capacity for faster throughput of production and custom orders
- New, faster, more efficient high tech surface mount circuit board manufacturing equipment including a new pick and place machine and a larger, more precise reflow oven
- A new 30hp Kaeser air compressor for the factory
- New Mig and Tig welding equipment
- Two new high tech spot welders
- New powder coat guns
- New white Formica bench tops for all production benches in the factory
- New office furniture for the sales and admin offices, and for the manufacturing and engineering offices
- A new truck, new forklift, and new scissor lift

To Our Friends

I received hundreds of emails from friends and customers from around the world, and that meant a lot to me. Many others called to express their concern, some of whom also suffered in the storm themselves.

But some others fall into that very small category that I would describe as "one out of a thousand" who do more, and who do it without asking. Some just showed up and started working, others were generous in other ways that moved me to tears.

I would like to name a few who came to our aid:

- My wife Terri who was with me through the storm and the recovery
- Fred Foster and Steve Terry of ETC
- Jennifer Nikel who worked with us during the most difficult days of cleanup
- Cathy Vilardi who was introduced to the company in its darkest hour
- Jamie Schleck for his incredible advice and support
- Darren DeVerna and PRG NJ
- Dave Beausoleil
- NJMEP, John Kennedy, Jeff Hoffman, and Dave Hollinger for their resources and help
- Our friends at Stagelitt and Musson
- David Grindle of USITT
- John Offord of ETNOW

Your support means so much to me.

Many People Have Asked What They Can Do To Help

Hundreds of friends and customers have asked what they can do to help. We do appreciate every word of kindness and concern, but at this point, to help us most, **please place an order!** Nothing will help us more than that! As I have said to you for over 25 years, "Your business means everything to us."

Before The Flood

I remember discussing the approaching storm with someone on the Friday before it hit. I said, "They always exaggerate these storms, it won't be that big."

City Theatrical is located in the New Jersey Meadowlands, a beautiful marshy area within sight of Manhattan. It's a lovely area full of streams and marshes, and is just above sea level, as is much of the New York City area.

We followed our standard storm prep and on the Saturday before the storm put all the computers and servers on top of milk crates. This has always been unnecessary but it was what we felt to be a prudent precaution, even though there had never in history been a flood on our block in which water entered a building (our building is about 50 years old). We also put a few skids of finished goods up higher, but I remember saying, "If we have to worry about water that high, we'll really be in trouble."

On the Monday of the storm, all of the New York City area was closed. Public transit stopped, and everyone sat at home waiting for the storm. As the prediction of the storm grew more and more serious, my wife Terri and I drove back to CTI and moved the computers to the top of the desks. By that time, even though it wasn't raining very much, many streets were flooding. This was something we had not seen before: floods without rain. It was unreal, and the threat of this storm seemed larger and larger.

As the day went on, everyone watched the storm approaching on TV until the power went out in the evening. From then on, millions in the area were without power for over a week, some longer, and some are still without power four weeks later.

We went to bed with the hurricane making its freight train sounds, trees crashing, and the flash of transformers exploding all over town.

Our First Look At The Flooding

In the morning Terri and I drove to City Theatrical, navigating around closed neighborhoods



Monday afternoon, before the storm hit, there was already flooding, even without any heavy rain.



Tuesday morning, the morning after the storm. Our block was under water, but not up to the front door. We thought we escaped the flood. Thousands of homes and businesses were flooded in the New Jersey towns of Moonachie, Little Ferry, Carlstadt, and South Hackensack.



Our West loading docks. Our scrap metal dumpster floated away from the building. Water level in this photo is four feet, just under dock height, long after the height of the flooding.

Flood Report

and downed trees and wires. Our block, Barell Ave., was under water, and our parking lots were flooded, but the water level was not up to the front door and I was elated that we had seemed to escape the flood.

Then we saw the water line on the front door.

Our VP of Sales, Gary Vilardi, was waiting for us outside the building and I opened the front door to a surreal site.



Our neighbor's loading dock. The trailer floated across the parking lot.



Our first indication that what lies ahead won't be good. This is the water line: 39" above the sill, and about 7 ft. above the parking lots.

When we opened the door, I remember thinking, "Why is all that stuff in front of the door?" We soon saw that everything was everywhere since things had floated driven by the currents of the entering and receding waters.

The extent of the damage didn't really reveal itself for several days as we moved through every corner of the building. Our Monday visit to lift the computers to the tops of the desks was in vain since the water rose far over the desk tops, and in fact over the tops of the workbenches in the shop.



Our first view of the storm damage felt like a bad dream as we entered the building



Flood Report



Mud on top of desks, drawers filled with water. Fish in wastebaskets,

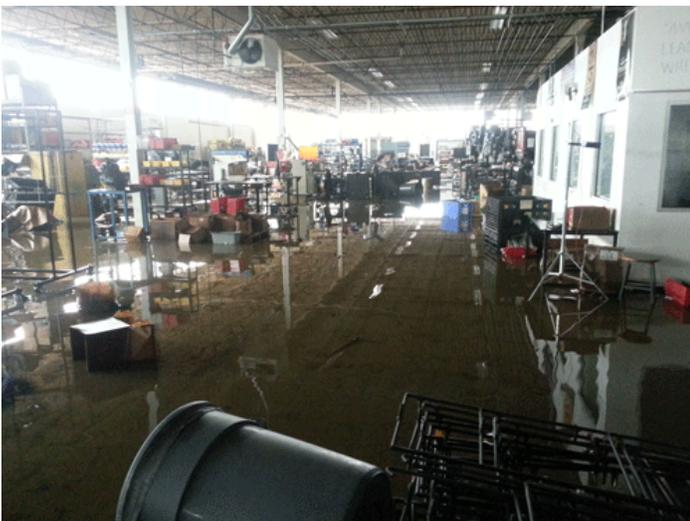
The large tank that floated away in the above photo is a 1,000 gallon tank used to store chemicals from our power coat wash line. Fortunately it was empty before the storm. .



Floating file cabinets



The shipping department and East loading docks collected a lot of debris as the water receded.



Our main metal manufacturing aisle, under water.



You know life is not good when you are hosing down your computers.

Our Plan For Remediation

Well, now what? We were in a bit of a jam. All of the Eastern Seaboard was still reeling from the hurricane, nearly 100% of our staff were without power or heat at home, and public transportation was not running. We called our Executive Team in for a meeting on the Wednesday after the flood to assess the damage and to begin to make a plan for remediation.

It was clear to all of us that this was going to be a challenge that was unprecedented in City Theatrical's history. Our first pass at inspecting our equipment showed that we had lost a lot:

- Every computer and server (yes, we had excellent backups)
- Every manufacturing machine was damaged and inoperable. Some were not repairable.
- Every work bench top was ruined
- Nearly every hand power tool was damaged
- Nearly every hand tool was rusted
- Punch press and press brake tooling started rusting immediately
- Power press dies started rusting immediately
- All raw materials and finished goods below 39" were damaged
- The contents of every file cabinet were soaked and ruined
- All office furniture was destroyed
- All phones were destroyed
- Our truck, fork lift, and scissors lift were destroyed
- All sheetrock was soaked to over 3'
- All carpet was ruined
- Many oak office doors were damaged
- Most engineering and electronic test equipment was damaged

That was the status on day three of the flood.



The darkness before the dawn. Our beautiful factory was brought to its knees.

A Temporary War Room

Without power, internet, or computers, we set up a temporary command post for our Executive Team. We had a generator, cell mobile hot spot, and laptops, so we had a very rudimentary war room underway immediately. By Thursday, the rest of our staff who had cars started to trickle in after taking care of their families.

We immediately hired a remediation company and started to clean up the building. Three dumpsters of trash went out immediately, including all the carpet and office furniture and all sheetrock below 4'. The remediation team brought in 20 workers who joined our team of up to 30 workers so the pace of cleanup was fast. The entire building was pressure washed, squeegeed clean, sanitized, and dried with fans and blowers. In three days the building was clean and dry.

The first days were cold, wet, hard work. Everyone was wet from the time they entered the building each morning. Waders, rubber boots, or more commonly, trash bags worn inside of shoes were utilized, but didn't stop anyone from being soaked and muddy all day long. We worked straight through the first weekend to try to get cleaned up so we could begin to get back into business. In all, we worked 12 long days without a break to clean, organize, sort, count, and plan, so we could begin to fill orders with the inventory that survived the flood.

The first few weeks were like a Chinese puzzle as we moved hundreds of skids of parts and material around the building so we could clean, dry, and sanitize each area. PRG sent us five extra pallet jacks and dozens of hampers to move and store parts as we cleaned up.



The sales office. Here the remediation team is pumping hot dry air into the offices to dry the walls. This went on for 48 hours.



Desperate times call for desperate measures. Here we are power washing the main electrical feeders and breaker panels, hoping they will come back to life when power is restored to the building.

No Power For Nine Days

The first turning point for us was getting our electricity back on. We didn't know the extent of the damage to our breaker panels but we knew that our main power feeds into the building were under water, and many of our breaker panels were also. We power washed the panels and feeders, and sprayed everything down with CRC contact cleaner and hoped for the best.

After working with small portable generators, and sitting in long gas lines for hours to get fuel



"We will be joined together in the common cause of building a great company. We will take care of each other and come through for each other." Each day in November started with a 7:00 a.m. company meeting.

for them, our power returned after being out for nine days. Our electric company put our fuses back on the transformer pole outside our building and wished us luck. We threw the main breaker, nothing blew up, and for the first time in nine days, we had lights and heat. Our staff cheered, and it was a boost of spirit for everyone, and a great milestone of our return to business.

The CTI Staff

We decided in the early days after the flood that we would provide lunch and morning and afternoon coffee for our staff, and that we would eat together each day in a temporary clean area we set up. We also met each morning for a full company meeting at 7:00 a.m. as our day began to discuss our challenge and to plan our strategy. This morning meeting took on a larger life as the weeks went by and became the spiritual center of our task. We have a good number of Spanish speakers in the company, and we translated everything to be sure that all were included in the process. We also invited anyone to speak about whatever was on their mind. Although we are not a religious company in any way, we also prayed together to our Higher Power to get safely through this difficult time, and for the safety and health of everyone else who suffered in the storm. This morning meeting gave us a lot of strength.



Clean and dry, new manufacturing office, getting ready for production.

A Physical Loss, A Spiritual Gain, A Stronger Company

We are fortunate to have insurance that will help cushion some of this blow, but this event has been a real challenge for us. We will have lost five weeks of production by the time we get back up and running. Once we got phones and computers back we were able to begin to fill orders for finished goods out of the stock that was not lost. Our sales team concentrated on speaking with customers, getting orders into the system, tracking down inventory, and packing products from a shipping department that had been completely destroyed. We are fortunate to have been able to be in limited business for the last two weeks albeit at a fraction of our normal volume. We fared better than many businesses in the area, many of whom will never reopen. Our fast growing London company was unaffected by our flood and had ample stock and except for some computer and phone problems caused by our U.S. office, had normal business functions.

We gained strength at our core that can only be forged under pressure. We made decisions every day that would normally take weeks or months to make. Several elements of the City Theatrical Culture were reinforced throughout this period:

- "It is difficult to say what is impossible, for the dream of yesterday is the hope of today, and the reality of tomorrow."

- "We will treat problems as an opportunity to learn and grow."

- "We will take care of each other and come through for each other."

The entire CTI staff worked tirelessly and with great cheerfulness and humor in the face of adversity. I am in awe of what they did and their determination to get the company running again, and to grow it and make it better than it ever was.



Break's over. . . . let's get back to work.