



**DOING  
BUSINESS IN  
THE POST-  
COVID-19 NEW  
NORMAL**

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## CONTENTS

Who is Tony Liu?.....	2
Doing Business in the Post-COVID-19 New Normal .....	3
3 things you need to focus on now no matter what industry you are in....	5
Back Side Protection of Your Business .....	6
What Should You Do Now to stabilize your business?.....	7
4 Issues That May Crush Your Business After the COVID-19 Crisis Is Over? .	9
#1 - Employment Claims and Lawsuits .....	10
#2 - Breach of Contract - One of the Parties Cannot Live Up Its Contractual Obligations.....	11
#3 - Commercial Real Estate.....	12
#4 - Cash Flow Disruption and Out of Court Debit Reorganization or Modification .....	14
What's Next?.....	16
“If you want something you’ve never had, then you’ve got to do something you’ve never done.” .....	16
Anonymous .....	16

## WHO IS TONY LIU?



Tony Liu is an attorney with more than 20 years of experience. His passion is helping business owners make smart decisions and defending them in court when needed. Tony works with businesses and their owners so they can contend with the many laws they face when starting,

running, or closing a business. He counsels clients, so their organizations run smoothly and in full compliance with all laws and regulations.

His focus is on:

- Business Law
- Commercial Real Estate
- Litigation
- Providing an Out-Source General Counsel Program for companies that do not have in-house counsel

Tony works as a business adviser for his clients to help them avoid legal issues before they become problems or blossom into lawsuits. He evaluates and assesses what his clients need in contract disputes, commercial real estate matters, and how to handle litigation. When the need to litigate arises, Tony protects the rights and interests of his clients with determination and integrity, putting them in the strongest position possible.

Tony is a husband, a father of two, and a life-long learner interested in personal development and business coaching. His clients and referral partners describe him as cautious, focused, flexible, and aggressive when necessary. He is based in Orange County, California.

## DOING BUSINESS IN THE POST-COVID-19 NEW NORMAL



Society and our economy always change, but often at a glacial pace, and the massive forces behind it are not always easy to see. Sometimes the change is drastic and quick, such as those caused by this pandemic, the 9/11 attack, or the economic crash in 2008.

They are like earthquakes. Like those who survive them, we will re-build and continue to live our lives. What we do and how we do it in our personal and professional lives will change. It's up to use to decide whether or not we will change for the better or worse.

The economy slowly recovered after the 2008 crash until we reached a point of record employment. Because of COVID-19, our economy has turned downward on a proverbial dime. Within weeks millions are unemployed. Years of gains in the stock market are wiped out. Ways of doing business in the past are, if not impossible, difficult and, for some, possibly dangerous to their health.

We have changed before and we will change again. After 9/11, security became a much higher concern. Travel became more difficult. We complained about security lines and wasted time. The savings in time, energy, and costs of teleconferences and videoconferences compared to physical meetings drove their popularity. Airport security processes have improved over the years, waits are shorter, and videoconferences have become the lifeblood of our COVID-19 business and personal lives.

The lending bubble burst in 2008, causing a recession. There was so much money to be made when high-risk customers received loans. These

debts were bundled up, sold off, and became someone else's problem. "Credit default swaps" became a phrase of everyday conversation, though even 12 years later, how many of us know what they are? How banks loan money and how real estate risks are considered have changed.

We tell ourselves and others how agile we and our businesses are, how responsive we are to our customers and the marketplace, but for most of us any substantial, meaningful change often comes after we suffer a personal or economic baseball bat to the head. Are most of us as perceptive, flexible, or forward-thinking as we'd like to be? No, because we think it's too much work.

We're comfortable in our ways. Things are going well enough. Sure, we'll fine-tune an approach or dip our toes into a new pool of water once in a while, but, change? That's a risky, dangerous, potentially resource-draining leap of faith that could severely set back your business, no matter what the possible gain might be. Right?

We're hard-wired to think this way, though it's not impossible to break the cycle. Humans are, generally, by nature, risk averse. Our lives are guided by habits, whether that's how you run your business, eat your lunch, or take a vacation. They reassure us that everything's OK and conserve our brainpower for more significant decisions. Habits are like stretching back in a soft recliner with a warm puppy in your lap.

But events sometimes throw us off the recliner. We're on the floor, the puppy has run off, and a snarling pit bull stands over us. It's never going to be the same.

This pandemic should force us to look at our habits and to reevaluate our assumptions and biases when we think about our businesses. We need to wake up from our trance. The world's COVID-19 trip has just begun. Where and when it'll stop, we don't know yet, but it will be a very different world demanding a different approach to business. COVID-19 will shift how we operate our business, market, and sell our products or services whether we like it or not.

### 3 THINGS YOU NEED TO FOCUS ON NOW NO MATTER WHAT INDUSTRY YOU ARE IN

Before we bravely voyage into the future, let's deal with the here and now. There are three things you should focus on:

- **Safety:** Your health and that of your family, your employees, and your customers should be paramount. We all have bills to pay, but it's hard to run a business when you're in a hospital bed. Everyone needs to be smart about what they do and develop habits that will help keep the virus away. But if you become infected, it's not a reason to panic. A COVID-19 infection is like a pass/fail test where 98% to 99% of those taking it pass
- **Finance:** Do you have a big enough financial cushion to weather this crisis? If not, what are your options to reduce the risk of draining your funds? There are literally trillions of federal dollars out there to help us get through this. Are there any programs that are right for you and your business?
- **Emotion:** This too shall pass. In the meantime, take one day at a time and keep a positive spirit. This is just one of how many obstacles you'll experience in your life? Be a leader because your family and clients are looking for your guidance and support. Roll with the punches and keep moving forward



To paraphrase fictional boxing champ Rocky Balboa: Winning isn't how hard you hit. It's about how hard you get hit, how much you can take, but still move forward. That's what winning's about.

## BACK SIDE PROTECTION OF YOUR BUSINESS



Now is not the time to hide in the fox hole. Though physically you may not want to be out and about propelling your business forward, that doesn't mean it can't be done. You need to pivot and adjust your business so it will be ready to take on new opportunities when the crisis turns, which it will.

If you choose the fox hole instead, you will be hungry after the crisis is over. We will be in a different environment with a new normal that you'll be unprepared to face.

Your brand shouldn't disappear. It's something that always needs attention and work. Now is the time when brands are made and when you can stand out from your competition. You need to continue to provide some kind of value to your customers and community. How you treat them in this challenging time will define you and help you will stand out from your competitors.

It's easy to be fat, dumb, and happy when the economy is doing well. This is the time when elite thrives, and amateur dies. It's DO or DIE.

## WHAT SHOULD YOU DO NOW TO STABILIZE YOUR BUSINESS?

Should you get the Small Business Administration (SBA) Loan Assistance? Check it out. Your taxpayer dollars helped pay for it, so see if you can get your share. According to their [website](#), you may qualify for loans or debt relief.

If you are a freelancer or independent contractor and have lost work and income, you may qualify for [unemployment compensation benefits](#) under the federal

Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the Pandemic Unemployment Assistance (PUA) program, you may be able to receive emergency unemployment assistance even if you're not an employee who worked for an employer. You can file for benefits, and if you're rejected, you may be able to appeal the decision.

[Will your business insurance cover your COVID-19 losses?](#) Probably not, but it's worth considering. Every situation is unique. Depending on the wording of your policy, losses may or may not be covered. Business interruption coverage generally requires some kind of physical damage, but if you suffered a loss because of a disrupted supply chain, it might be covered.

Review and reevaluate your contractual relationship with your vendors and suppliers. For example, Costco severed the ties with the company that provides the sample tasting in their stores due to the COVID-19 pandemic. You may be paying for services or supplies you no longer need. You should ask yourself:

- Does the relationship still make sense?



- Might you or the other party potentially breach the agreement, possibly resulting in claims for damages caused by the breach?
- What can you do to put yourself in a favorable position if there is a breach?

Do you have a written contract with the other party? If so, does it contain a [force majeure clause](#)? If you're acting in good faith and there are unforeseeable events that are out of your control, making contractual performance impossible or delayed, it can be a valid excuse for your non-performance without causing a breach of the contract.

If you have questions about other legal issues, you may find answers on this [web page](#). But yet, schedule an appointment with me and talk about your options.

You to access to my calendar and schedule an appointment, click here → [Schedule Appointment](#)

To ask me questions, click here → [Have Questions Answered](#)



**Focus Law**  
(714) 415-2007  
www.FocusLawLA.com

We help business owners to prevent losing and help recovering assets taken by their partners for their personal use!  
(And now we are also taking our fight to COVID-19)

The advertisement features a man wearing a headset and a dark suit, gesturing with his hands as if speaking. The background is a solid dark color.

## 4 ISSUES THAT MAY CRUSH YOUR BUSINESS AFTER THE COVID-19 CRISIS IS OVER?



Now, the economy is slowing to a crawl, for how long, we don't know. What's next for your business and the economy? [Deloitte's guess](#) is as good as any:

- While the spread of the disease in China has slowed, around the world, outbreaks occur on a rolling basis. Each wave forces an economic slowdown in that area, slowing the global economy until the infection is brought under control. Global economic activity slows substantially. According to Deloitte, *businesses agile enough to switch suppliers and have enough liquidity to survive periods of low sales and revenue will have a competitive advantage.*
- Economic centers around the world are subject to shutdowns. Uncoordinated decisions by countries disrupt the movement of people and goods. Global manufacturing declines because global supply chains operate intermittently. Tourism and related businesses decline sharply. The global economy stagnates, international trade falls, and a recession is a possibility.
- Companies with high debt loads will face financial problems. Investors will sell higher-risk assets like high-yield bonds and volatile stocks. Central banks will scramble to manage the declining liquidity in financial markets, which eventually recover after a V-shaped economic slowdown.

While on these stormy seas, what will you need to do to pilot your business safely?

You'd better think fast, anticipate what's coming, have an attack plan, and make your move!

## #1 - EMPLOYMENT CLAIMS AND LAWSUITS

How many employees will you need? If you decide that lay offs are necessary, how many? How do you decide who stays and who leaves? Whatever process you choose, it should be logical, well documented, and based on legitimate business needs.



Traditionally the number of employment discrimination claims increases as the economy shrinks, people lose their jobs, and some claim their unemployment is due to bias, not valid business reasons. When you lay someone off, you need to think, if this person sues me, how well can I defend myself?

A lawsuit filed by a person losing a job can be based not only on what a person is (sex, race, religion, color, etc.) but on what a person has done. Did the person in the past:

- Filed for workers' compensation?
- Asked for a reasonable accommodation to a disability?
- Asked for a medical leave?
- Cooperated in a discrimination investigation?
- Brought up, as part of a group of employees, complaints about wages or terms and conditions of employment?

If so, this “protected activity” may also be the basis of legal claims.

Working remotely may become a normal fact of daily business life, not an exception.

- How do you handle breaks, lunch, and overtime while employees are working at home?
- California's liberal line between an independent contractor and an employee becomes murky again
- There could be potential labor law violations during the COVID-19 crisis before non-essential businesses are ordered to close. The crisis started way before the government orders, rules, and guidance were issued
- How do you evaluate employee performance issues while your workforce works at home? How do you document performance problems to establish a defense if a disciplined or fired employee sues you?

## #2 - BREACH OF CONTRACT - ONE OF THE PARTIES CANNOT LIVE UP ITS CONTRACTUAL OBLIGATIONS.



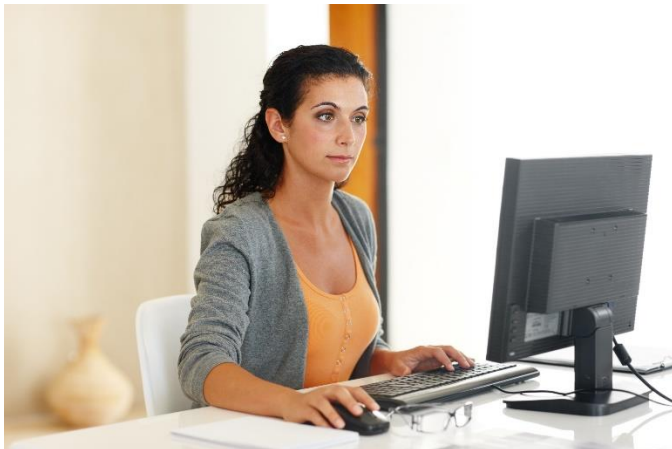
With changing circumstances come new perspectives about your relationships with suppliers and vendors. Depending on your situation, you may want to change or end a contract, or your business may suffer if the other party seeks a change or wants to terminate the agreement.

- Did you want to terminate the agreement earlier? If so, these changed circumstances may make that easier

- Can you prevent the modification of an agreement? Perhaps renegotiating new terms may be a better option than poisoning a relationship with a breached contract
- How do you handle the breach of a contract during this COVID-19 pandemic? Courts are closed (except for emergency matters), businesses are adjusting their operations on the fly based on new rules that may change from daily

You may find your company operates well enough with everyone working at home. Do you want to end your office lease? Reduce the size of your office? Just rent space when it's necessary to meet with employees, customers, and sales prospects?

### #3 - COMMERCIAL REAL ESTATE



There could be a significant increase in commercial property space vacancies.

- Given the high cost of housing, might today's office towers be tomorrow's condo or apartment towers?
- The value of commercial property with high vacancy rates will drop. Tenants may decide to buy office space instead of rent.
- To protect employees and customers your business space may need to be cleaned more often and more thoroughly. Customers expect businesses to keep the environment clean and sanitized. After two or three uses of keypads or screens, customers want them wiped down. Consumers' expectations will remain.

We've never been more reliant on technology to manage businesses, create and produce products. That reliance will only increase.

- More information will be needed to address the increasing number and severity of supply chain interruptions as well as restrictions on import/export and international trade restrictions
- More of the workforce will be working remotely
- The more technology we use, the more vulnerable we become to security breaches, hacking, and the consequences of losing confidential business and personal information

As the marketplace changes, we'll all need to adjust or rebrand after the crisis because of changes in how we do business, consumer behavior, perception, and needs.

Government rules on handling the current situation will evolve. It will be easier for people to go out in public, go to work, assemble and shop in the future. But if infections increase as a result, there may be additional 'stay at home' orders, and an economic roller coaster may begin.

Preventing and addressing future pandemics will probably get more attention from local, state, and federal governments. Businesses will have to adapt to greater regulation not only concerning customer and employee safety but the need to be financially prepared as well.

## #4 - CASH FLOW DISRUPTION AND OUT OF COURT DEBIT REORGANIZATION OR MODIFICATION



Do you have an "I can't collect my receivables fast enough to pay my bills" problem in your business? I understand. Especially if you incurred some debts before the COVID-19 pandemic hit. This pandemic caused a major cash flow disruption.

So, did you go into debt before the economy slowed down?

With rates at historic lows many businesses took advantage of what looked like a great opportunity. But it may not look so good if your revenue has shrunk and re-payment looks difficult, if not impossible, now.

You may need to negotiate with your creditor to get its cooperation. It's not in their interest their loans go into default, leaving them with collateral whose value may be much less than what it was before the economic collapse. With a commercial loan workout and the cooperation of your lender, we may be able to work out several options for you:

- **Loan workout/modification:** Changed repayment terms (such as a reduced interest rate or a longer payment term), may give you the financial breathing room you need while improving the lender's chances of full repayment. Your loan terms may be complex so negotiating a workable loan modification may be complicated as well.
- **Forbearance agreement:** This would allow the lender to preserve its rights while giving you time to cure the default. Your lender may be likely to agree to this if a foreclosure may not be enough to pay

the loan. Under this agreement, the lender would delay the foreclosure for a time in exchange for you taking action to cure the default. You may list a property for sale, liquidate other assets to free up money to make the loan current, or secure other financing.

The legal landscape has been changed and we can't do business like what we used to. Now it is the time to mitigate the risks and have a contingency plan dealing with potential disputes that you know will come up when your business is reopened.

Schedule an appointment to find out your options, click here  
→ [Schedule Appointment](#)

To have your questions answered, click here → [Have Your Questions Answered](#)

## WHAT'S NEXT?

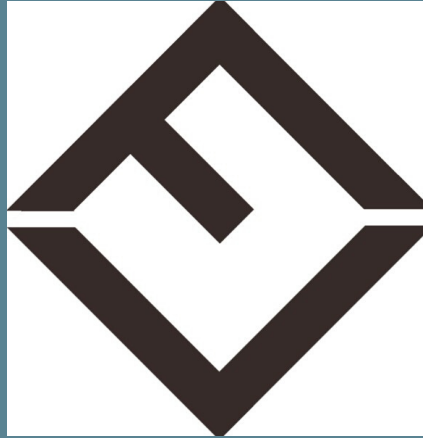
“IF YOU WANT SOMETHING YOU’VE NEVER HAD, THEN YOU’VE GOT TO DO SOMETHING YOU’VE NEVER DONE.”

ANONYMOUS

Change is inevitable, so why not embrace it? Though there may be short term pain, what are the opportunities for long term gain? What we’re going through can be scary but it doesn’t have to be that way. Others are going through the same thing you are. Let’s get together and make the most of what lies ahead.



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If your business is facing legal challenges due to COVID-19 and the response to it, call us now for a COVID-19 Strategy Session, and let's talk about how we can help you to run your business without worrying about the underlying legal consequences. Call us now at (714) 415-2007 or reserve your spot by clicking the link below:

**<https://bit.ly/COVID19StrategySession>**

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[WWW.FOCUSLAWLA.COM](http://WWW.FOCUSLAWLA.COM)