



Your Business: Growth Strategies Post Covid-19

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Recent PPP Updates (8/4/2020)

- **Owner's pay is now capped for all businesses owned (for forgiveness)**
 - The lesser of either \$20,833 or 20.833%
 - Health insurance for owners with less than 2% ownership can be forgiven, in addition to compensation
- **Transportation for things other than utilities are not forgivable**
 - Gas for business related travel is forgivable
- **Employee benefits are not counted in the 25% pay reduction limit**
- **Accrued interest on loan amounts**
 - Borrower will only be responsible for paying accrued interest on loan amounts that are not forgiven



Determine changes in your revenue streams

- **Managing significant demand decrease**

- PPP funds are allowing for the time to plan
- Lower demand could persist

Example: Client who switched to manufacturing PPE

- Quickly pivoted business model to more retail ecommerce focus
- Utilized extra PPP funds to adjust manufacturing processes



Adapting to the new demand is NECESSARY!

GP overview and new planning methodology

- **Tech-focused work environment and working from home means more productivity**
- **Critical to be hyper-focused on the better performing aspects of your business**
- **A 10% GP increase on a \$4M business**
 - What do you do with that money? Investing in labor, resources, marketing



Funding options- Private and Federal

- **Proceed with caution! ~ Banks are tightening their lending**
- **EIDL is a valuable resource for your business and should be applied for**
- **Actively seek out local loan or grant programs, taking everything you can get**
- **Alternative debt money and predatory lenders should be avoided**
- **Audits are actively taking place ~ don't test the odds**



Strategizing for Liquidity Protection

- **Liquidity is KING !!** Your business alone may not be able to support the needed cash reserves.
 - Personal cash reserve needs to be an option
 - Partnership is another option for acquiring cash
- **The UNCERTAINTY of old or new demand generation is why having cash reserve is critical**
- **The risk quotient is now flipping back the other way, decreasing access to friendly capital market funding**





Thank you for attending!

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