BNB Resiliency and Recovery Program
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Food and Restaurant Industry Recovery and Resilience

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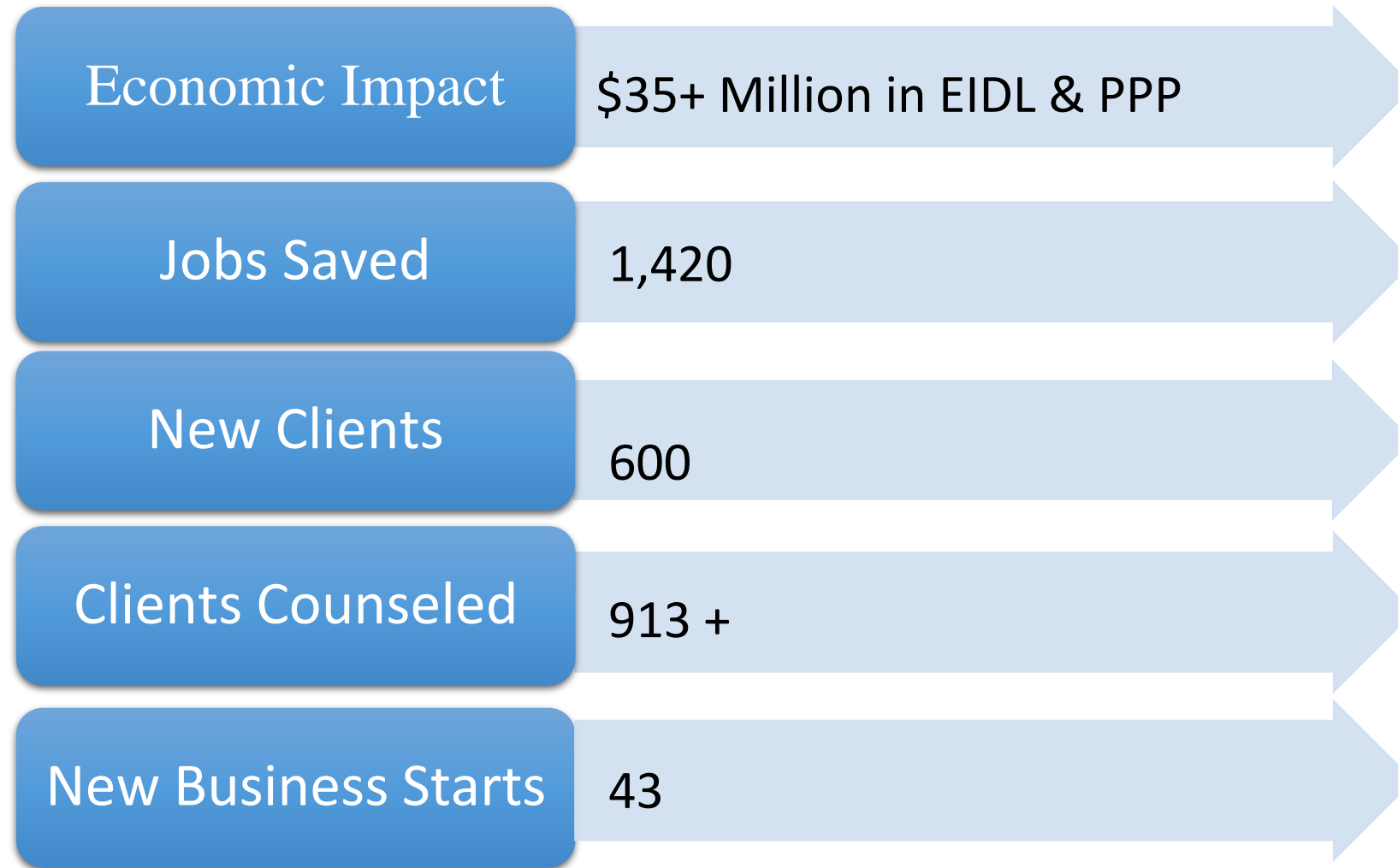**Brenda Zhang, MBA/CPA, Business Advisor**

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STONY BROOK SBDC
6 Month Pandemic Overview

Economic Impact	$35+ Million in EIDL & PPP
Jobs Saved	1,420
New Clients	600
Clients Counseled	913 +
New Business Starts	43

BNB Bank · AMERICA'S SBDC NEW YORK · Stony Brook University College of Business · STONY BROOK CENTER OF ENTREPRENEURIAL FINANCE

Stony Brook Small Business Development Center:

Helping You Start Up or Grow Your Established Business

The mission of the Small Business Development Center is to strengthen the small and medium size business community by providing customized business solutions through free and confidential one-on-one business advisement, education, research and advocacy for entrepreneurs and innovators.

SBDC Services

Confidential and no-cost, one-on-one counseling with New York State Certified Business Advisors

Assistance with business planning, marketing and financial management

Technology Transfer and Intellectual Property assistance

Monthly business solutions roundtable meetings

Workshops throughout the year on key topics and areas of specific concern for business owners

Research Network assistance for market research information, industry trends, customer discovery, etc.

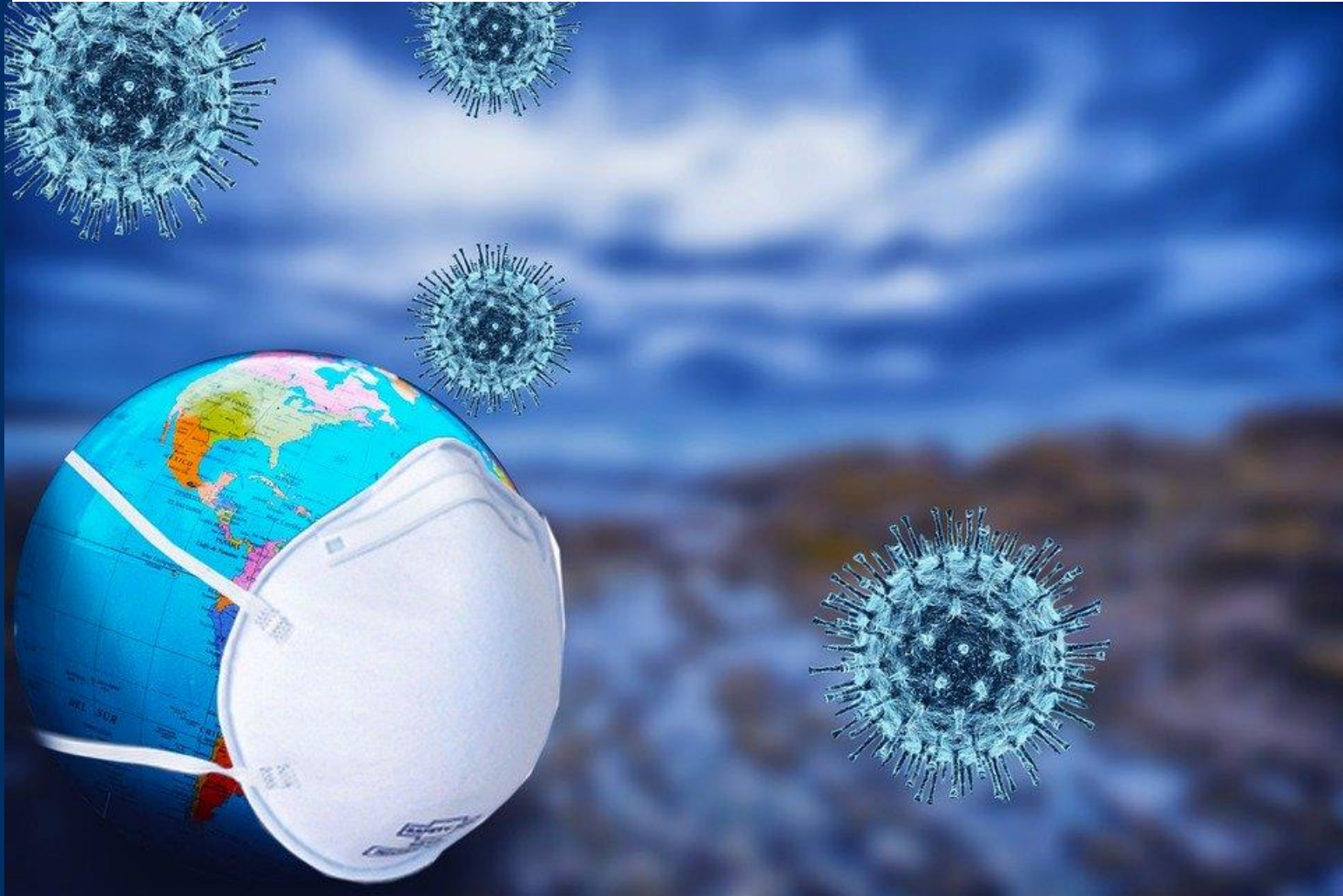Minority Women Owned Business (MWOB) and State Contracting Certification assistance

Food and Restaurant Industry Recovery and Resilience Presentation
Agenda

- ❏ Covid – 19 From this day forward
- ❏ Plan
- ❏ Employees
- ❏ Vendors (menu)
- ❏ Customers
- ❏ Social Media
- ❏ Cash Flow
- ❏ Reference material and Sources for Information

COVID - 19

New York State

https://forward.ny.gov/

https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/NYS_BusinessReopeningSafetyPlanTemplate.pdf

Suffolk County
https://suffolkcountyny.gov/

US Department of Treasury
https://home.treasury.gov/

Reopening after a Prolonged Shutdown

If your facility was shutdown for an extended period, it is important to double check the condition of your facility in case unknown damage or decay occurred during this time. We've created a list of things to check before reopening your facility.

1. Check fire alarms and carbon monoxide detectors and make sure batteries are in working order

2. Check all appliances and make sure they all work as they are supposed to

3. Check ceiling and wall for any leaks or cracks that may have occurred

4. Check CDC guidance for how to handle potential cases of mold and legionella

https://www.cdc.gov/coronavirus/2019-ncov/php/building-water-system.html

Outdoor Chairs and Tables

When implementing outdoor seating remember to:

- Seat all parties 6 feet apart

- Patrons should wear face coverings when not seated

- You may offer indoor bathroom facilities

- Make sure your outdoor seating is 6 feet away from public sidewalks

- Considering purchasing a seasonal awning or canopy if local regulations allow you to use one

- Cover food while transporting it to the table

- Set the table after the party has been seated

Indoor Chairs and Tables

Restaurants can only seat 50% of their indoor capacity

When implementing indoor seating remember to:

- Bar seating can stay open with restrictions

  - Tables must be spaced 6 to 8 feet apart. Put signs for which tables can and can't be used

  - Restaurants with booths can put a barrier up behind the booths as long as it's 30 inches above table

  - Patrons should wear face coverings when not seated

  - Cover food while transporting it to the table – condiments into single-serve cups

  - Set the table after the party has been seated

  - Continue to be as nice as possible while educating the people that are coming in as well as the people that work for you everyday.
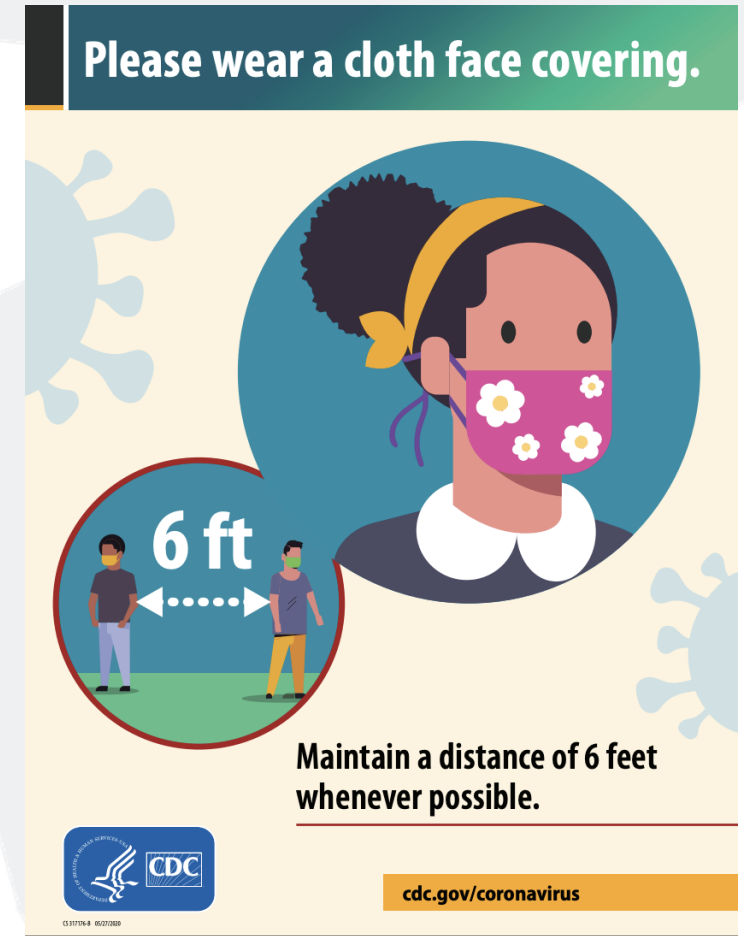
PPE and Signage

You will likely need to buy signs and stickers to post around your facility to encourage social distancing. There are many suppliers out there that will provide floor decals, yard signs, banner, etc. for social distancing purposes. You may be able to find local business to print some for you or order some online.

The CDC also provides some signs you can print yourself

https://www.cdc.gov/coronavirus/2019-ncov/communication/print-resources.html?Sort=Date%3A%3Adesc

You will also be required to provide masks for employees to wear to work. Make sure there are plenty so employees can change them throughout the day and week and that cloth masks are being cleaned. Cloth face masks need to laundered in hot temperatures to kill microorganisms on them.

Please wear a cloth face covering.

6 ft

Maintain a distance of 6 feet whenever possible.

cdc.gov/coronavirus

Plan

Making Plans

This is the time to make plans about the future of your business. Some important questions to consider include:

- What goals do you want to achieve in the next month, 3 months, 6 months, etc.?

- What parts of the business are generating the most and least amounts of revenue?

- Are there any creative ways I can increase revenue or expand my business?

- What will the business do if there is another long-term lockdown?

How to Make QR Code Menus

1. Create an online menu on your website

2. Create a QR code that links to the online menu
   - https://www.unitag.io/qrcode
   - https://www.qr-code-generator.com/
   - http://goqr.me/

3. Test your QR code

4. Print your QR code on cards and place them where appropriate in the establishment

Reservation and Text Alert Systems

You will no longer be able to use buzzers to notify parties when their table is ready unless you disinfect each buzzer between use. It may make more sense to use an alternative methods of communication to let a party know that their table is ready. Some restaurants have considered using TV monitors to let people know when their table is ready, but this may causing an unnecessary gathering in a small area. Alternatively others have started using announcements over speakers, but this may disrupt guests that are already dining and would have to keep guests within hearing distance of the speaker.

A SBDC Technology Advisor can help by assessing your businesses' current technology profile, pinpoint needs, and assist in developing solution. Visit us at https://www.stonybrook.edu/sbdc/

Here are some top text message waitlist apps

Yelp Waitlist

https://yelp.nowait.com/

Waitlist Me

https://www.waitlist.me/

OpenTable

https://www.opentable.com/

HostMe

https://hostmeapp.com/

Using White Label Delivery & Takeout Solutions

White label delivery and takeout solutions can be used as an alternative to third-party delivery services that charge high commissions. White label services allow you to create your own smartphone app and online ordering system for your restaurant. Many of these services will also allow you to track data and get valuable insights about your customers. Some also have agreements with different delivery services to allow you to deliver your food at a lower rate. Below are some of the most popular providers with the services they offer

ChowNow:

https://get.chownow.com/

EZ-Chow

https://ez-chow.com/

Bentobox:

https://getbento.com/

Olo:

https://www.olo.com/

Touch-less Payment Systems

If you have no already implemented a touch-free payment system, this is the time to do so. Cash is very good a transmitting all sorts of microorganisms so it would be best to avoid cash transactions. If you need to do cash transactions, make sure that employees are washing their hands immediately after the transaction. There are many different systems that can take can be integrated with delivery, take-out, and dine-in business. Hopefully, your business is already using a credit card terminal with a chip reader, but if not, this is the time to invest in one. In addition if you stop accepting cash, make sure your patrons know through social media and signs in the restaurant and make sure you wipe down credit card terminals often.

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https://squareup.com/us/en

https://www.clover.com/

Employees

Working with Your Employees

- Your needs and your employee's needs have likely changed since the start of the pandemic. Some important things to consider are:

  - Thank your team daily – key factor in the success of your business

  - Continue to stay in close communication with your team and share change in plans. Increase electronic workplace communication to reduce frequent face to face contact

  - Develop a policy for informing workers if they have been exposed to a person with COVID-19

  - Ventilate workspace with open windows and doors to the extent possible

  - Ensure that employees have access to hand soap, face coverings, gloves, tissues, paper towels

  - Disinfect phones, shared tools, scanning devices and other shared items regularly.

  - Make sure your employees are well trained about the new safety protocols and address any concerns they may have about it

Vendors

Vendors and Menus

- Review your inventory as compared to what your project your sales may be.

- Take stock of menu items that aren't popular and see if they can be removed from the menu
  - Make sure all menus are updated to reflect any changes

- See if contracts can be renegotiated to account for the changes in supply and demand. Be open to suggestions from vendors and do best to be friendly with them

- Make a safe process to receive deliveries to minimize contact

- Suggestion: Use recipe cost cards to understand how much each meal is costing you and where prices needed to change

Recipe Cost Cards

As COVID-19 puts a serious strain on restaurant's finances, it's important to maintain your budgets to the best of your ability. It is very important to use recipe cost to cards to better understand how much the food you are serving is costing you and see if there are any prices or recipes that need to be adjusted. We have created a recipe card template you can you use in Google Sheets to better handle your budgeting. Most restaurants aim to have food cost be 28-35% of their sales.

Recipe Cost Card:
https://docs.google.com/spreadsheets/d/1yMptAprogwP6-NodXUoiO1SoennEEZ6SFkzOJsUfsHk/edit#gid=0

Recipe:	Pasta					
Resturant:	My Restaurant					
Number of Portions per Recipe	10					
Serving Size	2.5					
Menu Price	$ 10.00					
Cost	$ 9.50					
Cost per Portion	$ 0.95					
Cost per Recipe	$ 9.50					
Cost per Serving	$ 2.38					
Profit	$ 7.63					
% Food Cost	23.75%					
Ingredients	Supplier	Quantitiy	Volume	Cost per Unit	Recipe Cost	
Pasta	Grocery Store	16	oz	$ 0.20	$ 3.20	
Pasta Sauce	Grocery Store	16	oz	$ 0.30	$ 4.80	
Butter	Grocery Store	3	oz	$ 0.50	$ 1.50	
					$ -	
					$ -	
					$ -	
					$ -	
					$ -	
					$ -	
					$ -	
					$ -	
					$ -	
				Total Cost	$ 9.50	

Customers

Customers may still be hesitant to be out in public

Make sure that your customers feel comfortable when inside the facility.
❑ Start off with basics such as making sure your establishment is fresh, clean and organized
❑ Evaluate ways that protect employees and customers safety that make each comfortable interacting
❑ Inventory is stocked, menus updated and you and your employees are ready to provide outstanding service with a smile.
❑ Show your appreciation always thank customers for their business

Offer: CLEAN AND STOCK BATHROOMS

- It's nice to have paper towels and a garbage receptacle near the door so customers don't have to touch the door handle

- Hand sanitizing stations –prepackaged wipes

- Masks

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https://squareup.com/us/en


https://www.clover.com/

Social Media

Social Media during COVID-19

- Solid social media branding during COVID-19 is very important:
  - Keep website elegant, up-to-date, and accessible
    - Consider finding a computer science or graphic design student to help with website
  - Post high-quality content on platforms like Facebook and Instagram
  - Reach out to customers via email (MailChimp is great for making elegant emails)
  - Ask local news station for coverage about reopenings and operations
- Make sure website and social media platforms are up-to-date about:
  - Hours of operation, safety procedures, guest capacity, reservations, delivery, pick-up options, menu options
  - **Communicate with your guests that you are open and that you care about their safety**
  - Use **Yelp for Business (https://biz.yelp.com/)** and **Google My Business (https://www.google.com/business/)** to make your business more searchable
    - Answer your reviews
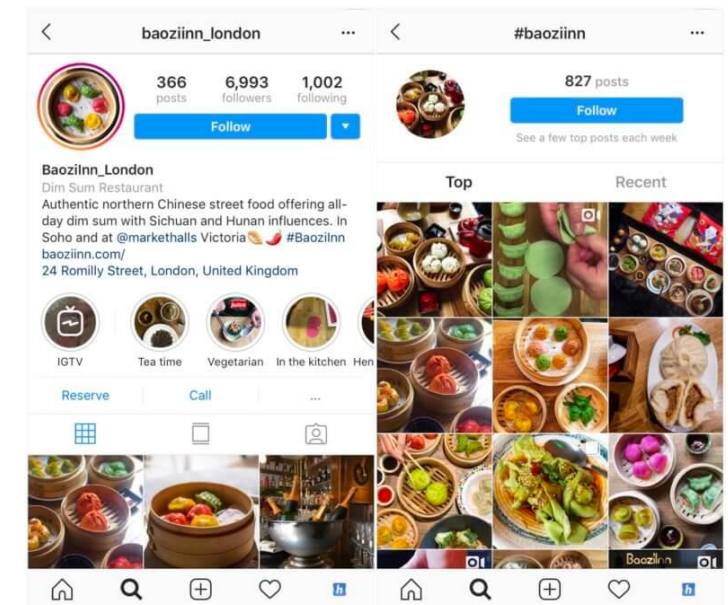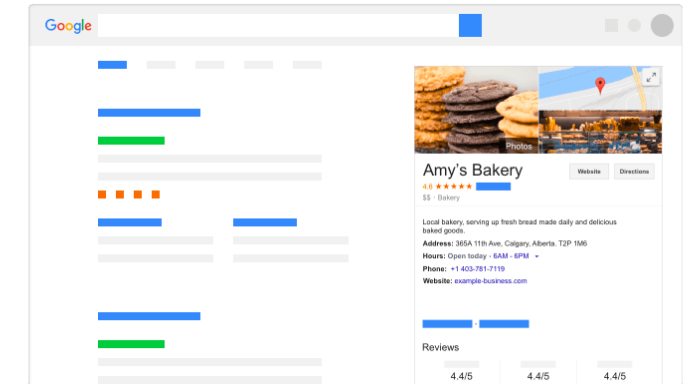
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Cashflow

Importance of Budgets

- Let's you understand how you are

  operating and how systems are working

- Key to being profitable

- Allows you to plan for the future

Spreadsheet Solutions

- Spreadsheet solutions are inexpensive and effective

  - Restaurant Owner Weekly Cash Flow and Cash Flow Break Even Calculator:
  https://www.restaurantowner.com/public/Surviving-COVID19-Cost-Cutting-And-Cash-Flow.cfm#hide1c

  - David Scott Peter's Free Tutorials and Budget Builder MVP:
  https://www.thelargogroup.com/Cash-Flow-Management-Sessions?Source=RO

Software Solutions

- Software solutions are more expensive but may be easier to use and manage

SlickPie: https://www.slickpie.com/

Wave: https://www.waveapps.com/

GoDaddy: https://www.godaddy.com/email/online-bookkeeping

Restaurant Systems Pro: https://restaurantsystemspro.net/

Managing Funds

- Keep EIDL (Economic Injury Disaster Loans) and PPP (Paycheck Protection Program) funds in separate accounts and distinct from the business's existing checking or savings accounts.

- Create a separate Chart of Accounts related to EIDL and PPP

- Track itemized disbursement of funds you plan to request forgiveness, i.e. payroll records, copies of invoices, documentation of payments, and receipts.

- Thoroughly read and understand all loan and forgiveness terms before signing closing documents for an EIDL or PPP loan. Specific questions about PPP forgiveness should be directed to to your Business Advisor or lender.

Reference and Sources

Accountants and Lawyers

This is a very important time to contact your accountant and your lawyer to discuss your business's financial situation and how to hire people back. There are many aspects of reopening to consider such as:

- Cares Act PPP loan

- Selecting which employees to bring back

- Onboarding requirements when rehiring

- Employee eligibility for sick and other paid leave

- Contract renegotiation and navigation

The New York State Restaurant Association also provides several webinars that discuss these details further.

https://www.nysra.org/covid-19-webinars--education.html

Important Resources

New York State Phase 2 Guidelines:
https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/OutdoorTakeoutDeliveryFoodServicesMasterGuidance.pdf

New York Phase 3 Guidelines:
https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/OutdoorTakeoutDeliveryFoodServicesSummaryGuidance.pdf

New York State Read and Affirm Guidelines:
https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/OutdoorTakeoutDeliveryFoodServicesMasterGuidance.pdf

New York Business Safety Plan:
https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/NYS_BusinessReopeningSafetyPlanTemplate.pdf

America's SBCD Small Business Resiliency Plan
https://americassbdc.org/wp-content/uploads/2020/04/Business-Resiliency-Guidebook-4-10-2020.pdf

National Restaurant Association Reopening Guidance:
https://restaurant.org/downloads/pdfs/business/covid19-reopen-guidance.pdf

Aspen Institute Safety Guidelines:
https://assets.aspeninstitute.org/content/uploads/2020/05/Safety-First-Serving-Food-and-Protecting-People-During-Covid-19.pdf?_ga=2.130213704.694963881.1589202258-28538854.1586193305

CDC Guidelines:
https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/business-employers/bars-restaurants.html

Newsday Long Island Small Business Resource
https://www.newsday.com/news/health/coronavirus/long-island-resource-guide-business-help-1.46056085

CDC's Resuming Business Toolkit
https://www.cdc.gov/coronavirus/2019-ncov/community/resuming-business-toolkit.html

College of Business, Stony Brook University
Center of Entrepreneurial Finance

- College of Business COVD-19 Economic Recovery Assistance

  https://www.stonybrook.edu/commcms/business/about/_COV19-for-Business/

  o Virtual Expert Network Office Hours

  o Small Business Tech Enhancement Program

  o Pandemic Shift Business Survival Workshops

  o Videos, articles, and more

- Center of Entrepreneurial Finance COVID-19 Resources

  https://www.stonybrook.edu/commcms/cef/covid19resources/index.php

- COVID-19 Long Island Small Business Survival Guide

  https://tinyurl.com/coronavirusfinance

Questions?

Request an Appointment

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