

Kurt L. Darrow Chairman, President & CEO One La-Z-Boy Drive Monroe, Michigan 48162-5138 Phone: 734-241-3067

April 6, 2020

Re: Essential Nature of Furniture

Dear Policy Maker:

In a very short period, the coronavirus pandemic has darkened much of the United States' economy. Unlike prior economic downturns, market forces are not driving it, rather we are forcing a hard stop to much of American life. Some industries have been particularly hard hit. For example, brick-and-mortar retailers of products deemed "non-essential" have been forced to close by various state-issued executive orders over the past few weeks.

These orders are understandable – with the spread of the virus accelerating, states needed to take quick action to force social distancing while allowing critical elements of the economy to function. But there have been unintended consequences.

Because of the distinction between "essential" and "non-essential" products, the hardships inflicted on businesses have not been equal – or intended. For example, in the furniture industry, big-box retailers like Walmart and Target have been allowed to sell furniture throughout the pandemic because they also sell other products such as medications, food, and hardware.

Similarly, e-commerce retailers, like Wayfair and Amazon, are continuing to sell and deliver furniture because they have deemed themselves part of the essential e-commerce infrastructure. Yet, brick-and-mortar furniture stores that provide service and value to our communities have been forced to close.

This approach – which unintentionally allowed some businesses to sell furniture, but not others – is threatening the viability of thousands of local furniture stores that employ hundreds of thousands of Americans.

At the very same time, this crisis is causing families to quarantine together, forcing people to work from home, while children study at home and college students finish semesters from home. **Families are finding that they need furniture that will allow them to live and work comfortably and productively in their new home-bound realities**. Some may find that they need specialized furniture, such as "lift chairs" that assist the elderly or infirm to be get in and out of chairs.

As a result, we believe that **household furniture should be considered an essential product**, and furniture retailers should be permitted to operate consistent with CDC guidelines. The goal of the closure orders was not to close businesses and stifle the economy. The goal was to slow the spread of COVID-19 and flatten the infection curve. Furniture retail stores can operate in such a way that employees and guests are less exposed to social contact than employees and guests in grocery stores, pharmacies, auto repair shops and other retail businesses that have been deemed "essential." Therefore, the risk to allowing furniture retailers to be considered "essential businesses" to reopen and sell much-needed products is minimal.

Alternatively, if furniture retailers cannot be deemed "essential" at this time for some reason, furniture retailers should be among the first businesses **allowed to reopen in the first wave of easing of restrictions on non-essential businesses**. Furniture stores can operate by appointment, allowing easy monitoring of the number of customers in the store (which is generally spread throughout the day anyway), which would be one way to allow furniture retailers to transition from closure orders to reopening fully at some point in the future.

Furniture retail stores could also be included within the first wave of businesses allowed to reopen this month if they manage the number of individuals within the store at any time – *which is an approach some states are taking now during the peak of the pandemic.*

These retailers could easily be required to meet the following standards:

- Health and Safety Protocols
 - Hourly disinfecting protocols
 - Hand sanitizer available to employees and guests to encourage hygiene
 - Frequent cleaning of high-touch items like door handles, credit card terminals, computers/tablets, etc.
 - o Temperature screening for team members
- Social Distancing Protocols
 - No-touching policy (no handshakes, hugs, or other close contact)
 - Maintaining social distancing, and posting signage with protocols and reminders to employees and guests
 - Limiting the number of guests allowed into the store based on square footage of the establishment for example:
 - Stores with less than 7,500 square feet limit the number of customers in the store at one time to 5
 - Stores with more than 7,500 square feet but less than 25,000 square feet limit the number of customers in the store at one time to 10
 - * Stores with more than 25,000 square feet but less than 50,000 square feet limit the number of customers in the store at one time to 50
 - Stores with more than 50,000 square feet but less than 75,000 square feet limit the number of customers in the store at one time to 75
 - * Stores with more than 75,000 square feet limit the number of customers in the store at one time to 100

Throughout our country, the furniture industry employs hundreds of thousands of Americans, providing products that are in high demand during this crisis, and pumping millions of dollars in employee paychecks, taxes, and investments into our communities.

These brick and mortar stores can be operated in a way that fully complies with all CDC guidelines to limit the spread of COVID-19. Several states have already recognized this balanced and pragmatic approach. One of those states is Virginia. Executive Order No. 53 issued by Governor Northam of Virginia provides that any brick and mortar retail business not deemed "essential" can "continue to operate but must limit all in-person shopping to no more than 10 patrons per establishment. If any such business cannot adhere to the 10 patron limit with proper social distancing requirements, it must close."

For the benefit of customers, employees, and our economy, we request that furniture retailers *either* (i) be recognized as an essential product in the context of applicable executive order, or (ii) be among the first wave of non-essential businesses allowed to reopen, due to the importance of their products and the clear ability to maintain social distancing and cleaning protocols.

On behalf of the retail furniture industry, we thank you for your consideration, and your time and attention during these challenging times.

Sincerely,

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Kurt L. Darrow Chairman, President and Chief Executive Officer La-Z-Boy Incorporated