



# NSBA

## SMALL BUSINESS IMPACT POLL



### COVID-19

March 2020

# FOREWORD

Welcome.

The coronavirus (COVID-19) continues to spread in the U.S. creating widespread economic turbulence. In an effort to illustrate the real-world implications of the virus and help policymakers understand the likely long-term effects the pandemic is causing among America's small businesses, NSBA has compiled a poll of more than 950 small-business owners on how the virus is impacting their small business.

Among the key takeaways from this poll:

- 3-in-4 small business owners say they are very concerned about the economic impact of COVID-19;
- Nearly half of small businesses have already experienced reduced customer demand for their products and services; and
- More than half of small-business owners are now anticipating a recession in the coming 12 months compared with just 14 percent in January.

Also included in this poll are vignettes directly from small-business owners on how they, their businesses, their employees and their families are faring in these trying times. NSBA is continuing to provide resources and information on its website, and will work to ensure America's small businesses can persevere throughout this pandemic.

This poll was conducted online among more than 950 small-business owners on March 11-13.

Please visit [www.nsba.biz](http://www.nsba.biz) for details and updates, or contact our [Media Affairs](#) department with any media-related inquiries.

We hope you find this information useful.

Best,

Todd McCracken  
NSBA President and CEO

Marc Amato  
2020 Board Chair



# DEMOGRAPHICS

**How many total full-time personnel are currently employed by your business?**

0	4%
1 - 5	44%
6 - 10	17%
11 - 20	14%
21 - 50	12%
51 - 100	4%
101 - 500	5%

**Small businesses comprise 99.9% of all firms in the U.S.**

--SBA Office of Advocacy

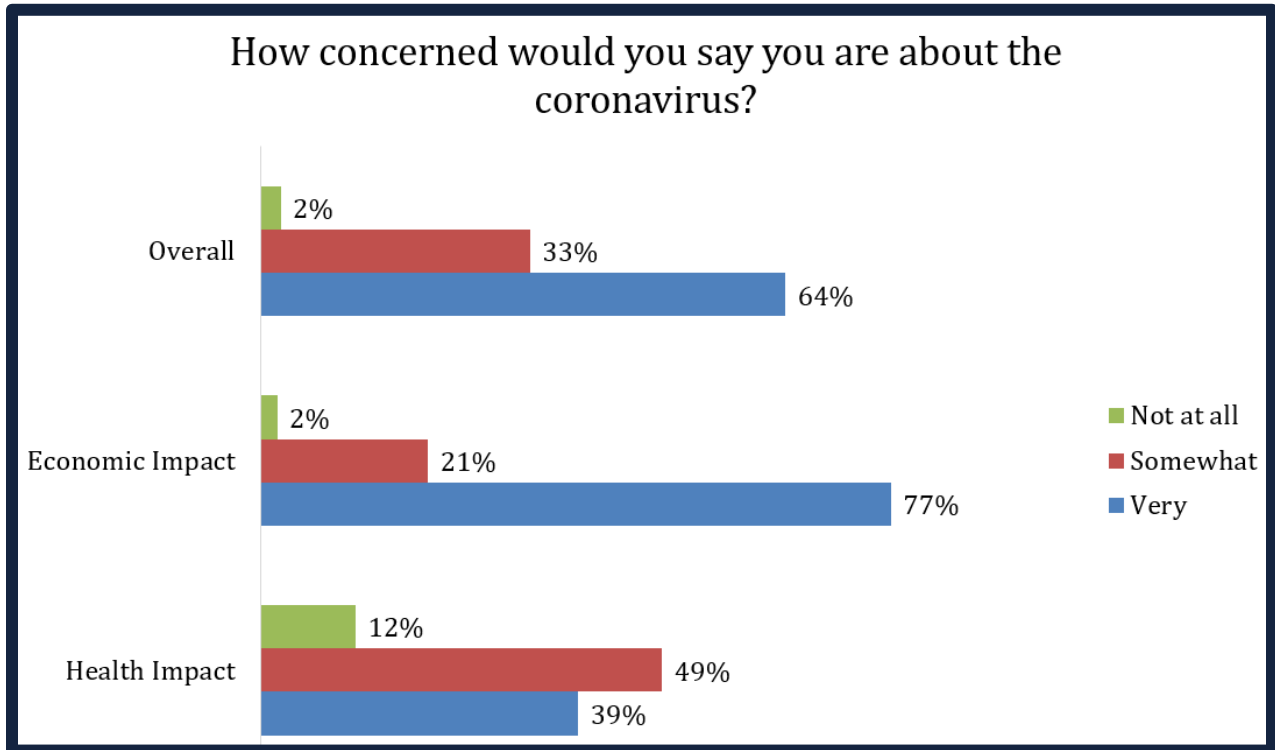
**Which of the following best describes the industry or sector in which your business operates?**

Professional, Scientific and Technical Services	21%
Construction	13%
Manufacturing	12%
Health Care and Social Assistance	8%
Other Services (except Public Administration)	8%
Information (IT)	7%
Retail Trade	6%
Educational Services	5%
Transportation and Warehousing	5%
Arts, Entertainment, and Recreation	4%
Wholesale Trade	3%
Accommodation and Food Services	3%
Finance & Insurance	2%
Real Estate, Rental and Leasing	1%
Management of Companies and Enterprises	1%
Agriculture, Forestry, Fishing and Hunting	1%
Administrative and Support Waste Management and Remediation Services	1%
Utilities	1%

**In what state or U.S. territory is your business located?**

New England (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont)	5%
Mid-Atlantic (Delaware, District of Columbia, Maryland, New York, New Jersey, Pennsylvania, Virginia, West Virginia)	22%
Great Lakes (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)	15%
Farm Belt (Iowa, Kansas, Missouri, North Dakota, Nebraska, South Dakota)	5%
South (Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas)	29%
Mountain (Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming)	11%
Pacific (Alaska, California, Hawaii, Oregon, Washington)	12%
U.S. Territories (American Samoa, Guam, Puerto Rico, Virgin Islands)	1%

# COVID-19 IMPACT



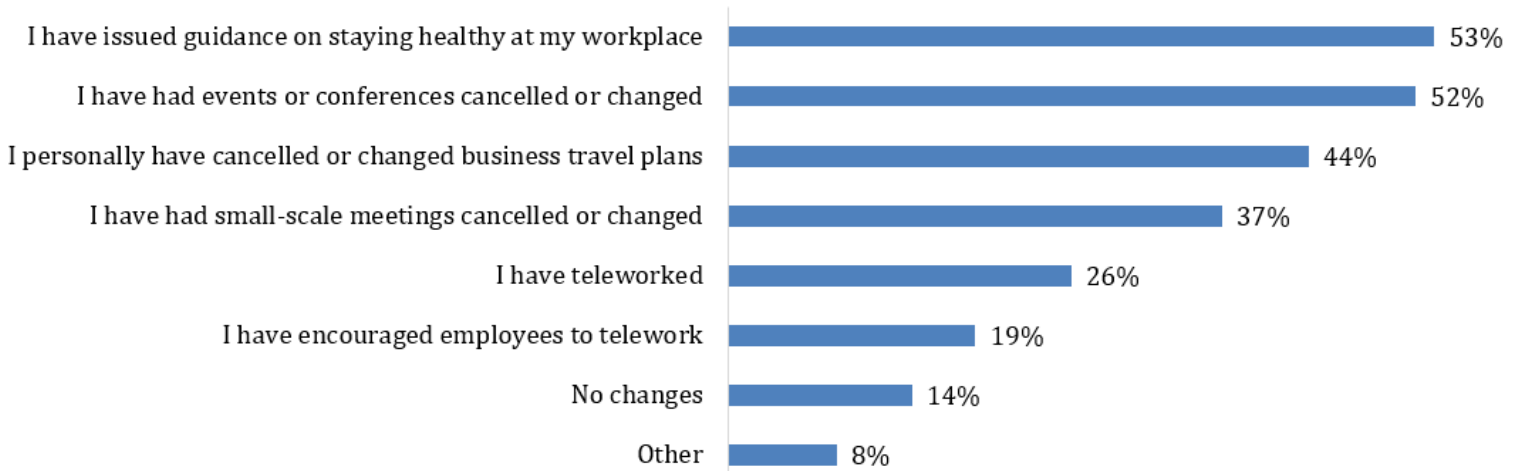
The overwhelming majority of small businesses are very concerned about the coronavirus.

## In which of the following ways is your business currently being impacted? (Check all that apply)

Reduced customer demand for my products/services	49%
Delays or closures in supply-chain	33%
No major changes	25%
Other (please specify)	21%
Increased employee absences	20%
Increased customer demand for my products/services	7%

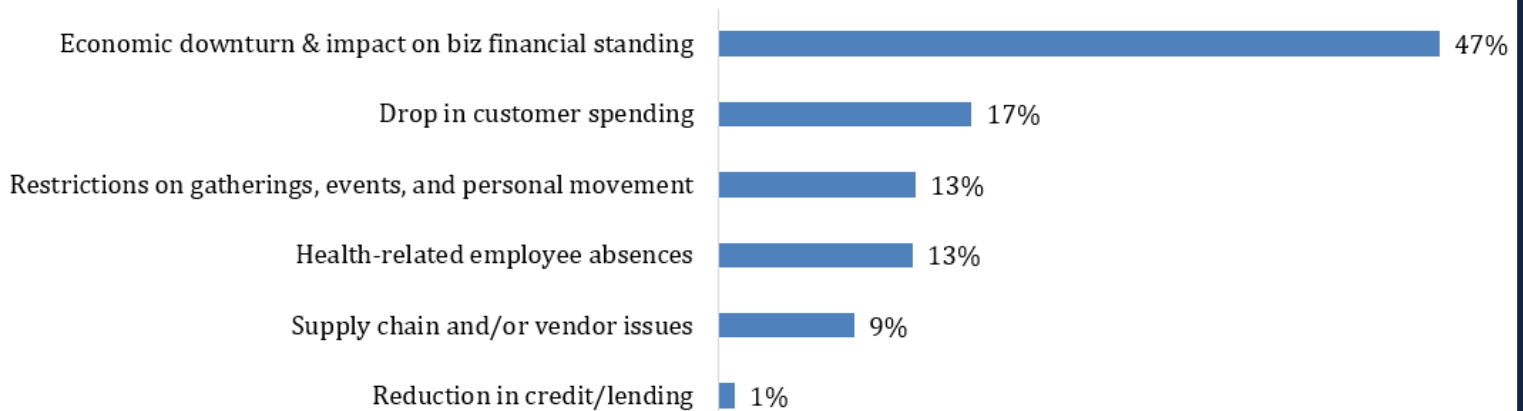
# COVID-19 IMPACT

## Which of the following have you done and/or encountered as a result of the coronavirus? (Check all that apply)



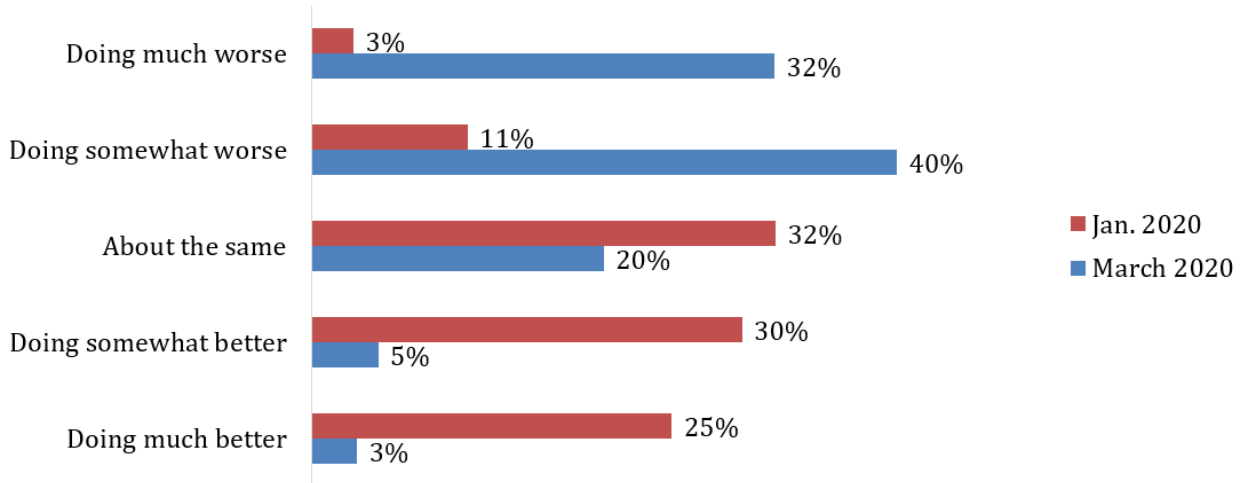
“There is a great deal of confusion among small business owners about what we can and should be doing as employers.” --Marc Amato

## Which of the following do you anticipate will be biggest impact to your business concerning the potential spread of coronavirus?

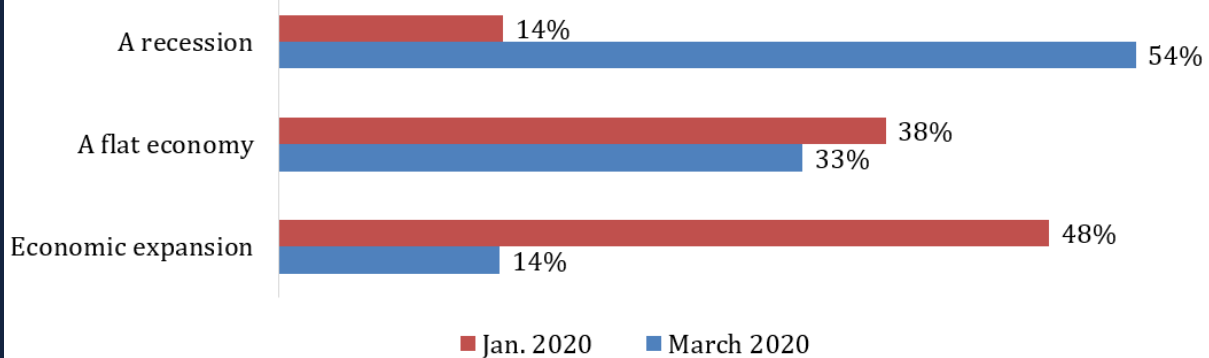


# ECONOMIC OUTLOOK

## Compared to two months ago, would you say the national economy is:



## Thinking about the next 12 months, do you anticipate:

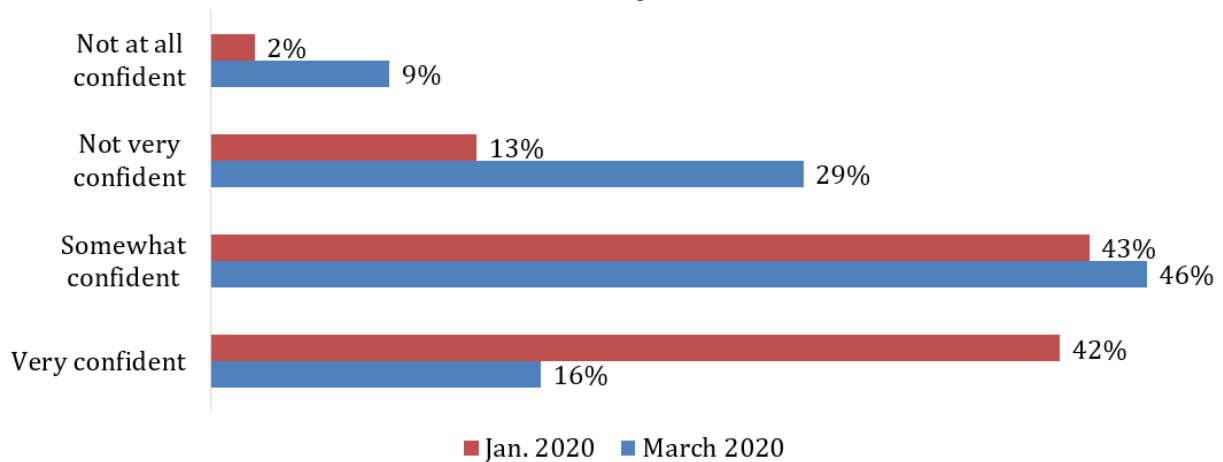


**“We haven’t seen such a negative economic outlook among small businesses since the Great Recession in 2008 and 2009.”** --Todd McCracken



# ECONOMIC OUTLOOK

**From a financial perspective, how do you feel right now about the future of your business?**



**Today, what is the most significant challenge to the future growth and survival of your business?**

Economic uncertainty	34%
Decline in customer spending	24%
Lack of available capital	8%
Lack of qualified workers	6%
Other (please specify)	4%
Cost of employee salaries	4%
No major challenges	4%
Cost of health insurance benefits	3%
Regulatory burdens	3%
Partisan gridlock in D.C.	3%
Federal taxes	2%
State and local taxes	1%
Growing national debt	1%
Cost of technology	1%
Foreign competition	1%

# SMALL BUSINESS PROFILES

## **Michael Stanek**

### **Berea/OH**

Hunt Imaging LLC, a manufacturer

21 employees

“The main impact on our business has been that some suppliers have limited inventory and are rationing it to their customers. We had a shipment come in the other day in which the supplier cut all our requested quantities in half. These are operating supplies and not raw materials so, to this point, it has not directly impacted our production schedule.”

## **Laura A Novak**

### **Joliet, IL**

46 employees

Friends Over Fifty Senior Care, Inc., a non-medical in-home senior care

We have had a financial impact because of the panic over COVID-19. We have had to purchase extra supplies i.e. gowns, masks, gloves; hire additional caregivers; work longer hours that are not service connected; and put into place our Pandemic Plan, which includes providing childcare for the children of our caregivers who do not have the means or familial support when a school closing is announced in order to serve a vulnerable senior population, some of which in turn have no familial support.

## **Kelly Erickson**

### **Aurora, CO**

TechForward IT, LLC

“As a business we are experiencing a delay in our supply chain of an estimated 2 weeks. We are an IT company so this applies to electronics. Our marketing department is also experiencing a shut-down of all networking events likely through to April. As far as is being able to complete our mission, 95% of our work is done remotely so we all still on track there, and we are not experiencing the illness in our own company and have not heard of any of our clients suffering from the illness.”

## **Melanie Koerperich**

### **50 Employees**

Milrich Virtual Professionals and Wholesaler Masterminds Schedulers, a virtual assistant company

“Some of our financial clients are now suspending our services while a host of others have doubled down on virtual meetings and webinars. As I just told one of our clients, we appreciate the ability to be able to proceed semi normally during this abnormal time.”

## **Lisa Radcliffe**

### **Brooklyn, NY**

4 full-time, 7 part-time employees

PunkinFutz, a manufacturing, wholesale and retail company that designs and produces sensory play products and accessories for children and adults with disabilities.

“All of our production is done in the US with a fully adaptive workforce. Given that our workforce has at-risk employees and is entirely reliant on close-contact, public transportation (including Access-a-Ride), we have had to furlough 5 workers (currently through April 6) and find a way to have the rest work from home. In addition, our major sales opportunities, including major national conferences, are being cancelled. Finally, our supply chain for raw materials is delayed up to a month. We may not survive this.”



# SMALL BUSINESS PROFILES

**Afton Stout**  
**State Center, IA**

No employees

My Dinosaur Dreams, a wedding floristry company

“I support my family alone. With being in the wedding industry, the uncertainty of my clients being able to hold their weddings has already caused some cancellations and postponed events. I'm unsure about whether my supplies from overseas will be affected - I am stocking up, but it makes me nervous to put out a bunch of money when I have clients potentially canceling their orders. My little family depends on me entirely - and I put a lot of my resources back into my community - I am worried that I won't be able to sustain that through this.”

**Alan Davis**  
**Bountiful, UT**

6 employees

i5 Services, a software company

“Meetings and conferences where we make the connections that provide us the sales that sustain us have been cancelled or postponed. It has put our operations at risk and the longer we go without being able to make these vital connections, the greater the risk. We have solutions that help US manufacturers find suppliers in the US and so it doesn't just put us at risk but those who benefit from our solutions as well.”

**Rebecca Notowitz**  
**San Jose, CA**

21 employees

ACME Technologies Inc., a ticketing solutions company

“We are a SaaS company doing ticketing solutions for Museums and other cultural attractions with 21 employees both in CA and around the country. Since a good portion of our revenue comes from a revenue share with the venues we work with, we have definitely seen an impact already as traffic to our clients declines while people are concerned about going to these public spaces. Some of our clients have gone so far as to close their doors for at least the remainder of this month drastically cutting their and our income in order to protect the public. While we are able to accommodate our employees with work from home options, the uncertainty of the situation makes it difficult to plan for financial stability.”

**Sharna Barnes**  
**Riviera Beach, FL**

4 employees

Complete Contract Consulting, a government consulting firm that helps businesses win contracts with private and public sector contracts

“Our firm has been tremendously affected by the virus as my clients have been unable to complete their services on contracts we have won them because the receiving service firm has been temporarily closed due to the virus. Because of that our clients have been delaying payment to our firm which has caused us to be unable to satisfy operational expenses. We have almost \$500k in accounts receivables outstanding, as a small business this is a huge financial impact to the firm. It's truly been an economic hardship for the firm and I fear it won't get any better, and I might have to lay staff off in order to keep up as I can't continue having them come to work and I can't pay them.”

# SMALL BUSINESS PROFILES

## **Martin J. Smekal**

### **Torrance, CA**

9 employees

TabletKiosk, a manufacturer of mobile computers focused on school nutrition

“Internationally our supply chain from Asia has been disrupted with greatly increased lead-times for key components required to build out our systems. Domestically, schools we sell to are not allowing us to visit and/or are shutting down operations, crippling our revenue stream and putting us in a very precarious financial position. We will have to consider shutting the company down and laying off all associates if this pandemic expands beyond a couple of weeks and the federal government does not set in with some sort of financial support options.”

## **Keisha A Rivers**

### **Charlotte, NC**

3 employees

The KARS Group LTD, a consulting, training and speaking firm

“We've had speaking engagements postponed indefinitely and/or cancelled and companies are postponing contracts for consulting and training programs until the threat has been contained. As a result, we've had to pivot and start promoting our ability to provide training and consulting programs virtually for a workforce that has become almost 100% remote overnight, even if it temporarily.”

## **Gregg Moore**

### **Manassas, VA**

6-10 employees

GMT Ceramics & Flooring Inc., a flooring and ceramic tile installation company

“Schools have closed for extended periods so I'm short on office workers for an undefined amount of time. Also, we do a lot of installations in schools and if they are closed, we can't gain access to perform work on those projects. In addition, our residential customers are cancelling estimates and previously scheduled installations until the pandemic is over.”

## **Batiste G. Zgombick**

### **Milford, CT**

43 employees

Orange Research, Inc., a manufacturing company of differential pressure and flow instrumentation

“We're experiencing supply chain disruptions which has both a financial impact and disrupts our ability to manufacture our product, which affects our customers' lead time. There's been reduced customer demand due to uncertainty in the marketplace and the inability to ship to some of our international customers. With schools closing, we're now faced with increased employee absenteeism which not only impacts our ability to manufacture our product but also increases the financial strain to cover the extra PTO benefits and costs the company will have to absorb.”

## **Jace Dugas**

### **New Iberia, LA**

Additive Solution LLC

3 Employees

“The coronavirus has impacted my business, by the stock market drop in price. I was in the process of getting approved for funds from investors for future growth. My proposal was denied because of coronavirus and drop in the stock market.”

# SMALL BUSINESS PROFILES

**Jenny Green**  
**Cape Elizabeth, ME**

2 employees

Fisher Green Creative, LLC, a marketing agency

Marketing Agency

“As a marketing agency, we work with businesses from industries across the board. Within the past 2 weeks, we have had a significant number of clients cut back on their marketing budgets, therefore reducing the number - if not all - of the services we provide for their business. Impacted clients include a travel abroad program, a pet-sitting company, and a team of university professors.”

**Heather Eason**  
**Blacksburg, SC**

13 employees

SELECT Power Systems, an engineering services and staffing/recruiting business

“Diversity conferences in California have been canceled. Employees supporting clients have been asked to reduce office hours thereby reducing billable hours. A new hire had not accrued PTO so the company had to cover hours during recovery.”

**Jane Neboshynsky**  
**Baltimore, MD**

7 employees

Improvement Zone, a home improvement, repair, and remodel company and residential, commercial, and industrial power washing

“As a home improvement company, our employees meet with many people day after day and are often working inside homes. We are experiencing a surprisingly quiet work area, as the phones are not ringing. Life has changed quickly in our area, as schools shut down and families are adapting to the changes.”

**Ashley Boucher**  
**Assonet, MA**

5 employees

Quality Control Analytics, a company specializing in mandatory compliance education for cannabis in Massachusetts

“We have seen a decline in the number of onsite classes. We are moving our classes to the online platform for the time being. Public events, such as NECANN, which serve as major educational events for the Massachusetts Cannabis Industry have been rescheduled impacting our exposure for future business.”

**Christopher J. Sweetin**  
**Albuquerque, NM**

56 employees

3D Security Services Group, a private security firm

“The Governor declared a state of emergency and told everyone to stay home and not go out to events, church, anywhere there was more than 100 people. She has canceled state events, that my other company (3D Security Training Solutions) was expecting to train over 100 security officers (Close to \$10K in loss revenue). The hotel industry which we work security for has canceled nine (9) events, which would have given us \$50k in work, and lastly one of our contracts has suspended their contract because of their loss in revenue, this was another \$40K. Total I have lost \$100K in projected revenue, and 5 part time employees has lost their hours.”