

Hispanic-American Institute 3rd Growing a Healthy Business (Under COVID-19)

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Presented by:
Nader Acevedo
Alberto Calvo

April 14, 2020 (9AM to 10AM)

Hispanic-American Institute

Hispanic-American Institute

126 Washington St. - Boston - Massachusetts 02136

Tel: 617.637.6403

www.hainst.org



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GRACIAS!!



Agenda

Nader Acevedo, *Executive VP, Hispanic-American Institute*

Robert Nelson, *Massachusetts District Director, Small Business Administration*

Quincy Miller, *President and Vice Chair of Eastern Bank*

Rudy Bozas, *Director of Community Relations and Marketing, Tufts Health Plan – Public Plans*

Alberto Calvo, *Co-Owner, Stop and Compare Markets*





Nader Acevedo

Executive Vice President

Hispanic-American Institute

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Nader Acevedo is the Executive Vice President of the Institute, a non-profit corporation engaged with businesses, universities, and institutions in promoting the economic, educational, and social well being of Hispanic communities in the United States, the Caribbean, and Latin America. The Institute is based in Boston, Massachusetts and has offices in Albuquerque, New Mexico and San Juan, Puerto Rico. In this role he is responsible for the operation of the Institute's programs in the Northeast U.S. and Latin America. He manages all administrative functions and staff and supports the activities of the board of directors

Prior to joining Institute, Nader was the President of the *Hispanic-American Chamber of Commerce* for ten years and served as Director of Latino and Latin American Programs at the *Massachusetts College of Pharmacy and Health Sciences*, where he was responsible for local and international relationships with educational, government and financial institutions. He established a weekend and summer institute for Latino students and implemented a pilot Pharmacy Internship Program to recruit and train pharmacists from four countries in South America. Nader is a former Vice President Community Development Manager at *Bank of America* throughout the New England Region. His banking career began in 1990 with *BayBank*, and he also held senior community banking positions with *Shawmut Bank* and *Fleet Bank*.

He earned a bachelor's degree in Finance and Marketing from the School of Sales and Marketing in Colombia. He completed a two-year business program at Bryant and Stratton School of Business in Boston, Massachusetts. He is a graduate of Shawmut Bank's one-year Credit Training Program.

He has been the recipient of numerous awards and recognitions for his contribution to the economic development of the Latino Community in the Massachusetts and South America. He received the 2006 Community Award from the Action for Boston Community Development and the 2006 Hispanic Heritage Month Official Recognition from the President of the Boston City Council. He received a Certificate of Recognition for his contribution to building self-esteem of Latino students by serving as a role model from the Boston Public Schools.



About HAI

- Formed in 1995
- Offices in
 - Boston, MA (incorporated)
 - Albuquerque, NM
 - San Juan, PR
- Over \$ 3 million in Grants awarded by Local, State and Federal agencies.
- Initiatives
 - Healthy Food and Wellness
 - Financing and Technical Assistance
 - Puerto Rico Disaster Recovery

Our Mission

The Institute promotes social, educational, and economic development of Hispanic communities in in the continental United States, Puerto Rico, and Latin America. We actively address major issues impacting those populations, including access to sound nutrition and wellness, higher education, and economic opportunity.

Robert H. Nelson

Massachusetts District Director

Small Business Administration

Bob Nelson was appointed district director of SBA's Massachusetts District Office on November 26, 2007. The district office is located in Boston with a branch office in Springfield, Massachusetts.

As district director, Mr. Nelson is responsible for the effective delivery of SBA's financial and business development programs with a mission to counsel, assist and protect the interest of small business statewide in order to maintain and strengthen the economy. He has 25 years of federal service, 19 of which have been with the SBA.

Bob and the Massachusetts District Office staff work to help entrepreneurs to start, grow and build their businesses through access to capital, government contracting and technical assistance. On the financial side, Bob is responsible for increasing delivery of the popular 7(a) and 504 loan programs which help small businesses obtain debt capital. During his tenure as district director, Massachusetts has seen tremendous increases in the use of SBA loan programs statewide. Massachusetts consistently ranks as one of the most productive district offices in terms of access to capital for small businesses. Nelson is also responsible for SBA oversight of the Massachusetts Small Business Development Center's (MSBDC) statewide network, the six Massachusetts chapters of SCORE: Counselors to America's Small Business and the Massachusetts Women's Business Center – the Center for Women & Enterprise.

Before joining the SBA, Bob spent several years with the Federal Deposit Insurance Corporation (FDIC). He also has several years of banking experience having been a commercial lender for several New England area banks. He was a Vice President at Shawmut Bank, R.I. In 2011, Mr. Nelson successfully completed the Excellence in Government Fellows program offered through the Partnership for Public Service. During his SBA career, he has also served in the following capacities: Acting Deputy Associate Administrator of Capital Access – Washington, DC; Acting New England Regional Administrator; Boston, MA and Acting District Director – Lubbock, TX and Hartford, CT.

Mr. Nelson holds a BA degree in Economics from Hobart College in Geneva, New York.



Quincy Miller

President and Vice Chairman

Eastern Bank

Quincy Miller is President and Vice Chair of Eastern Bank, the largest and oldest mutual bank in the United States, with over \$11 billion in assets and over 100 banking and insurance locations serving communities in eastern Massachusetts and southern and coastal New Hampshire. He spends his time focused on helping lead the overall strategic direction of Eastern, which has served its customers, colleagues and communities for over 200 years.

Quincy is the former President of Citizens Bank, Massachusetts, and President of its Business Banking division. He started his career in consumer banking and this is where he developed his passion for “leading from the front line” ensuring that his perspective continues to be guided by colleagues with diverse backgrounds and experiences.

Quincy is committed to various community organizations: serves on the Board of Directors for The Boys and Girls Club of Boston, The Bottom Line, Blue Cross Blue Shield of MA, The Alliance for Business Leadership, The Greater Boston YMCA Board of Overseers, Board Emeritus of The Greater Boston Food Bank and Chair Emeritus of The Urban League of Eastern Massachusetts.

He has received several recognitions from the community as an inaugural member of the GK100 “most influential people of color in Boston” by *Get Konnected*, granted business leadership awards from the *Central PA, Cleveland and Boston Business Journal's*. In 2020 Quincy was honored at the Martin Luther King Jr. Memorial Breakfast with the MLK 50th Anniversary Award for his commitment to Diversity & Inclusion.

Quincy is a graduate of Lafayette College, where he earned a B.A. in Economics and Business, and of the Consumer Bankers Association's Graduate School of Retail Bank Management.



Rudy Bozas

*Director, Community Relations and Marketing
Tufts Health Plan - Public Plans*

Rudy Bozas is director of community relations and marketing for Tufts Health Plan - Public Plans, Rudy oversees marketing for four different public plan products in RI and MA. Rudy comes with more than 20 years of experience as a seasoned professional with an innovative view of marketing. His background expands from some of the of largest ad agency networks in the world, working on global brands such as Nestlé, Shell, McDonald's, among others. In the later part of his career, Rudy turned to entrepreneurship, leading a full-service multicultural advertising agency, a medical lead generation agency, and a software and web development digital agency.

Rudy Bozas
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Preliminary Results Survey of Small Businesses MGCC and MACDC

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Small Business Survey (April 2020) (MGCC / MACDC)

Category	English		Spanish	
Total Responses	402		24	
Size of Workforce (number of employees)	< 10:	77%	85% are micro enterprises (< 4 employees)	
	11 to 100:	19 %		
	>100:	~ 4%		
Revenue	<\$50K:	18%	<\$50K:	43%
	51K-100K:	15%	\$51K-\$100K:	28%
	101K-500K:	28%	101K-500K:	21%
Federal Stimulus Effective?	YES	46%	YES:	72%
	NO:	52%	NO:	28%
Application Help > 85% come from:	Self:	34%	Self:	21%
	CPA:	13%	CPA:	14%
	Lender:	18%	Lender:	14%
	CDC/NPs:	23%	CDC/NPs:	43%
Need to Downsize?	Yes:	48%	Yes:	50%
	No:	52%	No:	50%
SBA Package to Apply?	EEIG:	55%	EEIG:	41%
	SBDRP:	38%	SBDRP:	41%
	PPP:	59%	PPP:	16%
	None:	14%	None:	0



Preliminary Results (English Survey)

Survey Coverage – 147 cities and towns across the State responded

- 92% *less than 25 employees;*
- 80% *less than \$1M in sales.*

Decline in Revenue

- 73% *see > 50% decline in sales*
- 42% *> 75% decline*

Financial Capacity

- 42% *are floating themselves with personal funds*

Information Dissemination

- 18% *are deeply informed on stimulus package;*
- 36% *aren't highly aware if at all*

Government Stimulus

- Only 59% *are taking advantage of PPP*
- 56% *don't see stimulus relief helping them*

Technical Assistance

- *Communications, Operations, disaster planning and peer support*

Preliminary Results (Spanish Survey)



Survey Coverage – 14 cities (*Gateway Cities,,*)

- 70% of the business have less than \$100,000 in annual income

Revenue

- >70% expect to lose higher than 50% of the revenue
- > 50% have been forced to let go employees

Financial Capacity

- 80% rely on personal savings and family / friends' funds

Information Dissemination

- 50% heard about the support programs through Word-of-Mouth (WOM) and spanish media (Radio, TV, newspaper)
- 35% from Chambers and business associations

Government Stimulus

- > 85% have limited awareness of the Federal Emergency assistance
- Only 14% (or two out 14) have applied to SBA emergency funds

Technical Assistance

- > 60% requested help on: business continuity; disaster planning
Legal

Preliminary Results (Sample of Comments)

11.- Beyond financial assistance, what other type of assistance do you anticipate you'll need to manage effects of the Coronavirus outbreak?

- *Very Little information available in Spanish*
- Sanitation guidelines for our bldgs now & if evidence of virus
- *Cash Flow is the only help i need*
- *We're considered essential workforce. I need info to protect my employee*
- Website help would make it so I could stay in business. But it costs a thousands
- marketing and insurance for sure
- *fundraising (we are a non-profit)*
- Multiple choices: operational, insurance, communication
- Communications/Social Media AND Peer Support/Networking
- *changing business model*
- *Going on line sales/delivery*
- Emotional support for staff
- Not aware of any assistance that applies to our situation



Preliminary Results (Sample of Comments)

10. Do you believe the relief options available under the federal stimulus package will be able to effectively meet your business needs in the next 3 months? If No, why not? - Comments

- *I do not want debt*
- Nowhere near enough to compensate for our losses
- ***I feel like I will just be going into debt to make it through this period and then my expenses will increase.*** The uncertainty of a rise in payroll taxes to cover items such as unemployment and the interest on loans that need to be taken out etc are weighing heavily.
- I have a part time job with benefits so not sure I qualify for assistance with my own business
- Since my business is new, and our profitability was just starting to be established, I don't have proven income loss. I am worried this will prevent me from qualifying for funds to cover the basic expenses in order to keep my storefront.
- There are **too many people applying**, and the government was not prepared to handle an event of this magnitude.
- **If the payroll protection program happens, it will save my business**
- I am concerned that customers will accommodate to **purchasing most goods on-line or through large regional and national chains**
- the current stimulus will get us through the next 2 months. I expect our **business to be slow for at least 6-12 months**

Resultados Preliminares (Encuesta en Español)

Algunos Comentarios En Español

- Que no nos discriminen que si pagamos impuestos. **Hay MUY POCA información en Español.**
- *Tolerancia en pagos atrasados*
- Que abran los negocios no indispensables como lo es la mecánica estamos siendo afectados drásticamente por la ausencia de clientes en nuestro negocio debido al temor del contagio del COVI-19
- **que aumentara la cantidad de avance para los pequeños prestamos.** Con 10k tengo que pagar la renta del local, los servicios y no me queda para pagar mi casa, y mis servicios. Debido a la crisis no tengo ingresos.
- Mucho papeleo y perdida de tiempo. **No confió en estos programas fantasmas** que NO están diseñados para los negocios pequeños Latinos. Son solo para la gente que sabe Ingles.
- Que los pequeños negocios están siendo afectados, mas que los grandes negocios, por falta de seguros de prevención, **por falta de información en español**, por falta de **asesoría empresarial a micro empresarios.**
- Porque tengo entendido que los primeros que apliquen serán los primeros que obtengan el dinero o sea que no se cuales son mis posibilidades
- Soy dueño de un restaurant el cual manejo junto a mi esposa. los dos estamos sin ingreso pues hemos tenido que cerrar ya que las ventas han bajado un 75%
- Temo que me voy en bancarota, hay poca ayuda para los pequenos negocios y menos todavia para los hispanos. Necesitamos mas informacion en espanol.
- Ayuda mas simples para pequenos negocios.

OPEN DISCUSSION

- **What critical challenges are Latino businesses currently facing?**
- **How can we help you help the business owners?**
- **Help in filling out PPP applications IN SPANISH?**
- **Conduct a wider survey of small Latino businesses to identify needs**
- **Continue seminars with business owners – address specific topics**