

Annual Report

2013

Client Profile: EMC Corporation

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RESILIENCE



Resilience in New Industries

EMC Corporation

Scott Ross
Senior Director, Treasury
Equity Finance and Risk Management

Ann Barry
Director, Risk Management

Anja Rittling
Principal Financial Analyst, Risk Management

“Location, landscape and landlords: Those are the key challenges EMC must effectively address with our risk management program when operating outside of the United States,” says Ann Barry, director, risk management. “We have a strong global presence, and every country has different building standards. We must negotiate with local landlords to ensure our facilities are of the caliber we need to run our business; and that was certainly the case with our operations facility in Bangalore, India.

“We wanted to centralize our operation in a new multistory building, bringing workers from various locations under one roof. To do so, we planned to construct a building that adhered to the protection standards we feel strongly about. This project would take place in a developing market. In general, landlords in the region are used to dealing with traditional building designs and local building codes that do not meet our expectations for a business operating in the technology industry.”

Identifying critical areas: “Our local facilities team collaborated with the landlord and FM Global in the early stages of the project and stressed the importance of building above local standards,” recalls Scott Ross, senior director. “After the specs were provided, FM Global worked with the facilities and employee health and safety departments to put together a master list of recommendations. Unfortunately, the owners of the property initially couldn’t meet many of the recommendations; but our team worked closely with them and FM Global field engineers to identify critical areas. We determined pretty quickly that reducing the fire hazard was essential. That meant addressing two key areas: installing an FM Approved water pump and adequately sized holding tank, as well as a sprinkler system that was appropriate for our operations. The landlord was able to meet us halfway, and most importantly, they agreed to incorporate all of our fire safety measures into the building’s design and construction.”

Says Anja Rittling, principal financial analyst, “We believe we have met some very high standards, particularly around fire safety; and as a result, we have a very well-protected building that offers our people a safe place to work.”

“This was a big win for us,” Barry points out, “and we think we may not have gotten here without FM Global.”

The Value of Risk Improvement

FIRE LOSSES

WEAK PRACTICES US\$3,400,000

US\$724,000 STRONG PRACTICES

NATURAL CATASTROPHE LOSSES

WEAK PRACTICES US\$3,200,000

US\$478,000 STRONG PRACTICES

It has been proven that average gross losses are substantially lower in facilities where loss prevention practices are implemented.

“EMC and FM Global met right at the outset of the project
and stressed the importance of **building above local standards.**”



Scott Ross



Ann Barry



Anja Rittling