



FYI NEWSLETTER

Promoting Responsible Economic Development Since 1967

April 8, 2020



April Member Reception

CANCELED



SPECIAL THANKS TO OUR SPONSORS



At the April 7 County Council Land Use Committee, Rich Hall delivered an update regarding continuity of operations during the COVID-19 public health emergency.

While the Land Use offices are closed, the division continues to process land development applications and building permits, conduct inspections, continue planning projects, legislation, task forces, and address property maintenance concerns.

[Click here to view the presentation with more details.](#)

We will reschedule our visit to the new Ammon-Pinizzotto Biopharmaceutical Innovation Center on the UD STAR Campus to a later date.

We are hopeful that the May Dinner Meeting, Scholarship Presentation and the Annual Meeting can be held on May 19. Announcements will be emailed once registration is open.

Delaware Business Impact of COVID-19 - Summary of Second Survey Results (3/31 - 4/3)

To help prepare for a full recovery and to understand the likely need for possible business support/assistance, The Committee of 100 and a range of Delaware economic development organizations and other partners are jointly conducting a series of business surveys to monitor the impact of COVID-19 on business operations across the State of Delaware.

The first round of the survey was conducted from 3/20 to 3/24, prior to Delaware's stay at home order and the closure of many businesses. The second round of the survey was

conducted from 3/31 to 4/3. Thank you to all our Members who participated!

Below is a brief summary of survey results compiled by the DPP from this second round, with comparisons to the first round where possible.

- **419 employers responded to the second round of the survey**, nearly 100 more responses than in the first round. Responses were well distributed geographically within the state (63% New Castle County; 12% Kent County; 25% Sussex County). Responses were also well distributed across industries, with responses from nearly every industry.
- However, the composition of respondents was different than in the first round. For the second round, 46% of responses were from businesses employing fewer than 5 people, compared with 35% in the first round. And fewer large employers responded in the second round. As a result, while there were nearly 100 more responses than in the first round, **these second round respondents accounted for far fewer employees (approximately 11,400 employees) than the respondents in the first round (which accounted for about 24,000 employees).**
- **Respondents in the second round indicated that they have already laid off or terminated nearly 1,700 employees, representing approximately 13% of these companies' collective workforce.** This is a significant increase from the first survey, in which 640 workers had been laid off (about 3% of the collective workforce among the first round responding companies.)
- **One-third of respondents (34%) indicated that they have had staffing decreases as a result of COVID-19.** More than 50% of layoffs among the respondents were in the Accommodation & Food Services industry and the Retail Trade industry. However, most industries had some responding companies that have had to let workers go. Only a small share (13%) of the smallest businesses (less than 5 employees) indicated that they have let workers go, but about 40-60% of businesses of all other sizes have had to trim their workforces.
- **37% of respondents indicated that they had closed, up from 22% in the first round of the survey.** These closures were primarily concentrated in a handful of sectors, including Arts, Entertainment, & Recreation (78%); Education (77%, primarily childcare providers); Retail Trade (68%); and Accommodation & Food Services (48%). All of these figures were up from the first round of the survey.
- **Among respondents whose businesses were still open, they were collectively operating at about 61% capacity, on average.** Operating capacity was higher in Finance & Insurance; Professional, Scientific, & Technical Services; Information; Manufacturing; and Construction, but lower in other sectors. Looking at the results by business size, the smallest employers (less than 5 employees) were operating at the lowest capacity, an average of 54%. These figures increase gradually for larger businesses; employers with 10-19 employees were operating at an average of 62% capacity and employers with 100+ employees were operating at an average of 78% capacity.
- **Among respondents whose business was still open, supply chains still seemed to be relatively intact.** On average, respondents indicated that they were able to ship and receive more than 70% of goods and services. Figures were largely similar looking at results by business size.
- **83% of respondents have experienced a decrease in revenue, up from 72% of respondents in the first round of the survey.** Losses have been steepest in sectors most directly affected by business closures, like Accommodation & Food Services; Retail Trade; Arts, Entertainment, & Recreation; and Education (primarily childcare), with the majority of respondents in those industries seeing revenue decreases of 91-100% and many more seeing decreases of more than 70%. But all industries are seeing notable revenue decreases in the 20% to 60% range.
- **A smaller percentage (55%) of large employers with 100+ employees reported a revenue decline, and on average their revenue losses were not as steep as smaller businesses.**
- On average, **respondents indicated they could survive the current business slowdown/closure for about 12 weeks**—similar to the average in the first round of the survey of 13 weeks. But the median response among businesses was 8 weeks, with about one-quarter of respondents indicating they could only survive for 4 weeks or less.
- 22% of respondents indicated that they have reached out to their banks for bridge financing and 27% of respondents have applied for an SBA Economic Injury Disaster Loan.

Throughout our history, The Committee of 100 has sought to advance more than just a legislative agenda by awarding college scholarships as our chief philanthropic focus.

Our scholarships are awarded based on academic excellence, extracurricular activities and community involvement. Each year we struggle to select just one \$3,000 scholarship recipient from among the extraordinary finalists.

We need your help! Your corporate and/or individual pledge to the 100 SUPERSTARS Endowment Campaign will allow us to expand the number of scholarships awarded and increase each cash award.

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The Committee of 100

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