When the Time Comes, Will Your Business Be Ready?

"I will prepare and someday my chance will come."

— Abraham Lincoln

"Fortune favors the prepared mind."

– Louis Pasteur

The astute 19th century minds quoted above identify a point equally salient today: preparation is critical to success. On April 16, the federal government unveiled <u>guidelines</u> for a phased reopening of the country. For our business owners and managers alike, we wanted to offer some guidance as you prepare for the new normal, when the time comes and in whatever form that "normal" may take.

Will Your Team Be Safe?

The most fundamental question, and one that will be on the mind of every individual physically returning to work, will revolve around the safety of your business's premises. Evaluate what your organization is doing to ensure the safety of its workforce. Significantly, the CDC published interim guidance for businesses and employers as they plan, prepare for and respond to COVID-19. The CDC guidance specifically addresses (1) reducing transmission among employees, (2) maintaining healthy business operations, and (3) maintaining a healthy work environment. The CDC's recommendations include identifying where and how your workforce may be exposed to COVID-19, educating your team on reducing the spread of the virus, assessing your business's essential functions, planning for an increased absenteeism in the workplace, and rethinking how your business approaches meetings and gatherings. As you prepare for your grand re-opening, addressing these areas will prove essential.

Are You Ready to Perform?

Businesses across myriad industries have been thrust into the unknown by the still raging Coronavirus pandemic. Unsurprisingly, many are now facing significant questions concerning how they will perform the obligations of their prepandemic contracts. On April 14, the Business Law Section of the American Bar Association <u>published a Model Standstill/Tolling Agreement</u> to address these types of issues. As stated by the ABA:

The agreement is a template for businesses facing problems of performance under contracts, including payment or collection, which may soon be overwhelming to the parties and to the legal system. It contains the basic elements that such an agreement should include and provides a balanced way for businesses to place a legal "freeze" on their commercial relationship while the economy stabilizes. The form of agreement, which can be used either in an electronic or paper format, is not intended as a substitute for legal advice.

Whether your business or one of its contractual partners is facing issues with performance, consider whether your business may need to "freeze" certain obligations for the short-term to protect or preserve its commercial relationships. It

may be preferable to negotiate presently, unlike in the recent past when litigation may have been the norm. These standstill agreements can buy peace now, even before you get back into your workplace.

Conclusion – What Does Day One Look Like?

Almost certainly, your business will not look the same on the first day, week, or month back. Whether due to a change in personnel, new safety precautions as outlined by the CDC, or simply the loss of momentum during months since your team last operated at full strength, the upcoming "day one" will likely be a loose simulacrum of your prior operation. Proactively considering how to ease the transition back to "work-from-work" will assuredly pay dividends as you move forward.

[DISCLAIMER – This information is solely for information purposes and does not constitute legal advice. Please contact SFNR with all legal questions]