

Business Continuity

- The ability of an organization to ensure continuity of service and support for its customers and to maintain its viability before, after and during an event.
 - *Disaster Recovery Institute International*

Business Continuity Planning Is:

- A management process
- Proactive, not reactive
- Concerned with the consequences or impacts, not the cause of an interruption
- Focused on organizational resiliency
- Identifies critical business processes
- Incorporates but goes beyond disaster recovery (IT)

Business Continuity in a Port Environment

- Multi-jurisdictional
- Supply chain partners
- Diversion not necessarily an option
- No security system impenetrable

Trade Impacts

- 24.2% of all U.S. export container traffic
- 40.6% of all U.S. import container traffic
- \$256 billion in trade annually

Economic Consequences

- The Congressional Budget Office estimates a one-week shutdown of LA – LB would have a short-term macroeconomic effect ranging from \$65 million to \$150 million per day
- 2002 closure of West Coast Ports estimated to cost \$100s of millions to several billion per day

National Initiatives

- DHS Maritime Infrastructure Recovery Plan
 - Area Maritime Security Committee
- Coast Guard
 - Harbor Safety Committee
- Maritime Sector Coordinating Council
- AAPA

State Initiatives

- CA Maritime Security Council
 - Proposition 1B funds
 - Recovery and reconstitution subcommittee
- Initiative 5: Enhance Port Security
 - Project 5: Regional Business & Government Continuity Planning

Local Initiatives

- Continuity of Operations (COOP)
 - Federal government-wide initiative
 - Public sector equivalent of business continuity planning concept, deals with how to keep a government's critical day-to-day operations going
- Pandemic Planning
 - More scenario based, but addresses a major loss of employees

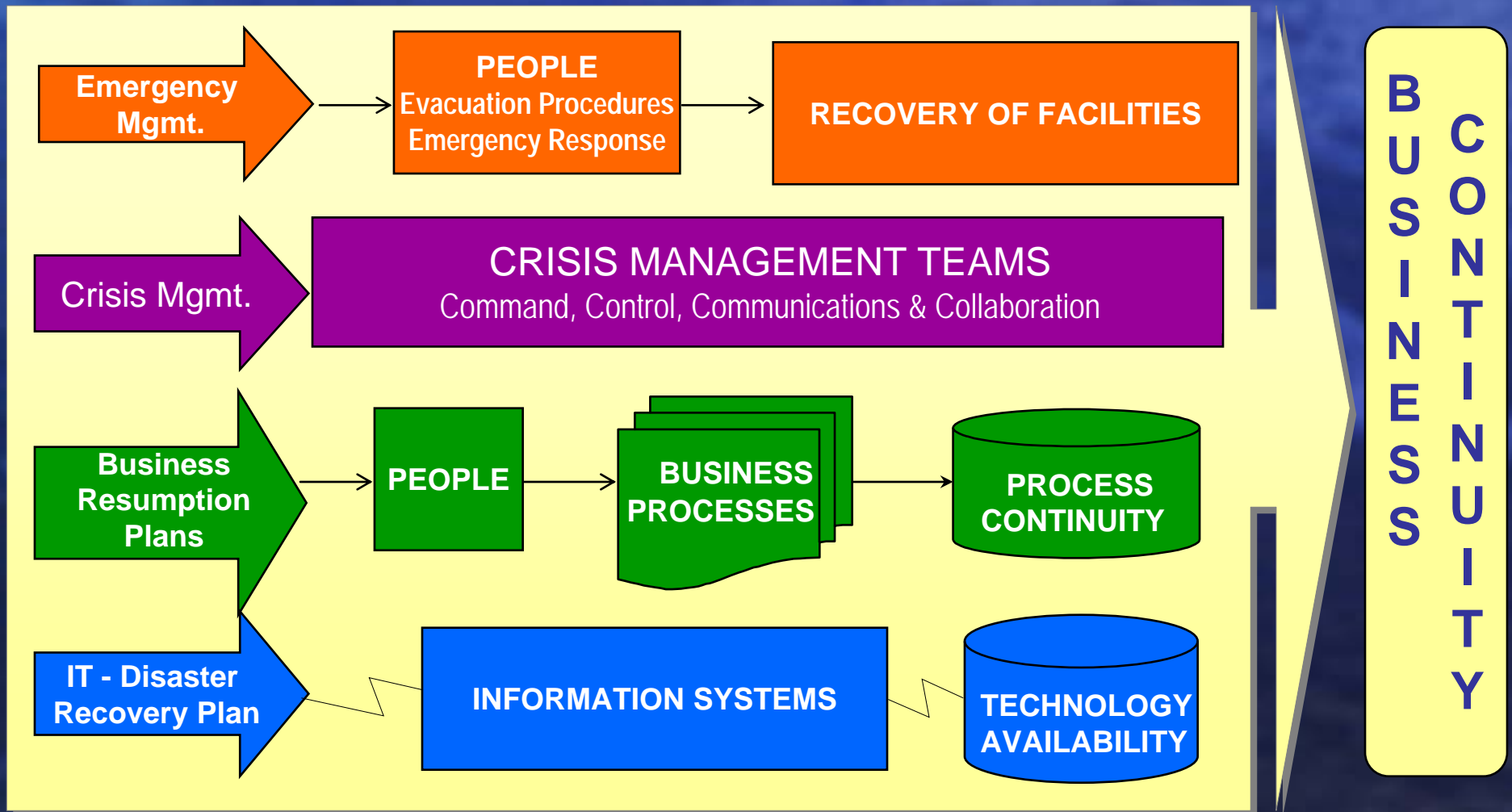
Industry Initiatives

- Customers
 - Wal-Mart
 - Home Depot
 - J.C. Penny
 - Mattel
 - Aerospace
- Utilities
 - Southern California Edison

POLB's Approach to Business Continuity

- Engage all employees in understanding BCP concepts
- Use a sophisticated planning tool to document and organize critical processes, technology, facilities, and vendors
- Coordinate with emergency response and disaster recovery efforts at multiple levels

Program Components



Scope of POLB's Effort

- Phase I: Port Administration
- Phase II: Port Tenants
- Phase III: Harbor Complex
 - Integration with
 - City of Long Beach
 - Port of Los Angeles
 - Other local stakeholders
 - State of California continuity efforts

Lessons Learned

- 9-11 Terrorist Attacks
- Hurricane Katrina
- Kobe Earthquake
 - \$700 billion in manufactured goods annually
 - Approximately 70% of companies had not recovered their pre-earthquake sales/production levels one year later
 - Sole sourcing a problem for industry world-wide
 - Public perception also a factor

America's Port, America's Economy

