



April 20, 2020

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Republican Leader
United States House of Representatives
Washington, D.C. 20515

The Honorable Chuck Schumer
Democratic Leader
United States Senate
Washington, D.C. 20510

Dear Speaker Pelosi and Leaders McConnell, McCarthy, and Schumer:

I write today to provide an update on the devastating impact the coronavirus pandemic is having on the restaurant industry. On March 18, we wrote you warning of a bleak outlook for the restaurant industry – the nation’s second-largest private sector employer – as the pandemic was unfolding. One month later, we have a clearer picture of the severe challenges that lie ahead, and ask for a focused solution on behalf of an industry that is a vital part of every community.

The National Restaurant Association has completed an extensive nationwide survey of eating and drinking establishments, focusing on the financial health and future of these vital businesses since the beginning of the coronavirus pandemic. The results are startling.

- Eight million restaurant employees have already been laid off or furloughed. This represents two out of every three restaurant jobs.
- The restaurant/foodservice industry lost \$30 billion in revenue in March and is on track to lose an additional \$50 billion by the end of this month.
- Four in ten restaurants have closed their doors, some with no hope of reopening.
- Over 60% of restaurant owners say that existing federal relief programs – including the CARES Act – will not enable them to keep their employees on payroll throughout the downturn.
- Assuming a gradual reopening of the economy in June 2020, we forecast sustained losses of \$240 billion for restaurants by the end of the year.

The restaurant industry has been the hardest hit by the coronavirus mandates – suffering more sales and job losses than any other industry in the country. As past recoveries have proven, we will be one of the slowest to bounce back. For an industry with sales that exceed the agriculture, airline, railroad, ground transportation, and spectator sports industries combined, a restaurant relief and recovery program is desperately needed.

Honorable Nancy Pelosi
Honorable Mitch McConnell
Honorable Kevin McCarthy
Honorable Chuck Schumer
Page 2

You have worked in short order to pass three bipartisan bills that fund public health programs, ensure the safety of our workforce, and provide economic support to small businesses trying to stay afloat. Initiatives like the Paycheck Protection Program offer tremendous potential, but unfortunately the unique business model of our industry and our slower path to recovery make it less of a lifeline. Changes to its implementation could provide immense help.

But more importantly, just as Congress has provided targeted relief for specific industries, we urge you to consider focused assistance for the restaurant industry and its employees. Every restaurant model, from the beloved corner diner, to the favorite independent restaurant, to the well-known chain has an uncertain future as economic damage wrecks an industry that is only marginally profitable even in the best of times.

The National Restaurant Association has prepared a “Blueprint for Recovery” that outlines how Congress can improve the outlook for our survival. We will lead our members, our state restaurant association partners, and our customers in urging inclusion of this plan in any “Phase Four” legislative package that is assembled in the coming weeks.

Each of you has a favorite restaurant in your home state – one that exemplifies your culture, your cuisine, and your community. The restaurant industry epitomizes the American dream, but it is uniquely vulnerable to both the current circumstances and the future uncertainty of dining in an era of social distancing. We look forward to our continued work together and thank you for your commitment to the restaurant industry.

Sincerely,



Sean Kennedy
Executive Vice President, Public Affairs

Enclosures
National Restaurant Association “Blueprint for Recovery”
National Restaurant Association Infographic on Industry Outlook