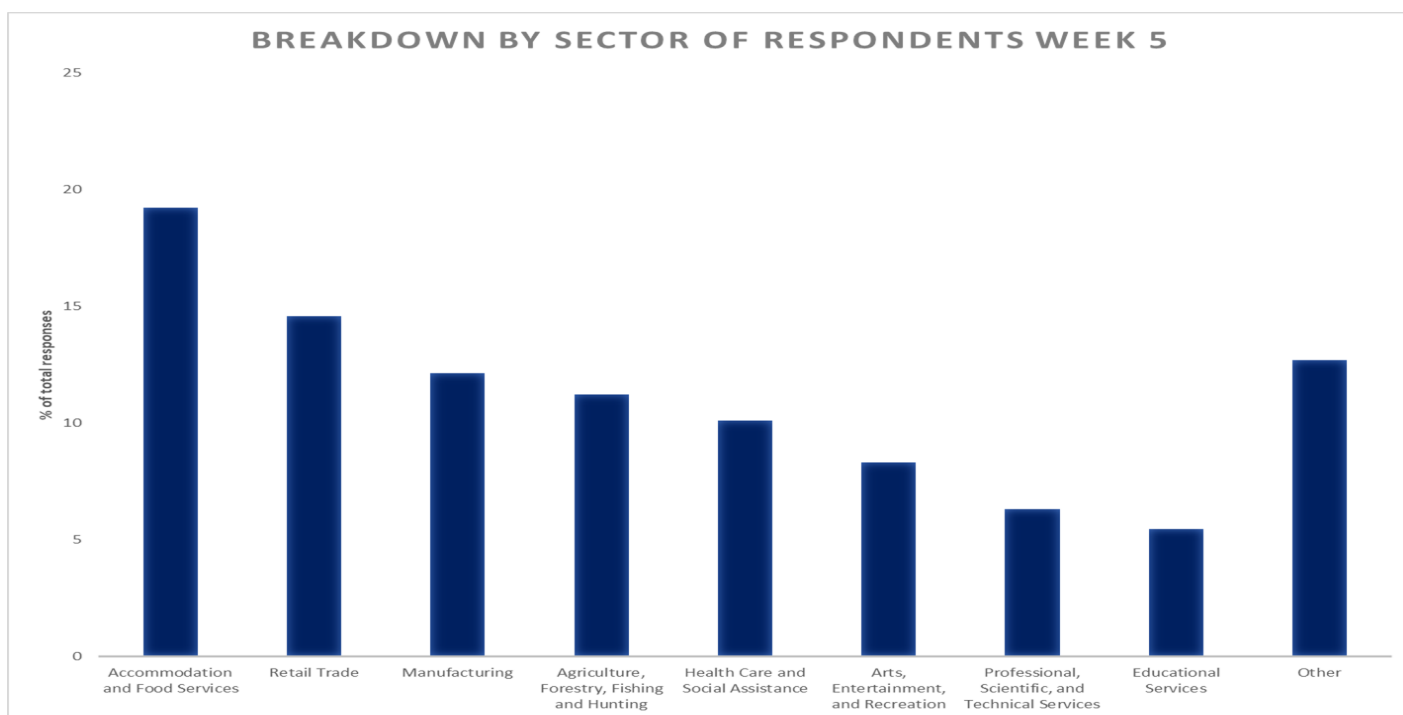


## Maine Rapid Business Survey

The Maine Rapid Business Climate Survey measures the challenges facing Maine's business community during the coronavirus (COVID-19) pandemic. Survey content: The Maine Rapid Business Climate Survey will take no more than 6 minutes to complete. The survey's 15 questions collect information on location closings, changes in employment, disruptions in the supply chain, use of federal assistance programs, and expectations concerning future operations.

### Week 5

The fifth week of the Maine Rapid Business Survey closed on Monday July 6, 2020. There were over 280 responses received, a notable drop from previous weeks but still representing a large number of sectors and counties.

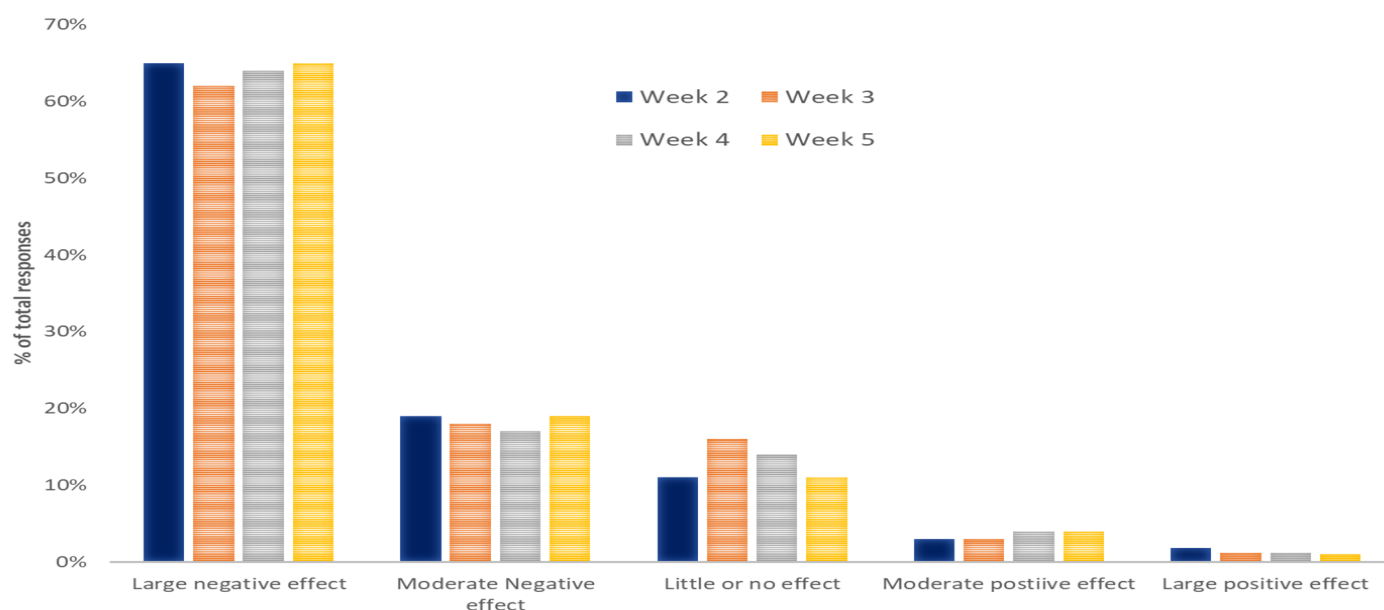


### Sector Breakdown of Respondents

This week Accommodation and food services was the largest group of respondents (19%) retail trade made up the second largest group (14%), closely followed by manufacturing (12%). There were also significant returns from Agriculture (11%) as well as from Health and social services (9%). Even with a smaller sample of businesses the size and geographical distributions remained the same, this is consistent with previous weeks.

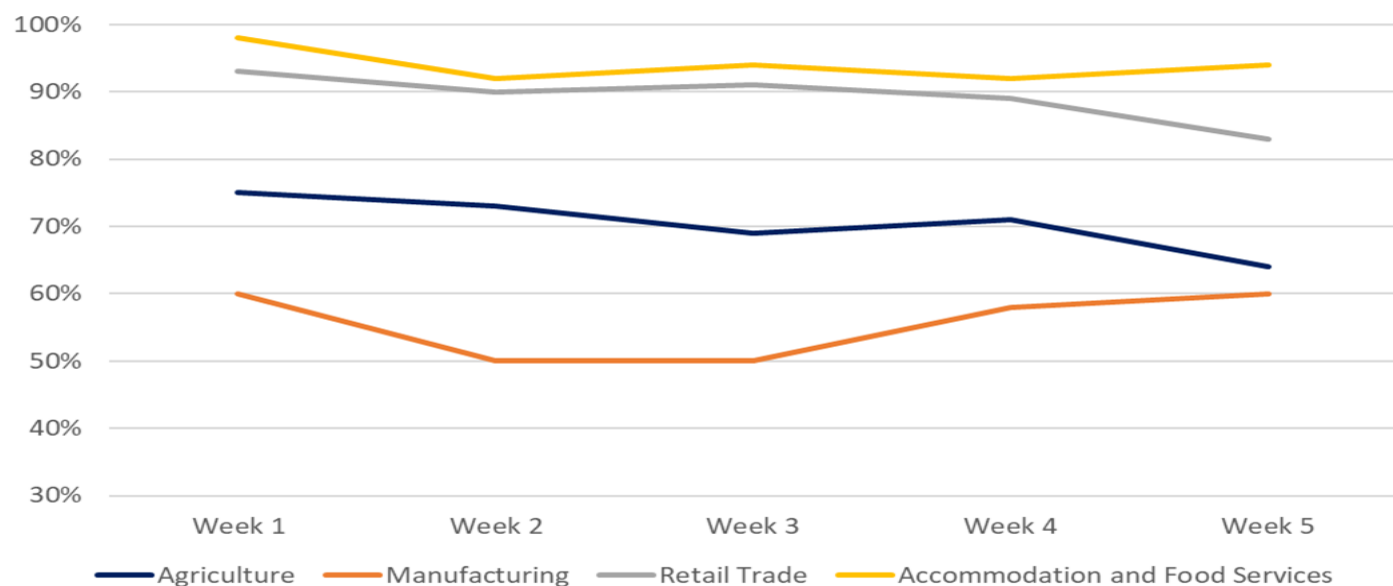
## Maine Rapid Business Survey Week 5

### WHAT EFFECT HAS COVID-19 HAD ON YOUR BUSINESS?

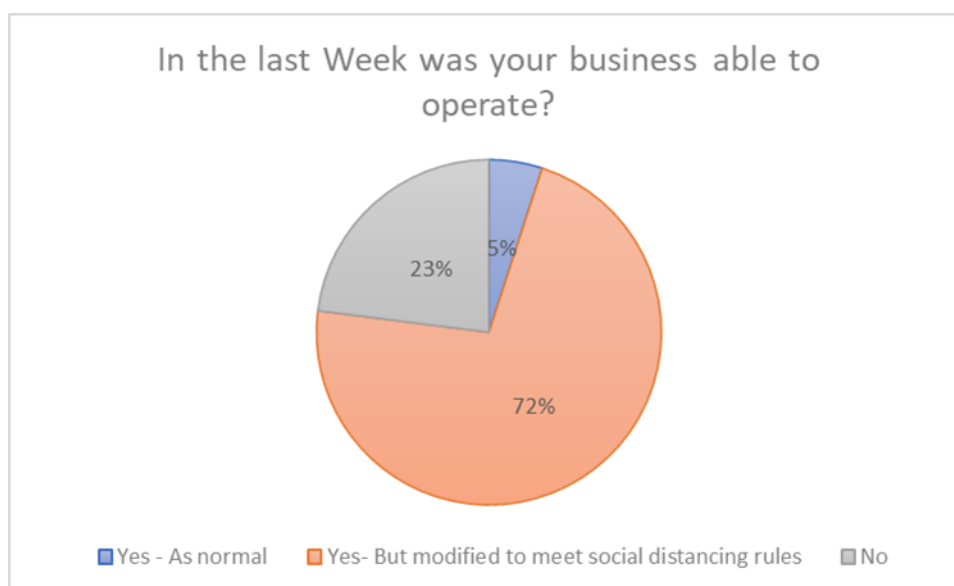


Over the course of the last 5 weeks, there has been a shift in the effect of COVID-19 on businesses. To illustrate this, we compared responses collected across all weeks to date. After falling for the last 3 weeks, this week saw a rise in respondents reporting “large negative effect” (now 65%). A rise is also reported by those responding “moderate negative effect” (19%). The biggest change however, can be seen in those businesses who reported ‘little or no effect’ rising by 5%. If the responses for individual sectors are compared, its possible to identify where the biggest changes have occurred. Manufacturing has seen the largest increase from a low of 50% in week 2, continuing to rise, now standing at 60% reporting negative effects.

### % of Sector Reporting Large or Moderate Negative Effect

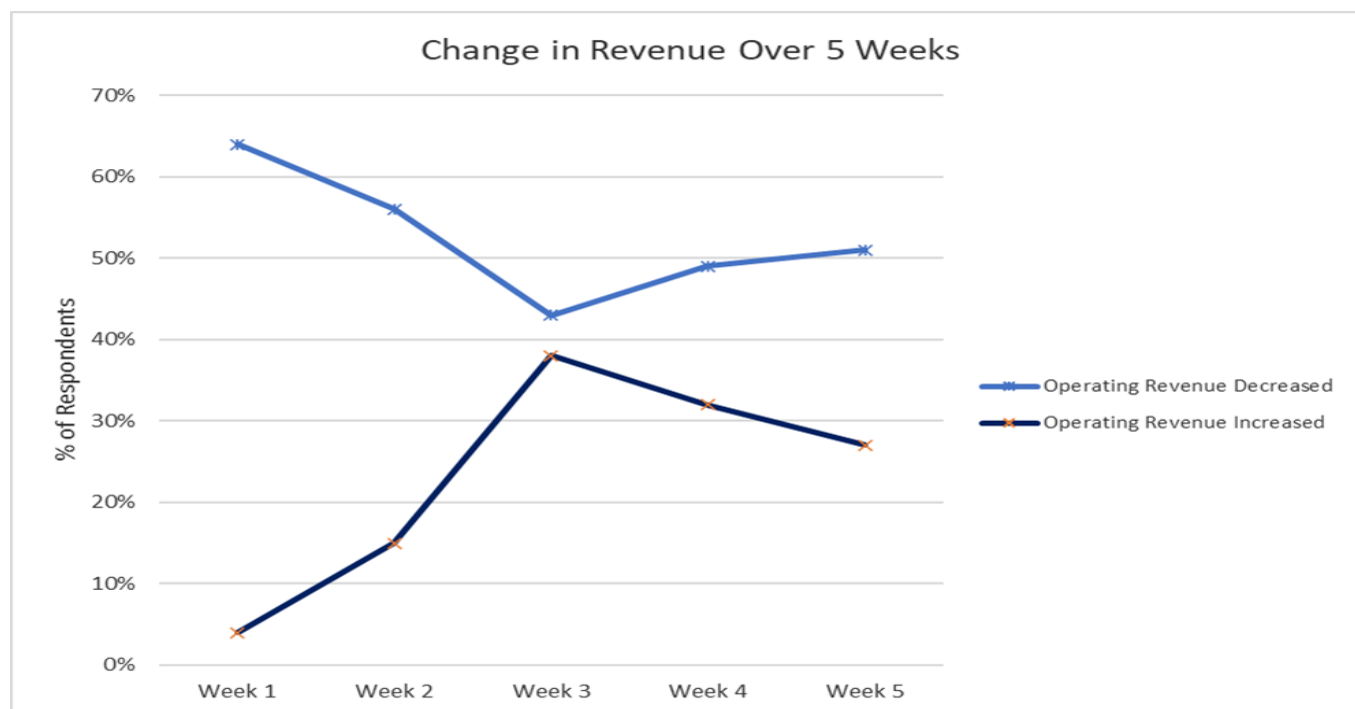


## Maine Rapid Business Survey Week 5



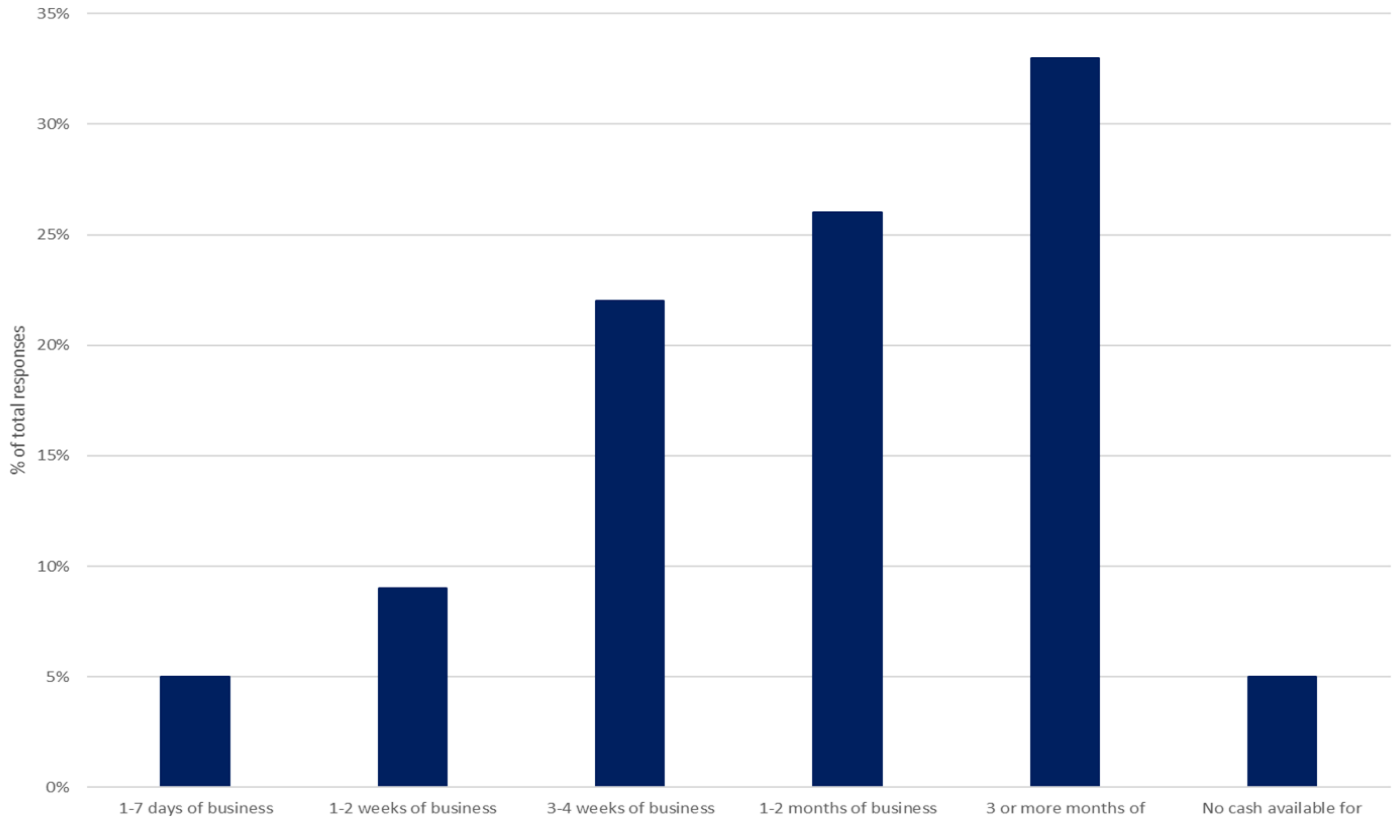
Week on week we have seen more businesses report that they are now able to operate. Between week 3 and 4, there was a 2% decrease in the number of firms that were unable to operate and a 4% increase in the number of firms that were operating with modified to meet social distancing rules. However, week 5 saw a decrease in the number of firms able to operate with or without social distancing regulations (falling to 72% from 79% last week).

Businesses reporting a decrease in operating revenue also rose to over 50%. This was mirrored by a fall in the number of businesses reporting operating revenue increases (28%).

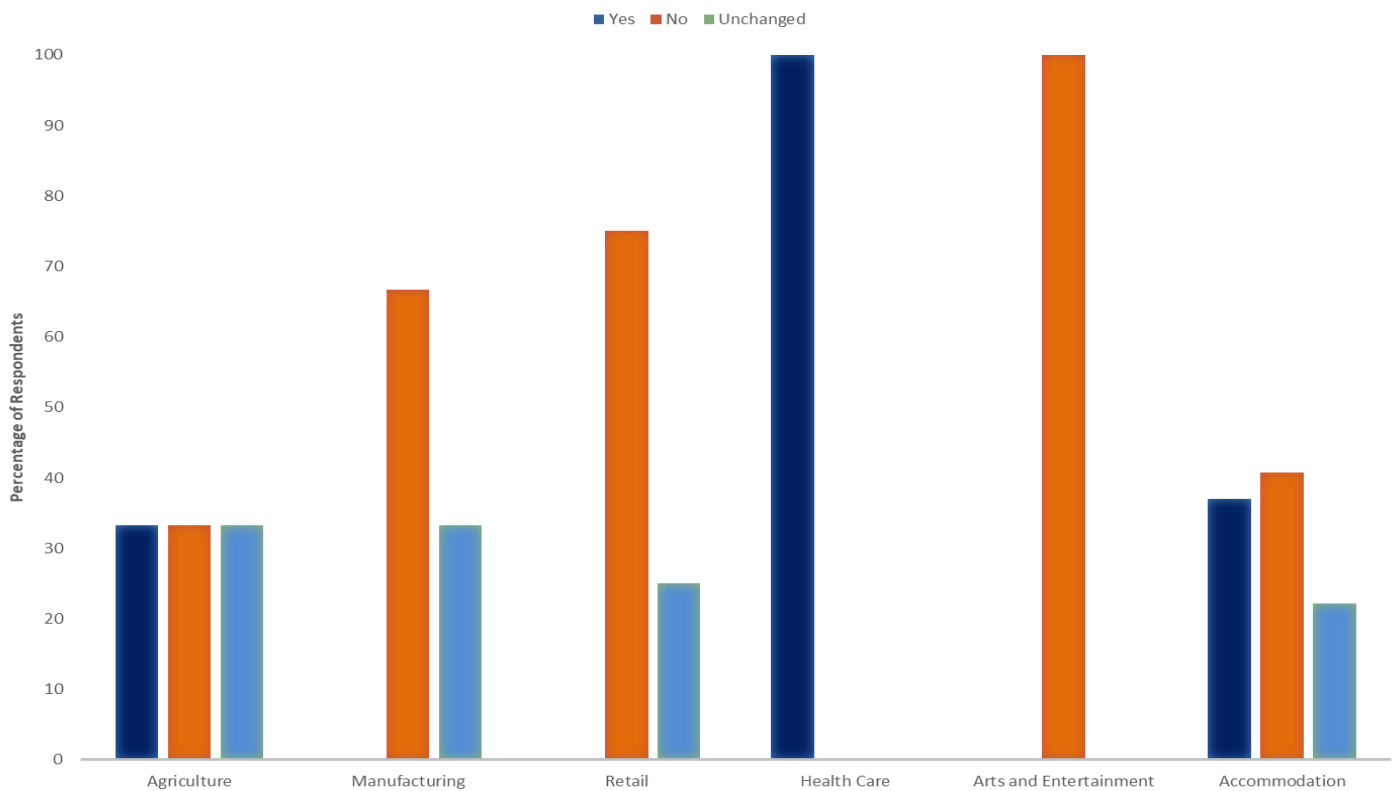


## Maine Rapid Business Survey Week 5

Cash-in-hand reserves of survey respondents

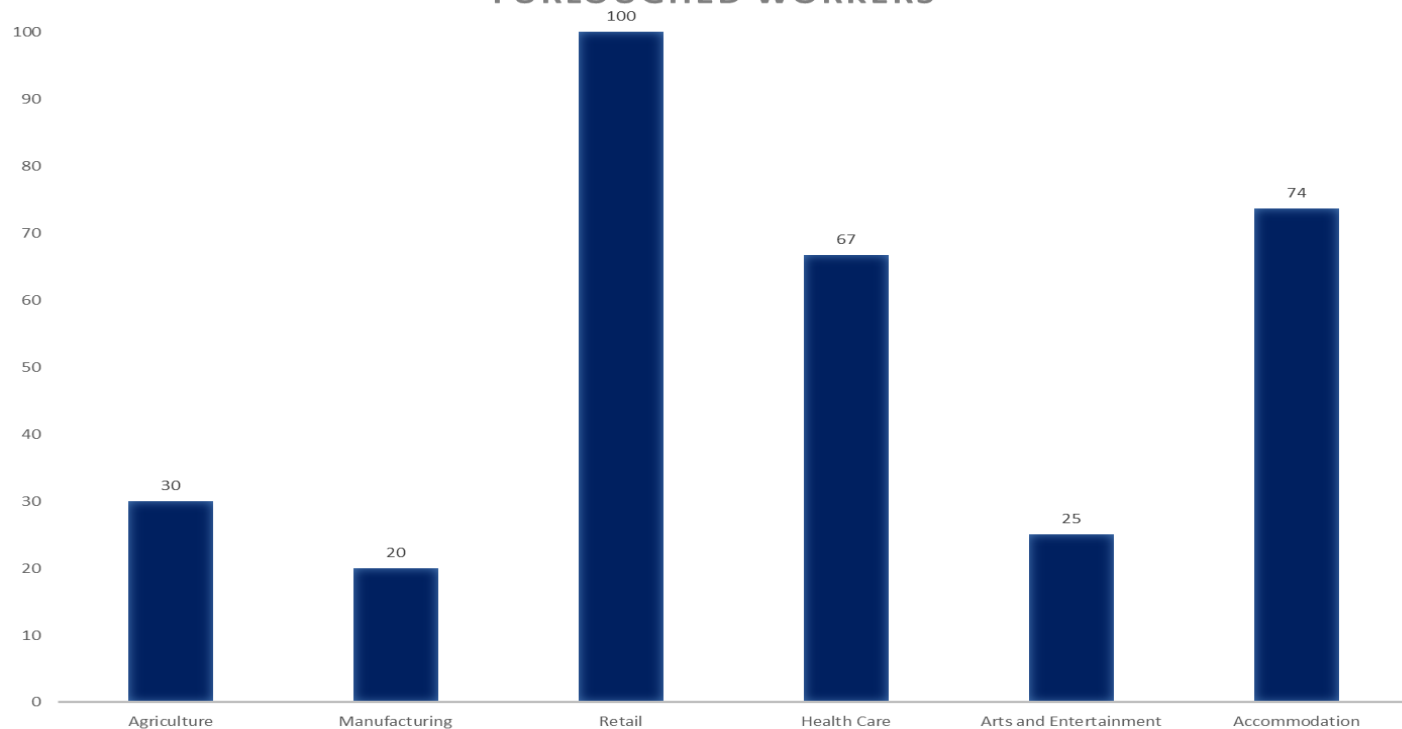


### IN THE LAST WEEK, HAS THE NUMBER OF PAYROLL HOURS PER WEEK INCREASED?

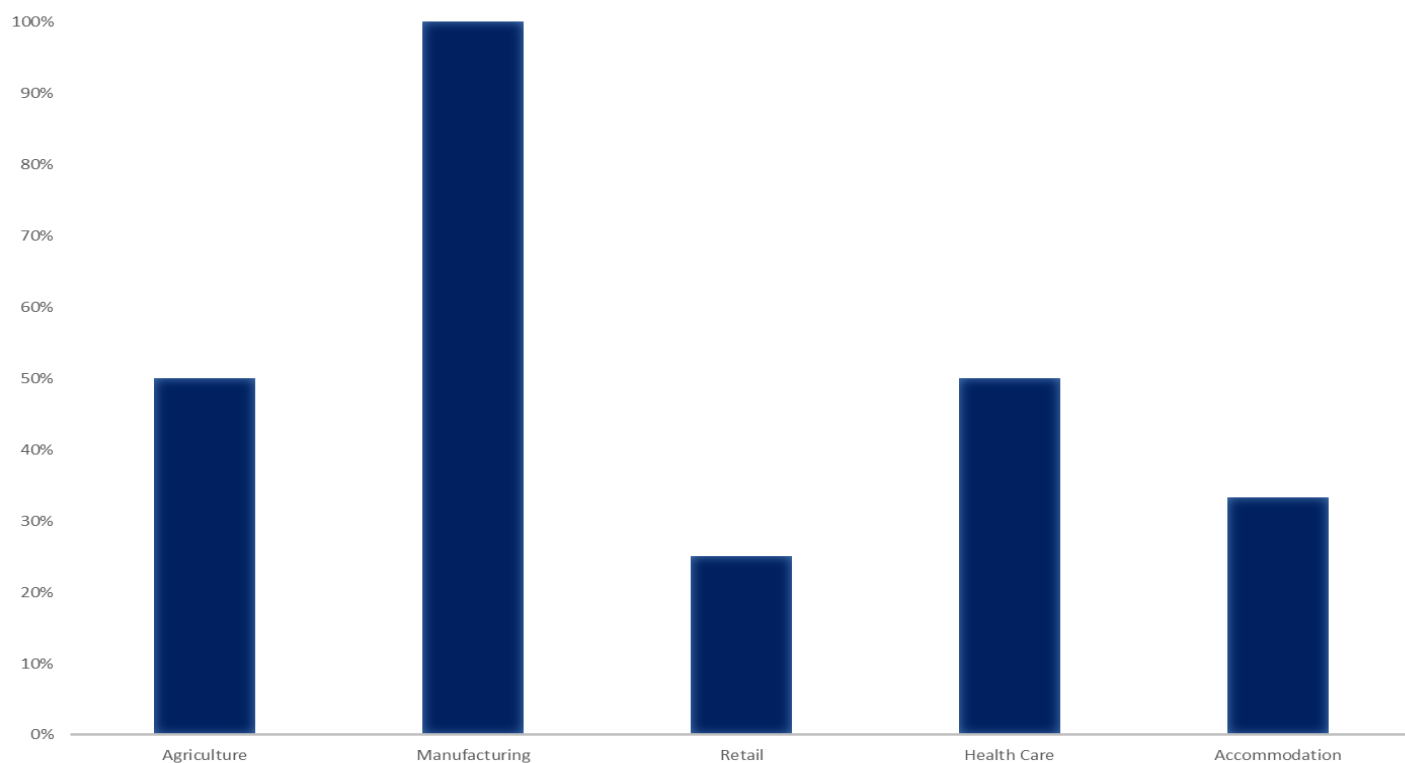


## Maine Rapid Business Survey Week 4

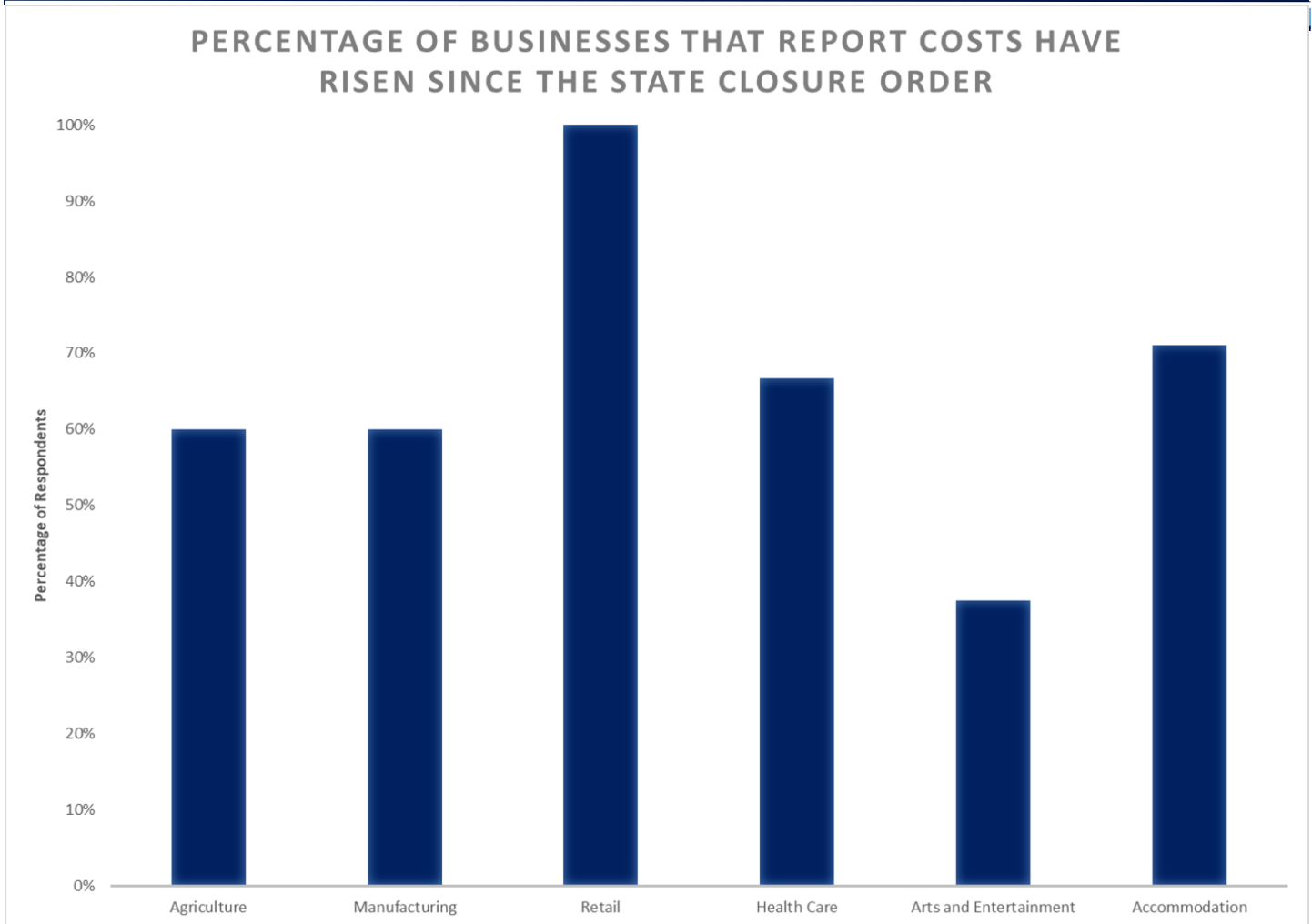
**PERCENTAGE OF RESPONDENTS BY SECTOR THAT FURLOUGHED WORKERS**



**WHAT PERCENTAGE OF BUSINESSES BY SECTOR HAVE BEEN ABLE TO RECALL WORKERS?**



## Maine Rapid Business Survey Week 5



This week we explored whether businesses had experienced higher costs as a result of the pandemic. Across most sectors businesses reported increased costs the highest being retail with every single respondent noting an increase in costs. 70% of respondents from accommodation and food also reported increased costs. The sector that had the fewest businesses reporting increased costs was the arts and entertainment (below 40%). The survey further questioned the reason for the increase in costs, with materials, being overall the most significant area of increased costs for all sectors. Although, some notable exceptions were found in Agriculture and the Arts and Entertainment sectors, who reported the biggest increase in labor costs, 50% and 67% respectively.

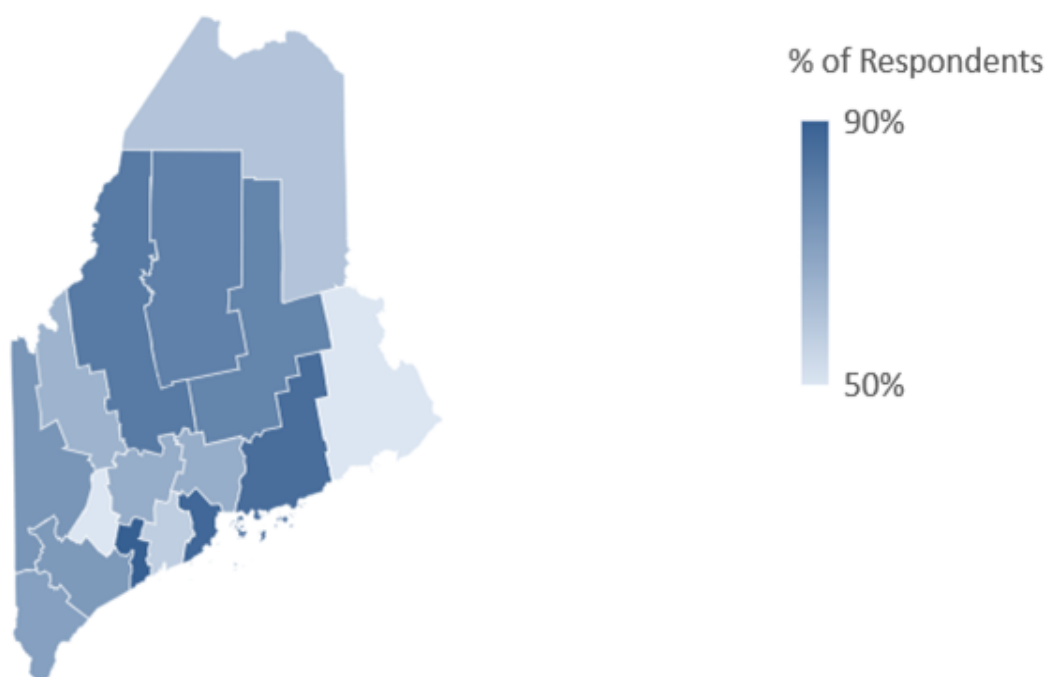
Which of these costs have increased?	Agriculture	Manufacturing	Retail	Arts and Entertainment	Health Care	Accommodation
Labor Costs (Wages, Salaries)	50%	20%	20%	67%	0%	34%
Materials	30%	60%	100%	67%	38%	66%
Energy Costs	10%	20%	20%	0%	0%	11%
Lease or Mortgage	0%	20%	20%	0%	13%	0%
Other utilities (Broadband, Water)	10%	20%	40%	33%	13%	8%
Distribution	40%	40%	40%	0%	0%	18%

## Maine Rapid Business Survey Week 5

### Debt

With increased costs, the survey also focused on whether businesses had faced increasing debts. Overall most respondents across all sectors reported increasing debts. These debts were coming in the form of loans from banks as well as credit cards and bank overdrafts. Responses by county show the variation that exists across the state, where 90% of businesses in Sagadahoc county reported an increase in debt. In comparison, only 40% of businesses in Androscoggin county reported increased debts. A more in-depth analysis of this will be published next week.

### Breakdown by County of Respondents Who Reported Businesses Debt Increased



### Thank you to those who are completing the survey!

Thank you for being part of the Maine Rapid Business Survey panel being run by the School of Economics at the University of Maine. Your responses over the final week 6 will help us gain a critical understanding of the present economic conditions that businesses are experiencing in Maine.

This Analysis has been conducted by the Maine Regional Economic Modeling Lab.  
For enquiries contact Lab Director—Dr. Andrew Crawley  
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