

EMPOWERING
Community Revitalization

May 11, 2020
PRESS RELEASE

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Missouri Main Street Connection Measures The Potential Of Small Business Closures Due To Impact Of COVID-19

Contact: Gayla Roten, State Director, Missouri Main Street Connection, Inc.; PO Box 1066, Branson, MO 65615; phone: 417-334-3014.

Missouri Main Street Connection (MMSC) is a network of over 140 commercial districts comprised of thousands of small businesses. It is MMSC's mission to advocate for and to provide tools and resources to small businesses across Missouri in both rural and urban downtowns. To assess the impact of the COVID-19 pandemic, MMSC conducted an online survey for three weeks in April 2020. Over 600 small business owners responded from over 100 different Missouri cities and town, of which 93% of respondents reported owning businesses with fewer than 20 employees. Findings from this survey highlight the profound impact of the current crisis on the smallest, locally-owned businesses that are the backbone of all Missouri communities.

KEY FINDINGS

- The MMSC survey indicates that Missouri small businesses will be at great risk of closing permanently if the pandemic continues. Results regarding potential permanent closures reflect profound economic distress: 56% of businesses responding to the survey indicated that they would be at risk of closing permanently if business disruption continued at the current rate for up to five months, and 27% percent indicated they would be at risk of closing permanently if business disruption continued at the current rate for up to three months. ***At this rate, there could potentially be 141,000 small businesses closing permanently in Missouri if the crisis continues for 3 months or reopening takes an extended time period.***
- COVID-19 has dramatically impacted revenue from small businesses in Missouri with 91% seeing some sort of revenue decrease. ***Almost the majority of small business respondents, 48%, reported a decrease in revenue by more than 75%.***
- ***The number one need from businesses right now is financial assistance and penalty-free extensions on expenses.***

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MMSC has presented a “Downtown Strong” recovery plan to the Missouri Department of Economic Development. During the recovery period following the pandemic crisis, technical assistance and small business support partners are critical. State Director Gayla Roten noted, “We feel it is OUR mission to provide this recovery plan to our Missouri communities! If we lose downtown, we lose our communities. If we lose our communities, we lose our identity.”

The State of Missouri and cities need to invest in small business education and technical support programs rather than pull back spending on these programs. During difficult times of diminished revenues at the state and city level, the natural inclination is to pull back from funding on development programs that are not mandated in some form. This is exactly the wrong time to decrease or cancel support for programs like Main Street that serve as critical connectors and supporters of small businesses. As we look ahead to recovery, this survey data demonstrates that small business and downtown support is needed now more than ever because it creates resilient, sustainable local economies.

With the programming recommended to the Missouri Department of Economic Development and with our City and Main Street partners, Missouri Main Street Connection will help lead this recovery effort.

View the full survey [here](#).