

At the request of the JSCVR co-chairs, I'm submitting the below consolidated concerns and input from Market of Choice CEO, Rick Wright. Thanks in advance for your consideration. -Floyd

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"As I mentioned, yesterday I was on a national call with retailers who operate locations all over the US and also some in China and Italy. From those that operate in China and Northern Italy we learned the crucial responsibility the supermarket industry has to maintain operations as all other industries shut down. Evidently, Italy has required all stores and industries not deemed 'essential' shut down. While all industries deemed 'essential' are required to maintain operations, although how they operate may change.

"We heard how there are a number of stages that we will go through as this issue progresses. I included a link to an article written by a Chinese retailer that follows some of the information that the Italian retailer outlined. The Italian retailer described his experience in this way:

"Stage 1 – Covid-19 receives national media attention – supermarket sales increase 15% as water, toilet paper, sanitizers, etc. become in short supply.

"Stage 2 – Suggested quarantines and closures begin – supermarket sales increase by 40% as supply shortages begin throughout the entire supply chain. Employees are overwhelmed and absentee issues further deplete the workforce. Employee moral declines as “essential employees” are asked to work at the same time the government is suggesting everyone else stay home.

"Stage 3 – Government mandated quarantines – supermarket sales double and triple as most Italians only source of food is through a supermarket. Sales are basically limited to how much product a certain store can obtain. Supermarkets receive help from the government to control crowds, limit shoppers allowed in each supermarket, create queuing with 1 meter 'social zones' at the entrance to supermarkets and at gathering points like meat counters and checkout. Supermarket hours of operation are reduced. The presence of the guards also helped maintain order so that looting has not escalated. In some situations guards are also escorting delivery trucks both for protection and to help navigate where closures of bridges and tunnels exist. Supply chain and workforce are extremely depleted. Government considers “catastrophe” pay to help “essential “ industries maintain a workforce, although nothing has been implemented as of yesterday. Grocery shopping is one of very few reasons Italians are allowed to be outside their residence, so people are gathering there to not only shop, but to also have some social interaction. Limits are placed on purchases to discourage hoarding.

"Stage 4 – Italy has not proceeded to Stage 4 yet – so still unknown. If you read the Chinese article attached you can see the extreme measures they took.

"For my company we experienced Stage 1 almost exactly how the Italian retailer described it. Our sales over a 10 day period were up 12.3% (I am certain club stores and discounters are experiencing even greater sales increases). Now we are experiencing Stage 2. Sales on

Wednesday were up 25% and on Thursday they were up a staggering 98%. Supply chain is being overwhelmed and shortages and delays are increasing. I am very proud to say that our workforce has been stable so far with absenteeism running only slightly ahead of our seasonal average. I am concerned what will happen next week now that schools are closed.

"As an industry leader I am concerned what happens as we go deeper into Stage 2 and the possibility that we enter Stage 3. What can we do to ensure that my industry can support our communities? Here are a few suggestions I feel it would be wise to consider:

"1. Develop a plan to make sure all our communities have access to food and nutrition products. Help us ensure that freight and deliveries are safely reaching our stores. Help us ensure that we keep our customers and employees safe through crowd control plans. Help ensure that we can serve all of our community members by discouraging hoarding.

"2. Help us maintain a suitable workforce during emergency situations. Relax regulations that force our hiring procedures to take several days or weeks. Allow us to hire temporary employees that don't need to be fully on loaded as permanent. Relax regulations around FMLA that make us in violation when requiring an employee to stay home. Relax scheduling laws that make it difficult for us ask employees to work extra hours or extra shifts. Relax the one week scheduling law that actually requires us to complete our schedules 2 weeks before the start of that schedule. We need the flexibility to maintain a workforce that can support the needs of our communities as those needs grow.

"3. Make sure that we have the tools to help keep our employees and our customers safe. Ensure that we have adequate supply of sanitizers, gloves, mask and other safety gear. Relax the 'single use exclusion' regulations that require customers to share the same dispenser. Suspend the return of deposited containers to retail locations as required by the Oregon Bottle Bill (because of likely contamination this is something I believe should never be allowed, but especially during this emergency.)

"4. Start to imagine what Stage 4 looks like and how we feed our communities in this extremely rare instance. Also consider what happens after a Stage 4 and we begin to get back to normal. How do we return to normal?

"I want you to know that my suggestions above are not financially motivated. I understand that there will be certain costs to serve our communities. I also understand that as grocers we are lucky that our problem is too much business and not the alternative. I just hope that some of the unknown risks are mitigated so that we enthusiastically serve our communities instead of reluctantly.

"Here is the link to story from China:

https://www.iga.com/insights/covid-19-coronavirus-the-impact-on-iga-chinas-retailers?utm_campaign=IGA%20Minute%20Campaign&utm_medium=email&_hsenc=p2ANqtz-_Y5PbYc5z79Q1gL_qYnuh6Z2TII_YSZUXTVG-KltuBvbY58KRCU3J8VguEJSniKtZR8xT1doksXRGjnd47jGjNKGhMKXZ6Ljb4WNIFdpbTyn

[Q5VeI&_hsmi=84660102&utm_source=hs_email&utm_content=84660102&hsCtaTracking=0360ad94-7d3c-4da8-aac8-bcc05f06ee16%7C79d8c9bc-0efc-4031-8056-a3dc7f5f6ef5](https://www.hs-niederrhein.de/hsmi=84660102&utm_source=hs_email&utm_content=84660102&hsCtaTracking=0360ad94-7d3c-4da8-aac8-bcc05f06ee16%7C79d8c9bc-0efc-4031-8056-a3dc7f5f6ef5)"

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"I am in daily contact with grocers throughout the US and some overseas. The message I am receiving from everyone that are a few steps ahead of us here in Oregon is 'grocery stores and our personnel are now considered first responders, yet we are not getting any help from our government agencies to operate as first responders.'

"If you could convey the importance of communicating to the governor and her team that we need some advance notice anytime she intends to introduce new measures that may create panic buying. The San Francisco 'shelter in' and the New York '50% reduction' orders have caused unnecessary rushes on supermarkets and caused unintended consequences. (My New York grocer friend found out about the 50% reduction order instituted by their governor from me – as we were on a conference call. Nobody communicated it the grocers.) The rush to the supermarket created packed stores with sometimes twice as many people inside as the allowed occupancy of the building. Social distancing was impossible to achieve, putting both customers and employees at risk. Crowd control became incredibly challenging and the situation became dangerous.

"Prior warning will allow us to implement planned protocols and put personnel and security in place to limit occupancy in our stores. I want to stress that giving us the proper time to get personnel in place can mitigate so many issues."