



JUNE 2020

WEEDC MONTHLY NEWSLETTER

Our Purpose

The Purpose of the West End Economic Development Corporation (WEEDC) is to create and encourage an inviting, pro-business environment, integrated with our independent spirit and friendly culture, while capitalizing on our natural and historic resources.

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Rebuilding Your Business After COVID-19

The COVID-19 outbreak has wreaked havoc throughout the world, leaving many small businesses struggling to handle the aftermath. According to the National Federation of Independent Business (NFIB), as of March 30 – still early in the crisis – 92% of small businesses said they have suffered negative effects as a result of the pandemic. Just 5% said they had experienced no effects at all.

While the West End has not suffered as badly as other parts of the country, we have definitely felt the effects of the shutdown. Some businesses have done well and thrived, while others have had to shut their doors permanently. The short-term outlook for small businesses varies greatly by industry, and it's important to consider what "recovery" looks like once the economy begins to return to some kind of normalcy – or establishes a "new normal." Although it seems counterintuitive, having an exit strategy in place after COVID-19 can help you be prepared to hit the ground running and rebuild. If you're not sure what your coronavirus Exit/Recovery Plan should include, here are some thoughts to help your business get back on track. This 2-part article will continue next month with more recovery plan ideas.

Consider all the ways your business may have been affected. For example, if you've had to lay off some or all of your employees, you'll need to factor that into your rebuilding plan. If you've cut your advertising and marketing budget down, or some of your customers have migrated to online sales, then those are things you'll need to account for as you identify financial resources to help you recover.

2. Take a Second Look at Your Business Plan

You do have a business plan, don't you? Your business model may have worked perfectly fine before the pandemic but coming out of it may mean you have to do some fine tuning.

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Specifically, you may need to consider how your business can pivot to adjust to this “new normal.” For example, if you previously relied on foot traffic to a brick-and-mortar location for sales, you may need to look as a digital expansion to accommodate the higher numbers of people who are shopping from home.

You are not alone, however! WEEDC offers small businesses access to one-on-one consultations with trained mentors who can offer guidance and resources as you look to build – or rebuild – your business after the crisis. Remote mentoring services are available, and we have many counselors/mentors who work with specific industries.

Analyzing how your overall industry has been affected by the pandemic can also be helpful. When looking at your competitors and the industry as a whole, pay attention to the trends and focus on finding opportunities. Being able to find a gap or need that your business can fulfill that’s been neglected up until now could be critical to reclaiming and expanding your customer base going forward. Just look at all the companies that have “pivoted” and are now making PPE and others that are now bringing their offshore operations back to the United States.

3. Consider Whether You’ll Need Funding to Recover

Unless you had a lot of cash on hand going into the pandemic, you’ve likely found your business cash strapped. It’s likely – and completely okay – that you may need some working capital to jump-start your business operations coming out of it.

When it comes to financing your small business during the COVID-19 rebuilding period, there are several options to consider. The Region 10 Small Business Loan is one local choice for business loans, and there are a few programs that can help. The Paycheck Protection Program is still active and is designed to provide funding to small businesses that are struggling to retail their employees during the pandemic. Economic Injury Disaster Loans also can help with short-term financing if you need money for things other than employee retention.

The problem with both the PPP and EIDL programs is that the funding is limited. It is entirely possible that funding may be depleted before your application for a loan is ever reviewed. For this reason, it’s important to consider other sources of small business funding, including:

- Traditional SBA 7(a) loans and microloans
- Small business term loans from banks, credit unions and online lenders
- Business lines of credit
- Business credit cards
- Vendor tradelines
- Accounts receivable financing
- Merchant cash advances
- Inventory financing
- Purchase order financing
- Equipment financing

Each option can have pros and cons. Accounts receivable financing and merchant cash advance financing, for example, can be convenient and neither one requires perfect credit to qualify. Either could be useful for funding your business in the short term.

But they both require that you have something to leverage, i.e., outstanding invoices and credit card sales, respectively. If sales are slow or nonexistent you might have a hard time getting approved. Alternative financing options like these can have much higher effective annual percentage rates compared to other types of small-business loans and lines of credit.

If you’re considering financing to help rebuild, keep in mind that borrowing may be competitive, as lenders want some reassurance that loans can be repaid. Reviewing your business and personal credit scores, as well as your business and personal financials can help you gauge how likely you are to get approved for funding.

WEEDC staff and consultants are here to help you through the recovery process. Give us a call at 970-865-2499 or 970-428-1099 to schedule your FREE appointment.

Local Food In
Demand



Melanie Eggers and Brit Traucht sling local food into the Food Hub delivery van. The Food Hub has seen a 400% increase in sales during COVID-19.

Melanie Eggers and Brit Traucht, WEEDC food Coordinators, are working with local producers to help facilitate more than 100 CSAs in the San Miguel Watershed. In addition, they are building the Fresh Food Hub's systems to ensure the long-term availability of local food to everyone in the community.



For the past couple of months, Skillful-West End has been working cohesively with the Telluride Foundation on the Telluride Regional relaunch efforts as a support effort for businesses and individuals as it relates to the

CARES Act. Carla's efforts have been mainly directed on becoming the regional resource for all questions relating to Unemployment and Pandemic Unemployment Assistance. The State of Colorado filed more unemployment claims in the months of March and April than any other State in the Nation.

Carla worked with many businesses in determining the best route for employers and also assisted many individuals in filing for Unemployment.

Now as businesses are beginning to open again, her efforts are shifting again to assisting with resume writing and job searches; however, some businesses are finding themselves at the end of the PPP Loans and needing to furlough employees, so she continues to assist where needed.

On April 30th, employment at the Nucla Plant ceased (except for a few who will remain working through the summer). Many employees have transferred elsewhere with Tri-State, while some have retired or resolved to stay within the area and change career paths. Skillful and WEEDC both, have assisted wherever we could with those efforts; whether writing resumes for some or helping to establish a business plan.



Carla Reams

What is WEEDC doing?

- Assisting the Housing Committee as they pursue housing solutions
 - Infosharing with local, regional and state-serving groups
 - Branding and marketing the West End as an outdoor recreation and tourism destination
- Finding and writing grants to fill resource gaps
- Nurturing key partnerships
- Data mining to explore strategic economic development and recovery plans for the West End
- Running a Business Incubator / Accelerator
 - Managing the Collective Mine and expanding coworking opportunities
 - Providing business and distribution support to ag producers and value-added product manufacturers
 - Assisting businesses with retention, relocation and expansion
 - Maintaining current community data and industry opportunities information
 - Providing SBDC counseling



**Kale
Yeah!**

Galit Korngold, owner of Wild Gal's Market, has been a WEEDC client since the idea stage of her business. Now, she uses our commercial kitchen to turn out her magical meals. It is such a pleasure to speak to her during our weekly check ins. She always has a streak of excitement flashing in her eyes, even on shopping days, when she makes her trek to Montrose to fill her jeep with foody booty. Her creativity overflows into her displays and her social media presence! Follow [Wild Gal's Market](#) on Facebook and you'll know what I mean.

Galit is a force of nature! She's eccentric and full of flair for getting people to try vegetables they've never heard of. It's been remarkable to watch this community of ranchers empty her grab- and-go case of ethnically-diverse salads and soups. People are hungry to free the burger from the bun, and to taste some spices other than salt and pepper. She is dishing out gumbo, asian-inspired deconstructed spring rolls and baked treats. Most importantly, she's serving up love for this community. "Just try it!" Who can resist? Food is love, and she is surrounded by both. She has managed to gather local foodies and friends around her for support with her store, and she is pushing hard to find the resources to hire her support team.

Grants are competitive, but Galit has a gift for telling her story. That's why we are honoring her with this write-up in our newsletter. Galit has received two grants to expand her reach during COVID-19. Word of her success is getting out!

She made an appearance on a Southwest Colorado Economic Recovery Zoom meeting to share her success in pivoting to meet the needs of customers during COVID-19. Also, she will be interviewed this week by Energize Colorado, demonstrating the gap in funding opportunities for small businesses that were not eligible for the Paycheck Protection Program under the CARES Act.

