Rising Tide

NEXTSTEP shines during urban emergency

It may have been the biggest calamity in Chicago since the day Mrs. O'Leary's cow kicked over the lantern.

In May of 1992, a construction crew driving pilings in the Chicago River pierced a gaping hole into a section of the city's archaic coal-distribution tunnels. Millions of cubic feet of water rushed into the tunnels, rapidly flooding the below-ground levels of most of Chicago's downtown office buildings.

Within minutes, the power company shut off electricity to the whole of the Chicago Loop. Immediately, the trading firms centered on LaSalle Street put emergency response plans into action. Critical computer systems and data were transported out of the buildings to waiting limousines, helicopters, and whatever makeshift transportation was available.

Swiss Bank Corporation was able to reroute its pending transactions through global networks to offices in New York and London, while it physically rebuilt its Chicago operations in a western suburb of the city. Non-NEXTSTEP companies weren't so lucky. At the Chicago Board of Trade, nerve center for much of the worldwide activity in financial derivatives, trading ceased for five days.

With this critical market closed, money managers around the world found themselves without a means to hedge their financial risks. As a result, transactions in many international markets slowed to a crawl while the world waited for Chicago to dry out.