



## The Case for RESTART: Small and Medium-Sized Business Data

### **Small Business Data**

*From the Census Small Business Pulse Survey,<sup>1</sup> updated for the week of 6/14 to 6/20:*

- **83% of small businesses** reported that the COVID-19 pandemic has had a **large or moderate negative effect on business**.
- **45% of small businesses** reported a **decrease in operating revenues/sales/receipts** during the second week of June.
- **11% of small businesses** reported a **decrease in the number of paid employees** during the first week of June.
- Some businesses that have not reduced employees have still reduced employee hours: **around 25% of small businesses** reported a **reduction in total number of hours worked** by paid employees during the same timeframe.
- **75% of small businesses** do not have enough cash on hand to cover more than two months of business operations, *including* financial assistance and loans.
- **75% of small businesses** have requested financial assistance from the Paycheck Protection Program (PPP) since March 13, 2020.
- **40% of small businesses** believe it will take **more than six months for business to return to its normal level of operations** relative to 2019.

Real time economic data indicates **a potential stall in small business recovery**:<sup>2</sup>

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<sup>1</sup> <https://portal.census.gov/pulse/data/#data>

<sup>2</sup> <https://tracktherecovery.org/>; <https://joinhomebase.com/data/national/>

- As of June 16, **total small business revenue decreased by 16.7%** relative to January 2020.
  - Revenue for businesses in **high-income ZIP codes decreased by 23.7%** compared to January 2020, while revenue for businesses in **low-income ZIP codes decreased by 10.2 %**.
- The **number of hours worked at small businesses has decreased by 28%** since January 2020.
- The **number of small business locations open is down 22%** since January 2020.
- The **number of employees working at small businesses is down 27%** since January 2020.

## **Hardest-Hit Industry Data**

### Travel and Hospitality<sup>3</sup>

- **8 in 10 hotel rooms are empty** across the United States.
- The hotel industry is projected to suffer **revenue losses of 57.5% in 2020**.
- In April 2020, U.S. hotel operating **profits fell by 117%** compared to 2019.
- In mid-June 2020, **total rooms sold were half the amount of the total rooms sold last year**.<sup>4</sup>
- With **70% of hotel employees laid off or furloughed**, hotel workers are **losing over \$2.4 billion per week**.
- As of June 16, **leisure and hospitality small business revenue has decreased by 40.6%** since January 2020.<sup>5</sup>

### Restaurants<sup>6</sup>

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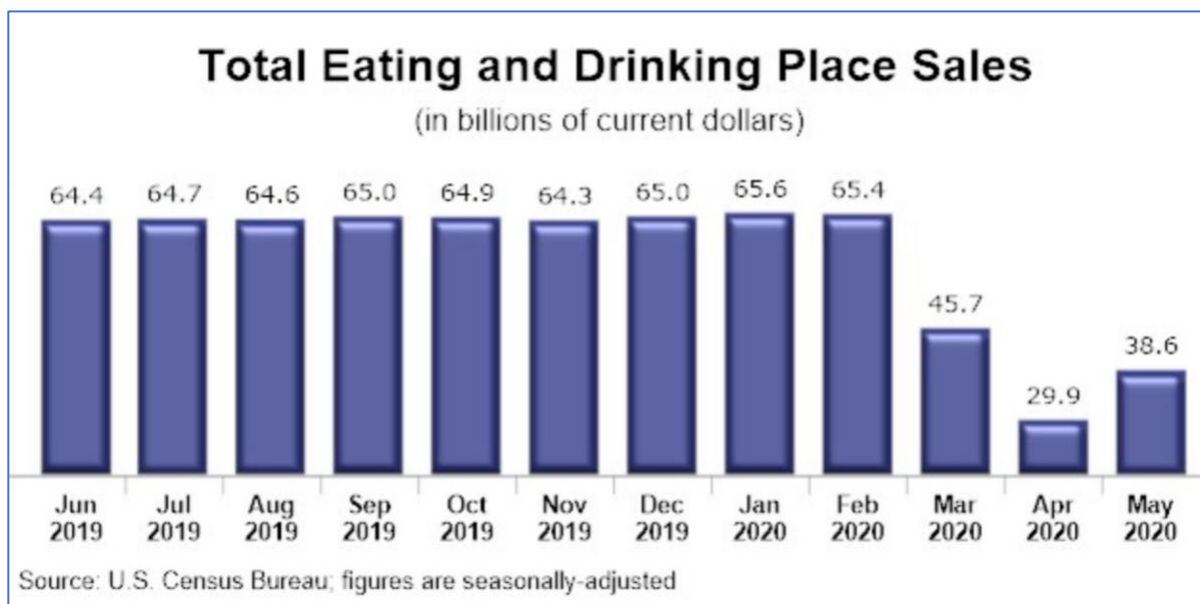
<sup>3</sup> <https://www.ahla.com/covid-19s-impact-hotel-industry>

<sup>4</sup> <https://str.com/data-insights-blog/video-us-performance-results-week-ending-june-13>

<sup>5</sup> <https://tracktherecovery.org/>

<sup>6</sup> <https://restaurant.org/research/economy/indicators/restaurant-sales>

- Between March and May 2020, **restaurant sales fell nearly \$27 billion** from pre-coronavirus sales in January and February 2020.
- April 2020 saw \$29.3 billion in sales, the **lowest sales level since February 1983**.
- Between March and May 2020, **total sales were down more than \$94 billion from expected levels**.
- As of mid-June, **1 in 5 food and drink locations are closed** relative to the beginning of March, and **30% fewer employees are working** than were working prior to the pandemic.<sup>7</sup>



### Music Venues and Theaters<sup>8</sup>

- **90% of independent concert venues** expect to **permanently close** down in a few months **if shutdowns persist and no federal funding becomes available**.
- Independent venues are **forecast to lose almost \$9 billion in revenue** if the rest of 2020 remains dark.

<sup>7</sup> <https://joinhomebase.com/data/national/>

<sup>8</sup> <https://www.nivassoc.org/>

- **92% of small businesses in the Arts, Entertainment and Recreation** industry reported that the pandemic had a **negative effect** on their business.
- As of mid-June, **1 in 3 leisure and entertainment business locations are closed** relative to pre-pandemic levels, and **1 in 3 employees** in the industry are no longer working.<sup>9</sup>

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<sup>9</sup> <https://joinhomebase.com/data/national/>