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Restaurateurs,

As I'm sure you are all keenly aware, the COVID-19 pandemic and the necessary response to combat it has put a severe strain on the restaurant, bar, café, and the food service industry as a whole. Initially there were cancellations of events at convention centers, conference centers, hotels and large event venues. This has since morphed into restrictions placed upon restaurants to practice social distancing and limiting seating capacity. Then it changed once again to our current situation where restaurants are being told that dining is now limited to takeout or delivery only. Needless to say this has put a serious amount of stress on our industry.

Now is a good time to go over some of the practices that we can implement to streamline our operations given the new reality we face for the time being.



INVENTORY CONTROL



TAKE A FULL INVENTORY OF ALL **GOODS IN HOUSE.**

This will allow you to take account of all products now and prepare you to track any losses you may experience. It will also allow you to understand how much money you have on the shelves. Knowing exactly where you are at now will pay off.

REASSESS YOUR MENU AND CONSIDER REDUCING YOUR OFFERINGS TO THOSE THAT WOULD BE BEST PUT IN GRAB-AND-GO CONTAINERS.

For example, that French Onion soup, while delicious, will not have melted cheese on top due to the Styrofoam container. Consider reducing your menu to only your best-selling items. Consider specials to use up your inventory that has the most potential of going bad. Adjusting your menu will help you reduce your costs, reduce your inventory, and better serve your clients.

3

MINIMIZE YOUR ORDERING.

Only buy what you need after considering any edits to your menu. This will help you keep your costs down.

PRESERVE WHAT YOU CAN.

4

Freeze any products in your inventory to extend their life, even if for a few days as we don't know what tomorrow will bring. Sauté that spinach and freeze it. Review your recipes and consider ingredients you can prepare and freeze, for instance caramelize the onions and garlic and freeze them as they will get buzzed up in the vinaigrette. Freeze and veggies that will be used in purees, soups, etc. Minimizing loss through preservation will help in the long run.

5

DONATE WHAT YOU CAN.

Food banks and shelters are always looking for donations. If you have inventory that you know will spoil or that you won't otherwise be able to use, consider donating it to a good cause. It's a good thing to do and it will help with your taxes. Also consider giving what you can to your employees as every little bit helps.





CUSTOMER INTERACTIONS



DELIVERY PARTNERSHIPS.

Consider using UberEats, GrubHub, Postmates, DoorDash, etc. These companies are designed to take your food to your customers and will minimize social contact. If your restaurant is not already a client inquire about new member incentives as there may be some you can take advantage of.

CONSIDER DELIVERING YOUR OWN PRODUCTS.

Shifting employees to delivery such as wait staff or front of house personnel as well as any back of house employees that would otherwise find their hours cut will help retain jobs and quality staff. You have trained them and don't want to lose them if you can and this is one potential way to help. I can't speak to the legalities of this in terms of insurance, switching them to contractors, etc., but considering the state of willingness to adjust rules and regulations to keep economic sectors in business this may be an option.

SOCIAL DISTANCING.

Having procedures for takeout and delivery to minimize social contact is a must according to health professionals.

CONSIDER MOVING TO CREDIT ONLY.

4

I know many won't like this as cash is king, but is is dirty on a good day. Considering the way COVID-19 is transmitted on fabrics and materials handled by those that have it, and considering the way cash moves about our society, it may be best to avoid it for the time being. A credit card machine is easy to wipe down and clean. Cash is not. But if you do take cash, consider precautions.

SOCIAL MEDIA.

5

If you don't already have a website, consider getting one. Get a Facebook business page. Let the world know that you're still in business and that you're still serving. Let them know what your specials are, their delivery options, make pre-orders for quick pick up, any products that aren't available that normally are. Email any clients whose information you may have to drive business your way.

ALTER YOUR HOURS OF OPERATION.

6

Consider changing your hours to reflect peak business hours. This will potentially lower your labor costs and, in conjunction with social media, will potentially drive up business during the hours you are open. Maximize your productivity by limiting your availability.





MAINTENANCE 🔀

NOW IS A GOOD TIME TO DO DEEP CLEANING.

1

Not only will this keep your staff busy and employed, but it will also address areas that have been long neglected. Clean that wall and floor behind the grill, oven, fryer and lowboy. Empty the racks and scrub them down. Detail the walk in. Front of house and back of house always has projects that get passed up due to business. Cleaning is always good even more so now that there is time available to address those often overlooked projects.

2

MINOR COSMETIC AND FUNCTIONALITY ISSUES CAN GET DONE.

That graffiti in the bathroom needs painting over with a color matched paint. Those tables with wobbles need leveling. That reorganizing that you've been too busy to get to can finally get done and with less business it won't be a strain on timeliness and service. Look around and touch things up. Don't get over ambitious as now is not the time to redecorate unless you have the funds. Make things neat, tidy, and cared for and people will notice when business picks up.

FUNCTION AND FLOW.

3

If you have had consistent issues with areas that are problematic, like bottlenecks with foot traffic, consider rearranging things a bit. Do the servers all go to the same computer area and clog up, get in each other's way? Is there that one table that causes people to stop, wait, let others pass, and then go because it's too narrow? Does the work flow not function as best as it could? Do employees have to go here to get this only to go there to get that? Move things around. Look to minimize steps especially on the line where doing so can make a big difference. Streamline your steps, your motions, and your procedures and your efficiency will only get better.



FINANCIAL ASSISTANCE



1

EDD-FILING FOR UNEMPLOYMENT FOR EMPLOYEES.

Filing when there's a drop in employee hours due to lack of business. For More Information Visit: edd.ca.gov/unemployment/Work_Sharing_Program.htm

EIDL UP TO 2 MILLION DOLLARS AT A FIXED 3.75%

2

The SBA Economic Injury Disaster Loan (EIDL) has terms up to 30 years designed to help you through the economic hardship we're facing. No application fee, no closing costs, 2-3 weeks approval, and funds can be available usually within 5 days of closing. Loan is deferred for 11 months meaning your 1st payment isn't due until the 12th. They've streamlined the process to help get funds to you as quickly as possible. This is a fantastic program that very easily could mean the difference between staying in business or having to close your doors permanently. Contact us and we can help.

3

SPEAK TO YOUR LANDLORD.

Talk to your landlord about deferment for step up lease options over the next quarter or two.

4

EMPLOY ENERGY CONSERVATION INITIATIVES.

With the cost of fuel and electricity high, any and all conservation measures can save you money.

5

COMPARISON SHOP YOUR INSURANCE POLICIES.

Many small business owners routinely renew policies annually rather than shopping around for better deals.

6

MANAGE PAYROLL.

Think long and hard before laying off employees. The economic downturn is temporary, and it will be very costly to find and train new employees needed when business is booming again.

7

CONTACT THE SBDC!

Several financial grants and loans programs are available from federal, state, county, city, and other sources. If you need it there is probably a source of funding that can help, and seemingly more keep being added every day. We can help you sort through it all, it's what we do - at no cost or catch.



1

REVISIT YOUR BUSINESS PLAN.

If you started out with a written plan to guide you, it's time to take another look. It may be that your initial business model is no longer viable in today's marketplace.

2

MEET WITH ADVISORS.

Where do you see your business in three years? What will it take to get there? What can you do now to make it happen? Meet with your accountant to strategize your tax planning for the rest of the year.

3

SOLE PROPRIETORSHIPS AND PARTNERSHIPS.

Creditors can look to your personal assets-your home, your car, and your savings--to satisfy their claims. Limited liability companies and corporations -Creditors can only satisfy their claims from business assets your personal assets may be protected. Consider making a structural shift to an LLC.

Remember, the SBDC can help you with EDD and EIDL step-by-step and help answer your questions!

Be prepared for change. Rumors fly, programs discussed, new policies made, new assistance made available, new COVID-19 containment regulations to deal with, and they all seem to get updated daily. What is good today may not be tomorrow. Just do your best and let us help.

HANG IN THERE!

We're all in this together even though it may not feel that way. With all the social distancing and stress of worrying about your business it may feel like you're all alone with the weight of the world on your shoulders. Let us do our best to help you through this tough time and come out stronger when it's all over. There are over 350 million people in this country and we're already getting a bit looney with cabin fever. Imagine, when things have cleared up and the danger has passed, how ready everyone will be to get out of the house, have a drink, and have a good meal. What you do now will have a direct impact on your business later. Take advantage and get ready. In the short term it may get worse, but in the long run it's only going to get better and better.

Schedule an Appointment Now! No Cost, No Catch 1-800-616-SBDC (7232) | ociesmallbusiness.org



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