

Business Resiliency Manufacturing Roundtable



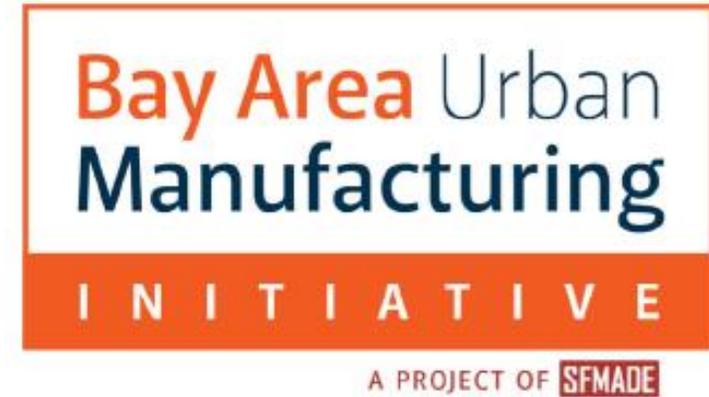
**CHOOSE MORGAN HILL**

**COVID-19 UPDATE FOR
MORGAN HILL BUSINESSES**

Thank you to our Partners and Collaborators

Partners

manex



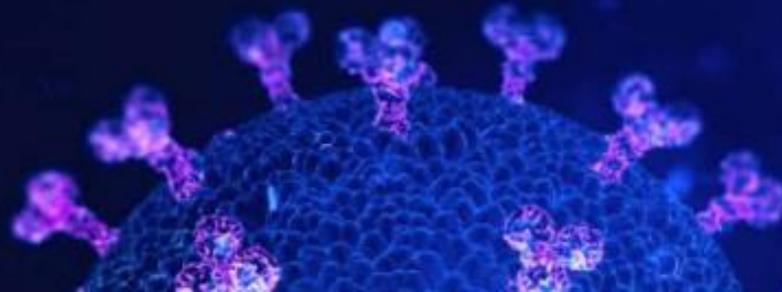
Collaborators



VISIT MORGAN HILL

Business Resiliency Manufacturing Roundtable

1. Welcome and Introductions
 1. Gene Russell, Manex Consulting, Bay Area Manufacturing Extension Partnership
 2. Martine Neider, Bay Area Urban Manufacturing Initiative, MFG:SI
2. Overview of Federal Programs and Resources
3. Manex Consulting Insights and Observations
4. Bay Area Urban Manufacturing Initiative Insights/MFG:SI and Observations
5. What's Ahead
6. Questions and Answers
7. Contacts



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Questions

Will cover questions at the end

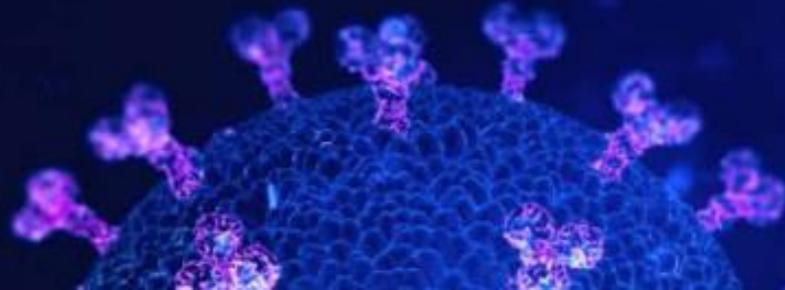
Raise Hand or

Type in Chat box

Any question not answered we will follow up when we post slides and video

Video Capture and Slides will be posted at:

www.choosemorganhill.com/covid19roundtables

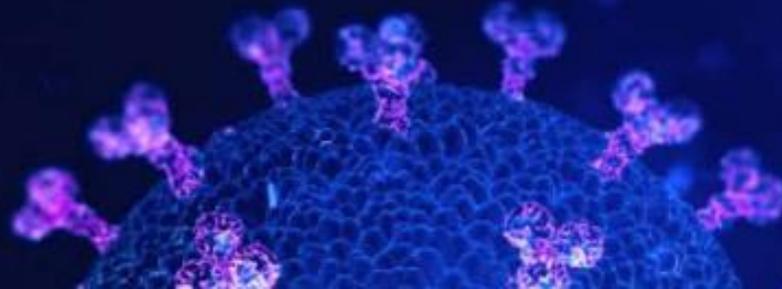


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Federal Programs

Small Business Administration Programs

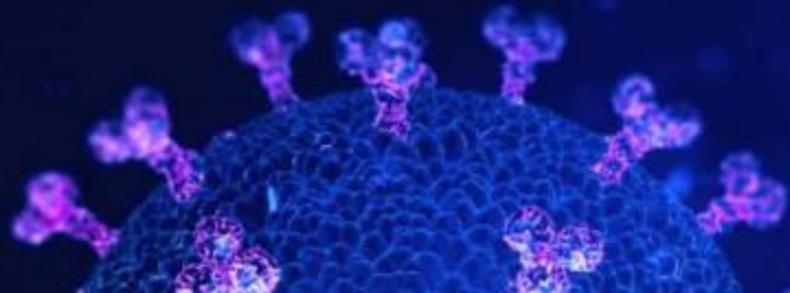
- Debt Deferment or Relief:
 - Automatically deferring payments on existing disaster loans thru 12/31/20
 - Existing 7(a), 504 and microloans can be deferred – talk to your lender
 - SBA Debt Relief Program
 - The SBA will also pay the principal and interest of **new 7(a) loans** issued prior to September 27, 2020.
 - The SBA will pay the principal and interest of **current 7(a) loans** for a period of six months.
- Loans:
 - Express Bridge Loan - \$25,000 - AVAILABLE
 - Paycheck Protection Program - **Lapse in Appropriations**
 - Economic Injury Disaster Loan- **Lapse in Appropriations**
 - EIDL Advance of up to \$10,000



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Federal Assistance Programs Comparison

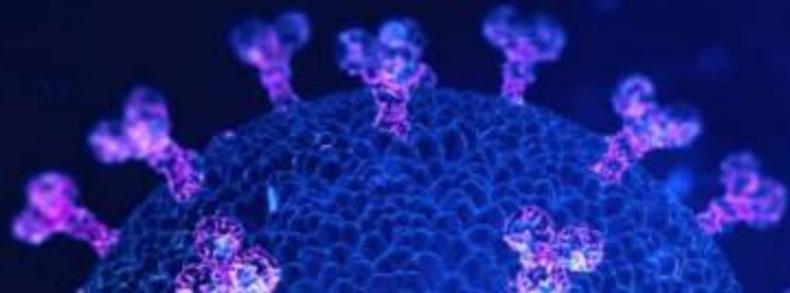
PPP to EIDL Comparison	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL)
Who can apply?	Small businesses and nonprofits - 501(c)(3)s, including religious organizations, with 500 or fewer employees; self-employed individuals and independent contractors*	Small businesses and nonprofits - 501(c)(3)s - with 500 or fewer employees*
Maximum Loan Amount	Up to \$10 million	Up to \$2 million
Covered Period	2/15/2020 to 6/30/2020	1/31/2020 to 12/31/2020
Rate	1.00% Fixed	3.75% fixed for-profits 2.75% fixed non-profits
Term	Up to 2 years	Up to 30 years
Security / Collateral	No	Yes. If the loan is more than \$25,000
Eligible Uses	Payroll, health benefits, paid sick or medical leave, group health insurance premiums; mortgage and rent payments; utilities; interest on certain debts. Note: payroll estimates limited up to \$100,000 per employee	Working capital for expenses that could have been paid had the disaster not occurred, including payroll and other operating expenses.



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Federal Assistance Programs Comparison Cont.

PPP to EIDL Comparison (cont.)	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL)
Forgiveness provisions	Up to 100% - but forgiveness amounts are decreased for reductions in number of employees or in wages of employees from base period.	Not for loan. An Advancement of up to \$10,000 Emergency Grant for every applicant does not have to be repaid.
Apply...	ON HOLD Can still apply, many banks are taking this time to prepare applications for submit as soon as the program is recapitalized	ON HOLD
Underwriting criteria	Must provide documentation verifying the number of employees on payroll and pay rates, including IRS payroll tax filings and State income, payroll and unemployment insurance filings.	Must have acceptable credit history and demonstrate ability to repay.
Eligibility requirements	Operating on 02/15/2020 with paid employees; certify need for funds during COVID-19 emergency; certify use of funds to retain workers.	Operating on 1/31/20; certify need for funds during COVID-19 emergency.

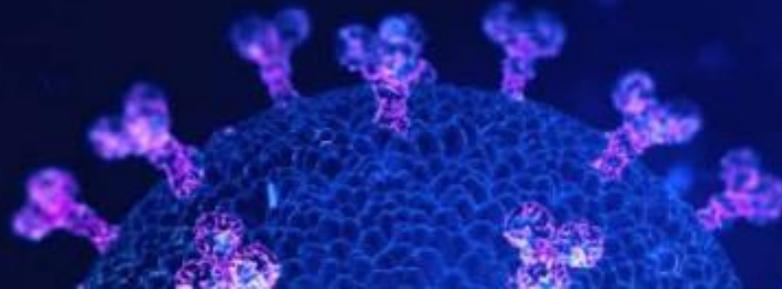


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Federal Main Street Assistance Program

Federal Reserve Main Street Lending Program

- For businesses with up to 10,000 employees or revenue less than \$2.5 billion
- Businesses must make “reasonable efforts” to maintain payroll and retain workers
- 4-year loans, with payments deferred for 1 year
- Loans will be issued through banks, which can sell 95% to the Main Street Facility (up to \$600 billion)

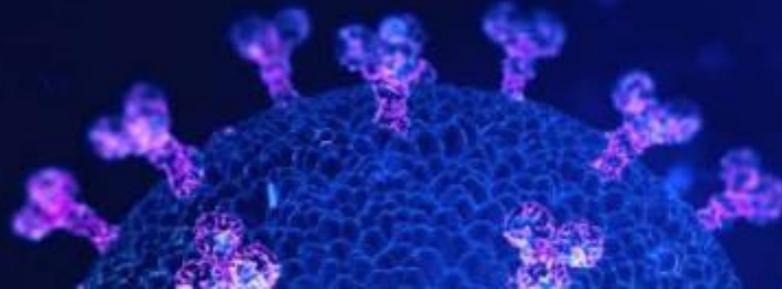


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State Programs and Other Grants

Loan Programs

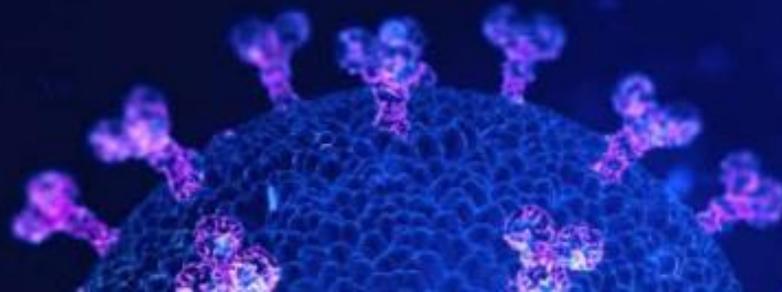
- [Grow Morgan Hill Fund](#): A small business [loan program](#) specific to business located in Morgan Hill.
- California iBank: Program provides loan guarantees in support of small businesses. [Small Business Finance Center](#)
- [Jump start loan program](#): Small business loans over 5 years from \$500 to \$10,000 from California iBank.
- [Opportunity Fund](#): Micro loans starting at \$2,500 up to \$250,000.
- California Treasurers Office: The California Capital Access Program ([CalCAP](#)) is a loan loss reserve program supporting small business lending.



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Grant Programs

- [Verizon-LISC Small Business Recovery Grant Application](#): LISC will use the Verizon funding to provide grants of up to \$10,000 to businesses facing immediate financial pressure because of COVID-19—especially entrepreneurs of color, women-owned businesses and other enterprises in historically under-served communities who don't have access to flexible, affordable capital.
- [Facebook](#) is dedicating \$15 million in cash grants to Bay Area businesses. Grants are up to \$4,000 which equates to \$2,500 in cash and \$1,500 in ad credits. Size of business has to be for profit 2-50 employees. No restrictions on funds. Applications due May 6, 2020. (apply on line) ([Link](#))
- The [GoFundMe.org Small Business Relief Fund](#) will provide micro-grants to qualifying small businesses negatively impacted by the COVID-19 pandemic.
- [Hello Alice - Business for All Grant Program](#) | \$10,000 grants for small businesses
- [Save Small Business Fund](#) is a grantmaking initiative from the US Chamber of Commerce Foundation, offering short-term relief for small employers in the United States



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Manex Consulting



manex
The Corporation for Manufacturing Excellence

**Our mission is simple;
Grow U.S. manufacturing and manufacturing jobs.**



Celebrating 25 Years | 1995 - 2020

Manex?
The Corporation for
Manufacturing Excellence
www.mfgca.org

- 25 years providing non-profit services to Manufacturers
- Work Hand in Hand with CMTCC as a Subrecipient Partner
- Average year we complete 80-100 projects in 75 to 90 different manufacturing companies in Northern CA all have some form of Grant or ETP Support
- Independently Measured Outcomes include:
 - Reduce Costs
 - Increase Sales – launch, scale, establish new products and markets
 - Retain Sales – supply chain and regulatory certifications, value stream mapping
 - Improve Quality
 - Streamline Operations
 - Reduce Risk
 - Workforce Development
 - Capital Equipment Decisions

Practice Areas
Include Operational
Excellence (OE) and
Strategy

Primary Drivers

- Fill the Gap for Under served Small and Medium Sized Manufacturers (most of CA Mfg)
- Connect Manufacturers to a National Network
- Consult, Advise, Connect to lower costs, increase competitiveness, revenue, profitability. Real world independent impact surveys drive funding. Provide a great lens on the work.
- Workforce and Owner Driven for both community and business impacts.

Background

- Small efficient staff / minimal overhead
- Large pool of consultants in a wide variety of skills and knowledge ready to deploy quickly: medical, food, quality, safety, lean, marketing, sales, scaling, supply chain
- Connections to National Labs, Universities
- CMTc relationship allows for a statewide approach and service delivery.
- Manex has a 25-year history with CMTc and NIST MEP which allows for a very fast understanding of Federal and State resources and implementation.

Taking Action Today

- We are driven by Impact Metrics. It's the oxygen of our business model. Manex current impacts can be found here:
<https://www.manexconsulting.com/community-impact/>
- Connect with us: info@manexconsulting.com
- Leave message at 925-807-5111 and we will call you back in less than 30 minutes during Covid-19

Covid-19 Capability

- Connected and Integrated Approach of 51 MEP Centers across the Nation.
- State, Federal and Client Resources Funding model
- Serve all manufacturing verticals which gives us broader knowledge in a crisis: medical, garment, metal fab, aerospace, electronics, 3D Printing, machining, wood, plastics, chemical, energy, defense, food
- Available to access and provide reopening protocols in writing specific to your plant
- Employee training



Gene Russell, BIO

- Over 30 years of successful consumer and commercial business and product launches
- Extensive strategy, product development, marketing, sales and manufacturing experience in: Telecommunications, Consumer Electronics, Appliances, Home Goods
- 37 years experience in China Manufacturing
- 10 years Mexico Manufacturing Experience
- 16 years US Manufacturing Experience
- 10 years executive consulting experience
- Three CEO positions: early stage, private equity and non-profit
- UCLA B.A. Economics, Certificate: Design Thinking MIT, Certificate: Artificial Intelligence Berkeley Haas, MBA Essentials London School of Economics
- All Manex bios available on www.manexconsulting.com



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Celebrating 25 Years | 1995 - 2020

Bay Area Urban Manufacturing Initiative
MFG:SJ



A PROJECT OF **SFMADE**

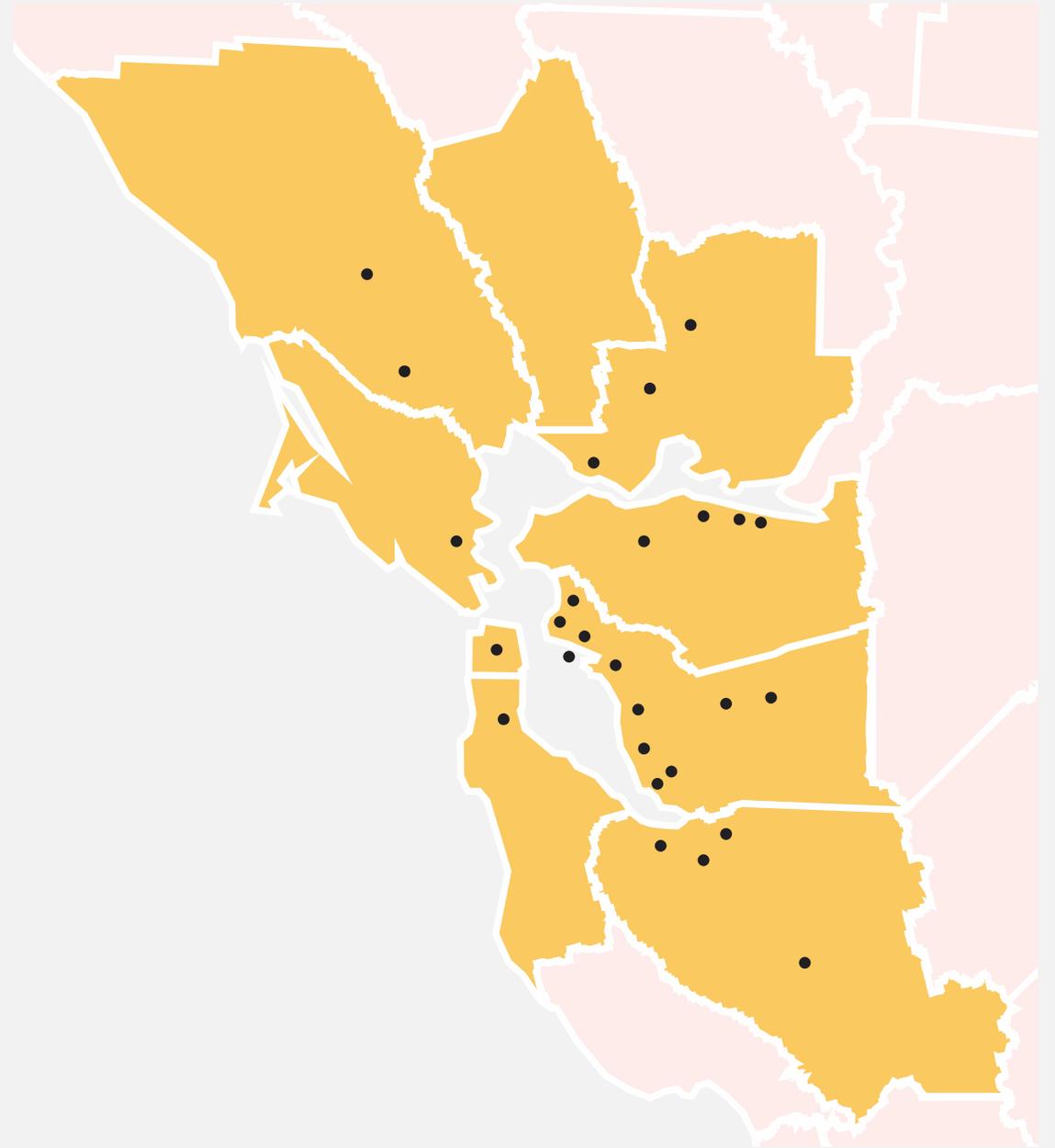
Nurturing the Regional
Manufacturing Ecosystem

RETAIN AND GROW MANUFACTURING IN THE BAY AREA

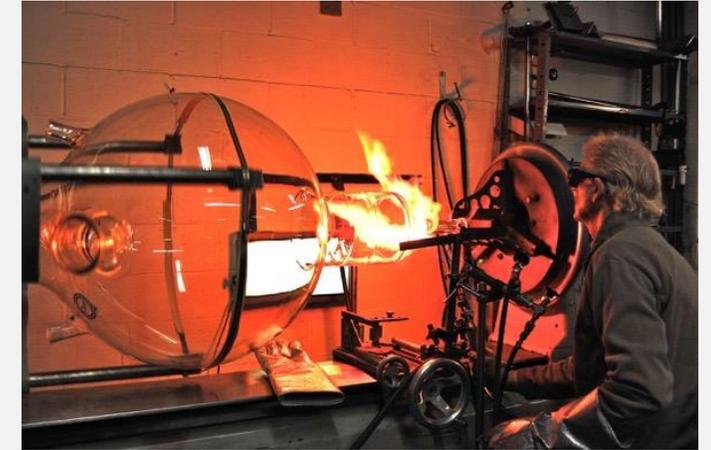


WHO IS PARTICIPATING?

- Antioch
- Berkeley
- Brentwood
- Concord
- Contra Costa County
- Emeryville
- Fairfield
- Fremont
- Hayward
- Livermore
- Milpitas
- Morgan Hill
- Napa
- Newark
- Oakland
- Oakley
- Petaluma
- Pittsburg
- Pleasanton
- Richmond
- San Francisco
- San Jose
- San Leandro
- San Rafael
- Santa Rosa
- Sonoma County
- South SF
- Union City
- Vacaville
- Vallejo



COVID -19 RESPONSE



- Convene weekly to discuss and workshop issues affecting the manufacturing community
- Act as an expert resource to community decision makers

Contact: Martine Neider – martine@sfmade.org // 415-408-5605 x 6

Bay Area Urban
Manufacturing

INITIATIVE

A PROJECT OF SFMADE

MANUFACTURE

MANUFACTURE : SAN JOSE IS A PUBLIC-PRIVATE INITIATIVE, WITH THE GOAL TO DRIVE RESOURCES, KNOWLEDGE, AND VISIBILITY TO

THE CITY'S MORE THAN 1300

MANUFACTURERS AND THE MORE THAN 50,000 MEN AND WOMEN THEY EMPLOY.

MANUFACTURE

MANUFACTURE

MANUFACTURE: SAN JOSE IS AN ECONOMIC DEVELOPMENT NON-PROFIT STARTED WITH SUPPORT OF THE CITY OF SAN JOSE



MFG:SJ FOCUSES ON SERVING SAN JOSE'S ESTIMATED 800 SMALL TO MEDIUM SIZED BUSINESSES

MANUFACTURE

Manufacture: San Jose Programs

- Silicon Valley Manufacturing Roundtable
 - Educational Workshops
 - Manufacturing Forums
 - Accelerator Cohort
 - Hiring Made Better
 - YouthMade
- # MANUFACTURE
- # MANUFACTURE

COVID -19 RESPONSE



- Services currently available to *ALL* Bay Area Manufacturers
- > 150 companies served through one-on-one consultations since mid-March
- Specialize in navigating capital assistance, workforce issues, social distancing protocols in production, & being a neutral third party for awkward questions

Contact: Michael Erickson - michael@mfgsj.org // (408) 326-0591, x. 1

What's Ahead

Questions and Answers

Contacts

Business Resiliency Manufacturing Roundtable

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BAUM

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City of Morgan Hill Economic Development

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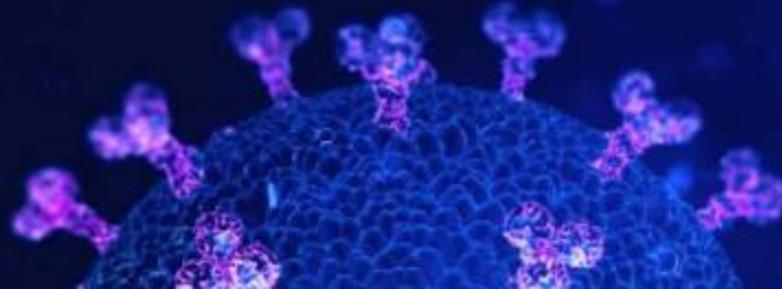
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