

# COVID-19 INTERNATIONAL SMALL BUSINESSES SURVEY

**Summary of responses, March 27 to April 12, 2020.**

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This is a collaborative project to gather information on how the current COVID-19 public health crisis is affecting small and medium-sized businesses. The survey was targeted at business owners of the United States and Latin America, and we had 5021 respondents who completed the survey between March 27 and April 12. The results specific to USA are presented in this report, and they are based on the responses of 5021 business owners.

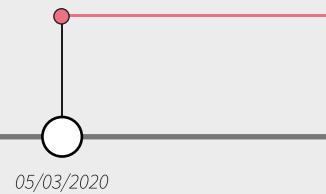
You can take the survey [here](#).



USA

## School Closure

School closures were first announced at the district level Northshore school district (Washington) closed March 5, 2020. The first statewide closures were effective on March 16, 2020.



## First Lockdown

District wide - Bay area on March 17. Statewide stay at home orders in California - March 19

16/03/2020

19/03/2020

## Non-essential service closures

District wide stay at home orders were first announced in seven counties surrounding the Bay Area on March 16. Nevada was the first state to announce state wide non essential business closures on March 17, to be effective on March 18. Gov. Newsom (CA) followed suit by announcing stay at home orders on March 19.



27/03/2020 Survey launch  
28/03/2020

Survey 1000 answers  
02/04/2020

Survey 500 answers  
01/04/2020

## Main Policy 1

CARES Act (which includes the Paycheck Protection Program – the 350 billion dollar stimulus package aimed at small businesses. The PPP is our program of focus for the email and call center intervention).

TIMELINE

● PUBLIC HEALTH POLICY

● ECONOMIC POLICIES/RELIEF POLICIES

● SURVEY DATES

## EFFECTS ON EMPLOYMENT

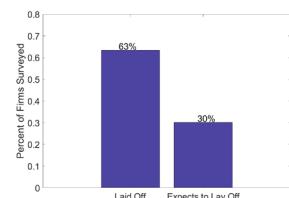
Percentage of companies that have been required to lay off any employee in response to the current health crisis.

**63%**

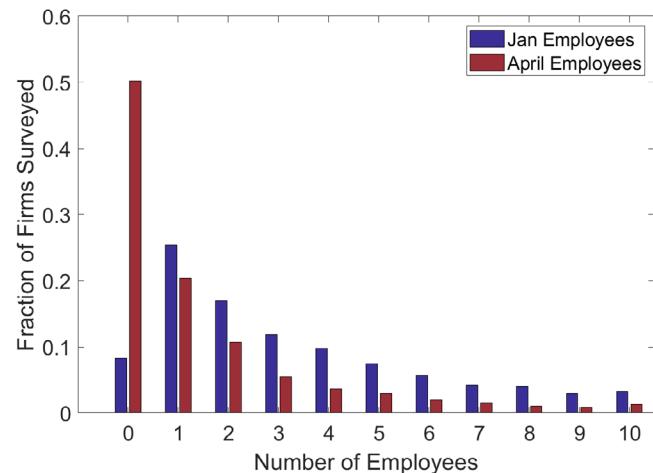
Share of firms that think that they will need to lay off any employee in the next 60 days.

**30%**

**Firing and firing expectations:**



**Firm size**  
in January and April 2020:



# PERCEPTIONS OF BUSINESS OWNERS REGARDING FUTURE

Share that thinks that their business will fully recover.



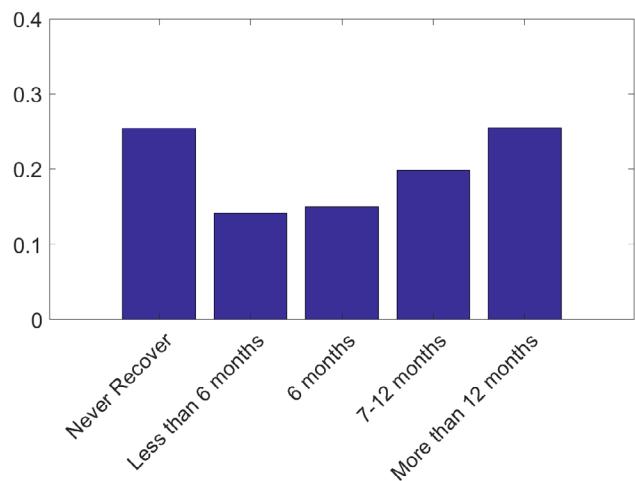
Median time to recovery.



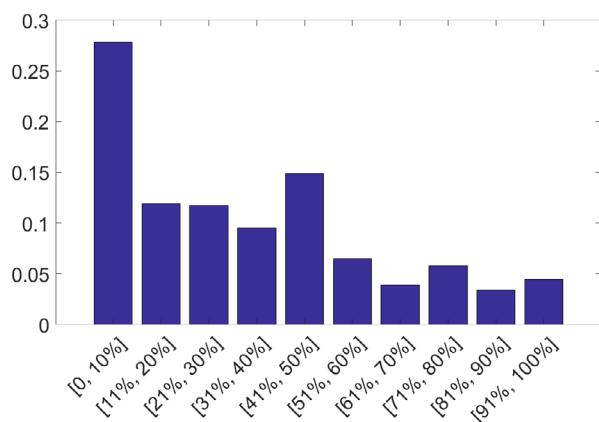
Share that thinks they have a 50% or more chance of bankruptcy.



Distribution of months expected **before full recovery**.



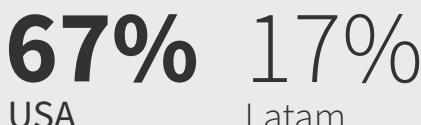
Distribution of **probability of bankruptcy or going out of business in the next 6 months**.



## AWARENESS ABOUT RELIEF PROGRAMS

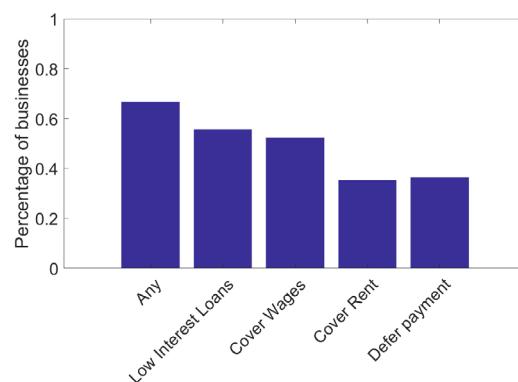


Share that is aware of any federal or state program that could help their business during this crisis.



Share aware of the following:

Aware of something for you, Business loans with subsidized interest rates, Programs that cover your employees' wages, Programs that cover your rent, Programs that allow you to defer rent, mortgage or loan payments.



# **SOME RESPONSES**

*ABOUT HOW THIS CRISIS AFFECTED  
PARTICULAR SECTORS*

01

# How have you and your business been affected?

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We do therapy for children with Autism. Because of Covid 19, we've lost 50% of our clients. All employees have been laid off.

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“

I own a CBD website and production facility. There is no government relief for state approved businesses and no state relief. My 2 years of struggle and half million investment is just gone.

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“

Coffee shop, we closed down prior to any mandatory closure to protect the health of our community. Almost total loss of income.

”

“

AnnMarie's Bridal &Tuxedo Shoppe has been providing bridal formal & eventwear since 1995. I am the only employee in my store [...] I had 3 brides call to tell me their wedding have been postponed, 7 proms have been cancelled and the list goes on.

”

“

I'm a self employed personal trainer, I've been able to convert my business into an online program but I've still lost half clients because they can't afford to pay me. [...] Being self employed I don't qualify for most of the aid out there and if I do it's not even enough to cover my mortgage. I am still paying rent at a gym I don't have access to because our landlord isn't allowing us any deferment. I had \$80,000 in debt before this crisis and was barely making a dent, I fear this might drown me now.

”



02

**What can the state and federal government do to help your business?**

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Defer rent and mortgages. Ask credit cards to waive interest rates. Offer more grants to small business. Loans should be for the corporations, who are more likely to be able to pay back. Small businesses need the grant money.

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Everything that is offered is based on credit or given a loan. The bridge loan Connecticut is offering is also only for businesses that have turned a profit. Being a brand new business I have not yet to turn a profit and I just took out a loan to open my business, 7 months ago. These programs are not helpful for new small businesses.

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As we can not operate at all, we need help extending our debts to a time that we can resume normal operation. In addition to longer term financing, we need short term reprieve on our current operating expenses and possibly tax abatements.

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We need to get a clear testing protocol in place. We need clear guidelines for wearing masks in public. We will need economical stimulus to make sure rent and payroll is getting paid. We need to make sure the supply chain is strong, which will rely on testing protocols. We had at least two months to get much of this in place, and that precious time was squandered by federal inaction.

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We will post regular updates of the progress of our survey and some preliminary results in <https://covid19sbs.org>. If you have further questions about the project you can contact **Christopher Neilson** at [cneilson@princeton.edu](mailto:cneilson@princeton.edu).

This is an initiative of a group of researchers affiliated with the Industrial Relations Section at Princeton University and the Tobin Center for Public Policy at Yale University. The principal investigators are Christopher Neilson of Princeton University and John Eric Humphries of Yale University. Our team is based out of the United States, the Dominican Republic, and Chile.