

NCCBG Coronvirus (COVID-19) Update: 03.31.20



Executive Director Update March 31, 2020

Good afternoon,

The numbers continue to be unsettling, I won't rehash the national numbers but in North Carolina we have 1,498 confirmed cases and 8 deaths. One week ago there were 398 cases and no fatalities. Compared to many other states, our early restrictions seem to have helped a little in controlling the spread of the virus, but we still have a long road in front of us.

It's been 14 days since North Carolina closed our on-premises taprooms and restaurants to the public. Our statewide Stay-at-Home order mandates that non-essential, school and other business closings are in effect until at least April 28th. The federal government has now extended their recommendation for social distancing through April 30th. NCDHHS is reporting they do not expect the virus to peak in North Carolina until April 23rd, and based on the experiences in China, Italy and the rest of Europe, I would not expect the Stay-at-Home order to be rescinded until the end of May, at best. I would also expect the return to "normal" to be a slow ramp up, as people will still be nervous after two plus months in limited quarantine. I bring this up not to be "Dr. Doom", but to add a healthy dose of realism as you plan for your company's survival and future.

We are now a few days past the enactment of the CARES Act, and various advisors (Legal, Financial, Tax, Accounting) are sending out summary pieces on this legislation. We have consolidated this information into an easily digestible overview at <u>CARES Act FAQ's</u>. This page also provides a listing of expert resource documents for more in-depth review. Please take the time to carefully consider this information. Assistance will be available, but there are no free lunches and you need to understand the requirements related to the various pieces of this legislation. Also, if you have not begun the conversations yet - meet with your bankers, landlords, and anyone else where a default may come into play, to discuss your future plans and work with them to help you through the

crisis.

We are working with state officials to flesh out options to help fill the gaps in the CARES Act, along with the leaders of NCRLA, NCRMA, and NCBWWA, as our interests are closely entwined. I'd also like to thank Andy Ellen (NCRMA), Lynn Minges (NCRLA) and Tim Kent (NCBWWA) and their teams for the work they have done and the collegial efforts on behalf of everyone.

All that said, there is good news from the ABC Commission:

Registrations and Renewals: Due to the State of Emergency declared by Governor Cooper, ABC Chairman A.D. "Zander" Guy has established a grace period for the registration/renewal process until June 30, 2020. We sincerely hope this will help during this trying time.

The NC ABC Commission is open. However, in response to the current State of Emergency declaration, our on-site staffing is very limited. We are encouraging you to submit your permit applications via mail (4307 Mail Service Center, Raleigh, NC 27699-4307) instead of in-person, as well as submitting your questions/inquiries to contact@abc.nc.gov instead of calling. If you have product approval applications, they can also be submitted electronically to contact@abc.nc.gov.

If you choose to visit the Commission building in-person, your permit renewal or application packages will be received in a secure lockbox at the ABC Commission door. Thank you for your patience.

I'd like to highlight the following new resources that we are adding to the NCCBG COVID-19 Resource Page:

- Ekos Blog Articles:
 - <u>Financial Relief Resources for Craft Beverage Businesses During COVID-19</u>
 (published 3/27)
 - How to Start and Market Drive-Through Alcohol Sales (published 3/26)
 - How to Start a Local Alcohol Delivery Program (published 3/26)
 - <u>Driving Revenue to Your Craft Beverage Business During COVID-19</u> (published 3/17)
- Small Batch Standard:
 - A cash flow contingency planning tool breweries can use to model out and prioritize the next 3, 6, 12 months.
 - An accompanying webinar Thursday, 4/2 at 2pm EST. Walk through the cash flow planning process with a live example and time for Q&A.

In closing today, the pace of the information flow is beginning to slow (slightly). The pieces that are going to be in place are in place. We have to contain the spread of the virus and plan effectively to have our businesses come out the other side of this. We will keep you posted as we learn things,

and we ask, you keep us posted on what is happening with your brewery. As the old Nigerian proverb says, "If you want to go fast, go alone. If you want to go far, go together." Together we will go far all concerned.

Stay healthy

And, remember...

- You are on the front lines to help keep your patrons and employees safe and healthy. <u>Follow the Guidance and Executive Orders!</u>
- Use common sense in planning and finding ways to market and sell your products.
- Keep perspective, as we are in the midst of a global crisis.
- The faster we stop the spread of the virus the faster we can get back to business.
- Stay focused on what you can control and be ready to adapt.
- And, as always, <u>take care of each other</u>, your employees, your customers, and yourselves, as this will be a long and challenging road

Please keep us posted on what is going on either by reaching out to me with your questions, richard@ncbeer.org, or posting consumer related information to promotions@ncbeer.org

UPDATES AND RESOURCES

https://www.ncdhhs.gov/es/divisions/public-health/coronavirus-disease-2019-covid-19-response-north-carolina/nc-updates

https://www.cdc.gov/coronavirus/2019-ncov/index.html

https://www.who.int/emergencies/diseases/novel-coronavirus-2019

https://www.brewersassociation.org/brewing-industry-updates/coronavirus-resource-center

https://ncbeer.org/covid-19.php

