

Real World Responses to Covid-19

How operators across segments adapted to crisis



RECREATION

Eric Fraas, Delaware North

1. Your initial reaction when things started shutting down?

Not surprised based on what was occurring in other countries, but surprised there was little preparation for a shut down. Initial concerns were:

- 1) Civil unrest and protecting company assets if American public resisted the shutdown
- 2) How do things restart since it shut down so quickly?

2. How did you react?

- Almost all operations were shut down within a week.
- Some locations attempted take out/delivery service with little success
- We looked to support communities by using our kitchens to support hospitals and food bank meals
- Within two weeks of shut down, we furloughed over 90% of salaried associates

3. What long-term changes do you foresee for the Foodservice industry?

- We anticipate our business (sports, national parks, casinos, Disney and airports) will take years to return to pre-Covid levels
- People will further adapt to technology and expect touchless/digital ordering
- Labor challenges will persist
- Buffet/All-Inclusive feeding areas may not return but cafeteria and family-style feeding models could return
- Offering a quality product in a safe operation while controlling cost will challenge the industry for the foreseeable future.
- Foodservice operators will need innovative suppliers that provide a value added quality products

4. Any learnings you can share?

Communication and reaction speed are the main challenges. Associates are trying to do the right thing to adapt as quick as possible to meet changing guest demands. However, this continues to create inconsistency, increases cost, and slows the company's ability to implement the changes that are required. Making sure there is consistent clear communication from company leadership is a necessity and associates need to be held accountable to the guidelines.



FAST CASUAL

Peder Bondhus, Fox Restaurant Concepts

1. Your initial reaction when things started shutting down?

It was scary at first. There was a lot of information to discern. There was a lot of concern for the safety of our employees and our guests. We just wanted to do what was best.

2. How did you react?

We are lucky, our business was largely a to go model already. We closed our dining rooms pretty early and shifted to all to go. We had to furlough many employees, but were able to start bringing most back after a couple weeks

3. What long-term changes do you foresee for the Foodservice industry?

- PPE will probably be required
- There will be advanced safety measures and regulations.
- Grocery stores will try to take a bite out of the restaurant pie

4. Any learnings you can share?

We are still trying to figure that out. Things change daily.

- Continuous investment in technology
- Any way to increase guest accuracy, speed and safety
- Convenience will be more important than ever.



FINE DINING

Brandon Sharp, Hawthorne & Wood

1. Your initial reaction when things started shutting down?

Let's take this one day at a time and figure out how to do something that fortifies the brand and keeps our people working.

2. How did you react?

We immediately moved to 100% take-out on March 16. As it picked up and the word got out, we've been able to bring most people (who want to) back to work.

3. What long-term changes do you foresee for the Foodservice industry?

I think prices will go up and I'm not sure that guests will tolerate that. We will probably end up with a lot of empty storefronts. And I'm worried that potential investors will see restaurants as a terrible investment option

4. Any learnings you can share?

Hawthorne & Wood is going to seek out new revenue streams. I don't pretend to know what's good for anyone else's business, but I'm hoping to take a couple of moonshots with ideas so that we're not locked in to in-house dining as our sole source of income when disaster strikes again.