

# COVID-19 RESOURCES & USEFUL INFORMATION

As the COVID-19 crisis continues to have a crippling effect on virtually all businesses throughout the region, this section of our April 2020 issue is devoted to sharing resources and ideas with our readers as we all navigate our way through this unprecedented shutdown of all-but-essential business activity.

As we are the official publication of the **TriCounty Area Chamber of Commerce**, page 37 in our TCACC section in this issue contains a number of valuable business resources with active links for business owners.

In addition, we offer a number of ideas, insights and opinions from some of our valued columnists and advertisers to help us all learn and share as much as we can about how together we can make the best of our situation.

For the most current information, we recommend you visit the Commonwealth of PA website for updates at: <https://www.pa.gov/guides/responding-to-covid-19/>.

*Route 422 Business Advisor* is committed to serving as an information resource and connector/facilitator for all of our readers and advertisers. We encourage you to call 610.323.6253 or email [bill@422business.com](mailto:bill@422business.com) if we can be of assistance to you in any way.

## Coronavirus Funding Package Summary



By **Barry Cassidy**

The sheer scope of the new Federal two trillion-dollar stimulus package is far reaching and provides access to aid for any number of constituencies. The following is a guide, but not to be considered an explanation of the programs. There is not enough space to go into detail but if you google any of the terms and programs that I outline in this article you can get the specifics.

### CARES ACT – Coronavirus Aid, Relief and Economic Security Act

For the Individual there will be:

- Recovery rebates for individuals.
- Delay of certain deadlines.
- Special rules for use of retirement funds.
- Allowance of partial above the line deduction for charitable contributions.
- Modification of limitations on charitable contributions during 2020.

Businesses programs are varied and if you use some programs you may be ineligible for others. The programs take a different look at the same dollar amount. This makes each program more flexible to choose to determine which one is the best for your business. There will be any number of programs designated for Economic Development to implement these categories including:

- Delay of estimated tax payments for corporations.
- Delay of payment of employer payroll taxes.
- Modifications for net operating losses.
- Modification of limitation on losses for taxpayers other than corporations.
- Modification of credit for prior year minimum tax liability of corporations.
- Modification of limitation on business interest.
- Technical amendments regarding qualified improvement property.
- Installments not to prevent credit or refund of overpayments or increase estimated taxes.
- Restoration of limitation on downward attribution of stock ownership in applying constructive ownership rules.

There is a waiver to the Aviation excise tax to help out the airlines. Included are health provisions to address shortages in product supplies, drugs, medical device shortages, lab testing and support of health care providers.

Innovation will be highlighted throughout the Act.

The Finance section deals specifically with medical delivery options. This is good for people in the medical field to know and understand.

The Education section provides for any number of waivers issues. If you are a college student, you will need to read this section

The Labor section deals with extended leave, unemployment insurance and any number of waiver opportunities to keep people employed.

### The Paycheck Protection Program

The Coronavirus Aid, Relief, and Economic Security (CARES) Act allocated \$350 billion to help small businesses and nonprofits keep workers employed during the pandemic. The Paycheck Protection Program, the initiative provides 100% federally guaranteed loans for any of the following up to 10 million dollars.

The reason of the program is to keep people on the payroll.

The sum of payments of any compensation with respect to employees that is a:

- salary, wage, commission, or similar compensation;
- payment of cash tip or equivalent;
- payment for vacation, parental, family, medical, or sick leave
- allowance for dismissal or separation
- payment required for the provisions of group health care benefits, including insurance premiums
- payment of any retirement benefit
- payment of state or local tax assessed on the compensation of the employee

There are some qualifications:

The uncertainty of current economic conditions makes the loan request necessary to support ongoing operations. The borrower will use the loan proceeds to retain workers and maintain payroll or make mortgage, lease, and utility payments. Borrower does not have an application pending for a loan duplicative of the purpose and amounts applied for in the loan application.

And...last but not least there is forgiveness. A borrower is eligible for loan forgiveness equal to the amount the borrower spent on the following items during the 8-week period beginning on the date of the origination of the loan:

- Payroll costs (using the same definition of payroll costs used to determine loan eligibility).
- Interest on the mortgage obligation incurred in the ordinary course of business.
- Rent on a leasing agreement.
- Payments on utilities (electricity, gas, water, transportation, telephone, or internet).
- For borrowers with tipped employees, additional wages paid to those employees.

The loan forgiveness cannot exceed the principal.

## What a Small Business Owner Should Do in a CRISIS



By **Gary Seibert, CEO, Small Business Resource Association**

I truly wish that in my 50 plus years of owning and running small businesses that I could come up with a situation, similar to the one we are dealing with today, that my experience and words of wisdom would put you at ease. However, what is taking place right now is truly a first and the impact is so far reaching that, I don't believe anyone can tell you what to expect tomorrow, let alone, a month from now. Below are some suggestions I would like to share with you based things I have learned over the years as our incredibly resilient nation has weathered numerous crisis after crisis.

1. You did not cause the crisis. You cannot change what the crisis has created and you most likely have very little control over how it is being dealt with. However, you are still part of the crisis and you CAN control how YOU deal with it. Stay calm, Do Not Panic and help by playing a role in the solution. Keep your Faith and Pray for others as well as yourself.

2. Take care of your loved ones first and then, lend a hand helping others in need.

3. Follow the guidelines set forth by local, state and federal government. Breaking those rules may put others in harm's way.

4. Check with your insurance carrier to see if you have business interruption insurance and are covered for natural disasters, emergencies, or loss of income.

5. Check with your accountant to try to determine what, if any, financial impact this crisis will put on the day-to-day running of your business. Do you have enough cash reserve to make it through the crisis? Will you be able to make payroll? Will you need to borrow money to stay in business for repairs, inventory or other needs?

6. If the answer to 5 is yes, then you need to contact your banker immediately to see if they will

be able to help you with a loan and what information they will need to start the process for the loan.

7. Meet with your staff and be totally honest with them as to what you must do. If you need to lay them off for a period of time, help them apply for unemployment, if they need help. In time of crisis, consider your employee's feelings, fears and concerns as well as your own as they are the ones that have helped you build your business. Support them in any way you can and stay in touch with them throughout the recovery. Don't just be a boss, now you should also be a friend.

8. Now it's time to be creative, think out of the box as to how you are going to get through this difficult time. Can you sell your products or services in a different way or to a different clientele? Should you offer special deals or price breaks? Should you reduce your hours? Could you take advantage of on-line selling and internet marketing to increase your client base? Could you start a clever social media campaign to drive people to you?

9. Now might be a great opportunity to connect with a mentor, consultant or trusted friends to do some brainstorming. Your thoughts might be clouded by all you're dealing with and other perspectives may be just what you need to turn your crises into an opportunity.

10 Last but not least, DO NOT LOOSE YOUR SENSE OF HUMOR. Don't make fun of the situation but instead, lead by example by being an encourager. Your family, friends, employees, vendors and customers all are aware of the situation, the news media is there, every moment, telling everyone how horrible everything is. Be the shining light and the positive force that provides inspiration to others to look past the crisis into the future, even a better future.

These are 10 things I believe you can and should be doing if you haven't already. Why, because all these are things I learned from others as I experienced several crises over the years of growing my businesses. You can be assured we live in the greatest country in the world. We will overcome and be better.

## COVID-19: When Might We See a Recovery?

### Three Possible Scenarios

The Conference Board Examines Three Potential Trajectories for the US Economy Through Year End

Given the high uncertainty on how the epidemiological trajectory of COVID-19 and the economic response to this crisis will develop over the next few months, The Conference Board has developed three scenarios for the development of the US economy through the remainder of 2020.

According to The Conference Board's analysis, the first scenario (a May Reboot or "quick recovery"), assumes a peak in new COVID-19 cases by mid-April, with economic activity gradually resuming in May. In the second scenario (a Summertime V-Shape, or "deeper contraction, bigger recovery"), the peak in new cases will be higher and delayed until May, creating a larger economic contraction in Q2, but also a stronger recovery in Q3. In the third scenario (a Fall Recovery or "extended contraction"), a managed control of the outbreak helps to flatten the curve of new COVID-19 cases, and stretches the economic impact across Q2 and Q3, with growth resuming in September.

"The impact on the economy is different across the three scenarios," says Bart van Ark, Chief Economist of The Conference Board. "In our most optimistic scenario, the economy will shrink to 1.6 percent in 2020 compared to 2019. However, the contraction will be much stronger under the Summertime V-shape (5.5 percent) and the Fall Recovery (6 percent) scenarios. Businesses should prepare for those worst-case scenarios,

given their high probability of occurring."

The impact of the crisis will differ substantially between sectors and industries, according to the analysis. "The largest effects are seen in industries that are mostly hurt by social distancing and other containment measures, including entertainment, restaurants, and large parts of the transportation sector," says Erik Lundh, Senior Economist at The Conference Board. "However, the longer the contractions last, the more industries will be impacted through revenue losses and cost containment measures."

Regardless of which scenario will ultimately play out, the impact on the unemployment rate will be quite significant. In the first scenario, the unemployment rate will rise to 8 percent by Q3 and then gradually drop off during the second half of the year. In the other two scenarios, unemployment may increase to more than 15 percent by Q3, and – especially in the case of the Fall Recovery scenario – remain at 10 percent or more until Q4.

The worst effects on the economy can be mitigated by at least four policy factors:

- A strong and coordinated management of the health crisis itself.
- The use of policy tools to reduce layoffs.
- Fiscal policy tools that can reach lower-income consumers and small businesses fast.
- A cautious but clearly guided reboot of the economy, with a focus on the quick unlocking of supply chains.

(Continued on page 12)

# COVID-19 RESOURCES & USEFUL INFORMATION

(Continued from page 11)

The scenarios take into account the effects of government stimulus coming through, although the precise effects of the \$2 trillion stimulus bill on different sectors and expenditure categories have not yet been fully assessed.

To build these scenarios, The Conference Board used an industry-based approach, making assumptions on the percentage contraction by major sector and by month. The assumptions will be made available in an interactive format on TCB's website ([www.conference-board.org](http://www.conference-board.org)) so that users

can alter the assumptions and make their own projections.

"Whatever the degree of the decline and the shape of the recovery, in all scenarios developed so far, the level of economic activity by the end of the 2020 will be lower than at the end of 2019, by between 1.6 and 6 percent," adds Lundh. "These kinds of contractions, on both a quarterly or annual basis, have not been seen since the aftermath of WWII."

With various sectors, especially in services, which may come to a standstill from March to

possibly May, the forced contraction in consumer spending is very large. Many foregone services, such as travel and recreation, will create a permanent loss, meaning they will not be made up for through pent-up demand later in the year. This will temper the rebound. In other sectors, such as manufacturing and logistics, pent-up demand is more likely and the gap in economic activity levels may strongly narrow by the end of the year. However, the disruptions in supply chains can make a quick rebound more difficult because all links in the chain need to work again.

As to the policy response, a strong and coordinated

management of the health crisis itself will determine whether the economy can be gradually reopened for business relatively soon, or whether stringent containment measures need to remain in place for longer.

**For more information:** <https://www.conference-board.org/economy-watch-US>

**About The Conference Board:** The Conference Board is the member-driven think tank that delivers trusted insights for what's ahead. Founded in 1916, we are a non-partisan, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States. [www.conference-board.org](http://www.conference-board.org).

## We asked local businesses how they are dealing with the crisis...

### Diamond Credit Union

By Rob Hackash, Marketing Manager

As an essential business, our goal is to keep the well-being of our members and employees our top priority while still providing continuous service.

We have successfully transitioned all possible Diamond employees who can work from home to do so. We have encouraged the use of online and mobile banking above all other channels. Our drive-throughs remained open with modified hours. Branch lobbies are closed and employees not staffing the drive-throughs have transitioned to assist members via our call center where we have increased hours.

We recognize that there may be instances where members and their families find themselves facing financial challenges. Several measures have been put in place to provide financial relief and can be found at <https://diamondcu.org/covid-19>. The latest updates to branch access can also be found at that URL.

For additional information, please call 610.326.5490 and visit [www.diamondcu.org](http://www.diamondcu.org).

### FastSigns Pottstown

FASTSIGNS has been deemed essential business. We are fully operational and able to satisfy your need for visual communications with a focus on important COVID-19 related messaging to your clients and customers.

For additional information, please contact Bill Wellen at 484.624.4874; email [bill.wellen@fastsigns.com](mailto:bill.wellen@fastsigns.com); and visit [www.fastsigns.com/566](http://www.fastsigns.com/566) and [www.facebook.com/FASTSIGNS.Pottstown](https://www.facebook.com/FASTSIGNS.Pottstown)

### Patriot Pest Solutions, LLC

By Denice Harrison

It was no surprise when it was officially declared that pest management is considered an Essential Business in Pennsylvania.

Pests can spread diseases such as West Nile virus, Lyme disease, salmonellosis, hantavirus and encephalitis. Stinging insects force half a million people to the emergency room every year. Cockroach and rodent allergens trigger asthma attacks in children; rodents contaminate or consume about 20 percent of the world's food supply and bed bugs can cause allergic reactions.

As an essential service industry, we will continue to service the food production facilities, grocery stores, medical institutions, multifamily housing units, warehouses, homes and businesses. We cannot afford to have our medical facilities, grocery stores or homes uninhabitable due to pests and pest related diseases, particularly as we tell citizens to stay home.

The past month has been very unsettling. Revenue is on a downward slope because many of our commercial businesses, that we service, are

closed (Restaurants, Retail stores). In addition, most of our nursing homes are on 'lockdown' and not permitting any visitors or outside vendors to enter the facility. Because the elderly are so susceptible, it is imperative that these extra precautions be taken.

Small businesses are now dealing with the pressure of managing expenses with declining revenue. As an owner, I know how much we value our employees... and the fear is real. Business owners are faced with the decision of how long they can continue to support employees without the revenue to offset the cost of payroll. In most cases, filing for unemployment is not a viable solution for employees because there is a substantial gap in the amount of their actual earnings vs what the government will pay in benefits. The uncertainty is what causes the panic.

### Amity Digital

We are healthy and doing well. We are doing our best under these trying conditions. We are offering long payment plans for companies that want to take this time to improve their websites but don't want to lay out a lot of cash up front.

— Brian Welsh, Amity Digital

### Pottstown Dance Theatre

The Pottstown Dance Theatre has gone "virtual" during this time of social distancing. Our alumnus turned teacher, Ms. Megan Schultz, has been giving mixed level conditioning and barre work using Instagram Live since March 13; and the entire studio "re-opened" on March 27 using Zoom to accommodate "stay at home" orders. So, most dancers age eight and older will get to take their class live from their living room, bedroom, or basement. Younger dancers will be able to do a recorded lesson with Ms. Krysta Bernhardt, a graduate of the University of the Arts and her helper, Mr. O. This is a challenge but we're enjoying learning in new ways. Director Michelle Jones Wurtz has been teaching live Zoom lessons at Eastern University (where she works as a Full Professor) since March 17. She's been assisting with transitioning for her students here in the Pottstown area.

As you may know, the students in the Repertory Ensemble were scheduled to perform "Jazzarella" at the Hill School Center for the Arts. Currently, the performance is re-scheduled for April 26 at 2pm and again at 6pm. Students will perform with Melange Contemporary Dance and international pianist, Jeff Nations. This is a tentative date and may once again be delayed, but will take place at some point at perhaps a different venue. All tickets will be honored regardless of dates printed. To get more information, or to start getting ready for Summer Classes, please call Pottstown Dance Theatre at 610.323.2569 or visit them at [www.pottstowndance.com](http://www.pottstowndance.com).

### Ludgate Engineering

By Bob Ludgate, Sr.

I was born near the end of the great depression and my earliest childhood memories are of life in New York City during WWII. Today, our Corona Virus crises is as hard on society and individuals as those long ago. America's greatness has always depended upon the good health and good efforts of all aspects of our economy. This health-based crises threatens our national well-being. If we come together as did our "greatest generation" during our WWII crises, we shall emerge from these hard times, continuing to bring strong leadership for all of our world.

We have a duty to each do our part, whatever is required of us, that shall contribute to recovery for everyone in the U.S. and the world.

### Christine Hector, Chris James Hector Realty

We are still working and still available to our friends, relatives, customers — Just not face to face. We are blessed with modern technology that allows us to do a lot of our work, even settlements, using social distancing. But extra caution is needed now, more than ever. Do not open anything you are not totally sure of. The biggest spam I am experiencing right now are fake requests for me to open an Alta (final settlement cost sheet). Some are obvious, no property address or ID #. They even give you a phone number to call, which either doesn't connect or says the number is not available to take calls. Or, texts telling me my order has arrived, click to verify. If you open it, it gains access to your email list etc. United we stand, divided we fall. We all have to stick together and help one another. Put aside political, economic, and personal differences and overcome this virus. Sometimes that extra phone call, email, call can make the difference in someone's day. Rainy, gloomy days I try to make extra calls, etc.

### Lewis Environmental

By Rick Lewis, CEO

Our operating companies have been deemed essential in each of the states we operate. On the Lewis Environmental side, we are running at 100% capacity, supporting life-essential operations along the east coast. From pharmaceutical facilities, airports, energy and exploration, to medical facilities, police and EMS. All the while responding to emergent hazardous materials incidents along with COVID-19 responses. Our team is working literally around the clock on the front lines to help keep our community and our country operating, all while they too worry about their families and the impacts of this pandemic. As the CEO of this team, I have never been more proud. Stay smart. Stay safe. Stay healthy.

### Riverfront Federal Credit Union

#### Announces Financial Relief Initiative for Members

In response to the ongoing disruption caused by the coronavirus pandemic, Riverfront Federal Credit Union is offering a suite of relief products/services for its members. "We at Riverfront are doing everything we can to help our members get through these stressful times," said Riverfront CEO Tim McLeod. "That's why we've put together this financial relief initiative. It's intended to help members while they focus on family and loved ones, we are looking out for their finances."

Here are the steps Riverfront has taken to date:

- **Emergency Relief Loan** – Provides funds for members to purchase necessities to keep households going. No application fee, short term loans up to 24 months with no interest for 90 days and a low non-variable rate thereafter.
- **Increased ATM and mobile deposit limits** – To assist with depositing payroll checks or withdrawing additional cash.
- **60 day loan payment extensions** – To assist members in freeing up funds for the immediate future.
- **Reduced fees** – Allowing greater flexibility for members to access their funds worry-free.
- **Auto refinance opportunity** – For members who refinance non-Riverfront auto loans with us, we will arrange a payment plan to free up extra funds that can be used to buy necessities. In addition, Riverfront will offer to delay a member's first payment for 90 days.
- **Customized Small Business Solutions** – Specialized working capital line of credit for our small business members along with customized solutions to meet their respective needs.
- **\$100 #riverfrontcares Cash Giveaway** – One lucky member each week will be selected to win \$100. No entry needed.

Riverfront FCU continues to evaluate circumstances surrounding the current health crisis and will take additional steps to address members' financial needs and concerns if necessary.

Riverfront continues to offer online and mobile banking services 24 hours a day, seven days a week. More information about these and other uninterrupted services can be found at <https://www.riverfrontfcu.org/Coronavirus-COVID-19.asp>.

Founded in 1948 as RDG Reading Federal Credit Union, Riverfront Federal Credit Union is a member-owned financial cooperative open to anyone who lives, works, worships or attends school in Berks County, Pennsylvania or is a legal entity doing business in Berks County. Our primary objectives are to improve the financial position of each member and make a difference in our neighborhood.