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Confirmed COVID-19 Cases in LA County (6/06)

LA County now has 63,844 confirmed cases (6/06)

48.2% of Cases in CA
55.8% of COVID-19 Deaths in CA

Source: LA County
More than 5.6 million initial unemployment insurance claims have been filed since the pandemic began.

Total unemployment benefits paid to workers through the pandemic tops $22.2 billion.

In the last three months, the CA EDD paid just shy of what was paid in benefits during the highest entire year of demand during the last recession, which was $22.9 billion in calendar year 2010.

<table>
<thead>
<tr>
<th>Week Ending</th>
<th>Initial Claims in California</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/7</td>
<td>43,385</td>
</tr>
<tr>
<td>3/14</td>
<td>57,707</td>
</tr>
<tr>
<td>3/21</td>
<td>185,545</td>
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<tr>
<td>3/28</td>
<td>1,057,167</td>
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<tr>
<td>4/4</td>
<td>915,815</td>
</tr>
<tr>
<td>4/11</td>
<td>652,886</td>
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<tr>
<td>4/18</td>
<td>524,958</td>
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<tr>
<td>4/25</td>
<td>322,599</td>
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<tr>
<td>5/2</td>
<td>611,812</td>
</tr>
<tr>
<td>5/9</td>
<td>348,842</td>
</tr>
<tr>
<td>5/16</td>
<td>358,906</td>
</tr>
<tr>
<td>5/23</td>
<td>307,075</td>
</tr>
<tr>
<td>5/30</td>
<td>302,712</td>
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</tbody>
</table>
Small and Micro-Business in Los Angeles
How Big is a Small Business?

➢ The Small Business Administration (SBA) defines small businesses as those with 500 employees or fewer
  • Ranges from very small shops to larger businesses with 500 employees
  • Businesses have different needs

➢ The LAEDC typically considers
  • Truly small businesses as those with 20 employees or fewer
  • Microbusinesses as those with fewer than 10 employees
Small Businesses in LA County in 2019

93.2% of Businesses in LA County have less than 20 employees.
Only 0.1% have more than 500 employees.

Source: CA EDD, SOB
Number of Businesses by Size in LA County in 2019

- Manufacturing
- Wholesale Trade
- Retail Trade
- Transp/ Warehousing
- Information
- Finance And Insurance
- Real Estate & Rental/ Leasing
- Services

Source: CA EDD, SOB
Number of Employees by Size in LA County in 2019

Source: CA EDD, SOB
Los Angeles County had over 1.1 million nonemployer businesses across all industries with total revenues of $61.1 billion.
Small Business Pulse Survey:
Tracking Changes During the COVID-19 Pandemic
Definition of Small Businesses

In the Small Business Pulse Survey (SBPS) small businesses in the LA Basin:

- Are nonfarm
- Are single-location
- Have receipts greater than or equal to $1,000
- Have 500 employees or fewer
Overall, how has this business been affected by the COVID-19 pandemic?

LA Basin Week of 5/24 to 5/30

- Large negative effect: 48.8%
- Moderate negative effect: 2.4%
- Little or no effect: 9.2%
- Moderate positive effect: 3.7%
- Large positive effect: 1.4%

87 percent reported negative effects related to COVID-19.

Businesses Experiencing Negative Effects

- 5/24 to 5/30
  - Large negative effect: 57.8%
- 5/17 to 5/23
  - Large negative effect: 54.0%
- 5/10 to 5/16
  - Large negative effect: 51.2%
- 5/3 to 5/9
  - Large negative effect: 54.1%
- 4/26 to 5/2
  - Large negative effect: 48.8%

Source: US Census Bureau, SBPS
In the last week, did this business experience a change in operating revenues/sales/receipts, not including any financial assistance or loans?

LA Basin Week of 5/24 to 5/30

- Yes, increased 14.5%
- Yes, decreased 57.2%
- No 28.3%

Businesses Experiencing Decreased Operating Revenues/Sales/Receipts

- 4/26 to 5/2: 78.3%
- 5/3 to 5/9: 75.0%
- 5/10 to 5/16: 66.8%
- 5/17 to 5/23: 64.8%
- 5/24 to 5/30: 57.2%

Source: US Census Bureau, SBPS
In the last week, did this business temporarily close any of its locations for at least one day?

LA Basin

No

Yes

5/24 to 5/30

5/17 to 5/23

5/10 to 5/16

5/3 to 5/9

4/26 to 5/2

53.3%

55.5%

60.0%

62.9%

46.7%

44.5%

40.3%

40.0%

37.1%
In the last week, did this business have a change in the...

Number of Paid Employees?

- **No**: 65.8%
- **Yes, decreased**: 31.1%
- **Yes, increased**: 18.4%

Total Number of Hours Worked by Paid Employees?

- **No**: 43.2%
- **Yes, decreased**: 56.1%
- **Yes, increased**: 52.6%

Source: US Census Bureau, SBPS
In the last week, did this business have disruptions in its supply chain?

- Yes: 36.8%
- No: 63.2%

Did this business shift to the production of other goods or services?

- Yes: 8.0%
- No: 92.0%

Did this business adopt pickup/carry-out/delivery as their only means of providing goods and services to their customers?

- Yes: 12.0%
- No: 88.0%

Source: US Census Bureau, SBPS
How would you describe the current availability of cash on hand for this business, including any financial assistance or loans?

Currently, cash on hand will cover:

- 3.6% for 1-7 days of business operations
- 7.0% for 1-2 weeks of business operations
- 16.4% for 3-4 weeks of business operations
- 35.1% for 1-2 months of business operations
- 23.8% for 3 or more months of business operations
- 2.8% for no cash available for business operations
- 11.3% for don't know

LA Basin Week of 5/24 to 5/30

Source: US Census Bureau, SBPS
The White House declared a national emergency because of the COVID-19 pandemic on March 13, 2020. Since then, has this business missed any…

**Loan Payments**

- No: 83.3%
- Yes: 92.3%

**Other Scheduled Payments**

- No: 68.3%
- Yes: 79.5%

Source: US Census Bureau, SBPS
Since March 13, 2020, has this business requested financial assistance from any of the following sources?

- Paycheck Protection Program (PPP) 73.7%
- Economic Injury Disaster Loans (EIDL) 36.1%
- Not requested assistance from any source 17.6%
- Self 12.1%
- SBA Loan Forgiveness 9.5%
- Family or friends 5.9%
- Banks 5.6%
- Other sources 4.5%
- State or local government programs 1.9%
- Other Federal programs 1.7%

LA Basin up to week ending 5/30

Source: US Census Bureau, SBPS
Since March 13, 2020, has this business received financial assistance from any of these programs from the Federal government?

LA Basin Week of 5/24 to 5/30

- Paycheck Protection Program (PPP): 68.0%
- Economic Injury Disaster Loans (EIDL): 22.9%
- SBA Loan Forgiveness: 4.2%
- Other Federal programs: 1.7%
- Not received financial assistance from any Federal program: 26.3%

Source: US Census Bureau, SBPS
In your opinion, how much time do you think will pass before this business returns to its normal level of operations relative to one year ago?

**LA Basin**

- **1 month or less**
  - 2.4% (4/26 to 5/2)
  - 1.6% (5/24 to 5/30)

- **2-3 months**
  - 18.6% (4/26 to 5/2)
  - 10.6% (5/24 to 5/30)

- **4-6 months**
  - 28.0% (4/26 to 5/2)
  - 24.1% (5/24 to 5/30)

- **More than 6 months**
  - 36.9% (4/26 to 5/2)
  - 43.2% (5/24 to 5/30)

- **I don't believe it will return to normal level of operations**
  - 8.8% (4/26 to 5/2)
  - 13.4% (5/24 to 5/30)

- **Has been little/no effect on operations**
  - 5.3% (4/26 to 5/2)
  - 7.1% (5/24 to 5/30)

*Source: US Census Bureau, SBPS*
Small Businesses in the LA Basin

Are still experiencing hardship due to COVID-19, but:

- The negative effects appear to be decreasing
- Revenues/sales/receipts declines are starting to lessen
- Cutting of paid employees and of total hours for paid employees seem to be decreasing
- They are seeking out assistance with many receiving funds from the CARES Act
- They expect it to take longer than 6 months to get back to normal operations
LAEDC | Mission

LAEDC works with business, education and government partners to collectively advance opportunity and prosperity for all L.A. County residents.

WWW.LAEDC.ORG
QUESTIONS
Thank you!

• Visit the LAEDC COVID-19 Response page for additional resources at https://laedc.org/coronavirus/.

• Do you have questions you would like answered on these webinars? Please send to shane.cullen@laedc.org.