



Restaurant Survey: Latest Surge of Omicron Variant Hit Restaurants Hard; Replenishing RRF and Alcohol-To-Go Severely Needed

86% of operators say business conditions for their restaurant are worse now than they were 3 months ago

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ALBANY, NY – New York’s restaurant industry continues to exhaust every resource as business conditions rapidly deteriorate with the Omicron variant surging. A recent survey released by the New York State Restaurant Association found that 93% of restaurants have experienced a decline in customer demand for indoor seating in recent weeks and 86% of operators report business conditions are worse now than they were three months ago. The state of the industry is in peril, and it is increasingly evident that considerable relief and efforts, at every level of government, will be needed for restaurants across the state to survive.

“It has been nearly two years since we entered this devastating pandemic and still the restaurant industry continues to grasp for consistent aid. The results of this survey are a mere reflection of the restaurants that are suffering with no promise of better days. Actions need to be taken. Replenishing the Restaurant Relief Fund will keep restaurant operators and businesses afloat and new revenue streams from alcohol-to-go will go a long way to help restaurants continue service,” **said Melissa Fleischut, President and CEO of the New York State Restaurant Association.**

A [survey](#) conducted by the New York State Restaurant Association in 2021 found that 78% of New Yorkers support changing the state law to permanently allow to-go alcoholic beverages. Alcohol-to-go provided restaurants with a new stream of revenue during the pandemic to combat economic hardships as a part of the Executive’s emergency orders. However, this financial lifeline abruptly ended when New York’s state of emergency ended in June 2021. Economic conditions have not improved, as illustrated by the National Restaurant Association survey, and the need for alcohol-to-go remains high. With its inclusion in Governor Hochul’s Executive Budget proposal, the industry is optimistic alcohol-to-go becomes a permanent fixture.

The Restaurant Revitalization Fund saved many businesses and jobs in New York, with 96% of recipients being more likely to stay in business during the pandemic. It also enabled 92% of restaurants to pay expenses or debt that accumulated since the beginning of the pandemic. The National Restaurant Association estimates that over 95,000 restaurant jobs in New York were saved as a result of the initial round of Restaurant Revitalization Fund grants. A replenished Restaurant Revitalization Fund would save more businesses and jobs in New York, as a majority of restaurant operators who applied for an RRF grant did not receive funding and said they would unlikely be able to keep their doors open without funding.



The survey found that the recovery of New York State’s restaurant industry remains incomplete. A total of 335 restaurateurs responded to the survey. Here is a full summary of the survey’s findings:

- 74% of operators say their sales volume in 2021 was lower than it was in 2019.
- 81% of operators say their restaurant’s total costs (as a percent of sales) were higher in December 2021 than they were in December 2020.
- 95% of restaurant operators that applied for an RRF grant, but did not receive funding, said a future grant would enable them to retain or hire back employees.
- 96% of RRF recipients said the grant made it more likely that they would be able to stay in business during the pandemic.
- New York restaurants took a number of actions in recent weeks due to the increase in coronavirus cases, largely attributed to the Omicron variant:
 - 55% reduced hours of operation on days that it is open
 - 40% closed on days that it would normally be open
 - 26% reduced seating capacity
 - 7% changed to only offering off-premises for a period of time
- 77% of RRF recipients said the grant was not sufficient to cover all of their lost sales since the beginning of the COVID-19 outbreak in March 2020.
- 86% say their restaurant is less profitable now than it was before the pandemic.

“Facts and numbers only paint part of the picture. But the reality is clear—New York restaurants are at the end of their line and unraveling quickly. We need help and we need it now. We call on Congress and our elected officials to consider the beloved restaurants in their communities and those across the state. The Restaurant Revitalization Fund, in addition to efforts like alcohol-to-go, will give businesses a chance at making a successful recovery. As New York forges ahead our leaders must consider the industries that drive it,” **added Fleischut.**

The National Restaurant Association conducted this survey to gain a clear understanding of the current and ongoing impacts of the COVID-19 pandemic on New York restaurants. A total of 335 New York restaurant operators completed this survey that was conducted in January 2022.

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