

Operating a business amidst the current Government ordered shutdowns and accompanying depressed customer demand is complicated and, at times, scary and nerve-wracking. It is critical during these times to take a step back to analyze these challenges and to game plan how to navigate and overcome them. Here are five actions that you can take now to help your business through these difficult times:

1. Apply For Available Governmental Grants And Loans

The Government's initial Paycheck Protection Program ("PPP") has exhausted its funds, but more help is on the way. Congress is expected to replenish the small business loan program with another \$310 billion earmarked for the PPP. It's likely that additional rounds of PPP funding or similar loan programs will follow if the shutdowns continue, and perhaps even after the shutdowns are lifted. Every qualified business should apply immediately for these funds once they become available.

Many businesses have expressed frustrations at the initial PPP implementation. They found the banks unresponsive and the funds hard to come by. Reports have indicated that fortune favored those that were first in line and had preexisting business with the banks.

Therefore, be sure to apply quickly for future rounds of the PPP. Consider reaching out to your bank now to get a copy of the applications required for earlier PPP programs as the applications are likely to be similar (if not the same) and get your new application ready to go. It's important to get all of the information and supporting documents ready so that you can file as quickly as possible once the banks start accepting applications. If you don't have a banking relationship yet, consider starting the process of opening a credit-line or credit card with a local bank. Be persistent and contact multiple banks until you find one interested in your business.

The key mantra here is "*take the money and run.*" And if you don't have enough space to run – air squats and jumping-jacks work.

2. Cut Costs and Save Cash

It's critical during these and other financially difficult times for businesses to become lean.

First, scour your balance sheet to locate expenses that are dispensable. Get rid of them.

Second, identify expenses that can be temporarily paused or delayed. The most important expenses to focus on are the big-ticket items, such as rent. The key is to be proactive and to communicate with the counter-party. For rent, reach out to your landlord(s) to explain the difficulties your business is facing and find out if they will forbear rent or move these monthly payments to the end of the lease term. Consider offering or paying only a portion of the rent due. In some instances it may be necessary or advisable to withhold all rent payments.

Third, look for lower-cost replacement services, vendors and products. If there are services and vendors that are necessary to your business, find other companies that can provide those services or products to your business for less. Even if now is not the best time to make the switch, your business will be ready to make a change if needed, in the near future.

In sum, "*cash is king.*" If you don't like cash, then bitcoin, gold or beanie babies are possible alternatives.

3. Plan For The Future

The number one goal during these times is for your business to survive. The number two goal should be to position your business to thrive when Covid-19 wanes and the restrictions are lifted. To thrive, businesses must

identify and solidify what they do well and address areas for improvement. Also, ask yourself whether your customer demand might change in a post-Covid-19 environment and, if so, how? Plan now to adjust your services, products or advertisements in a way that targets this changing demand. Are there ways for your business to expand its online or remote services? Do changes need to be made to provide more safety and comfort to health-conscious customers? Consider what the post-Covid-19 market will look like for your business and realign your business model, products and services to capitalize on these changes. The businesses that pro-actively plan for the post-shutdown environment now will be well-positioned to succeed in the near future.

It's important to "*think outside of the box*" when it comes to planning for the future. If you need some help while innovating, feel free to take a long walk to think around your living-room or kitchen.

4. Keep In Touch

Without our typical face-to-face interactions we need to find other ways to keep our business and personal relationships and connections strong. Thus, take the time to reach out to employees, customers and vendors, etc. Many businesses are turning to remote conferencing resources such as Facetime, Zoom, and Skype, for a more personal touch. Ask them first if they and their families are safe. Consider sharing with them the actions the business is taking to position itself to succeed in the future. If they, too are a business owner, officer or director, inquire how their business is doing. Share tips on what is working for you and ask questions about what is working for them.

It's key to keep the lines of communication open. Just remember to remove your mask when talking on Zoom, gloves can stay on.

5. Seek Legal Advice and Counseling As Needed

If your business continues to struggle or you think it may need to file for bankruptcy, it's critical that you involve a bankruptcy & restructuring attorney early on. In many cases, businesses do not need to file for bankruptcy and can instead be saved through creative out-of-court workouts and cost-cutting or forbearance measures. A qualified bankruptcy attorney will be able to assess your business's finances and give you advice on the best course of action. Counsel can help you navigate and trouble-shoot your legal issues with vendors, landlords, and other counter-parties.

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