



Environmental & Safety Report

BP Gulf Disaster: A Powerful Reminder To Update Your Company's Catastrophe Response Plan

Few companies will ever have to address an environmental catastrophe of the magnitude confronting BP in the Gulf of Mexico. This catastrophe, and its continuing aftermath, however, should serve as a stern reminder that environmental calamities and workplace fatalities may unexpectedly appear around the corner for any company, and it does not have to rise to the level of the BP oil spill to impact significantly a company's financial standing or reputation. In 2009 there were over 5,000 workplace fatalities, and an unknown number of fires and accidents that occurred at corporate facilities across the country. Many of these companies – either as a matter of regulatory compliance or internal safety controls – had contingency plans in place to deal with emergencies. Unfortunately, many also learned that what read well on paper did not function as expected in practice. An out-of-date or untested contingency plan can in fact make matters worse by creating confusion over lines of communication and authority, and by exposing the lack of training, equipment maintenance, and overall preparedness when these systems most need to work.

Employers should have a catastrophe response plan in place that addresses basic issues such as:

- Who will be the corporate executive responsible to act as the “lead” in the event of a workplace catastrophe;
- Who will be on the catastrophe response team;
- What steps should be taken in the minutes, hours and days following a catastrophe;
- How to deal with federal, state and local agencies who investigate workplace catastrophes (e.g., OSHA, EPA, Chemical Safety Board, Police, Fire);
- How to conduct root cause investigations;
- Whom to contact for insurance claims;
- How to respond to the media; and
- How to assist company employees dealing with the stress and grief that is the natural result of a serious workplace accident.

The plan should be reviewed and updated at least annually to ensure all contact information is current and to address any changes in the corporation that may impact the plan (e.g., acquisition of new subsidiary or purchase of new facility).

A workplace catastrophe sets into motion an extremely fluid and stressful series of events that can jeopardize the foundation of even the best organizations. A thorough and up-to-date contingency plan is a critical corporate tool that provides invaluable assistance to the company in responding to these difficult events. Obviously not every environmental or safety catastrophe can be anticipated or prevented, but the means and methods of effectively responding to these events can and should be made an integral part of a company's business operation. Seyfarth Shaw's catastrophe response team regularly assists corporations in ensuring that their catastrophe response plan is sound and that their regulatory obligations are being met. ([Catastrophe Response brochure](#)).

For further information contact your Seyfarth Shaw LLP attorney or any member of the Firm's Environmental, Safety and Toxic Tort Group (www.seyfarth.com/environmental).