Weekly Coronavirus Webinar
Wednesday, March 25, 2020
PANELISTS

Andrew Ziehler, NALP President – Ziehler Lawn and Tree Care

Greg Herring, Founder and CEO – The Herring Group

Andrew Bray, Esq. – NALP VP of Government Relations
Andrew Ziehler
Ziehler Lawn & Tree Care
UPDATE FROM NALP PRESIDENT

Business Changes

• Week 1
  – Information Gathering
    • Use of networks to gather information
    • NALP members
    • NALP government affairs team
    • Peer group
  – Phased scenario planning
  – CDC guidelines installed
  – Start communication to team
UPDATE FROM NALP PRESIDENT

Business Changes

• Week 2
  – All meeting phased in to Google Meets
  – Separated facilities & increased distancing in offices
  – Began memos and videos to the team
  – Updated scenario planning
  – Importance of huddle cadence when in crisis
UPDATE FROM NALP PRESIDENT

Business Changes

• Week 3
  – Work from home
  – Contact lenders and vendors
  – Preserve the business
    • Legislators
    • Local network
    • Local associations
UPDATE FROM NALP PRESIDENT

Lessons Learned

1. Peer network is crucial as a sounding board and place to get trustworthy advice

2. Importance of advocacy and connections

3. Strong leadership team that is communicating is crucial
Questions?
Greg Herring, Founder & CEO
The Herring Group
WHAT WE WATCH

• Availability of testing? (affects apparent case growth rate)
• How contagious?
• Case fatality rate?
• Can people get re-infected?
• Will warm weather reduce the number of new cases?
OUR OPINIONS

• Interpret “stay at home” order language broadly
• You need a lot of available cash
• Don’t have more than $250k in cash at any one bank
• Some customers will be unwilling/unable to pay you
• Likely many months not a couple of months
• Great test of leadership -- great compassion, narratives and data can reduce panic (family, customers and employees), greatly impacting people.
FINANCIAL PLAN FOR COVID-19

1. Build liquidity (cash)
2. Understand customer mindset by segment and by division
3. Plan scenarios
4. Calculate cash needs in each scenario
5. Consider expense reductions
SOURCES OF LIQUIDITY

- Company cash
- Available line of credit
- Collect A/R faster
- Bigger deposits on construction projects / large enhancements
- Income tax payments (NOT payroll taxes)
  - “Free” extension from 4/15/20 to 7/15/20
- Discount for paying a year in advance (residential maintenance)
- SBA COVID-19 Disaster Relief Lending
  - Up to $2 million for “economic injury”
  - Used to pay fixed debts, payroll, accounts payable and other bills that can’t be paid because of the disaster’s impact
  - Interest rate is 3.75% for small businesses without credit available elsewhere; businesses with credit available elsewhere are not eligible.
  - Terms are determined on a case-by-case basis, based upon each borrower’s ability to repay, with a maximum of 30 years.
- Unpledged assets for collateral for new loans
- Owner cash
- Friends and family
Questions?
GOVERNMENT RELATIONS UPDATE

Andrew Bray Esq.
NALP VP of Government Relations
Questions?
RESOURCES

State by State COVID-19 Guidance

New Landscape Industry and COVID-19 Statement

NALP Coronavirus Web Page

Podcast: Are Landscape Services Considered “Essential Services”? 

Grassroots Letter to Legislators

Facebook Landscape and Lawn Care Coronavirus Discussion Group

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