More than 1,460 Maine Businesses Share Concerns, Impacts of COVID-19 Pandemic and Mills Administration’s Reopening Plan

“Re-starting Maine’s Economy” survey finds significant economic impact, constructive feedback for reopening and recovery

AUGUSTA, MAINE -- The Maine Association of Chamber of Commerce Executives, (MACCE), surveyed businesses across the state on the impact of the COVID-19 pandemic and the Mills Administration’s 4-stage plan to gradually reopen Maine’s economy. A total of 1,467 businesses responded to the “Re-starting Maine’s Economy” survey, conducted online from May 1 to May 6, 2020.

MACCE surveyed businesses to collect constructive feedback and suggestions on reopening Maine, as well as to provide helpful information on Maine’s economic recovery. Findings also will be used as a benchmark to measure economic recovery in the months ahead.

It is important to note that the survey was conducted prior to Governor Mills’ Friday, May 8 Rural Reopening Plan announcement that allows certain businesses in 12 Maine counties to reopen with safety precautions beginning May 11 and May 18, ahead of the timeline in the Governor’s original plan. The Rural Reopening Plan has addressed some business concerns identified in the survey.

Responses came from businesses in every county and region of Maine, with heaviest responses from Cumberland, Hancock, Oxford, Penobscot, and York counties. Sectors include hospitality, retail, tourism, healthcare, real estate, marine, construction, finance, nonprofits, and more.

Key findings include:

- Respondents expect significant economic losses this year due to the COVID-19 pandemic and restrictions on business operations under the original reopening plan.
  - 8 out of 10 Lodging & Campground respondents anticipate economic losses over 50% in 2020; 6 out of 10 Lodging & Campground respondents anticipate losses over 70%
  - 2 out of 3 Restaurants/Bars/Cafes and Coffeehouse respondents anticipate economic losses over 50% in 2020; Over 85% of Restaurants/Bars/Cafes and Coffeehouses who responded anticipate losses of over 40% in 2020
  - 1 out of 2 Retailers anticipate economic losses of 50% or more in 2020; 3 out of 4 Retailers expect losses of 30% or more
  - The average anticipated loss of all respondents in the survey came in at just over 50% but loss projections were evenly distributed through each of the ten options on the survey with no specific amount getting higher than 13.5% percent of the total.
• The survey represents businesses who have 44,538 employees at full staffing. Taking seasonal hiring into account as well as open positions and non-respondents to the particular question, respondents identified having 37,179 employees before Covid-19 began and they indicated that approximately half (48.2%) have been laid-off or furloughed. Of remaining employees, 26% are working reduced hours. Additionally, nearly 6,000 new hires were not made because of COVID-19 representing both seasonal and year-round positions.
• When asked about the likelihood of opening this summer, only 16% responded extremely unlikely they would be able to including over 20% of the respondents in York and Hancock counties.
• Over 80% of businesses responded they will likely be open on this date in 2021, with only 8% saying it was extremely unlikely.
• More than half (53%) of respondents have accessed Paycheck Protection Programs rescue loans, and 15% have been approved for Economic Injury Disaster Loans through the U.S. Small Business Administration. Less than 1% have utilized the Workshare program.

Several themes emerged from responses. They include:
• The 14-day quarantine requirement poses difficulties, specifically to lodging and tourism-related businesses that fear losing the bulk of their summer business.
• Respondents encourage regional reopening in areas less affected by COVID-19, as opposed to a one-size fits-all plan.
• Businesses want more transparency/clarity in reasoning behind which kinds of businesses can reopen when.
• Businesses want to be included as part of the solution and in decisions regarding reopening plans, and believe they can be trusted to implement safeguards and precautions to reopen safely and responsibly. They take their role in helping to mitigate the spread of COVID-19 very seriously.
• Regarding the Governor’s reopening plan, responses cover the spectrum on whether the approach was too fast, too slow or just right. Many respondents also acknowledge the challenges the Mills Administration is facing due to such an all-consuming pandemic. Many urge caution in reopening too quickly so Maine does not have a resurgence requiring another shut down.
• Maine businesses are extremely supportive of implementing strict safety guidelines to protect employees and customers, and are looking for more detailed guidelines and clarification on how to safely reopen.
• A majority of respondents feel face coverings should be required.
• Respondents expressed a clear need for PPE and proper sanitizing equipment such as masks, sanitizing wipes, hand sanitizer, etc. Many are having a difficult time finding these items.
What our regional chamber directors who administered the survey are saying:

"Maine’s chamber of commerce community thanks the Mills Administration for their leadership and tireless work in managing and navigating this pandemic,” said Deb Neuman, president and CEO of the Bangor Region Chamber of Commerce. “Those who responded to the ‘Re-starting Maine’s Economy’ survey clearly took their time in crafting and providing thoughtful, constructive, and helpful feedback and suggestions. We expect their input will be extremely valuable as the Administration continues to reopen Maine's economy."

“We appreciate that the State has started to take a more nuanced approach through the Rural Reopening Plan now that we’re starting to understand more about COVID-19,” said Jessie Perkins, executive director of the Bethel Area Chamber of Commerce. “We are pleased that so many business owners provided their input about how to balance keeping people healthy with creative ways to keep our economy going.”

“The survey findings present a clear picture of the real impact the COVID-19 pandemic is having on Maine’s economy and businesses in every sector and region of the state,” said Quincy Hentzel, president and CEO of the Portland Region Chamber of Commerce. “When the pandemic passes and Maine starts to get back to business as usual, these findings will be an important benchmark for us to measure and evaluate how well Maine bounces back.”

“One of the biggest takeaways for me is that Mainers can see these statistics and know exactly the challenges Maine businesses are facing,” said Cory King, executive director of the Southern Midcoast Maine Chamber. “That information could matter when Mainers are planning a vacation later this year or debating whether to hit the outlets in Maine or another state. Retail, Restaurants and Lodging are all anticipating over 50% losses for the year, and the people that can help keep them afloat live and work right here in Maine.”

For more detailed survey information, please email Jen Webber at jwebber3@maine.rr.com.

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**About MACCE:**
The Maine Association of Chamber of Commerce Executives (MACCE) provides a forum where chamber executives meet to share ideas, network with peers, and build partnerships. The Maine State Chamber of Commerce facilitates the group of 45 chamber of commerce directors across Maine.

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