My Gym Is Closed, Now What?

March 20, 2020

in **CWA Blog**

Whether you closed your gym voluntarily, or you are in an area where your gym was forced to close, you are dealing with some challenging questions at the moment. We want to remind you that you do have options and that the CWA is here to help in any way possible.

If you have not done so already, reach out to your insurance provider, your landlord, and any lenders to see what deferments are available. All of these providers know that this is not your fault and that indoor climbing, in general, is a viable business model. They will prefer to help you rather than see you go out of business. In some cases, they may be eligible in the future for aid in relation to any assistance they provide, and as the situation develops rapidly, they may even have restrictions on when and how they collect payments.

Many banks are offering 90-day deferments for loans. You may even be able to accumulate your principal and interest payments for the next 6 months and have them added to your final loan payment. The best course of action is to start the conversation as soon as possible. Similarly, your landlord may be willing, or mandated to, defer your rent payments and to wait to collect any rent owed until after the pandemic is over.

Likewise, insurance policies could be frozen, claims could be filed, and there may be some potential to renegotiate liability premiums to account for changes in your forecasted income. The CWA's partner, Monument Sports Group, is working to negotiate with the insurance carriers on behalf of the entire industry. Mid-term policy adjustments, payment deferments, and extending policy terms are some possibilities to ease some of the pressure you are feeling. Monument has also contacted carriers outside of the CWA program to encourage that they explore similar options.

Possibly the most difficult decisions you will be making are around your employees. Assistance is coming rapidly and you should pay attention to your local department of labor for any changes they have made which could allow you to lay off or reduce the hours of employees knowing that they are eligible for unemployment benefits to make up for the lost wages.

On March 18th the Families First Coronavirus Response Act was passed and its provisions will help support those efforts. This act also will affect what leave you have to provide your employees and how you must pay them during extended leave. For a more thorough review, read our analysis of the Families First Coronavirus Response Act.

An often-overlooked area of savings is the benefits that you offer your employees. You can explore the option to suspend or cancel any non-essential benefits such as dental or vision insurance and retirement benefits. Discuss these options with your lawyer to make sure that you are not violating any employment contracts.

While the full range of assistance programs are being determined, the most immediate program you may have access to is the SBA Disaster Loan Program. If you qualify, you are eligible for a loan up to $2 million at an interest rate of 3.75% with a term of 30 years. To apply go directly to their website and begin the application.

The CWA will be here for you throughout this crisis and after. The long-term future of the climbing industry still looks very bright and it is vital to remember that your customers can't wait to get back into the gym.

About The Author

Garnet Moore is the Director of Operations at the Climbing Wall Association. Garnet brings more than a decade of experience in the climbing industry, including his time as the COO at Brewer's Ledge.

MEMBERSHIP COMMUNICATIONS DURING GYM CLOSURES

March 24, 2020

THE IMPACT OF H.R. 6201 "FAMILIES FIRST CORONAVIRUS RESPONSE ACT" ON INDOOR CLIMBING GYMS

March 20, 2020