
INTEROFFICE MEMO #3539

To: All W&F and A4 Access
From: Administration
Date: April 17, 2020
RE: Coronavirus – Update on Current Business Status

The leadership team wants to start out by thanking everyone for everything they have done over the years and through this ongoing crisis. Each of you are an integral part of this organization, regardless if you have taken a voluntary leave of absence (VLOA), been furloughed or are still working every day. The impact of this crisis weighs heavily on the leadership team and each decision is made thoughtfully and carefully based on the most current information available. Recently we have reported to the staff that Sharon and David have been applying for the Loan from the Federal Government under The Cares Act with banks in Michigan and South Carolina so I thought it is a good time to update everyone on W&F and COP main operational issues.

Carolina O & P

David Vick continues to report that patient appointments remain stable and sales have not yet been affected by the COVID-19 crisis at the same level as W&F in Michigan.

The Cares Act

The Payroll Protection Plan under The Cares Act is a loan from the Small Business Association for companies with less than 500 employees. W&F and South Carolina have both submitted applications for the SBA loans and are awaiting approval or denial. We hope to hear back from the SBA by next week on both loans. If we receive approval further information will be forthcoming to all employees.

Staff Reductions and closing locations

Staff reductions and closing locations are necessary steps to keep W&F and COP so both companies can be financially viable for the next 6 months as we try to project cash flow shortages. In the past 3 weeks W&F daily patient average has declined to 60% of normal. We have been evaluating and will continue to evaluate daily patient appointments, orders in WIP and deliveries over this time to make ongoing business decisions.

W&F's 10 week average for number of appointments prior to Covid was 2,233. Over the last 3 weeks the average number of appointments has decreased to 881.

To date there are no COP locations that have been closed and 3 W&F locations have been temporarily closed due to the crisis.

- Kalamazoo
- Monroe
- Detroit Receiving Hospital (DMC)

In order to contain our costs until our state mandates are lifted, we have implemented several staff reduction programs. We have offered Voluntary Leave of Absences and furloughs, so that those involved can remain employees of our respective companies, as well as retain their employee benefits.



Companies	Number of Employees	VLOA/ Furloughed	Percentage
W&F	240	85	35%
COP	49	10	20%
A4 Access	23	5	21%

In conclusion

The Leadership team remain optimistic that we will recover from this crisis and W&F will be just as strong if not stronger when the US economy starts working again. In the mean time we continue to plan for all options in case patient volumes and sales increase, or decline further, in the next coming months. Thank you for your support and your hard work during this very stressful time.

