

Best Buy reopens store in Puerto Rico after months of helping employees recover

Move is part of retailer's aid to hurricane victims.

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Best Buy was able to reopen one of its stores in Puerto Rico on Friday.

While its stores on the island have been closed, Best Buy has still been paying its employees in Puerto Rico since September when Hurricane Maria caused once-in-a-lifetime damage to the island.

Many still don't have power or in some cases running water, but some can get back to a sense of normalcy and to work again. Best Buy finally reopened one of the stores Friday, complete with special kitchen packages — and financing options — because so many of the U.S. island's residents had appliances destroyed by flooding. More than 100 people lined up outside the store in the Hato Rey neighborhood of San Juan for its grand reopening.

That store will need more repairs after the holidays, but it was important for the community — and for employees — to open it, said Paula Baker, president of Best Buy's U.S. stores.

The Richfield-based electronics chain had three stores, a distribution center and 300 employees on the island before the hurricane and worked frantically to contact them after Maria hit in mid-September. Some employees are still in temporary homes. About 50 of them took Best Buy's offer to evacuate and are living with friends or family in Florida.

Best Buy spent about \$750,000 to charter planes that made seven trips to take employees to the mainland and 14 trips sending much-needed supplies of diapers, water and food in the disaster's immediate aftermath.

“Many of these decisions came at a cost,” Best Buy finance chief Corie Barry told investors last month after the retailer reported a financial effect on sales and profits from the fall hurricanes. “But they were definitely the right thing to do.”

Between the hurricanes in Texas and Florida and wildfires in California and Canada, it’s been an especially disaster-prone year for many U.S. retailers who have temporarily closed stores, spent time repairing damaged buildings and shifted workers to other stores. But the hurricane in Puerto Rico tested retailers in another way, presenting chains such as Best Buy with unprecedented challenges.

“It’s isolated – it’s an island,” Baker said. “We’ve never had to deal with evacuating employees who are stranded with no resources.”

With cellphone and internet access spotty amid the lack of power, it took Best Buy several days to reach most of its employees.

Davian Altamiranda, Best Buy’s Miami-based district manager for Puerto Rico and south Florida, recalled the chilling moment the morning after the hurricane when none of the store managers called into a scheduled 9 a.m. conference.

“My mind was racing,” he said. “Everything stopped for me. ... With Irma, I was able to drive to the stores myself. But our team was on an island. I’m hours away. I don’t have a flight. It was a helpless feeling.”

It took Best Buy a month to reach everyone, the most difficult to reach being those who lived in more mountainous areas where roads were washed out.

“To add insult to injury, no one could get to them,” Baker said. “We couldn’t get ships into the port. We couldn’t get airplanes on the runways. And they were running out of resources.”

With credit card machines down, Best Buy gave about 190 employees who had the most need \$200 in cash in the first few days after the hurricane. In addition to continuing to pay workers their regular paychecks, the company also deposited an extra \$1,000 in each employee’s account to help them buy emergency supplies. The additional funds came from a special disaster fund set up earlier this year through the family foundation of Best Buy’s founder, Dick Schulze. (Any Best Buy employee can apply for grants from the fund, which has given out about \$2.4 million this year to employees affected by various hurricanes, wildfires in California and Canada, and an earthquake in Mexico.)

But still, Best Buy began to hear from employees in Puerto Rico that they were worried about running out of diapers and that food was running low since supermarkets were closed. One employee began to panic about being able to find almond milk for her lactose-intolerant toddler.

Executives brainstormed how they could get supplies to their employees quickly. Could they charter a ship? Could they send packages via UPS? They decided that small planes were the best option. Its crisis operations team found an ambulance plane and some other chartered planes that were willing to fly supplies down.

Altamiranda and a team went to a Costco in Florida with a list of items employees requested – items ranging from water to food to diapers to dog food. The merchandise filled up two big trailer trucks.

When they got to the airport hangar, Altamiranda’s jaw dropped when he saw how small the plane was, wondering how all of the items would fit.

He was quickly told that corporate had cleared it to take as many trips as needed to get everything to the island.

Altamiranda flew to Puerto Rico to take the supplies to the Hato Rey store, Best Buy’s central meeting point during the crisis.

Many workers were anxious to find out when the stores would reopen so they could get back to work.

He reassured them, telling them that Best Buy would continue to pay them even while the stores were closed.



Best Buy chartered a plane and airlifted household supplies to its employees in Puerto Rico after Hurricane Maria.

“When I saw the sea of blue shirts, it was so emotional for me,” he said. “All you kept hearing was ‘I can’t believe Best Buy is doing this for us.’ ”

When the planes returned to the mainland, they came back carrying the employees who wanted to evacuate, including those people with medical conditions.

The company evacuated 47 employees in all, about a sixth of its total workforce in Puerto Rico, in addition to 29 family members.

One of them was a mobile phone supervisor who was seven months’ pregnant and diabetic, worried about keeping her insulin refrigerated amid the heat with no power and no ice.

“She left Puerto Rico with two suitcases, her son and husband, not knowing what was next,” said Altamiranda.

In Miami, Best Buy employees threw her a baby shower. She had a healthy baby boy in late November.

On the U.S. mainland, when stores close because of a natural disaster, big chains often transfer employees to nearby stores that did not suffer as much damage.

That's what Best Buy did, for example, in Humble, Texas, where the store had 3 feet of water in it after Hurricane Harvey blew through in late August. While most of Best Buy's stores in Texas reopened within days, that store remained closed for more than two months, reopening in early November.

Other retailers

Minneapolis-based Target, which doesn't have stores in Puerto Rico, temporarily closed more than 30 stores in Texas because of Harvey and gave employees "disaster pay" for up to a week, and then offered them work at nearby stores if their store was closed longer than that, said spokeswoman Jenna Reck.

It also gave employees affected by Harvey \$100 Target gift cards.

In Puerto Rico, other big retail chains on the island such as Walmart, Home Depot and Sears have also hustled to reopen stores.

All but two of Walmart's 45 stores on the island have reopened, said company spokesman Phillip Keene.

The recovery has been slower than hoped because of continued challenges with power and communication, he said. So the retailer sent electricians and other skilled support teams down to help get stores back up and running, and used a corporate plane to bring emergency insulin to its pharmacies.

Best Buy, which first expanded to Puerto Rico a decade ago, is still not certain when its other two stores on the island will reopen.

As for the employees who were evacuated, most of them are now working at Best Buy stores, mostly in Florida.

Kamy Scarlett, Best Buy's human resources chief, said: "When they're ready to return to the island, we'll certainly pay the relocation for them to return."