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## St. Patrick's Day Ends With Dimmed Lights. What Should Business Owners Do Now?

Throughout the United States, business owners in the hospitality and movie exhibition industries are facing an uncertain future as they are ordered to shut down with little guidance or comfort on when they can expect to reopen.

By **Marbet Lewis** | March 18, 2020



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Throughout the United States, business owners in the hospitality and movie exhibition industries are facing an uncertain future as they are ordered to shut down with little guidance or comfort on when they can expect to reopen. Our local restaurants, bars and movie theaters have historically held their doors open during times of crisis to distract us from the news of the day and surround us with friends and family. So, as we wave goodbye for now to the hostess at Bulla and the ushers at Regal Cinemas, we need to step up as loyal patrons and service providers to help guide our neighbors, clients and partners through some of their most difficult times.

We started the week with hopes that mass global cooperation and government officials could find a way to keep our businesses open. Fortunately, many restaurants can continue food and alcohol sales after bars and nightclubs shut down, pursuant to unique exceptions to emergency orders for take-out and delivery services that will soon be in high demand. If your business has been ordered to shut down, focus on whether any aspects of your business can continue operating safely and whether there is any service, even outside your normal business, that can be of use to satisfy a public need. Start by formalizing your closing procedures and confirming the most recent emergency orders, which are now starting to show consistency from one jurisdiction to another.

If you are in the restaurant business and have not joined the online food ordering and delivery community, now is a good time to start. You may even find that your current business licenses allow off-premise food or alcohol delivery. If not, replacing or upgrading your current licenses may be an easy switch that is worth the immediate effort to keep your business operating and providing a much-needed service.

If continued operation is not practical or not possible based on emergency orders, then it's time to shift efforts to stabilizing costs, preserving inventory and planning for re-opening. Plan for the immediate crisis and look toward re-opening goals. Review your active insurance policies for any business interruption allowances and commence gathering applications and required paperwork for any claims filings. Additionally, you want to review current vendor and lease agreements to understand your rights as a tenant and customer. Contact your accountants and business advisers to develop a business interruption plan and reduced operating budget during the closure period. But understand that while your business interruption may be temporary, loss of income—even on a short-term basis—can be crippling for your employees and their families.

Part of closing and stabilizing costs includes preserving your current inventory. Update inventory logs and keep in mind that food and alcohol beverage wholesalers may be overloaded and understaffed as emergency orders are lifted. Work to identify essential items and perishable products, and communicate with your wholesalers early regarding possible changes to delivery schedules and potential interruption in supply chains. Ongoing communication with wholesalers can help you plan for product shortages and possible menu changes. If you currently hold an alcohol license, be sure to understand any license surrender requirements during business closure periods and update your inventory logs. Many states have already waived such requirements for these emergency closures, but alcohol licensees should follow-up with state agencies.

We frequently recommend that businesses faced with closure should log and seal all alcohol inventory and move alcohol products into locked storage areas to prevent tampering, contamination and loss. While many alcohol beverage products do not expire, you should confirm expiration and "use by" dates on beer, flavored liqueurs and flavored wine products. Some jurisdictions are waiving restrictions on alcohol beverage product returns or wholesaler buy-backs so you may be able to resell or return excess inventory.

Once you've locked up, be sure to keep communication lines open with employees and patrons and focus attention on a re-opening plan. Now is the time when any recorded consumer contact information becomes increasingly valuable. Prepare employees with a return-to-work plan and keep in contact with your patrons through your website and social media platforms. Remember, your patrons are just as eager to get back to enjoying their lives as you are to get back to business. Provide patrons with updates on expected opening dates and new offerings or promotions coming their way, as you get ready to re-open. Don't be out-of-sight and out-of-mind!

While it may seem that we as patrons or service providers to the sports, hospitality and entertainment industries are left to watch our favorite venues close, there is a lot we can do to offer our support. Loyal patrons can invest in gift cards, next season passes, and future vacation planning. As service providers, we

can share in loss just as we share in profit, by offering our valued clients that may be struggling and facing international, widespread closures discounts on fees, invoice forgiveness for the month of March, and extended payment polices and payment plans.

We, for example, are assessing long-term fee reductions and discounts on a proportional scale for those of our clients that are impacted by mandated closures and forgiving all fees associated with COVID-19 crisis management for our most impacted clients that are facing widespread, national closures.

While we don't know when, we do know that this crisis will pass. COVID-19 has taught us in the harshest way that we are all so much more connected than we imagined. So order food delivery from your neighborhood restaurants, buy some gift cards for summer blockbuster movies hitting screens later this year, plan your next vacation, and show your support for those establishments that have held their doors open for as long as they could.

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