## **Arkansans For the Arts**

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## **Creative Business: Running a Restaurant During COVID-19**

By Capi Peck, Owner of Trio's Restaurant and Little Rock City Board of Directors Member (Ward 4)

**Little Rock, AR | August 9th, 2020:** The world changed here in Arkansas when the COVID-19 pandemic started spreading in March. As a restauranteur for 34 years, my reality turned upside down overnight as we watched the cases of Coronavirus rise. The world has perhaps changed permanently for my industry. The restaurant landscape will look very, very different in the future.

At <u>Trio's</u>, we quickly made the decision to close for dine- in service on March 17--long before the closure was mandated--and morphed into our current business model which includes curbside pick-up and home delivery. We did so because we felt like this was the safest step to take for our staff and customers. I think we had a big advantage over some of our colleagues because we made the decision swiftly and decisively. For a few weeks beforehand, I had daily talks with my sister who lives 10 minutes from the March epicenter of the pandemic, New Rochelle, New York. She helped me prepare for the inevitable.

It was the hardest couple of weeks we have experienced since we opened our doors in 1986. Nothing could have prepared us for it. We were stressed, scared and worked ourselves into a state of near exhaustion as we learned how to operate in a brand new way.

We didn't skip a beat. One day our dining room was bustling with customers and we were catering large and small events. Two days later we were shuttered except for curbside pick-up and home delivery. We were in constant communication with our staff who are truly our family. We made the decision together to survive and we have.

Servers became carhops and delivery drivers. We opted to handle home delivery in-house because of the 20-25 % third-party delivery companies charge. Instead of artfully arranged food on a plate, we were figuring out what traveled best and how.

The pandemic forced us to think of creative ways to feed people. It forced us to scrutinize the business side of owning/running a restaurant, not just the culinary side. Every single restaurant owner in the country had to reinvent themselves.

On the first day of our closure, my partner, Brent Peterson, and I decided to raise the waitstaff's pay from \$2.63 per hour plus tips to \$10.00 per hour plus a newly created tip pool that would include back of the house staff as well as front of the house.

We added easy on-line ordering and streamlined our menu. We added family pack meals and became adept at packing our food to go. The first couple of weeks were extremely challenging. Business was brisk and very labor intensive because of all of the packaging and intensity of getting 20 orders all for a 6:30 pick up. We learned a lot quickly. I have not worked as hard since my first years as a restaurant owner in the 1980's trying to learn the ropes.

We had dozens of events off-site and in our private room on the books for March, April, May and beyond. We braced ourselves and just kept our eye on being as efficient, resilient and positive. Morale was good. I was in the constant cheerleader mode rallying the troops and supporting staff, many who were frightened, depressed and vulnerable.

Every step we took regarding safety protocol was discussed with my dear friend and colleague on the city board, Dr. Dean Kumpuris. We never took short cuts. We always erred on the side of caution. When two employees tested positive, we closed immediately and were tested along with each of our 32 Trio's family members. We self-quarantined during a 12-day period. Nobody else tested positive, and we could have re-opened much sooner, but we felt it most prudent and wise to remain shuttered. Dr. Kumpuris guided us every step of the way.

Our customers became our lifesavers. They tipped generously knowing that the livelihood of our staff depended upon their generosity. One very regular couple, who have been dining with us several times a week for decades, gave us a \$10,000 check at the end of March. I wept at their compassion and generosity. We divided it among our staff, giving more to those most vulnerable. It was a godsend. Other friends of Trio's followed suit with purchases of gift cards, donations/tips of \$100, \$500 and in between.

Early on a friend gave me the nickname of Scrappy Capi. I like that. That is how the entire independent restaurant scene, those of us who have survived thus far, can be described. We are scrappy as hell. Resilient. Creative. Compassionate. Hard-working. Inventive.

So here is the sobering news about the state of my industry in the country. If these numbers don't convince you of the near-apocalyptic future for independent restaurants, then you have blinders on.

Restaurants and bars employ over 15 million people in the United States which makes us the second largest employer in the country. No other industry is suffering more during the pandemic than mine. We were the first industry to shut down, and we will be the last to recover.

As of July 10, 26,000 restaurants have permanently shut down. 90% of the revenue an independent restaurant takes in goes directly to the employees, suppliers and for rent. Our margins are razor thin. Ninety- five cents of every dollar that goes into a restaurant goes right out the door.

Independent restaurants are the lifeblood of our economy and our communities and we need help. I am passionate about hospitality and my industry. I am the fourth generation in my family to be in this business in Arkansas. I am fighting to save a culture here. We need help because our business depends upon social gathering, the antithesis of what science tells us not to do during this pandemic. Eleven million of us will lose our jobs. Many of us have banned together to push for the Restaurant Act of 2020. This is a bi-partisan restaurant revitalization fund of \$120 billion. The very nature of such a bill with

wide bi-partisan support illustrates what is so special and unique about independent restaurants, neighborhood bars, food trucks, coffee shops, bakeries and mom and pop diners: we are the heartbeat of the community. People come together to break bread or raise a glass in good times and bad, but not during a global pandemic. Dining out is so much more than just having a great meal with ambiance and attentive service. Our food just tastes different in our restaurant than it does when you eat it at home. It is half of the package because after all we are in the hospitality business helping you celebrate, commiserate, and create experiences that nurture body, heart and mind.

The Payroll Protection Program favored large franchises and chains over small restaurants.

With the <u>CARES act</u>, independent restaurants got 9% of the total loans for small businesses. We need more to survive.

We are still supporting local farmers. We are bringing food to you safely and creating jobs for our employees. We are serving as much of the city as we possibly can. We are still operating sustainably. We are still giving back to a community that has supported us for 34 years.

The task of re-opening Trio's or any restaurant will be daunting. We have now been closed for 4½ months. Consumer confidence is low. Many people don't want to venture out to eat in a restaurant. The thought of opening and having to close again is a nightmare, and this is precisely what is happening all over the country. And there are sad stories of customers being defiant and belligerent with wait staff whether it is about masks or social distancing.

There has been one major redeeming side effect of the pandemic. Many of us have a much less frantic life. We are taking time to stop and smell the roses. We are spending so much time at home. Every week I ask myself, "Do we really need to be open 7 days a week?" Perhaps not.

Another silver lining was recently being voted by readers of the Arkansas Times as a winner in the following categories: Best Delivery, Best Caterer, First Restaurant to Visit After the Pandemic and Finalist for Best Restaurant Curbside Service.

What does the future hold my restaurant? For independent restaurant across the country? I wish I had a crystal ball. The restaurant landscape will be forever changed. My heart aches for those who have closed permanently and for those who are struggling. I would be lying if I told you my business was great or even fine. It is hard as hell and very stressful. But I am the eternal optimist and an ambassador for hospitality and for the city of Little Rock. I love my job, my restaurant family, my home town, and the extended family of Trio's customers with a fury. If anybody can make it in these crazy and surreal times, we can.