

# SCENARIO ONE: BRICKS & MORTAR

Cogs Unlimited (“CU”) manufactures a wide range of high performance, high-tech cogs for a variety of product manufacturers. It leases its manufacturing and distribution spaces (respectively in Westchester County, New York, and Davenport, Iowa) under 15-year leases negotiated and signed at least five years ago.

Since March 1, CU has received notices from seven large customers cancelling monthly orders of cogs; of these, four are for precision cogs made of high-tech alloys with high profit margins. CU’s marketing force hustled and found replacement contracts for 50% of the lost volume, but for much less-profitable products. CU has also received notice from Total Tooling (“TT”), the supplier of critical wear used in its manufacturing lines, that because of limitations in TT’s supply chain and because of the demands of other customers, TT will be unable to supply replacement tooling after May 15 until further notice. CU’s landlords have refused to adjust the rent payments owed for either property.

# SCENARIO TWO: SERVICE INDUSTRY

- Dodson & Fogg is a full-service firm located in the (fictional) state of East Virginia, with a significant business, product liability, and tort litigation practice, and a strong transactional team.
- A team of 7 litigators from D&F were to begin a lengthy patent/ trade secret trial in Federal Court on May 4. In addition, since August 2019, two senior partners, three junior partners, four senior associates, and five junior associates have been negotiating the acquisition of one of D&F's client's largest competitors; for months, the closing has been set for May 26. Because of this outlook, on February 15, 2020, D&F signed a lease extension adding three floors to its office space, and at the same time, told its equity partners to plan for a Q2 tax draw double the usual one.
- One March 30, the Governor of East Virginia issued a stay-home order, including prohibiting gatherings of more than three people. On April 1, the Chief Judge for the Western District of East Virginia issued an order cancelling all civil trials until further notice.

# SCENARIO THREE: MIXED PURPOSE RETAIL

- Springfield County has issued a COVID-19 stay-home order directing the closure of all "non-essential" businesses. The order contains enumerated exceptions for businesses that are deemed to be "essential."
- Buzz Bait is a mixed-purpose retail store that sells guns, ammunition, fishing gear, boats, recreational vehicles, clothing, and sporting goods. Super Store sells groceries, clothing, electronics, crafting supplies, guns, ammunition, and sporting goods.
- Buzz Bait received a notice of violation of the county stay-home order and was ordered to close its doors. Buzz Bait administratively appealed, and was allowed to remain open only for purposes of gun and ammunition sales, which were deemed to be "essential." Super Store remains open to sell any of its goods.