



September 14, 2020

100,000 Restaurants Closed Six Months into Pandemic

Six months following the first shutdown of restaurants, the industry is in limbo. According to a new survey released by the National Restaurant Association, nearly 1 in 6 restaurants (representing nearly 100,000 restaurants) is closed either permanently or long-term; nearly 3 million employees are still out of work; and the industry is on track to lose \$240 billion in sales by the end of the year.

Findings include:

- Consumer spending in restaurants remained well below normal levels in August. Sales were down 34% on average.
- Research estimates *at least* 100,000 restaurants will close in 2020.
- 60% of operators say their restaurants' total operational costs (as a % of sales) are higher than they were prior to the pandemic.

See more [findings](#).

Association Sends Letter to Capitol Hill; Begins Renewed Grassroots Effort

The Association today activated what might be the final federal grassroots effort of the month. Our research team has completed the compilation of an economic state-of-the-industry survey that was conducted in conjunction with State Restaurant Associations. The findings are fairly stark ... roughly 100,000 restaurants have closed (unclear how many of those are permanent, but outlook isn't good), three million jobs still lost, and 40% of operators say they're likely to close if there isn't federal support in the coming months.

This month marks a critical inflection point for the restaurant industry. Outdoor dining will soon be impractical for many owners, and without immediate steps from Congress, thousands of restaurants may close before you reconvene after the November elections. There are short-term, basic solutions with bipartisan support that have already been approved by one chamber of Congress. Specifically, the Association is urging Congress to pass the following proposals this month:

- Authorize a second round of PPP, with greater flexibility for both operating expenses and payroll outlays.
- Ensure that expenses paid with PPP loans are deductible from federal taxes.
- Expand the Employee Retention Tax Credit (ERTC) to help restaurants get support after a PPP loan has run out.
- Provide restaurants with tax credits to help allay the significant costs restaurants are incurring for equipment, supplies, and training to mitigate employee and customer exposure to COVID-19.

[See the full letter.](#)

MFHA's New Podcast *A Seat at the Table* Airs Tomorrow

The new podcast from the Multicultural Foodservice & Hospitality Alliance offers a unique view of cultural intelligence and its importance in the workplace. The goal? To help operators and their teams understand the benefit of cultural differences within communities.

Each episode airs on alternating Tuesdays. Host Gerry Fernandez, founder and president of the MFHA and guests cover anti-racism behavior for business, deliver an industry call-to-action for diversity & inclusion, and share Black leadership perspectives. The first episode, Tuesday, Sept. 15, covers Cultural Intelligence and Why We Need to Understand It. Fernandez' guest is Dr. Sandra Upton of the Cultural Intelligence Center. Subscribe through your favorite podcast service [and get a sneak peek with the *A Seat at the Table's* trailer](#), available now.

Food Safety & Quality Assurance Present Dos & Don'ts of Virtual Inspections on Wednesday

Tune in Wednesday, Sept. 16 at 1 p.m. EDT: The Commonwealth of Virginia, among other states, moved to 100% virtual inspections, requiring restaurateurs to carry their smartphones around the restaurant for the inspector. This creates a new form of engagement and starts a different conversation around food safety and how to improve the culture of safety in the operation. While virtual restaurant inspections initially sound feasible, there may be serious legal complications and business risks in letting a 3rd party record and store video of your back-of-house operations.

For example:

- Has everyone recorded signed waivers?
- How is the digital recording being stored and shared?
- Have you removed any business-sensitive information from view (e.g., secret BBQ recipes, monthly sales charts)?

Hear from industry experts as they walk you through this new process and its ramifications.

Register [today](#).

Join Us Thursday: MFHA Virtual Town Hall: Building an Inclusive Executive Suite

Racism and COVID-19 have become the two most important issues for America today. With higher minority death rates from COVID-19 and the spark of the anti-racism movement, the issue of race has taken center stage. Former Black C-Suite leaders will address the issue of how structural racism is disproportionately affecting people of color.

Join the Multicultural Foodservice & Hospitality Alliance for this FREE virtual Town Hall on Thursday, Sept. 17 at 2:00 EDT.

[Register Now](#)

Attention Tax & Finance Pros: Join this Webinar on Calculating What's Next for Restaurant Recovery

On Thursday, 2:00 p.m. EDT, the National Restaurant Association and Sage Intacct welcome Hudson Riehle, SVP of the Association Research & Knowledge Group, and Susan Casella, principal industry marketing manager from Sage Intacct as they share research updates tailored to restaurant tax and finance professionals. They'll address how your tax and finance teams can stay ahead of the quickly changing restaurant business environment.

[Sign up](#) to listen in

Restaurant Law Center Files Amicus in Landmark Supreme Court Case

The National Restaurant Association RLC filed an amicus brief with the U.S. Supreme Court seeking to overturn a lower court ruling that has created what the group calls “an untenable and abusive legal landscape for legitimate businesses and consumers who request to communicate using modern technology.”

The brief outlines how the U.S. Circuit Court of Appeals for the Ninth Circuit, in the case *Facebook v. Duguid*, erroneously conflated valued communications such as text messages — *including those welcomed by consumers* — with robocalls as defined under the Telephone Consumer Protection Act prohibition of Automatic Telephone Dialing Systems.

It also points out that the resulting flurry of lawsuits and legal confusion forces retailers and restaurants to choose between forgoing communications valued by consumers or exposing themselves to potential TCPA liability given the statutory damages framework.

Read details [here](#)

It's Week 3 of National Food Safety Month! Download Free Materials

The industry is celebrating the 30th anniversary of ServSafe with 30 best food safety practices everyone should know. Each of the five weeks during the month of September focuses on a different area of food safety:

- [Week 1: Personal Hygiene](#)
- [Week 2: Cleaning and Sanitation](#)
- [Week 3: Safe Food Preparation](#)
- Week 4: Food Safety Procedures
- Week 5: COVID-19 Safety Procedures

This week's focus on safe food prep includes how and where cross-contamination can occur and how to prevent it.

The ServSafe training experts have produced educational materials for owners and operators, restaurant employees, and the industry at large about the importance of food safety, focusing on the best tips and lessons learned in the last 30 years. Look for the five themes to be explored with blog posts, social media, posters, and activity sheets related to each.

Get the safety information and [resources](#).

Virtual Events and Webinars

Upcoming

Dos & Don'ts of Virtual Restaurant Inspections: How to Prepare, Comply and Avoid Legal Issues when Video Recording

Wed. Sept. 16, 1 p.m. EDT

[Register Now](#)

Virtual Town Hall Series: Former Black CEO's in Foodservice Discuss – Building an Inclusive Executive Suite

Thurs. Sept. 17, 2 p.m. EDT

Register Now

Calculating What's Next: Restaurant COVID recovery review for Tax and Finance Professionals

Thurs. Sept. 17, 2 p.m. EDT

Register Now

From Outbreaks to Pandemics: Why the Essentials of Managing Food Safety Risk Matter

Friday Sept. 18, 12 p.m. EDT - Presented by ServSafe

Register Now

Available On-demand

[Explore the Future of Restaurant Spaces and Payment Technologies](#) - Hosted by Heartland

[Restaurant Relief: The Road Ahead with Sean Kennedy](#) - Hosted by the National Restaurant Association Public Affairs team

[Black Franchisee Perspectives during COVID-19 and the Anti-Racism Movement](#) - Hosted by the MFHA

To access more on-demand, [click here](#).

Helpful Links

[Restaurant Coronavirus Information and Resources](#): For all Association resources on the coronavirus.

[Restaurant Reopening Marketplace](#): Member-exclusive discounts on everything you need to reopen safely.

[RestaurantsAct](#): For updates on the Association public affairs advocacy and grassroots efforts at the national and state level.

[COVID-19 Resource Hub](#): The National Restaurant Association Show's commitment to bringing together leading resources and connections for the industry remains strong. This page delivers key resources, timely webinars, and opportunities to engage with the foodservice community. You can also connect with the 2020 National Restaurant Association Show exhibitors through [online listings](#).

#TheGreatAmericanTakeout Campaign continues, download social media assets [here](#).

Contact Us

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