

## Briefing | WVCC COVID-19 Business Impact Survey

### Background:

The Wenatchee Valley Region, located within Chelan and Douglas Counties, has been significantly impacted by the outbreak of COVID-19. Initial data suggests that the state's "Stay at Home" orders, and the willingness of Washington's citizens and businesses to adhere to the protocols are "bending the curve" of infections. The WVCC agrees with the overarching goal of the state, and region, to take appropriate action to prevent the spread of COVID-19 and to protect the health of our region's citizens. Questions remain about potential differential impacts within certain demographic populations and our region must also ensure that all the region's residents have information, in the language they understand, on how to defend against possible infection.

The current "Stay at Home" orders are having dramatic impacts across all employers in the Wenatchee Valley Region. As Washington State, and the region, look beyond the current orders, the WVCC launched an extensive research effort to gain an understanding on the impacts of the current orders on local employers, and to better understand employer's view of the timelines necessary for change.

### What We Learned:

The WVCC received information from over 270 employers representing a broad spectrum of industries across the region. Approximately 10% of those are from Latinx-owned businesses. Notably, more than 75% of businesses responding have been in business for more than 5 years, with nearly 60% of respondents with more than 10 years in business.



Respondents represent the region's key industries:

- Hospitality: 24%
- Retail: 17%
- Healthcare: 9%
- Nonprofit: 6%
- Agriculture: 3%

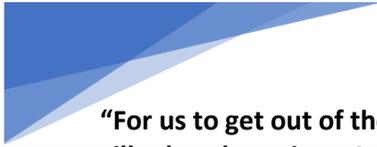
Small businesses are the foundation of our region's economy, and the data reflects those businesses. About 75% of the responses were from employers with 1-10 full time employees. The WVCC is pleased that the survey accurately reflects this vital sector and incorporates businesses that have sustained themselves for at least 10 years or more.

### The results are humbling.

The commitment of our region's employers to the safety and well-being of their employees, their customers, their vendors, and suppliers is noteworthy in the survey results. *More than two-thirds of businesses have prioritized the safety and well-being of their employees over short-term business performance.*



**"We will survive the financial part, but the health part with 145 senior apartments is a more daunting reality."**



**“For us to get out of the trenches it will take a long time. Any growth we were hoping for as a company this year is gone.”**

The survey was administered in late March & early April and demonstrates that **we are running out of time to help the businesses facing critical financial hardship. Around 52% of businesses cannot sustain operations for three months and two-thirds of businesses report they cannot sustain operations for six months without assistance.**

The data reveals the urgency to modify current restrictions to allow business to open safely and bring back their employees.

Indeed, the survival of the region’s small businesses is at stake:

### Notably:

- 52% of businesses report that revenues are down by more than 50% with 30% of businesses reporting that revenue is off by 80%, or more, during this period.
- 55% of businesses have, or are considering, employee layoffs for indeterminate periods of time.
- More than half of businesses (53%) believe they can sustain themselves for less than three months; with another 28% of businesses “not sure” how long they can remain in operation
- Most businesses believe it will take 3-12 months to recover. Only 40% of businesses believe they can rebound within three months.

### What We Need:

The data shows that our business community is in dire need of **financial assistance**. Around 18% of businesses will only be able to sustain operations for 30 days or less without financial assistance; and an additional 35% of businesses stated they can only sustain operations for up to 3 months. Another 18% of businesses feel that it is too soon to tell how long they can sustain operations in this climate.

The survey asked businesses what kind of assistance would be most helpful, they responded:

- Grants to inject much needed cash flow
- Rent / mortgage assistance
- Tax relief
- Utilities assistance
- PPE Supplies
- Efficient access to unemployment benefits for employees



**“I don’t have money to pay my mortgage, utility bills, rent at business, money to pay for my inventory that I ordered and received, I just have money to eat.”**

As we look towards recovery, businesses will need:

- **Financial Resilience:** The ability to withstand the financial impact on liquidity, income, and assets.
- **Operational Resilience:** The ability to withstand operational shocks and continue to deliver core business functions.
- **Commercial Resilience:** The ability to respond to changing markets and consumer pressures.

The Wenatchee Valley Chamber of Commerce is immediately convening a Recovery Council comprised of business, non-profit, civic and elected officials to develop a regional response to restore economic activity in a safe and stable manner.

# WENATCHEE

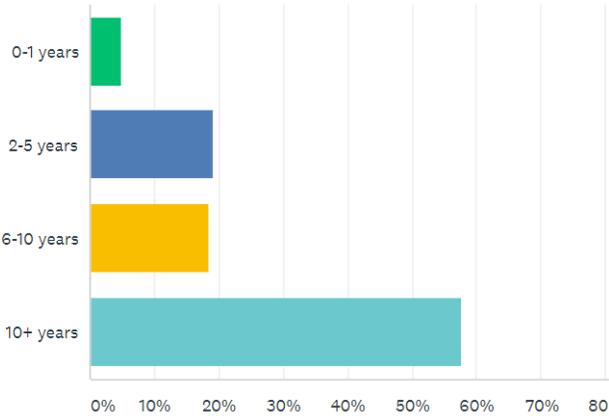
CHAMBER OF COMMERCE

# VALLEY

The Data:

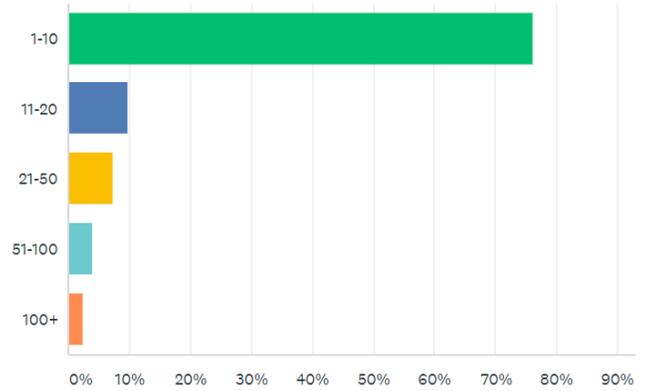
## How long have you been in business?

Answered: 250 Skipped: 1



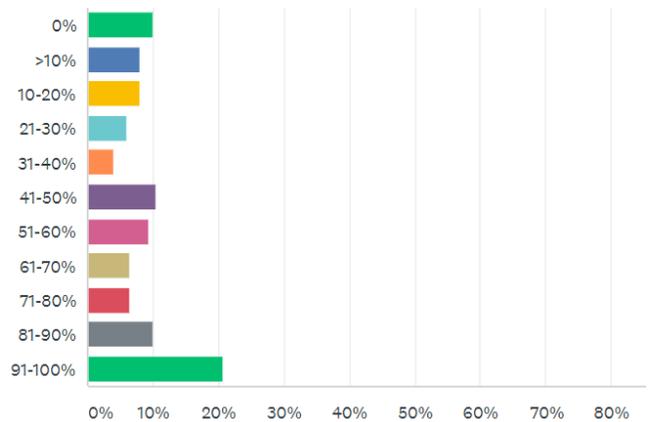
## How many people did you employ full-time prior to March 1, 2...

Answered: 244 Skipped: 7



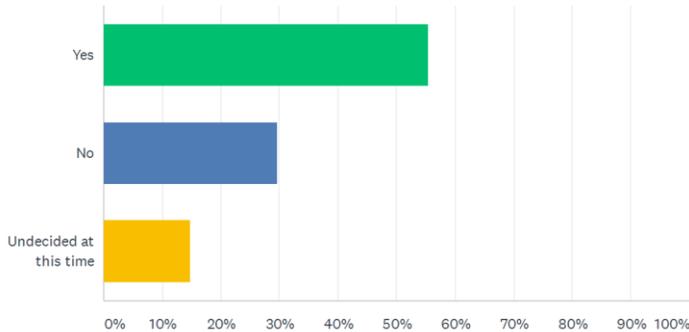
## Please estimate any revenue decline you have noticed since

Answered: 247 Skipped: 4



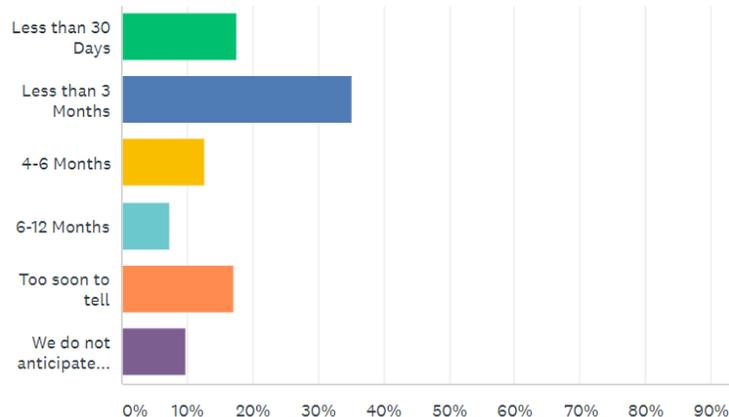
## Q5 Is your business considering employee layoffs?

Answered: 249 Skipped: 2



## How long can your business sustain operations in this current...

Answered: 244 Skipped: 7



## Looking to the future, how long do you think it would take yo...

Answered: 249 Skipped: 2

