


Customer Segment Story: LUMBERYARDS

A true testimonial brought to you by **FireKing** 

The National Fire Protection Association has developed a formula to gauge the hazard associated with a potential industrial fire at a specific type of business. Using the formula, each type of business is assigned an “occupancy hazard number” which ranges from 3 through 7, with the occupancies with the greater hazards receiving lower classification numbers.

To no one’s surprise, lumberyards are rated a “3” for severe hazards, along with fuel storage depots, distilleries, explosives manufacturing/storage, and oil refineries. In the unfortunate instance of a lumberyard fire, the blaze would develop very rapidly and create very high rates of heat release. One recent lumberyard fire involved such high temperatures that plastic bumpers were melted off cars that were parked more than 50 feet away.

Even if the inventory and property is properly insured and the payoff is prompt, the prospects for a full business recovery after a fire are dubious – unless timber products dealers take specific steps to protect their vital business records. New Home Building Supply, a lumberyard in Sacramento, California, gained a first-hand understanding of this concept in 2002 when a fire ripped through the property, destroying employee files, accounts payable and receivable documents, legal contracts, credit applications, tax returns and the entire building supply store. Although they recovered and opened for business within one week due to the hard work of their employees and the loyalty of their customers, New Home Building Supply was only able to re-create about 85 percent of the company’s customer list.

Brett Nichols, the Chief Operating Office of Nichols Lumber and Hardware in Baldwin, California, takes no chances with this risk. Although they do employ an outside vendor to store and protect vital business records at a secure, off-site location, the family-owned business still finds it necessary to keep a number of vital records onsite so that the administrative staff has access to them. Recently, Mr. Nichols made the decision to purchase about a dozen FireKing 3-drawer lateral fireproof filing cabinets from for this purpose. As he describes it, “we like to make the best usage of the space available in our work areas, and the 3-drawer lateral file is the perfect height to double as a work surface.” The bulk of the cabinets are used by personnel and accounting, and the vital records that are kept there mostly consist of customer information and personnel records.

When asked about the company's first usage of fire-rated fireproof containers, Nichols recalled that "...it has always been a given in our business...Before the Nichols family got into the lumber business, our mother was a bank teller, so it was a matter of procedure that every record we had was always stored in some sort of fire-rated safe or vault-like container."

The timber industry is considered enough of a high-risk business (local sawmills and lumberyards face the long-term risk of local timber supplies drying up, disease, market fluctuations, and possible stifling environmental regulations) without even considering the added danger of vital records loss. So, as Mr. Nichols will tell you: "Don't add to the overall risk profile by failing to protect your vital records properly."