

NCCBG Coronavirus (COVID-19) Update: 04.08.20



Executive Director Update April 8, 2020

Good afternoon.

As we've been highlighting, the drumbeat is getting louder to extend the stay-at-home order and tighten controls on business activities. This comes more into focus by reading a brief by the State's epidemiology team that models the projections for the path of the virus in NC. The model makes a strong case for a longer period of time to maintain strict social distancing. You may access the brief at:

https://files.nc.gov/ncdhhs/documents/files/covid-19/NC-Covid-Brief-1-4-6-20.pdf

I strongly suspect we will see a new Executive Order this week from Governor Cooper that will extend and tighten stay-at-home orders. In terms of numbers, there are now 3,436 cases in our state. This is up 205 people or 6%, and the death toll rose to 53. Again, plan accordingly.

We have a couple of quick updates...

Product Buy Back Requests: We are hearing some retailers are asking our breweries
to buy back untapped kegs. This is covered under 14B NCAC 15C.0708 Consignment
Sales: Returns. The rule states: Consignment Sales Prohibited. No industry member
shall sell, offer for sale, or contract to sell to any retail permittee, nor shall any retail
permittee purchase, offer to purchase, or contract to purchase from any industry member
any alcoholic beverages on consignment or under conditional sale, or with the privilege
of return, or on any basis other than a bona fide cash sale. The full text can be read
here.

• PPP and EIDL Loan Programs: The volume of applications continues to overwhelm the system. Some lenders have "loaned out" their allotment, while others are still taking applications, and still more new lenders continue to come online to service SBA loans. In an SBA webinar today, reaching out to local community banks and credit unions was recommended, if your primary bank does not currently have availability. We've been told that the Federal Reserve will begin to buy back PPP loans from the banks within the next couple of days, thereby providing more liquidity to banks for additional lending. That said, it is clear more funding will be needed. We are encouraged to hear discussion around expanding the SBA loan pool to meet demand. Much is up in the air here, stay in contact with your bankers to keep informed.

Also of note, we are working with the BA to lobby Congress to make the PPP loans a better fit for our industry.

- In case you missed it, here is the link to Audra Gaiziuna's BA Power Hour discussion,
   Forecasting Cash Flow During Turbulence:
   <a href="https://www.crowdcast.io/e/Forecasting-Cash-Flow-During-Turbulence/register">https://www.crowdcast.io/e/Forecasting-Cash-Flow-During-Turbulence/register</a>
- NCRMA Local Order Tracking Guide: NC Retail Merchants Association (NCRMA) has put out an excellent county by county guide as to what orders are in place and where.
   Review the Tracking Guide here: <a href="mailto:bit.ly/NCRMA-LocalOrders">bit.ly/NCRMA-LocalOrders</a>

So until the next time, stay healthy my friends.

## 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

