

FOR IMMEDIATE RELEASE:

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More than Half of State's Restaurants Could Close Permanently, Says Ohio Restaurant Association Poll

New survey also finds polarized opinions on 10 p.m. curfew for alcohol sales

COLUMBUS, Ohio – As new regulations are put in place during the COVID-19 pandemic, many of Ohio's restaurant and bar owners are not hopeful for their futures. With 47% of restaurants operating at 50% capacity or less, over half feel they will be forced to permanently close within nine months.

Over the past several months, the Ohio Restaurant Association (ORA) has conducted a weekly statewide poll on the health of restaurants across Ohio to gauge the impacts of COVID-19 on the industry, and the results continue to be devastating.

"The COVID-19 pandemic and capacity/curfew limitations continue to dishearten the majority of Ohio's restaurants. While some industry sectors such as pizza are experiencing better sales, most have experienced significant sales losses for months and 54% said in our poll that they fear that they will not be able to sustain their business and will be forced to close in the next year," said John Barker, president and CEO of the ORA. "Consumer confidence continues to decrease as the virus remains top national news. Our data shows the undeniable need for additional government support to stabilize the industry in Ohio and nationwide."

Along with the National Restaurant Association, the ORA is pushing for congressional assistance for the restaurant industry through the <u>Blueprint for Restaurant Revival</u>. This comprehensive program outlines specific and immediate action the federal government should take to stabilize the restaurant and foodservice industry, both in the short-term and long-term, most specifically a second round of the Paycheck Protection Program (PPP).

In addition, restaurants are continuing to share the message that they are operating safely and are doing what is required through cleaning, sanitization, social distancing and following protocols in the Dine Safe Ohio order. The ORA recently created the Unified Industry Voice campaign to provide clarity about the

comprehensive steps the industry takes to provide a safe environment in Ohio restaurant and foodservice establishments for employees and guests. Along with our <u>Ohio Restaurant Promise</u>, these best practices and guidelines will provide clarity and standardization among industry professionals and the public throughout Ohio.

The most recent survey was conducted over the course of three days (July 29 - August 4) and references information from Ohio restaurants' business week of July 19 - 26, 2020.

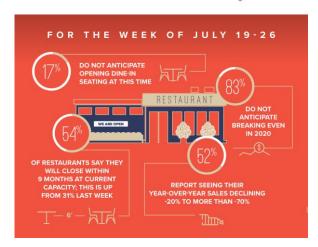
Key findings (out of 107 total respondents) of the most recent survey results include:

- More than 75% of Ohio restaurants have now reopened. Seventy-nine percent of operators have reopened their dining rooms. Another 4% of respondents plan to reopen their dining rooms soon while 17% of respondents do not plan to reopen at this time, an increase of 8% from two weeks ago.
- Most restaurants are operating at 50% or less of their normal capacity. Capacity is a major roadblock for most restaurants with 47% of respondents operating at less than 50% capacity based on social distancing requirements. Another 41% are operating at less than 75% of capacity. Only 11% are operating at more than 75% capacity while none of the reporting dining rooms have been able to increase their normal capacity.
- If current capacities continue, more than 50% of restaurants anticipate forced closure. Fifty-four percent of restaurants believe they will be forced to close within nine months if they continue to operate at their current capacity. This number has been steadily increasing over the past 30 days but jumped from 31% to 54% in the past week. Only 30% of restaurants believe they can operate for more than a year or indefinitely at their current capacity.
- Given the current guidelines, most restaurants do not anticipate breaking even in 2020. Only 17% of respondents believe they will be able to reach break-even sales in 2020 down from the week prior (24%).
- Most operators are still operating at less than 50% of sales vs. 2019. As restaurants reopen, sales continue to underperform compared to the previous year, but are beginning to improve slightly. A total of 52% of restaurants are experiencing year-over-year sales declines in a range of -20% to more than -70% and this is slightly better than previous weeks. Also, 14% of restaurants are experiencing positive sales, especially in the pizza and fast casual restaurant sectors.
- Several restaurants have added new retail options to their menus. Over half (61%) of restaurants are selling to-go cocktails.
- Opinions on the 10 p.m. liquor ban are polarized. Restaurant and bar owners are either are extremely worried about the new regulation or feel that it will not affect them at all since they do not serve alcohol. A few agree with the decision, but one respondent shared that they will lose an additional \$10-15,000 each week.

An infographic further detailing the Ohio Restaurant Association poll results can be found below:







About Ohio Restaurant Association:

For 100 years, the Ohio Restaurant Association (ORA) has proudly served Ohio's restaurant and foodservice industry, with their members always being their number one priority. Founded on thought leadership and focused on finding sound business solutions for their members, ORA offers advocacy and education, events and programs. For more information, visit ohiorestaurant.org.

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