

## Business Crisis Toolkit:

*Seeking Control During COVID-19*

*“Luck is what happens when preparation meets opportunity.”*

*-Seneca Roman philosopher (5 BC-65 AD)*



# Agenda

- Guidance for Entrepreneurs
- Funding Resources
- CyberSecurity – SCAM ALERT
- Resources Available

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# The Top Line Takeaways

Pivot

Market

Communicate Honestly

Market

Preserve Cash

Operations

*Remember: Every Decision Made Impacts Financials*

# Jason Nitschke; MA, EDFP

Vice President/Regional Director - Great Falls SBDC

## Education

- 1997 – University of Montana – BA Journalism/Pol. Sci.
- 2002 – Hawaii Pacific University – MA Communications

## Certifications

- 2017 – Certified Export Counselor
- 2017 – Certified Profit Mastery Facilitator
- 2015 – Economic Development Finance Prof. (EDFP)
- 2015 – Accredited Small Business Consultant (ASBC)
- 2015 – Certified Business Advisor (GrowthWheel)

## Entrepreneurship

- 2000-2002 – JNitschke Photography; Denver, CO
- 2011-2012 – Carondelet Estate Services, LLC; St. Louis, MO

## Bureaucracy

- 2013-2014 – Analyst, State of Illinois

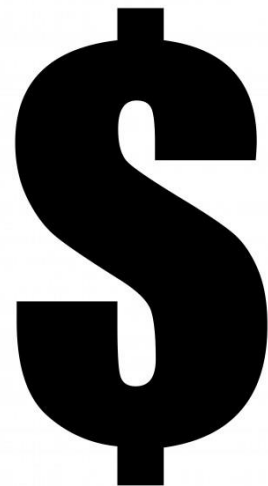


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## Guidance for Entrepreneurs

### Access to Capital – look close first

- Evaluate Current Assets – Cash, A/Rs, Inventory
  - Cash, Cash, Cash – preserve it and access it
  - Offer discounts for early payment to convert sales to
- Lines of Credit w/ Existing Bank Partners
  - Draw them down & Assume contraction from lenders

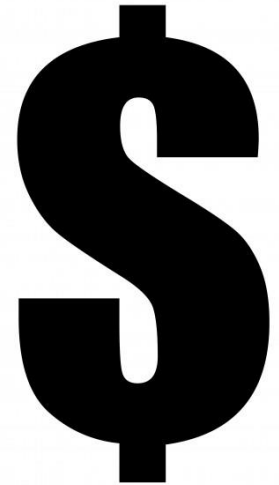


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# Guidance for Entrepreneurs

## Access to Capital – look close first

- Consider Equity Injection
  - Family
  - Friends
  - Personal – Paid In Capital or Loan to Business



# Guidance for Entrepreneurs

## Review Insurance Policies

- Business Disruption Coverage?
  - Review for exclusions
    - Some include **pandemic** exclusions
  - Consider filing a claim
    - If exclusions apply, assume claims will be denied
- Additional details: <https://www.cnbc.com/video/2020/03/19/insurance-coverage-small-business-coronavirus-squawk-box.html>



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# Guidance for Entrepreneurs

## Control Variable and Fixed Costs

- Variable Costs — Expenses that rise and fall in direct correlation to sales volume
  - Cost of Goods Sold & Labor
    - “Job Attached Layoff”
    - Have employees file for unemployment at <https://montanaworks.gov/>
  - What are they for your business?
  - Move from biggest dollar amounts to smallest — What can be cut?



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# Guidance for Entrepreneurs

## Control Variable and Fixed Costs

- Fixed Costs – Expenses that do not change related to sales volume
  - Rent Payments – Communicate with your landlord
  - Debt Service – Again...communicate
    - Is interest-only or deferment an option?

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# Guidance for Entrepreneurs

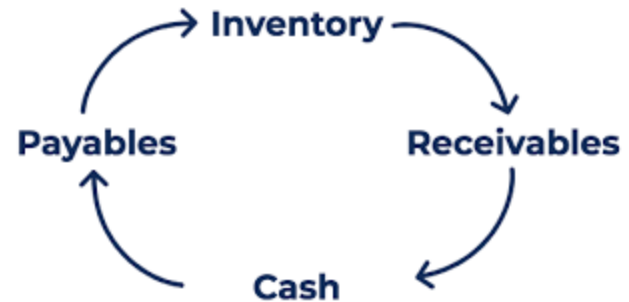
## Control Accounts Payable

- Vendors — Slowing cash out is another source of capital
  - Longer payment terms?
  - Consider early payment if discounts are an option
    - And if you can afford it

# Guidance for Entrepreneurs

## Review Cash Flow More Frequently

- Income Statements, Balance Sheets, Cash Flow Statements
- Understand Break-Even
- Know Your Ratios
- Act in Real Time



No bookkeeping software?

[https://docs.google.com/spreadsheets/d/1xkN34aVU4fqp2imqL8dMbuBnEdUAqQAchMifSRrkego/template/preview?usp=drive\\_web](https://docs.google.com/spreadsheets/d/1xkN34aVU4fqp2imqL8dMbuBnEdUAqQAchMifSRrkego/template/preview?usp=drive_web)

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## Funding Resources

Look Close to Existing Relationships

    Yourself – Equity or Debt

    Family/Friends – Equity or Debt

    Existing Bank Partners – Debt

Existing Lines of Credit & Credit Cards - Debt

    Gap Lenders - Debt

# Funding Resources



U.S. Small Business  
Administration

<https://www.sba.gov/funding-programs/disaster-assistance>

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## Disaster assistance

*The SBA provides low-interest disaster loans to help businesses and homeowners recover from declared disasters.*

[APPLY FOR ASSISTANCE](#)

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# Funding Resources



U.S. Small Business  
Administration

<https://www.sba.gov/funding-programs/disaster-assistance>

## What Will You Need to Apply?

Everything a standard loan application would also require

Tax returns, PFS, Organizational dox, Affiliated business dox, Debt Schedule

Proof of economic injury tied to COVID-19

Credit-worthiness will be addressed

"First in, First out"

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## Funding Resources



U.S. Small Business  
Administration

<https://www.sba.gov/funding-programs/disaster-assistance>

### Timeframe?

Once application is deemed 100% complete

2-4 weeks to determination (approved or disapproved)

3-4 months to fund \*\*\*IF APPROVED\*\*\*

**IMPORTANT:** Banks can categorize internal, immediate Working Capital loans as ‘bridge’ loans now and be paid off when Disaster Assistance loan is funded.

Banks are being told, “please do so.”

# CyberSecurity – Scam Alert

John Sileo – CyberSecurity Expert



<https://youtu.be/FK9Nk7WqFLU>



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## Resources Available

GFDA's Business Crisis Toolkit: <https://files.constantcontact.com/3e765937001/73de8eee-c62e-47f6-a1ad-e1825de86b0c.pdf>

U.S. Small Business Administration: <https://www.sba.gov/>

America's SBDC: <https://americassbdc.org/coronavirus-information/>

MT Small Business Development Center Network: <https://sbdc.mt.gov/>

MT Department of Labor & Industry: <http://dli.mt.gov/employer-covid-19>

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# The Last Word

## Contact Trusted Advisors

Banker

Accountant

Insurance

Lawyers

Business Advisors

# The Last Word

**UNTAME**  
YOUR ENTREPRENEURIAL  
**SPiRiT**



#### **Rich Gannon**

SBDC Rural Business Advisor  
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Rich is on the front lines of our business coaching and training services to existing businesses and startup entrepreneurs in Cascade, Fergus, Glacier, Judith Basin, Pondera, Teton, and Toole counties.

[Connect with me on LinkedIn!](#)



#### **Tyler Menzales**

Content Marketing Director/SBDC Business Advisor  
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Tyler oversees GFDA's content marketing efforts. He also counsels small business owners to innovate their digital presence and marketing efforts.



#### **Jason Nitschke, MA, EDFP**

Vice President/Small Business Development Center Regional Director  
Cell (406) 750-0314

[JNitschke@GrowGreatFalls.org](mailto:JNitschke@GrowGreatFalls.org)

Small business and entrepreneurial development are important to the GFDA. Jason leads our business coaching team helping entrepreneurs start and grow.



#### **Barnett G. Sporkin-Morrison**

Food & Ag Development Center Director  
Cell (406) 750-3285

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Barnett leads our efforts to grow and diversify food, ag and bioprocessing across the region. He also supports efforts to increase and diversify agricultural production in the Golden Triangle.



#### **Lillian Sunwall, CPP**

Vice President Business Strategy  
Cell (406) 750-1253

[LSunwall@GrowGreatFalls.org](mailto:LSunwall@GrowGreatFalls.org)

Lillian leads our Procurement technical Assistance Center helping businesses with government contracting. She leads our brownfield assessment and cleanup efforts, and also staffs the Great Falls Agritech Park.

[Connect with me on LinkedIn!](#)



#### **Shannon Clancy**

Government Contracting Advisor  
Cell (406) 590-1184

[SClancy@GrowGreatFalls.org](mailto:SClancy@GrowGreatFalls.org)

Shannon splits her duties between our Procurement Technical Assistance Center (PTAC), helping businesses with government contracting, and our business development team handling our various company and contact databases.

MONTANA SMALL  
BUSINESS DEVELOPMENT  
CENTER NETWORK



<https://sbdc.mt.gov/>

#### **Regional Offices:**

[Billings Center:](#) 406.254.6014

[Bozeman Center:](#) 406.994.5885

[Butte Center:](#) 406.533.6780

[Great Falls Center:](#) 406.750.0314

[Havre Center:](#) 406.399.1557

[Helena Center:](#) 406.447.6376

[Kalispell Center:](#) 406.756.3836

[Miles City Center:](#) 406.874.6188

[Missoula Center:](#) 406.243.4770

[Wolf Point Center:](#) 406.653.2590



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[GrowGreatFallsMontana.org](http://GrowGreatFallsMontana.org)

# Stay Connected



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## Please Share Ideas With Us

Email me at [JNitschke@GrowGreatFalls.org](mailto:JNitschke@GrowGreatFalls.org)