Back-to-Work Toolkit: Hospitality Industry

Helping Businesses Protect Lives and Livelihoods
The success of our hotel is based on positive, in-person interactions with our valued guests. What operational, insurance, and other considerations can help keep customers, staff, and properties healthy?”

Hotels and resorts are among the companies hardest hit by the COVID-19 pandemic. By late April 2020, it was estimated that approximately 80% of hotel rooms were unoccupied. Even as states reopen for business, hotels are likely to face challenges building trust and customer confidence, restaffing their properties, working with insurers to manage claims and obtain coverage, and addressing the wide-ranging economic impacts of the crisis.

The following information draws on guidance from multinational and US government agencies and highlights industry best practices developed by highly regarded consultants and trade associations. We identify a range of customer experience, safety and infection-control, premises, staff education, and other policies and procedures that can help hotels and resorts strengthen relationships with their guests, employees, and other stakeholders.
INTRODUCTION:
The devastating impact of the coronavirus pandemic has been particularly hard felt by the approximately 55,000 hotel properties in the United States, including more than 33,000 properties owned and operated by small businesses. As of April 29, 2020, nearly eight out of every 10 hotel rooms were empty across the country per STR, a leading hotel industry consultant. Making matters worse, STR also reported that hotel construction hit an all-time high in March, adding tens of thousands of additional rooms just as demand has evaporated. Individual hotels and major operators are projecting occupancies below 20% for upcoming months. At an occupancy rate of 35% or lower, some hotels may have no other choice but to close their doors.

The human toll on front line-hotel employees is equally devastating. The hotel industry supports 2.3 million direct jobs and 8.3 million total jobs, representing almost $100 billion in annual wages. Yet, based on current occupancy estimates for the immediate future, and historical employment impact rates, nearly 3.9 million total jobs have either been eliminated or will be eliminated in the next few weeks. With nearly 70% of direct hotel employees laid off or furloughed, hotel workers are losing more than $2.4B in earnings each week.

As states begin the reopening process in the weeks to come, hotel owners and operators are gearing up and planning for what they hope will be the return of guests. Owners and operators need to be mindful that not only will government standards resulting from the pandemic dictate new operating requirements, but the public’s expectations for health and safety will also be markedly different than before. Building trust and regaining customer confidence will be of paramount importance in breathing new life into the industry. Heightened sanitary and hygiene measures as suggested in this outline, and the links provided below will need to be applied, with new practices put in place to monitor and control the environment in which the business takes place. As in all crisis situations, communication will play a key role in regaining customer trust and loyalty. Hotels need to focus on reaching out to customers in a manner designed to reassure them of the safety in their decision to start traveling again. Promoting the business should be done in a positive manner, showing the benefit to the customer and providing the travelers with a light at the end of the tunnel.

This guide is intended to highlight in broad strokes certain areas of focus for hotel owners and operators — welcoming the hotel guest, ensuring a healthy stay, and operational considerations — while also providing links to specific reopening and sanitation guides being developed by hotel operators, vendors, and consultants. Additional information can be found through the American Hotel & Lodging Association: Safe Stay for Enhanced Industry-Wide Hotel Cleaning Standards and the World Health Organization: Operational Considerations for COVID-19 Management in the Accommodation Sector.

WELCOMING THE HOTEL GUEST:

■ Transportation:
To the extent hotels provide guest transport from airports or train stations, hotels should ensure that (a) all drivers are wearing protective gear such as masks and gloves and (b) all cars and vans are disinfected with every arrival. Other steps to consider are segregating the driver’s area from the passengers with transparent plastic and reducing the permitted occupancy of the vehicle.

■ Check-In:
Hoteliers should consider the following when welcoming guests:
• Hotels should consider developing and distributing at check-in a health and safety pamphlet covering all the steps being taken by the hotel for safety and sanitization along with the operational norms for restaurants, room service, housekeeping, and laundry procedures.
• Reduce face-to-face interaction between staff and guests wherever possible.
• Promote contactless and keyless check-in via the use of mobile apps.
• Also, consider limiting the number of check-in stations while ensuring that there are adequate markings on the floor to maintain proper social distancing.
• There should be ample supplies of sanitizers for guests, and all front-desk associates should be wearing masks and gloves.

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Elevators:
Hoteliers should place safety instructions, including the number of guests allowed at one time, inside all elevators. Regularly sanitize all elevator buttons and provide, where possible, hand sanitizer dispensers in the elevators.

Guest Rooms and Amenities:
- To ensure a healthy stay for guests, provide adequate signage in guest rooms outlining the various health and safety steps being instituted at the hotel, including, without limitation, information on how and when guest rooms will be cleaned and how often linens will be replaced.
- Consider reconfiguring room amenities to be more “low-touch” rather than “high-touch,” especially if they are difficult to clean or replace after every guest. For example, items like pens, notepads, and magazines are often used and left behind by the guest, but not necessarily replaced by the housekeeping staff.
- Similarly, items like robes and slippers that appear unused should also still be replaced. To make processes easier for housekeeping, consider providing amenities on demand to guests, or having guests select the amenities they want prior to check in, so that they can be delivered to the room fresh and sanitized. Also consider adding amenities such as hand sanitizer and face masks as part of your in-room offerings.

ENSURING A HEALTHY STAY:

Food and Beverage:
Hotel restaurants and bars will need to reconfigure restaurant, lobby, and lounge seating to maintain appropriate spacing between seated guests. Hotel owners should rethink all buffet-style service where guests are allowed to serve themselves. This includes breakfast as well as any complimentary happy hours or lounge/club access with open snacks.
- For breakfast, consider serving packaged “grab-and-go” meals, or ask the guest to order it the night before to have it delivered hot to the room.
- For self-serve snacks, offer them individually wrapped, or ask guests to use disposable gloves when serving themselves.
- Increase your in-room dining options, as guests may want to avoid visiting public restaurants. If you do not offer room service (or even if you do), consider expanding your service by partnering with local restaurants or a delivery service to open up a variety of options to your guests.
- Consider offering mini-bar items and complimentary treats (e.g., fruit, snacks) on demand instead of providing them in rooms. Housekeeping may forget to wipe down that unopened bottle of wine, and unopened snacks may still have contaminants on the packaging even if the food itself is safe.

Pool, Gym, and Spa:
It may be necessary to keep these areas closed as government regulations require. Once allowed to open, pools, spas, and fitness areas can still be safe to use, so long as hotels take extra care to maintain social distancing and extremely diligent hygiene standards across all areas. Some considerations include:
- Regularly testing the water in pools and hot tubs to ensure that they meet the safety standards and acceptable chlorine levels
- Frequently cleaning all equipment with a disinfecting solution
- Paying extra attention to high-touch areas, such as weight equipment, treadmill interfaces and handrails, and yoga mats and exercise balls

Additionally, hotels should strictly enforce guest hygiene practices, such as forbidding anyone who is sick from using the facilities, requiring a shower with soap and water before entering the pool and spa facilities, washing hands or using hand sanitizer before using equipment, and coughing or sneezing into a tissue.
Business and Conference Centers:
Hotels should provide enough space between desks, chairs, and computer stations to maintain appropriate social distancing and limit the number of guests allowed in any one space. All areas should be thoroughly cleaned and disinfected between guest uses.

OPERATIONAL CONSIDERATIONS:
- Insurance:
  Hoteliers should take a moment to review relevant language in insurance policies and leases to determine if they are subject to any existing requirements regarding preparedness, response, and remediation costs. Specifically, hotel owners and operators should consult with their insurance agents/brokers/underwriters regarding liability coverages with respect to claims of employees, contractors, customers, guests, and invitees who may assert that they contracted COVID-19 while on the owners/operators’ property and due to some fault of the owners/operators. This fault could be as simple as claiming that an owner or operator failed to fully and properly follow all health and safety protocols. While it may ultimately be difficult for claimants to establish that property owners and operators are responsible and therefore liable for them contracting COVID-19, property owners and operators will still need to defend all claims. There are some exclusions for general liability policies in the marketplace related to communicable diseases, pathogens, and microbes. It is important to know if a policy has such exclusions and if such exclusions will allow an insurance provider to deny coverage, including the cost of defense, for coronavirus-related liability claims.

Educating Staff Members:
Educating staff members on how and when to:
(a) clean and disinfect frequently touched surfaces;
(b) properly mix cleaning solutions;
(c) handle dirty dishes, linens, and towels;
(d) wash hands and clean uniforms; and
(e) communicate with management regarding health and safety concerns observed on the job.

Striving for Healthy Properties:
In addition to the strategic placement of health and safety signage and ample hand sanitizer dispensers located at key guest and employee areas, specific attention should be paid to monitoring the condition of air-conditioning filters and the proper functioning of ventilation, air exchange, and dehumidification equipment, as well as the proper replacement of indoor air.

CONCLUSION
It is likely that the economic impact on the hotel industry will last well beyond the containment of the novel coronavirus. Hotel owners and operators must understand that, while times of crisis come and go, relationships will last, and hoteliers will have to work extremely hard rebuilding customer loyalty and trust, all while providing a customer-focused, health- and safety-oriented experience. Understanding the various industry recommendations, communicating with all stakeholders, and providing adequate training for staff will go a long way toward achieving long-term success.
RESOURCE LINKS
American Hotel & Lodging Association https://www.ahla.com/safestay
International Spa Association https://experienceispa.com/covid-19-info/2-uncategorised/400-reopening-resources
International Health, Racquet & Sportsclub Association https://www.ihrsa.org/improve-your-club/safety-considerations-for-your-health-club-reopening-plan/
We are here to help.

While COVID-19 will be with us for the foreseeable future, we expect the situation to remain fluid as new information, policy, and guidance is released by government agencies and industry groups. For ongoing updates, we encourage you to visit our COVID-19 Center on our Disaster Prep and Recovery Blog.

For answers to your specific questions and solutions that address your specific needs and circumstances, please reach out to one of the designated Jones Walker attorneys below. You may also contact the firm at info@joneswalker.com.

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