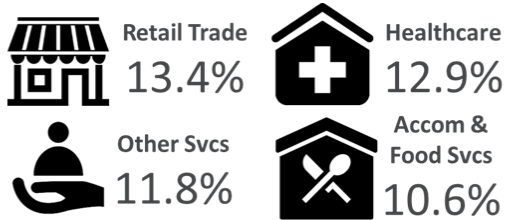


COVID-19 Impact on Iowa Businesses Executive Summary

April 3, 2020

Demographics

Largest Industry Sectors Represented



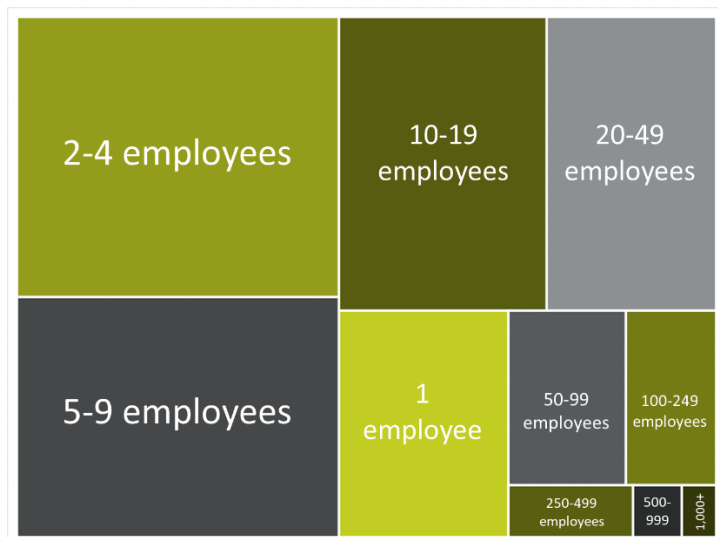
Professional, Scientific and Technical Services (7.4%) | Construction (7.0%)
Manufacturing (6.3%) | Finance and Insurance (5.2%)

The survey was launched on the evening of Tuesday, March 17, 2020 and was closed at 5 pm on Monday, March 23, 2020. A total of 13,905 businesses completed the survey as of the survey's close on March 23rd.

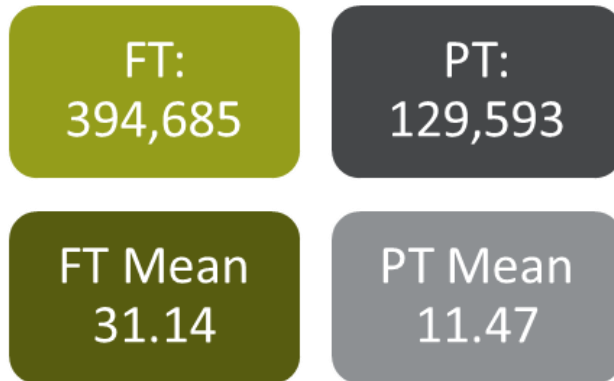
Participation was achieved across all of Iowa's industry sectors with the top sectors shown to the left.

The majority of respondents (85.0%) are for-profit organizations. An additional 10.5% of respondent organizations are not for profit, and less than 4% of respondent organizations are considered local, state, or federal government.

Over half (56.5%) of the survey respondents were small businesses with fewer than 10 employees. Specifically, 16.7% reported having 10 to 19 employees and 13.7% having 20 to 49 employees. A much smaller percentage of respondents reported having 50 or more employees. Only 5.6% reported having 50 to 99 employees, 4.3% having 100 to 249 employees, and 3% with more than 250 employees.

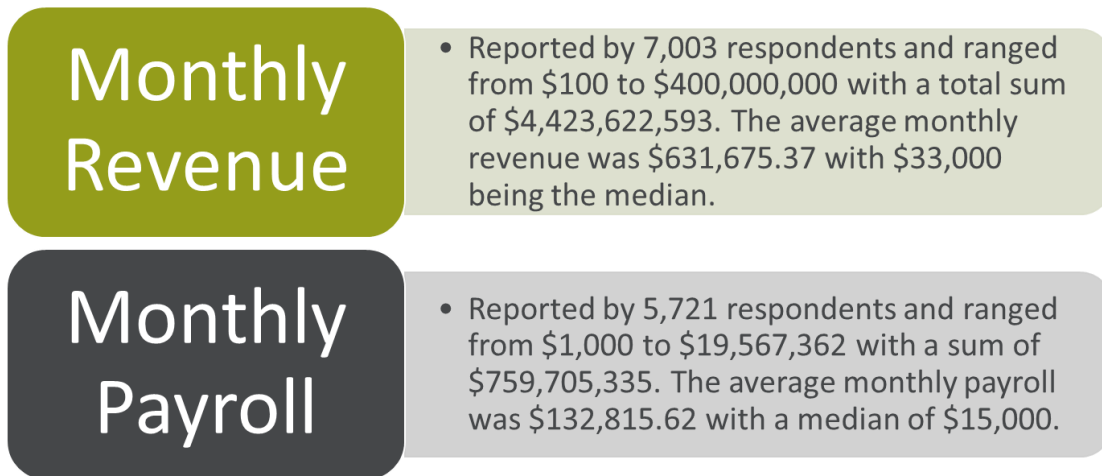


FT & PT Employees



The total sum of full time employees represented by survey participants was 394,685 with the total sum of part time employees being 129,593. The average number of full time employees was 31.14 and the average number of part time employees was 11.47.

Survey respondents were asked to provide monthly revenue and payroll data for the month of February 2020. Extensive data review and cleaning were performed to ensure high data quality as reported below.



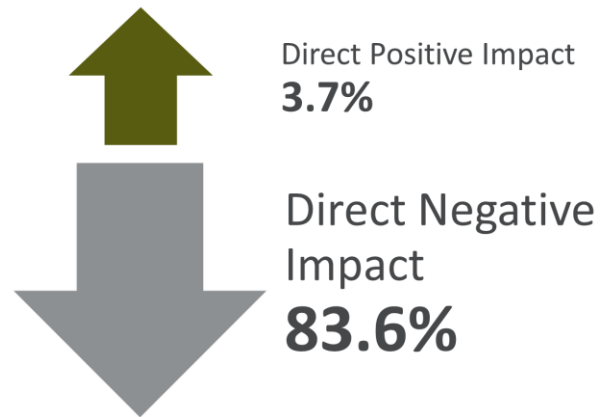
Due to the wide range in employment size reported by respondent organizations, five roughly equal employee size categories were created for comparison purposes. The graphic below offers average monthly revenue for respondents in each of these employee size categories.



COVID-19 Organizational Impact

The majority of respondent organizations in Iowa (83.6%) have been negatively impacted by the recent outbreak of the coronavirus (COVID-19), while just 3.7% were positively impacted. The top three organizational areas impacted by COVID-19 identified by respondents include:

- Business operations (67.1%),
- Business development/sales (63.8%),
- Customer demand of products/services (62.4%)



In addition, respondents are most concerned with:

- Financial impact on operations and/or liquidity and capital (77.6%)
- Decreasing consumer confidence/spending (66.2%) with respect to COVID-19

The industry sectors reporting a significant higher negative impact include Health Care and Social Assistance, Arts, Entertainment and Recreation, and Accommodation and Food Services. Along with Retail Trade, these same sectors reported a higher level of impact on business development/sales and operations as well as concerns about decreased consumer spending and financial impact on operations.

Revenue and Employment Impact

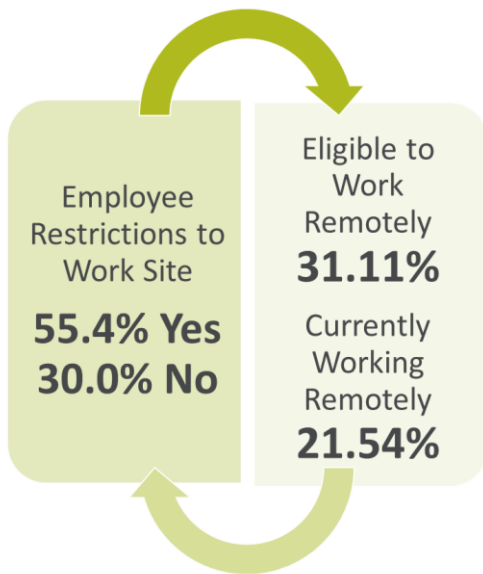


Aggregately, respondent organizations indicated their current revenues had decreased by over 50%, while their employment levels decreased by over one-third. Organizations predict both their revenue and employment will decrease even further over the next 30 days and then gradually increase to approximately the same levels 90 days in the future compared to the current negative impact.

Industry sectors reporting significantly higher negative revenue impacts for all time periods include Retail Trade, Health Care and Social Assistance, Arts, Entertainment and Recreation, Accommodations and Food Service and Other Services. Generally, smaller organizations reported significantly higher impacts on current revenue and employment while larger organizations anticipate greater impact at the 30, 60 and 90-day mark. Lastly, counties designated as including a metro area reported significantly greater revenue and employment impact for the next 30 and 60 days.

Employee Restrictions & Access to Remote Work Infrastructure

Organizations mentioned implementing social distancing, allowing employees to work remotely and banning or canceling travel and meetings/events. In addition, 1,341 businesses closed and many restaurants and financial services organizations offer only take out or drive up services.



Nearly 40 percent of the respondents stated their eligible employees have laptops and/or mobile phones, while over one-fourth (27.6%) have secure remote access to servers. Less than one-fourth (23.0%) of the respondents stated their employees have access to remote collaboration software. Nearly ten percent of respondent organizations do not have access to necessary hardware/software at this time for eligible employees.

Finance and Insurance and Professional, Scientific, and Technical Services sectors have significantly higher percentages of employees eligible and currently working from home. In addition, employees in these industry sectors have significantly higher access to hardware, software and secure remote access.

Assistance and Resources Requested

Slightly more than 10,000 of the survey participants provided a response to what assistance or resources would be helpful to your organization. Just over 85% reported financial assistance as the top needed resource, followed by communication and information (12.5%), unemployment/workers comp (10.8%) and tax relief (8.6%).

