

# Paycheck Protection Program Loan Survey

Conducted by: NSGA Research

## *Background and Methodology*

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### Background:

NSGA realizes the importance of keeping a pulse on current advocacy issues and how they affect our retailer and team dealer members so that NSGA can successfully advocate on their behalf. In an effort to better understand business owners' experiences with the Paycheck Protection Program loan process through the CARES (Coronavirus Aid, Relief, and Economic Security) Act and gain valuable feedback on all aspects of the program with respect to the sporting goods industry, NSGA conducted a brief one-minute survey among retailers and team dealers.

### Methodology:

The survey was developed to capture answers to key questions related to business owners' experiences with the Paycheck Protection Program loan process. In the interest of time, an electronic survey through Survey Monkey was sent to NSGA retailer and team dealer members as well as non-members. A total of approximately 986 surveys were sent out to the aforementioned groups generating a total of 137 responses ( $\approx 14\%$ ). Responses were collected from April 15 – April 21.



## Key Takeaways

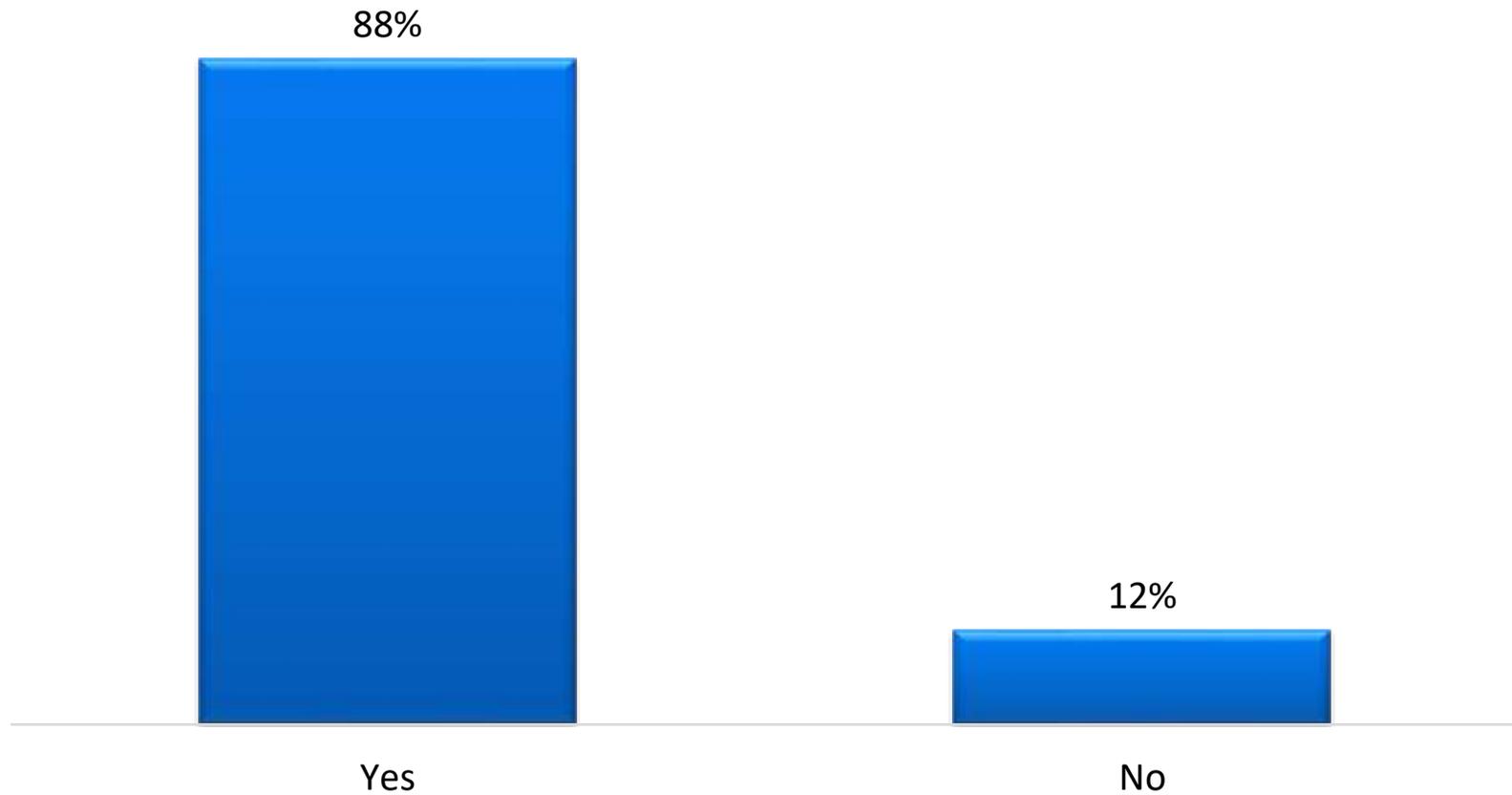
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- 88 percent of respondents had applied for a Paycheck Protection Program loan
  - 72 percent of applicants applied between April 3 – April 6, the first 4 days in which loans were available
  - Of those that applied, only 22% had received funds
    - Of those who had received funds, majority (56 percent) had applied on April 3, 2020 (the first day to apply for loans)
- No matter what your experience in applying for a loan under this program, you are not alone
  - Mixture of good and bad experiences largely tied to an applicant's interactions with his/her bank(s)
- There is still uncertainty among respondents as to the specific requirements that need to be met in order to get the loans forgiven
- Difficulties experienced by applicants include lack of communication with banks, shortage in available funds, and a longer-than-expected process to get approved and receive funds



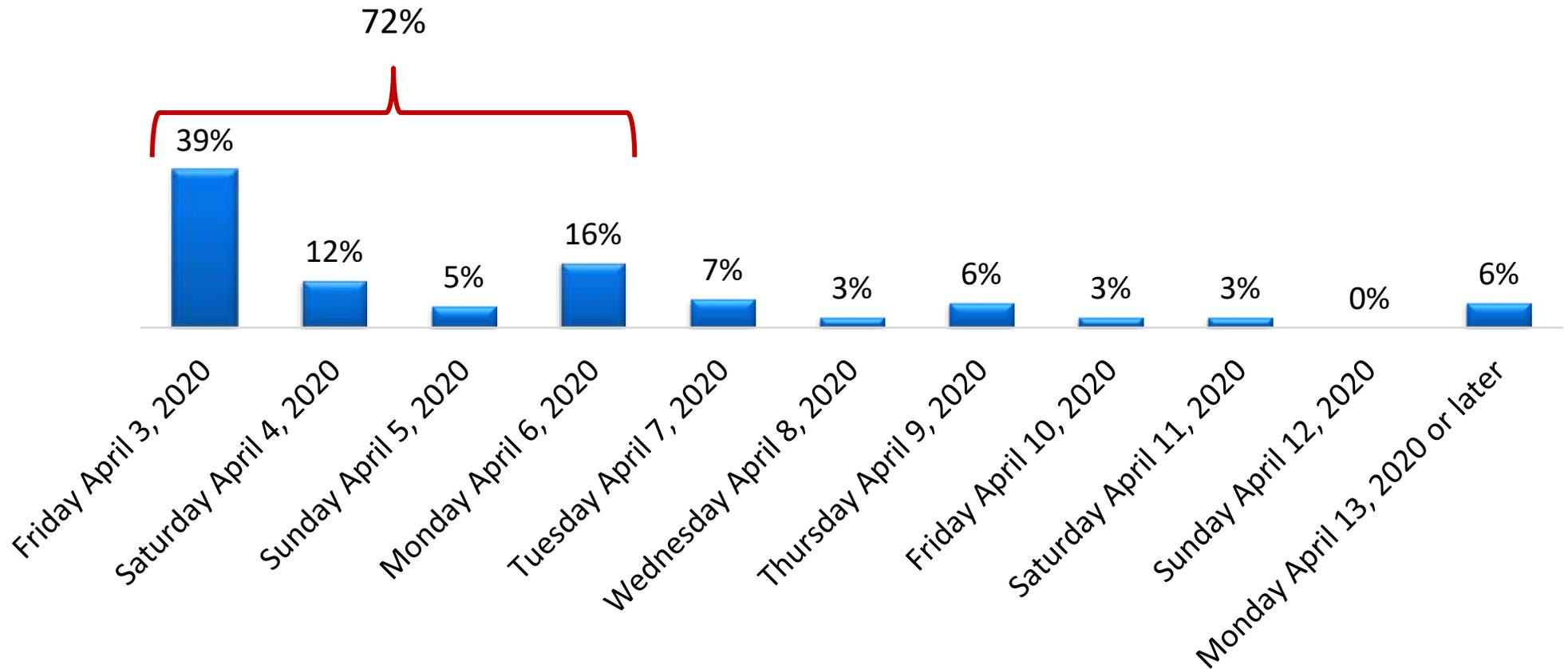
*88 percent of respondents have applied for a Paycheck Protection Program loan*

## Have you applied for a Paycheck Protection Program loan?



**72 percent of respondents who applied for loans did so within the first 4 days of the program becoming available**

**When did you apply for your Paycheck Protection Program loan?**

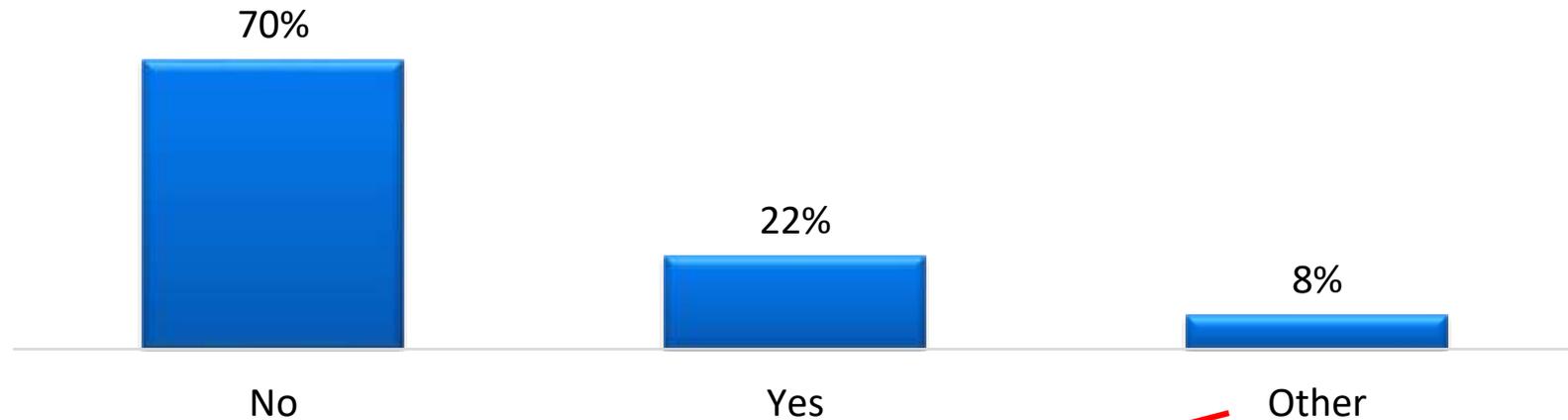


\*Note: Friday April 3, 2020 was the first day to apply for loans



**70 percent of respondents who applied for a Paycheck Protection Program loan had not received funds at the time the survey was taken**

## Have you received funds yet?



“Was approved” (3)

“Pending in my bank web site. Should be deposited 4/20/20”

“I've been approved but they ran out before I could get any money.”

“We are expecting the funds to be available today (4/17) or Monday (4/20)”

“Funds are scheduled to be received today (4-16-2020) by midnight”

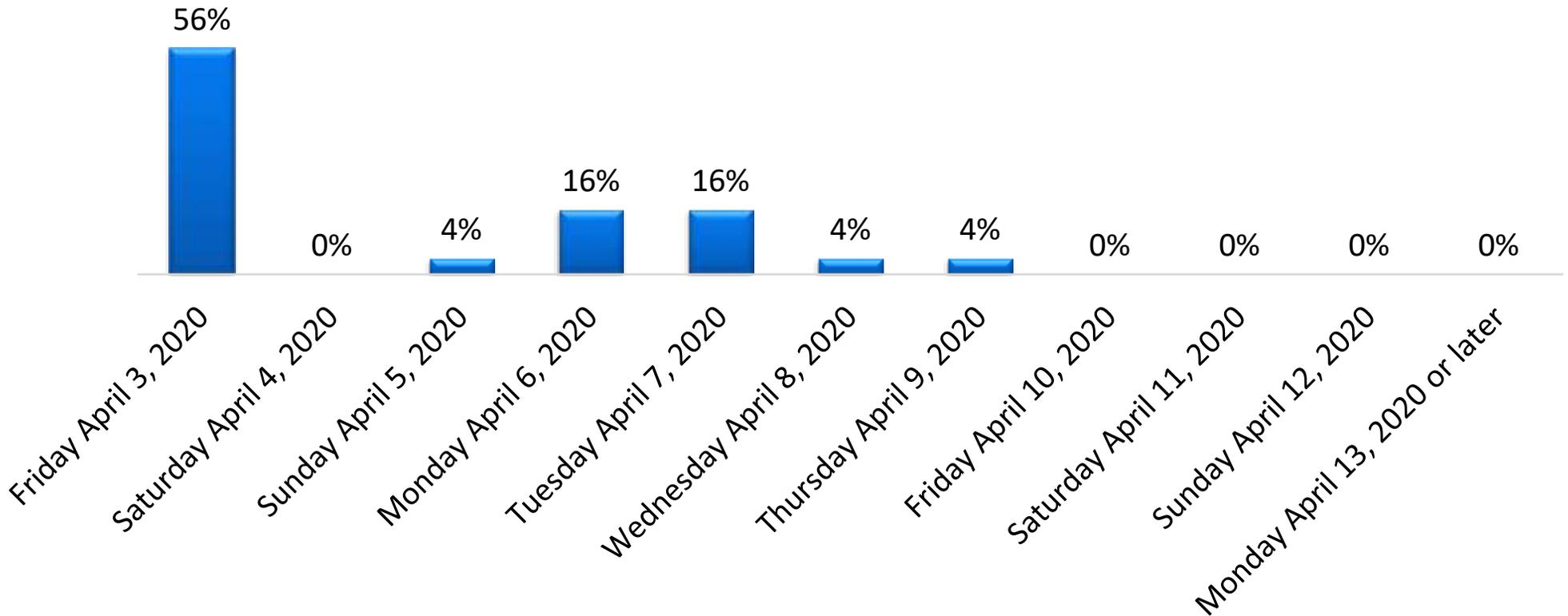
“I received an email from my bank last week saying I was approved,.... and was told that the money should show up later this week or early next.”

“We were approved but funds are only being disbursed to us as we turn in documents request for payroll, rent or loan interest. 75% must go to payroll”



**56 percent of respondents who received funds applied on Friday April 3, 2020 – the first day to apply for loans**

**Date applied for respondents having received their funds**



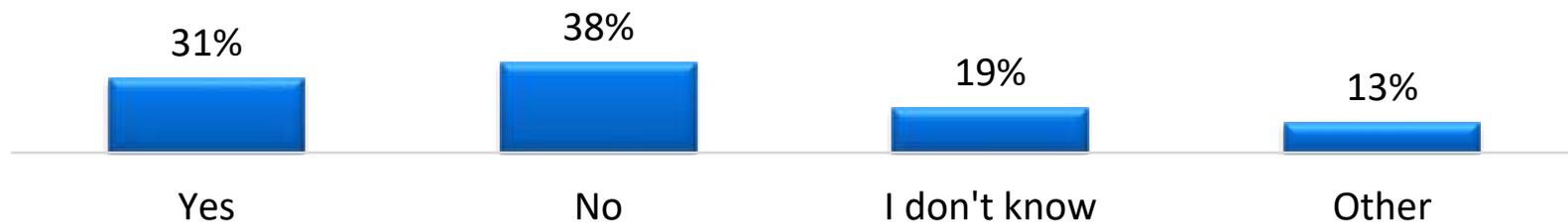
\*Note: Friday April 3, 2020 was the first day to apply for loans



**Among those who had not applied for a PPP loan prior to taking the survey, responses were split as to whether or not they plan on applying for a loan**

## **Do you plan on applying for a Paycheck Protection Program loan?**

(Asked among those who had not applied prior to taking the survey)



“I am hoping to somehow get by without having to do this”  
“Not sure of all the facts.  
Advantages vs disadvantages”

“The terms for forgiveness are not clear and I don’t want to be stuck with a 2-year term on a sizable loan.”  
“it wont pay to do it”  
“not in a position to need or qualify”  
“Not sure if I can believe everything they say”  
“I don’t qualify”

“not eligible, too many employees”  
“The fact that we are a seasonal ski store and then do some bike service in the summer makes it a bit more confusing as to whether or not it is worth it to apply.  
How do we justify the number of employees if we want to get the loan forgiven?”



***Are there any comments/thoughts you would like to share regarding the Paycheck Protection Program loans? (A select portion of verbatim answers below.)***

Pretty simple but waiting on more funds to be allocated.	The speed of design and implementation was painfully obvious in every step we completed.
Our process was rather seamless. We have a tremendous relationship with our banking partner.	It wasn't difficult work to do, but was a bit of a pain as things constantly changed and didn't seem many people had answers.
We originally applied thru Wells Fargo, very slow, went to a local bank and it went very smooth. we used our accounting firm as an agent for us, they billed SBA, did not cost us anything and was much easier.	The bank I used was terrific, knowing your lender helps big time
I'm not sure how to apply payments to part time employees that have not had hours	We applied through our bank and it was very easy. I will be anxious to see how much of this is actually forgiven. I have concerns about that.
The formula for calculating the maximum amount that would be loaned is unnecessarily ambiguous and confusing. It took the bank a week to figure it out. This is a typical federal program with language purposely difficult requiring a paid professional to interpret.	I am happy government moved quickly, as far as government normally moves. They made the bar for qualifying steady, versus changing it daily through the process.
They ran out of funds before I could get some.	Signed loan offer last Wed. Missed money on Thurs.
We applied with Bank of America where we have multiple business relationships. Communication is terrible. We were just told that the money ran out before they could process our app and we have to wait for the 2nd round of funding. However, no one can confirm if our app from 4/3 will be processed in time for the 2nd round. How does an app from 4/3 at 10:30 AM not get processed?	Appears that it was not thought out properly as funding should not have run out without helping many more. For my Bank they were only able to get about 25% of the Loans approved. Also am hearing that companies with greater than 500 employees were getting these loans.
It doesn't do much to help winter seasonal businesses affected.	We didn't apply because of the stay at home orders. If we were to receive the loan right away and have the 8 weeks to begin when people aren't suppose to go out, we would be paying people to do nothing, which defeats the purpose. We're hoping for another round of fund to use later.
I was in que for 7 days before my loan app was accepted.	



***Are there any comments/thoughts you would like to share regarding the Paycheck Protection Program loans? (A select portion of verbatim answers below.)***

And took too long with amount of loans to process.	The program with the end date of 6/30 probably will not work for me. I do not see my stores opening any time soon. Hope they admend dates
The rules are not as favorable as we had originally thought. We are not able to bring employees in to work as quick as they are requiring in order to get the PPP turned into a grant since the sales spigot has been turned off and we do not have a clear picture as to when we can get back to business.... The 2 year payback installment is not going to be reasonable	Having a RELATIONSHIP with your bank is helpful to walk you through the various steps or additional information request; ours was helpful. However, there really is confusion for those who paid via 1099 and need to convert to a payroll system. The challenge is to determine which pay system to use for the calculation for the loan. However, we did not make the deadline to receive funds "This Time."
bank is treating this as regular loan then forwarding approval to SBA	
Thank heavens!	
I applied at 2 banks, neither bank got around to processing my application. Today I read that SBA funds are exhausted.	As a ski/snowboard shop that down-scales our business to sell Patio Furniture every summer, we are hoping our seasonality will be better accounted for when the time comes to apply for forgiveness.
We have been approved just have not received funds at this point.	Thank you for getting out in front of this for us. The information you provided from an early basis put me in touch with my banker and facilitated my application as soon as they were ready to begin processing.
mine went without much delay..got in early...will still need help after the 8 week period though	Banks weren't ready
Some banks replied in 24 hours to accept applications but mine is now almost 2 weeks and has not sent any correspondence that our application has been accepted.	We applied 1st day but then the bank said because we only had a loan with them & not a regular account we would need to go elsewhere. So we went elsewhere started over & then the original bank called us back & helped us. So as of Monday the 13th we have been approved and are SUPPOSED to get funds on the 17th.
Glad this is available for us it may help us to survive this crisis.	
The banks seem to be overwhelmed. They say SBA keeps making changes that are complicating the process from working.	



***Are there any comments/thoughts you would like to share regarding the Paycheck Protection Program loans? (A select portion of verbatim answers below.)***

<p>I think the 75% toward payroll for forgiveness is too limited. I would think the money should be used in whatever way a business needs to use it to keep its doors opened, at low interest. Forgivable as long as 100% of the company's employees are offered return at the same pay by June 30th.</p>	<p>It is good program to help small business retain good employees. A bit confusing on some of the definitions and process, but all in all very good for time frame allotted</p>
<p>Very quick in processing and great communication.</p>	<p>The banks are making it harder to obtain these loans then the Government indicated it would be plus there is no where near enough funds available for all that need them</p>
<p>medium sized companies need to be included in PPP program loans</p>	<p>Worried funds are exhausted. I meet my accountant today . April 16 to send payroll documents to bank</p>
<p>No payment yet but have been approved and expect it very soon</p>	<p>All the lenders are saying that there is a backlog, they had problems processing, the application changed multiple times so.</p>
<p>Confusing... ours doors can't be open but we need to spend the money, can we bring them in to train and do some work?</p>	<p>No communication from my bank. My local banker has no idea and the banks 800 number has no idea when and if They will get to my application.</p>
<p>We have had a business account with Chase for over fifteen years, so I feel comfortable trying to go through the application process, but I am very confused about how the loan might be "forgiven". We have never had a business loan, so we have the cash right now to probably "weather" the storm, but it would certainly help to have some cash to pay the lease, payroll and healthcare benefits.</p>	<p>Tough to get bank to respond</p>
<p>Right after I applied they also issued the \$600 additional weekly payment for UI benefits. Now my employees earn more on UI and don't want to come back to work. Do you know if anyone else has experienced this and what they are doing</p>	<p>I did get an email just this afternoon to do an electronic signature from my bank. 4/15/2020</p>
	<p>Our funds will be dispersed this week.</p>
	<p>great for those who need it only</p>
	<p>What does "maintain" workforce mean, i.e. after the PPP loan money for payroll is used up by a company, are companies who accept PPP Loans then on the hook to keep employees on payroll after the PPP Loan funds are exhausted in 8 weeks?</p>





For more information on the latest COVID-19 resources, please visit <https://www.nsga.org/advocacy/covid-19-resource-page/>



## COVID-19 INFORMATION AND RESOURCES

### ADVOCACY

GOVERNMENT ADVOCACY

RULEMAKING ADVOCACY

CORPORATE ADVOCACY

PHIT ACT

NSGA CORONAVIRUS LEGISLATION

> COVID-19 RESOURCE PAGE

STIMULUS BILL - SBA LOAN INFO

SPORTS ORGANIZATION

*This page will be updated regularly with new information*

The COVID-19 pandemic has been sweeping through the United States and most of the world and it has resulted in major disruption to our daily lives. The situation continues to evolve quickly and is having a significant effect on the sporting goods industry. The National Sporting Goods Association will provide you with information and resources to help you navigate this challenging time. Please note that NSGA staff are working remotely and can be contacted at (847) 296-6742 or [info@nsga.org](mailto:info@nsga.org).

The Small Business Administration (SBA) Coronavirus Call Center number is (800) 659-2955.

### Latest CARES Act Resources

[NSGA Letter to Congress with Additional Recommendations to CARES Act \(April 13, 2020\)](#)

[Paycheck Protection Program Information Sheet for Borrowers](#)