

Corona Financial Survival Actions

To help you take the necessary steps for survival, we're providing you with access to an Economic Survival Checklist. This list provides useful tips for facilitating financial survival during this unprecedented period.

- Reduce personal expenses immediately.
- Aggressively Collect AR.
- Sell down inventory.
- Lay-off and/or reduce hours for non-essential staff. Consider providing a retention bonus plan (ex: \$250 accrued for each week laid off paid out as a weekly bonus upon their return). The cost of hiring and training someone new for the position will far outweigh the cost of the retention bonus.
- Use this period as the catalyst to terminate any under-performers.
- Take a hiatus from paying your staff 401k contributions. You can likely postpone contributions but will have to make them up by tax date next year. Check with your plan administrator for guidance.
- Turn off unnecessary lights.
- Reduce # of phone lines.
- Promote On-line sale of gift certificates...provide incentives such as \$125 certificates for \$100.
- Look to sell products (sun wear, CLs, supplements, etc.) on-line.
- Turn non-delivered eyewear into cash immediately. Offer home delivery of previously ordered but not yet picked up eyewear (with credit card payment in advance of delivery).
- Delay payables to 60 days.
- Eliminate non-essential "nice-to-haves" like Muzak, cable, landscape services, cleaning services, etc. Assign to staff or DIY.
- Do what's necessary to collect all vendor rebates and co-op monies.
- Tap line of credit.
- Pay necessities by credit card.
- Return recently purchased inventory for credit (don't wait for credit, deduct expected credit from current payables). Provide vendor with documentation.
- Secure credit for any accrued non-adapt exchanges with your lab.
- Don't rush to pay your taxes. We've already received a 90-day postponement. Penalties and interest will likely be waived.
- Stay calm.

Have a specific situation for which you'd like guidance? We're here to help. Call us at 800-331-5536 or email covidhelp@cleinman.com.