

Starting clean over

Vermont Soap factory reopens in Middlebury

By SARA WIDNESS

Being in business is about being able to assemble the team to get the job done. This truism played out recently in the life of Larry Plesent, founder and CEO of Vermont Soap. Since 1992, the company has produced natural and certified-organic personal care products. Recently, the business overcame a situation that would challenge any company's resolve.

At about 8 p.m. on June 4, a fire destroyed Vermont Soap's manufacturing operation. What followed is a case study in keeping a team together while restructuring a physical plant after a disaster.

The first thing, recalled Plesent, was being "descended upon by all kinds of clean-up offers. We immediately established a protocol to work only with people known to them, and demanded identification of anyone who showed up. You had to prove you had a license to be on our job site."

Next came an assessment of who was already on the company's team, as in, among others, electricians and plumbers, engineers and carpenters.

"There were a couple of holes in our team so we had to begin an interview process to determine who we could work with," Plesent said.

If it can be called luck, "We were already in the process of expanding into a building literally 30 feet away" from where the fire occurred. This meant that some of the equipment was out of the range of the fire. "We were slowly making our way into that [new] complex. Then the fire occurred and kicked us right over the cliff."

Then followed about two weeks of uncertainty. "Should we try to stay in the old place or relocate?" And here's where this disaster moved the company in a new direction. Instead of the smaller space 30 feet away, Vermont Soap took a five-year lease on the much larger 25,000 square feet in a building a half a mile away owned by Toni Neri, the landlord who had already been leasing them space.

At the same time, decisions were made to sustain business as usual.

"We decided that we would keep everyone on payroll and working," Plesent said. Sales people were equipped with cell phones, and emails were transferred to their personal digital devices so they could stay in touch with customers.



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Ethan Brash, master soapmaker at Vermont Soap, prepares to make 2,400 bars of Oatmeal Lavender.

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—Larry Plesent, Founder & CEO, Vermont Soap Co.

"Working with our webmaster, we shut off our company e-commerce website, sitting on literally over 100 orders at the time of the shutdown. We had to contact all of those people individually."

Inventory was moved from the soot-filled space to the new location. "Then we did triage on everything we had to see what could be sold and what couldn't. We examined and moved every item we owned, often repeatedly."

Within 10 days, the new server was up and running in its freshly painted server room, and 52 light fixtures were changed out. Over the next six weeks, washable wall surfaces and a clean room were installed. Air conditioning and ventilation were upgraded. Three-phase power was bought into the building and a new water system was installed.

"Right off, we cut 162 feet of modern, enclosed floor drain into the concrete floor. It was the messiest part of the renovations, and the first thing the crew asked for on their wish-list for the new building," Plesent said.

Thanks to his assembled team, the company was shipping product six weeks after the fire.

"Our insurance agent has been unbelievable. If it wasn't for her [Shelie Richardson of Clark Mortenson Insurance and Financial Services] we wouldn't have a business today. I was having nightmares about my insurance being inadequate [over a year before this happened]. We decided to find the smartest agent we could find. She [Shelie] is so sharp and on point. We asked her to review our insurance in light of preparedness for a disaster." Subsequently

for some 18 months before the fire, working with the new agent, the company's insurance had been upgraded.

"We had all the wrong insurance before," Plesent continues. "Business owners don't know what their insurance really covers. All they know is that they pay too much. We made the decision to pay the extras to be sure that we were covered."

Plesent learned that the company was overinsured on the equipment side, because equipment can be salvaged and refurbished. "But we were underinsured in business interruption insurance. I gave us 90 days staying power. We made it because we had product to sell. Otherwise we would have been in trouble. I recommend that you insure for at least four months staying power — minimum. Three months was tough, and we really had to hustle to get back into production."

Plesent continued, "We also decided that every time we brought equipment on line we would do it bigger or in some way increase our capacity. If we had 1,200-gallon tanks, we bought 2,000-gallon tanks. If we used to use cardboard boxes, we now use nice plastic bins."

The company did lose some business which Plesent doesn't expect to recoup.

"We do a lot of contract work. When you lose a contract you're done, you're toast. Our largest customers, the anchor ones, they weren't happy about us being down for three months but they got it. Some of our newer, smaller clients ... well, they didn't get it the same way."

Working with Plesent and his 20-person in-house staff were Glen Peck Electric Inc., Middlebury; Bill Lohsen Plumbing and Heating, Wallingford; Fyles Brothers, a Vermont heating service in Orwell; Guillot-Vivian-Viehmman Architects Inc., Burlington; Hawksworth Bibb Inc, an engineering firm in Williston; Clear Water Filtration, Warren; Neil Langer consulting electrical engineer from Mendon; and Efficiency Vermont.

The Vermont Soap Discount Factory Outlet and Soap Museum is open Tuesday through Saturday from 10 a.m. to 4 p.m. It is located at 616 Exchange Street, Middlebury, Vt. 05753.

To contact Vermont Soap, call 802.388.4302 or email info@vtsoap.com. The company's website and videos are at www.vermontsoap.com. ♦