



FEMA

Biotechnology Company Uses Safety Genentech Seismic Upgrades

San Francisco, CA - Genentech, Inc., is a leading biotechnology company that discovers, develops, manufactures and markets human pharmaceuticals for significant unmet medical needs.

To protect their employees and reduce business interruptions in the event of a natural disaster, Genentech has developed a comprehensive disaster preparedness program, which includes the establishment of a fully trained and supplied emergency response team and the evaluation of the structural integrity of their facilities.

A risk assessment was done to determine the level of risk for natural hazards and to devise an appropriate response plan. One of the primary goals was to minimize the amount of damage to their facilities and to prevent the possibility of a "red tag" or condemnation situation, with the ultimate goal of minimizing business interruption. Upon completing the evaluation, mitigation projects were identified along with associated costs, which in turn were compared to the cost of insurance. It was determined the value of the facilities and production time was such that the real value of insurance was questionable.

Genentech officials decided to invest in the retrofitting of their facilities. One plan included the development of corporate-design guidelines for new facilities. The second included a seismic upgrade plan for existing facilities. The decision to pursue upgrades of existing buildings was made with consideration for the practical aspects of insuring for business risk, and the real need to assure business continuity. The structural retrofit work exceeded the current minimum building code requirements. Non-structural retrofit for seismic preparedness included bolting and bracing shelves, as well as adding shelf lips or edges to stabilize items placed on them. Emergency power generation was also deemed necessary for many of the critical facilities with adequate fuel available for at least 72 hours of operation.

Genentech estimates that facility-loss values could be from zero to \$30 million per building, while business interruption could potentially be somewhat in excess of those values. Loss of production time that could result from the effects of a natural disaster, primarily earthquake, was determined to be an unacceptable risk. Business continuity is of vital concern to Genentech to support the advancement of science and to meet the unmet needs of their customers. Mitigating the buildings and establishing a comprehensive employee preparedness plan will reduce significant risk to the organization in the event of future disasters.



San Francisco County,
California



Quick Facts

Sector:

Private

Cost:

\$4,000,000.00 (Estimated)

Primary Activity/Project:

Retrofitting, Structural

Primary Funding:

Business Owner