

**May 19, 2020**

The Honorable Governor John Carney  
Carvel State Office Building  
820 N. French Street  
12<sup>th</sup> Floor  
Wilmington, DE 19801

Dear Governor Carney:

Speaking on behalf of a number of arcades within the State of Delaware, **we endeavor to be in compliance with all governmental guidelines for a safe reopening of our businesses.**

This letter is intended to accompany our petition to safely reopen the arcades in Delaware.

**PETITION TEXT:**

We the undersigned, are in full support of reopening the arcades within the State of Delaware.

We feel that this is possible through the use of regular sanitary practices to clean all equipment by the staff and guests, the use of personal protective equipment including masks and gloves by all staff and guests, public personal sanitization stations, reduced maximum capacity within each location and encouraged social distancing.

Additionally, existing floor plans of the arcade games can be modified to create larger aisles for guests and staff to allow for social distancing.

However, the general terms outlined for arcades within Delaware Governor Carney's Phase 1 Reopening plan requiring a massive reduction in the number of games allowed by over 80% is logistically, practically and economically unfeasible and experientially detractive to longtime guests and new potential patrons.

Arcades succeed based on the large variety of games they can offer.

To accommodate these new restrictions, these arcades would be forced to rent additional space to store potentially hundreds of machines, nor would the revenue from the remaining number of allowable games coupled with reduced occupancy be enough to pay for business expenses.

We feel that arcades can safely allow guests to continue using these facilities with the same number of machines utilizing personal social responsibility from guests and encouragement of social distancing by all staff and facilities.

## THE MAIN BULLET POINTS

- Reopening safely is imperative.
- We are capable of creating comprehensive safety and sanitary practices.
- We are not an exercise facility and should not be compared to them.
- Our plans for a safe reopening include
  - Adjustment of aisles for space and directional traffic
  - Face coverings
  - Gloves & Hand Sanitizer
  - Guests sanitization practices for games
  - Increased sanitization procedures from personnel and facilities
  - Limitation of guest occupancy
  - Encouraged social distancing in facilities
  - Cashless payment options and minimization of transactions and interactions
- Arcades are generally seasonally dependent with large overhead costs due to expensive machines, higher rents for size and location, higher insurance, higher taxes and licensing fees, and high costs of goods.
- Removing up to 80% of equipment, and spacing games 6' apart is impossible.
  - Minimum 80% cut in revenue won't even cover basic expenses.
  - Requires rental of new space to store equipment which no longer earns revenue.
  - Creates a more dangerous environment for physical safety and criminal activity.
  - Already paid massive game license fees per machine through 2020.
  - Arcades with few games are not fun and would not be visited by patrons.
- People in the same social distancing groups should be able to play games together.
- Essential stores have not spaced nor regularly sanitized thousands upon thousands of frequently touched consumer goods sitting on shelves; based on our plans, our consumer goods would not be publicly touched, and our stores would be more sanitary.
- Our self-service electronic equipment would be disinfected hourly through the day and nightly after use by our staff making our machines more sanitized than frequently touched public ATMs, parking meters and kiosks which are left unattended and unsanitized.
- We've already been hit hard financially, missed major holiday weekends, and only want to be able to break even and to survive this season. We need to generate revenue to be sure our doors don't close for good.
- We can put hundreds of Delawareans back to work, many of who are struggling to receive benefits, are suffering, and need jobs.
- Unless the State of Delaware will subsidize the costs associated with continued closure, we must be allowed a reasonable way to reopen that is economically viable and won't continue to drive arcades toward bankruptcy.

We feel that our industry is being wrongfully singled out and being legislated against towards our own destruction without knowledge of the operations of our facilities. As responsible business owners with years of experience within our own industry, we feel that we are more knowledgeable about our own business practice needs and can create a comprehensive safety plan of our own within the general guidelines that all other businesses have been following. **As much as any other business, we understand the need to create a sanitary environment where our guests can feel safe and comfortable while within our facilities.**

We have been wrongfully included with the restrictions set upon exercise facilities, a membership-based business model which is entirely different from an arcade. Most of these exercise facilities have continued to collect membership dues and were able to continue providing services for their members online throughout this mandatory shutdown. Additionally, exercise facilities are year-round businesses that are not dependent on the seasonal tourism within our City, County, and State. They are generally already set up with most equipment spaced apart.

We believe that the majority of regulations set forth in Phase 1 can be followed within the guidelines of our plans including additional steps not listed under the current Phase 1 plan. **We believe a fair and equitable solution must put safety first for all guests and staff, and this will be achieved with our plans which include but are not limited to the following:**

- Adjust walkways to reduce chokepoints and allow uni-directional traffic.
- Requirements of the use of face coverings in accordance to local ordinance.
- Offer gloves to all guests to provide a barrier between surfaces and skin.
- Offer hand sanitization stations for all guests.
- Provide sanitizer sprays and towels to disinfect equipment before and after use.
- Increase our sanitization procedures to disinfect all frequently touched surfaces hourly.
- Guest limitation to 30% occupancy to gradually increase as we progress through phases.
- Encouraged social distancing through facility signage and personnel directives.
- Nightly sanitization procedures to disinfect surfaces before the next day's use.

Additionally, many arcades offer **cashless payment options**; magnetic strip or RFID cards that can be purchased and reloaded at self-service kiosks **to help reduce guest interactions** with others, not in their personal social distancing group.

**However, as we understand the Phase 1 restrictions, all arcades would be required to space equipment a minimum of 6 feet apart. This is practically, logistically and economically unfeasible and impossible to accommodate in our environment.**

**This order would** require the removal and storage of equipment from the arcades and in many facilities would **reduce the number of machines by over 80%**. We have had no revenue for months to pay our rent and other bills, but under this order we would be required to rent additional space to store these machines that are our only source of revenue. This would **essentially cut revenue by a minimum of 80% and mandate businesses to incur additional**

**expenses to comply, leaving these businesses unable to operate in a financially viable capacity to cover even basic expenses.** When coupled with reduced maximum capacity, there would not even be enough machines for guests to play.

These proposed changes in layouts to the arcades will **also unintentionally create more dangerous situations.** There would be electrical cords everywhere, as potential tripping hazards, places that people could hide between, behind and under games. There would be no way to shield people from rogue basketballs and skee-balls that missed the machines. Additionally, these new cavities would provide spaces for increased malicious activity like theft and vandalism which we already experience and will already find more difficult to detect and identify when everyone is wearing face coverings.

We also already **pay massive license fees unlike the majority of other business types.** In addition to our regular business licenses for \$75, we are subject to license fees of \$75 per machine already paid for the year, and many of us are subject to additional local license fees per machine per year in some cases amounting to tens of thousands of additional dollars above and beyond the licensing costs for most businesses. **What happens to all of the license fees we've already paid for the year despite the almost three-month closure if we can't operate our machines at all?**

**Additionally, after all of the effects of the past few months, people need to enjoy themselves again, but an arcade without games would be no fun at all.** People come to arcades to enjoy themselves, to compete with friends and family side by side and to experience a wide variety of games and play as many as possible. It is the ability to offer many different inexpensively priced games that guests can play which allows an arcade to successfully survive. **People within the same social distancing groups should be allowed to play games together in a group.** As a facility, we will have our staff encourage different groups to remain socially distanced from each other.

In most of the stores that were deemed essential, and have remained open throughout this mandatory shutdown, **we would like to note that no products have been spaced apart on store shelves, and in cases where someone needs to access a certain area, others have courteously yielded to allow safe spaces.** We feel that this is as much the case in our setting as with the grocery stores, or other big box stores which have remained open. These stores also have thousands upon thousands of small items which are regularly touched and replaced onto the shelves by countless customers to read packaging and check expiration dates and are not regularly sanitized, while our consumer goods would only be touched by facility staff before exchanging possession to the guests.

We would also like to make mention that with the cleaning procedures that we propose to follow, **our machines would be cleaner and more sanitized than public parking meter stations and change machines, as well as public ATMs,** all of which are left unattended in public venues with no oversight or any regularly scheduled sanitary procedures. **We would propose that if we cannot operate our self-service electronic machines due to a concern for public health, safety**

**and sanitary conditions, that all ATMs and parking meters within the State of Delaware would similarly need to be closed.**

**The detrimental impacts that this shutdown has forced upon our businesses has already created a situation that is difficult enough from which to recover, and the social and economic aftermath will continue to send shockwaves through our systems for years and years to come.** Rent and lease payments are still due and are extremely high due to many of our facilities sizes and locations in prime real estate, insurance payments, permits, licenses and other bills are still coming in regularly, payroll still needs to be met, but there is no source of revenue to pay these debts. Many of us had already exhausted most of our resources buying equipment and inventory for the coming season before this mandatory closure began.

Throughout this entire emergency order, we have stood by waiting for directives to proceed, only to suddenly have massive regulation thrown at us at the last minute to comply with immediately, while we are already in a seasonal time crunch. **Many of us have already been hurt financially, and even the costs associated with of our acceptable levels of compliance as put forth in this petition will summate to a significant total above our normal cost of operations.**

We have missed Easter weekend, Mother's Day weekend, which are major holidays, and we will already miss Memorial Day weekend as well by following the mandates to wait until June 1 to reopen. Local governments have cancelled Independence Day celebrations already, which will drastically hurt seasonal businesses like arcades relying on tourism for these busy weekends. Many of us are also now deeply in debt with government loans that can never be paid back if we can't open the doors to start generating revenue.

Our businesses also employ countless people within the State. **By allowing us to re-open we could potentially put hundreds of Delawareans back to work.** Many of our employees have yet to receive stimulus checks nor have they received unemployment benefits. **These are real people who are really suffering, and they need jobs.**

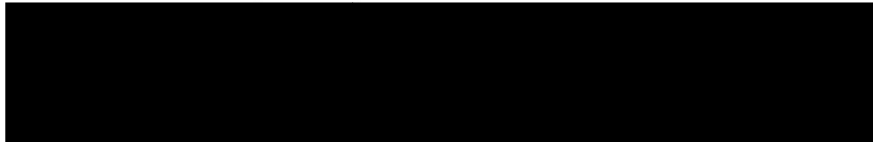
Given the circumstances, most of us don't expect this to be a profitable year. **At a minimum we just hope that we will be able to cover basic expenses and weather the storm through this year until the world can regain a sense of normalcy in the future.**

**If the State of Delaware is willing to subsidize all of our rents and all other expenses until the end of this Emergency declaration, we could remain closed, but that is not expected to be the case.** In reality, **staying closed will destroy businesses, lives, and the economy.** But in order to reopen and survive, our **businesses must be able to operate in a way that is economically viable and won't continue to drive arcades toward bankruptcy.**

Please get in contact with us directly to further discuss this plan or to grant immediate approval so we can begin to prepare our facilities to reopen as quickly as possible.

Sincerely,

On behalf of the arcades in the State of Delaware,



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