



QUICK SURVIVAL GUIDE FOR SMALL BUSINESS DURING LOCK DOWN

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Every small business owner's worst nightmare came true when the Governor ordered a mandatory island wide shutdown of non-essential business operations for 14-days. These are tough decisions to be made. However, for the health and safety of your customers and employees, these measures were put in place for the long term benefits of our island community. As we each do our part to reduce the spread of COVID-19, it's important to stay at home and follow the recommended steps to keep you and your families safe and healthy. In times of reduced operations, here are some key tasks business owners can focus on to get prepared:

- 1. Now it is the time to check your business cash flow or budget.** Writing down a list of operating expenses, such as payroll, vendor payments, rent, utilities, and other operational expenses. It helps to estimate cash flow need, what is coming due, and when it has to be paid. Prepare your cash budget for the next twelve months and make some adjustments, such as cutting back on certain expenses if needed. We hope to recover soon in the next few weeks or so but it can never be too late to be prepared.
- 2. Keep everyone on your fingertips** - customers, vendors, bankers, and employees. Share your operational information through social media or whatever medium works best for your business. Make sure your customers know where to find you. If you are in a cash flow crunch, talk with your vendors and bankers and see if they can push back payment deadlines or defer payments on your loans. Depending on what options you choose, understand the terms, what to do at the end of the deferment period, and ask thorough questions if you need to before agreeing to it. Don't wait until it is too late and now you are hurting for cash!
- 3. The deadline to file your tax returns and make payments on tax due has been extended to July 15 but it does not mean you should wait until then.** If you are at home, this is the time to organize your receipts that have been sitting at the corner of your office and put together your income statement for 2019. If you don't have your current financial statement or GRT information, you can't go to the bank or anywhere for that matter until you have those documents on hand. Do it now, you have time!
- 4. Don't be afraid to ask for help!** Guam SBDC offers FREE one-on-one counseling assistance for small businesses. We can help you put together the loan application package for SBA Disaster Economic Injury loan program or for any financial institutions that you bank with and explain the financial jargons that you might not understand. We can also provide counseling in other areas, such as operations, marketing, and finances pertaining to your business. All you need to do is to request for counseling on our web site: www.pacificsbdc.com.

“Consider this is the opportunity to do the things that no one like to do. Focus on sustaining your business for the next few months. One step at a time and hang in there”