

SOP: COVID-19 PLAYBOOK

BLACK SHEEP RESTAURANTS 2020

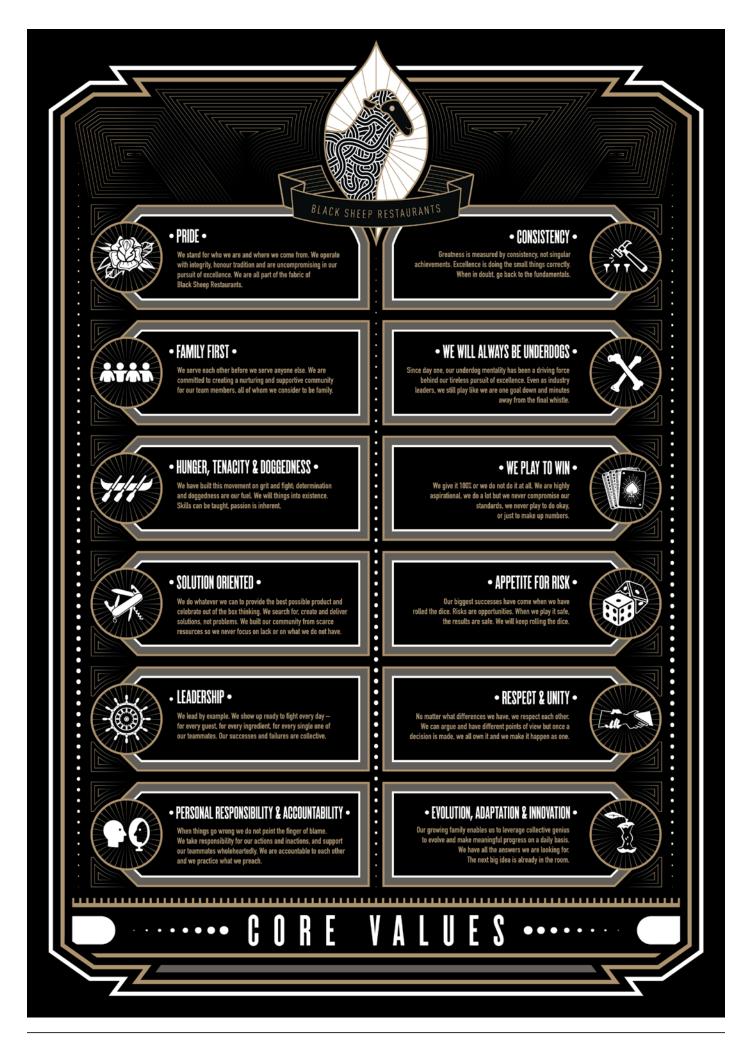
INTRODUCTION

The COVID-19 pandemic is unprecedented and unlike any crisis we, as a hospitality industry have had to face before. This is a manual on how we are attempting to get on top of the situation, stay ahead of the curve and come out the other end of it as a team with our values intact.

Prepare for criticism because no matter what you do, it will come. But if you are doing what you believe in your heart of hearts is right, the negativity tends not to pierce as deeply. We are conflicted every day about whether we are doing the right thing by keeping the restaurants open, even with the strictest protocols in place we know we are exposing our teams and possibly being part of the problem.

For now, we are living day to day, and every day that our team stays healthy and the restaurants stay open is a win for us. If the situation declines and government mandates a shutdown, we will be the first to get behind it, but until then we have a duty to our 1000+ community, many of whom have no financial buffer, to do everything we can to keep the lights on in their homes, keep their kids enrolled in school and a roof over their heads.

Syed Asim Hussain
Black Sheep Restaurants Co-founder





Most obviously mandate hygiene practices across the board:

- Handwashing every 30 minutes.
- Hand sanitisers and wipes to be made available absolutely everywhere.
- Make masks available and mandatory for all.
- Scheduled sanitising of all shared surfaces every 30 minutes.
- Increased cleaning across the board with an external agency deep sanitisation every 10 days. We use <u>LBS</u>.
- Ban physical contact (no handshakes, high fives, fist bumps etc.).

Useful: Guests are very sensitive to hygiene and anything that even looks messy will translate to unclean in their minds, so everyone's uniforms, hair, nails, any surfaces guests can see, it all needs to be tidy and spotless, now more than ever.



- Prepare for the worst and find out where there are hospitals or clinics testing for and treating the virus near you.
- If you have team members that may struggle to communicate with a clinic in the local language, decide now who will be their 'buddy' in a medical emergency.
- F&B is not a work-from-home industry so there will always be exposure risks. Ensure your team understands those risks. We gave everyone the option to take an indefinite leave of absence with the promise that if we make it through this, their job will be waiting for them.
- Strongly discourage travel to your team for the moment. We have let our team know that if they do choose to do this now, they will need to self-isolate for 14 days
- Invest in contactless thermometers and enforce daily, mandatory temperature checks for the team upon arrival. Anyone with a fever or other COVID-19 symptoms, send home.
- Extend this to anyone who visits your premises and have deliveries left outside wherever possible. If not, have delivery persons also sign a Health Declaration (see ours here).



- Create a Health Declaration form (see ours here) that all guests must sign before entering the restaurant. Make sure they leave contact details and keep these safe so that you are able to contact everyone who dined with you if you need to (e.g. if there is a confirmed case of COVID-19 within the restaurant).
- Give your front-of-house team a line to explain to guests why it is necessary, e.g.: "With the sudden global spread of the virus we are trying our best to keep our community safe and are asking everyone to complete this health declaration."
- If guests decline to complete the form do not be afraid to turn them away (we had to turn more than 50 guests away in one night). They may be upset in the moment but it is absolutely the right thing to do to protect your team and your guests. It feels uncomfortable because we are in the business of hospitality but we have to understand the reality of the new world we exist in.
- For guests that complete the form, the next step is temperature checks. Anyone with a temperature of 37.5 degrees celsius or above cannot be accommodated and should consider seeking medical advice.
- Try and think about various scenarios and give your teams guidance on how to handle them - what if someone who signed the health declaration starts displaying symptoms like coughing? What if you notice someone is wearing a quarantine bracelet?

Useful: If you have other venues close by, share info in real-time about potentially problematic guests. For instance, we had a group of guests who admitted at one restaurant they had all recently travelled together and were turned away but tried (unsuccessfully) to go to another one of our nearby venues with a different story. Consider creating a Whatsapp group with neighbouring bars and restaurants to share info.

STAIL WITHIN THE RESTAURANT

- Consider giving guests more space to physically distance themselves from each other. We are currently only setting every other table but are looking at more long term changes to the floor plans and will remove tables. We believe physical distancing is going to be part of the 'new normal' for the foreseeable future.
- Offer a hygienic option for guests to store their masks in during the meal. We use a small paper bag with a sticker, but even an envelope works.
- You can never have too many wipes or hand sanitisers available, ideally something on every table.



- If you are a multi-venue group, identify the team members who travel between the restaurants and find a way of eliminating or at least severely limiting this. As the proximity of many of our restaurants is close, we have traditionally shared a lot of resources but have had to change this. Consider the impact of an area manager becoming ill and having to close every restaurant he/she has visited... Zoom is your new best friend.
- If you are a larger team like ours, consider splitting all your teams in two and scheduling so that the As and the Bs do not interact in-person, in or outside of work. This limits the impact so if someone on the As becomes ill and the rest of the As need to self-isolate, hopefully, the Bs can still keep working.
- If you do go down the A-B team route, try and take into account any personal relationships within the teams. If you know team members are dating, sharing an apartment etc., just put them in the same group. The chances are they will be seeing each other outside of work anyway which will negate the purpose of splitting the teams.

Useful: Our team culture is that nobody is above service, so even our office team have gone through basic service training and have worked in the restaurants. Because of this they have been able to provide invaluable support on the floor at a time when their regular roles may be less relevant.

DELIVERY/TAKEAWAY

- If you are using a delivery service, implement contactless pick-up from your restaurant. Do not have riders come into the restaurants.
- If delivery is new to you, consider also running a pick-up option in tandem to avoid the aggregator fees. We source our packaging here in Hong Kong from Wah Fat Household Wares.
- Do not offer the entire menu for delivery/takeaway. Test which of your dishes travel well and if they don't, don't offer them.
- Go cashless if you can to limit unnecessary contact.
- Think about pivoting your offering to something more pick-up friendly. See Mimi Cheng's frozen dumplings for inspo.
- Get creative. We have our own proprietary delivery system that is running at capacity so we are coming up with new offerings that we can deliver outside of peak times that are also fun and interactive for guests e.g. a make-yourown pizza kit from Motorino.



MANAGING MENUS AND F&B COSTS

While there is so much unknown we have tried to follow what feel like are common-sense practices.

- Eliminate buffets.
- Run with reduced menus to help with food cost and wastage. Eliminate raw proteins, specials and lowest selling menu items. Guests have been very understanding of our streamlined menus.
- Work with suppliers to ensure quality and freshness of product and produce.

Keep small inventories.

** READJUSTING YOUR ECONOMICS

STRATEGIC PLANNING

- In these circumstances cash is the lifeline of any business. The importance of managing cash cannot be overstated.
- Run a cash flow analysis on a weekly and monthly basis to know where you stand.
- Put an immediate hold on all non-essential expenses. Only critical expenses should be processed while expenses such as part-time payroll should be on hold.
- Things get cyclical with good weeks vs. bad weeks so get used to the nature
 of how things take place and the need to be financially agile.
- Freeze all hiring and recruitment efforts.

COST MANAGEMENT

- Travel is a big expense in our world so all travel has been suspended indefinitely.
- Review the expense approval process more stringently and have fewer people authorised to approve expenses so everything is funneled with more scrutiny and by the same people.

PEOPLE MANAGEMENT

INTERNAL

 Have honest conversations with highest earners and discuss sacrifices such as unpaid leave and pay cuts to help with the survival of the business.

EXTERNAL

 Have open conversations with suppliers, vendors and landlords about discounts or pushing back payments. Do not ignore them or they will think you are going out of business.



Ensure that the messaging across all of your platforms (social media, emails, EDMs, press releases, conversations with guests etc.) is aligned and timely. Prepare for a guest or a team member to test positive for the virus as if it is inevitable (because it basically is).

If you react quickly, sincerely and transparently, that is half the battle won already.



Guests will be frustrated, stressed and scared. This often manifests as anger towards us, but stay empathetic in the face of emotional responses.

- Here in Hong Kong, if a guest tests positive be prepared to have very little to share due to the confidential nature of such information. It is unlikely that you will get the exact date and time of the visit.
- When we were informed that a guest of one of our restaurants had tested
 positive, in addition to the external comms we put out (see below for
 template), we reached out to every guest individually. Do not forget to let
 guests with upcoming reservations know that they cannot be accommodated,
 and provide alternatives if you can.
- Ensure you have team members on hand to answer all calls and emails (there will be a lot) in real-time, even when you are closed. Redirect phones if you need to.
- Remember that as a restaurant group we are not qualified to give medical advice or advise on next steps for guests. Always direct them to the appropriate government website for further advice and protocol.



- Prepare templates of comms for various scenarios that you can adapt quickly and use across all platforms (see below for samples).
- If you do find yourself dealing with a situation where someone on your premises has COVID-19, over-communicate with the public. It is better to bombard them with updates and share the information that you have across all your platforms than to appear to be hiding anything.
- If you have any negative responses to your comms on public platforms, do not delete them. In a crisis, people want all the information and any kind of censorship is very upsetting. If it is valid, take it offline. If it is trolling, just ignore.
- Determine your media strategy. We prefer good news to reach our guests from the press, but bad news should come from us. We are fortunate to have a big database and good engagement on our social media so we did not feel the need to send a press release about the temporary closure of our restaurant (if everyone already knows it then it is not newsworthy). But prepare holding statements to give to media, especially if your press-facing representatives are operations-focused, the chances are they will be too busy handling the crisis to chat to journalists. But 'declined to comment' or 'has not responded' also can read as though you are hiding something so prepare to answer press enquiries with at least a one-liner.

Useful: Be sensitive to the mood of the city. If your restaurants are open, look carefully at all the comms you are putting out. Triple check everything going on social; captions that were harmless a few months ago (e.g. How good does this <dish> look? What are you waiting for?!) are suddenly a minefield.



SAMPLE COMMS TEMPLATES

A GUEST VISITS WHO HAS COVID-19:

In these challenging times, we believe complete transparency is the only way forward and need to share that the Health Department has informed us that a guest that visited <restaurant> has tested positive for COVID-19. Our Guest Relations team is currently reaching out to everyone who has dined in the last <?> days to let them know they may have been exposed.

Out of an abundance of care, <restaurant> will remain closed until further notice and is being industrially sanitised, while all team members are self-isolating. We apologise to everyone who had upcoming reservations for the inconvenience, and we look forward to welcoming you back when we feel it is safe to do so.

A TEAM MEMBER TESTS POSITIVE FOR COVID-19:

We are heartbroken to announce that a team member from <restaurant> has tested positive for COVID-19. While right now we do not know for sure when he/she became infected, our Guest Relations team is currently reaching out to everyone who has dined in the last 14 days to let them know they may have come into contact with this <insert job function>. The restaurant is closed indefinitely for deep sanitisation and the full team is in self-isolation and being tested. At the moment no other team members are experiencing symptoms but as soon as we have more information, we will share it here.

In the meantime, if you have any queries please contact us via <insert email> and we will do our best to answer them. Our thoughts are with our teammate who is currently receiving care from some of the incredible healthcare workers our city is so fortunate to have. We wish everyone who has been directly affected by this devastating virus a speedy recovery and we look forward to happier times for all of us.

TENAL COMMUNICATIONS

This is never more important than in a crisis. As with external comms, keep communication lines open and transparent, everyone fears the unknown and there is so much unknown at the moment, so sharing is crucial. Where possible have your internal messaging go out before your external messaging. It is never preferable for guests to have more information than your team members.

 Do whatever it takes to make your team understand that there is no shame around COVID-19 and that they will never be penalised for communicating with you. Sample messaging we sent out:

Right now we cannot stress enough how important it is to keep us updated around anything to do with the virus that is happening in your personal life:

Someone in your apartment building tests positive – let us know. Someone you live with may have been exposed at their place of work – let us know. You or your partner experience even mild symptoms – let us know.

We will never be upset if you communicate with us. There is NO stigma around having this virus, we will not make your identity known to the wider team but we do need to be able to get you and your immediate colleagues the tests and the help that you need.

- Although we are doing everything we can to avoid redundancies, we have had
 to implement some unpaid leave and pay cuts. As we do not know if/when
 the business will come back, we created a <u>document</u> that reminds our teams
 a) of the importance of health but b) also the importance of managing their
 finances. If there are team members who may struggle in the local language,
 check in with them and see if they need help negotiating rental reductions
 with their landlords or filling out government aid forms etc.
- Get a full buy-in from the team around all of the hygiene and health protocols. We created signage for back-of-house areas across all the restaurants to remind everyone daily.
- If you have the capacity, try and provide some morale-boosting gestures. We were able work with a supplier to get a large batch of oranges so we are making immune-boosting juice shots for the teams and we are currently in the planning stages of our first Black Sheep Social Distancing Olympics!

THE ROAD AHEAD

It is important to stay optimistic but also realistic about the future. It is going to be a long time (if ever) that the restaurant landscape looks the way it used to.

Adaptation has always been the key to survival and if you are a small organisation this is easier for you, so maximise your strengths. What you lack in resources you can make up for in agility. If you are bigger and traditionally have many layers of approval to push decisions through, consider even a temporary restructure that allows you to be swift and use your resources to get creative.

In adversity there is always opportunity, to learn, to grow and to do things differently. Here in Hong Kong, we know that the dining scene is going to look very different when the dust settles. Since last summer, thousands of restaurants have already closed permanently. If we make it through this (and we will), while there will be less competition in the market, our guests will also have less expendable cash. We need to consider what the 'new normal' will look like and how we can best cater to this new face of diners.

We wish all of you in the industry good luck and good health and if there is anything you want to ask us, please do reach out and we will do our best to help.

APPENDIX

HEALTH DECLARATION FORM

<Restaurant name> <Today's Date>

HEALTH DECLARATION FORM

客人健康申報表

I hereby certify, represent and warrant as follows:

Within the fourteen (14) days immediately preceding the Date of this Health Declaration Form, <u>I HAVE</u> <u>NOT</u>:

- a. tested positive or presumptively positive with the Coronavirus or been identified as a potential carrier of the COVID-19 virus or similar communicable illness;
- b. experienced any symptoms commonly associated with the Coronavirus;
- c. been outside of Hong Kong;
- d. been in direct contact with or the immediate vicinity of any person I knew and/or now know to be carrying the Coronavirus or has travelled outside of Hong Kong within the last fourteen (14) days.

本人在此確認以下事項:

於填寫本健康申報表格之十四(14)天內未曾有:

- 甲、於新型冠狀病毒測試中呈陽性反應或懷疑受感染,又或是被懷疑是新型冠狀病毒以及其他可 傳播性病毒的帶菌者;
- 乙、感到不適或有任何感染新型冠狀病毒之病徵;
- 丙、離開香港或從外地進入香港;
- 丁、親身接觸過任何已感染新型冠狀病毒之患者又或是於十四(14)天內有外遊記錄的人仕。

Name (Print)	Phone No.	Email Address	Signature

APPENDIX

LIFE HACKS PAGE 1



LIFE HACKS

Black Sheep family,

The next few months are going to be difficult. We have put together a quick document on tips and tricks as we navigate this tough environment. We need to look after ourselves not only physically and mentally but also financially.

HEALTH AND PERSONAL HYGIENE:

- -Rest and recover: get plenty of rest, aim for at least eight hours of sleep every night. As we have asked you all to move from work to home only, we hope this allows more time for rest.
- -Add vitamins C & D to your diet. Supplements can easily be found at your local pharmacies, as well as in fresh fruits and vegetables.
- -Eat healthy foods that nourish your body, anything high in antioxidants, immunity-boosters and antiinflammatories is helpful. Stay away from processed foods where possible.
- -Drink lots of water as hydration is key. Avoid sugary drinks.
- -Stay active. Incorporate daily exercise, even if it is just 20 minutes, to keep your physical health and strength up, raise your immunity and maintain mental health. If it works for you, try to meditate or just take five minutes to breathe and refocus.
- -Try to avoid alcohol as it lowers your immunity.
- -Kick that smoking habit, as it will only make any symptoms worse.
- -Carry hand sanitiser at all times and wipe down any shared surfaces before using them.
- -Use disinfecting wipes to sanitise your phone and computers regularly.
- -Wear a mask when out in public. Do this for yourself and those around you.
- -Avoid crowded, public places, especially clinics and hospitals (places of increased germs). Social distancing is here to stay.
- -It is important to keep some distance between you and others (2 metres/6 feet).
- -You can get helpful updates from the World Health Organization WhatsApp number by texting "Hi" to $0041\,798\,931\,892$.
- -Maintain connections with your friends and family, even if it is over digital platforms. If you feel overwhelmed or anxious, call someone. Remember that you are not alone in this.

APPENDIX

LIFE HACKS PAGE 2



- -Wash your hands frequently with liquid soap and water and rub for at least 20 seconds. Make sure to get every space, between fingers and on the tops of your hands.
- Adhere to food safety and hygiene rules and avoid consuming raw or undercooked products.

HOUSEHOLD:

- Sanitise your shoes before entering the house.
- Perform regular household cleaning and disinfection.
- Run water in drains regularly to maintain their cleanliness and function.
- Open doors and windows to keep your home ventilated.
- After using the toilet, put the lid down before flushing to avoid spreading germs.

FINANCIALS:

- -Negotiate a rent discount with your landlord; a good starting point would be to ask for 20% rent relief for the next six months.
- -Make use of government subsidies: 10K for residents and 3.5K for every child in school is currently being offered by the HKSAR Govt.
- -Review your expenses and eliminate all non-essential costs where you can.
- -Make a list of your absolute essential expenses such as utilities, groceries, rent, regular medication, tuition fees, transportation to work and loan payments so you always are aware of the number you need to survive.
- -Be financially disciplined; create an expense tracker and start writing down every expense.
- -Use online portals such as Facebook, Carousell and AsiaXPAT to sell unused/unwanted items.
- -If you have mortgages, student or personal loans, reach out to your lenders and enquire about relief programmess as banks have put different schemes in place.
- -Pause gym memberships, canceling is harder but most clubs allow you to defer. Use online tutorials or run outside instead.

If you have any questions reach out to Akbar, Dec, Marc, Jon, Tony, Asim, Chris. We are all in this together.