

CONTACT: Jennifer Read 678-393-9990 jread@ecianow.org

May 11, 2020

FOR IMMEDIATE RELEASE

ECIA Reports Results of Manufacturer Rep Survey: 90% Expect Serious to Severe Impact from COVID-19

Atlanta – Electronic component Manufacturer Representatives play a key role in the sale of electronic components and, like other small businesses, have been impacted by the COVID-19 economic shutdown that has harmed both their principals and customers around the world. Given the lack of visibility on how this has impacted this important business community and what help it has been able to procure from the government, ECIA conducted a survey of its Manufacturer Representative members on the topic of COVID-19 impact and government assistance.

This survey was conducted between Tuesday, April 28th and Friday, May 1st. The report reveals that all manufacturer representatives have seen their business disrupted to some degree currently. Given the lag in compensation that flows to manufacturer representatives it is important to look out over the coming 2 to 3 months to determine expectations for future impact. This metric gives cause for the greatest concern with 90% of members expecting serious to severe impact on their business in the coming 2 to 3 months. At this point, no workforce reductions have been reported. Cost controls measures have been put in place and by nature of reduced business travels there has been offsets to normal operating expenses. The good news is that manufacturer representatives have been relatively successful in receiving approval and funding for their PPP loan applications but lag behind the overall small business community. Eighty-six percent of manufacturer representatives applied for PPP loans and 50% received approval with most receiving funds at this point.

"ECIA's COVID-19 resources have been immensely helpful during the crisis," commented Alan Ahern, Chair of the ECIA Independent Manufacturer Rep Council. "Recently an email was sent alerting members to the government Small Business Association Coronavirus resource list. I was able to quickly find out what my state is doing to help businesses like mine," he continued. "It was super easy and delivered amazing results such as regular correspondence and town halls with my senator and it was all because of that ECIA email. I hope other people took action on that."

Access the synopsis report on the ECIA Coronavirus Resources page. Members can log in to review the complete report on the <u>members only page</u>.

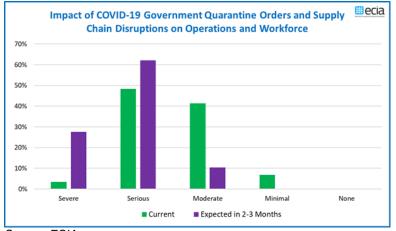


Figure 1 – Impact of COVID-19 Disruption on Manufacturer Representatives

Source: ECIA



Table 1 – Impact of COVID-19 Disruption on Manufacturer Representatives

Impact of COVID-19 Government Quarantine Orders & Supply Chain Disruptions on Operations and Workforce

IMPACT	Current	Expected in 2-3 Months
Severe	3%	28%
Serious	48%	62%
Moderate	41%	10%
Minimal	7%	0%
None	0%	0%

Source: ECIA

The full report is available to ECIA members and provides additional detail on how the COVID-19 pandemic has impacted manufacturer representatives and the status of their efforts to obtain loans and grants through the SBA and associated banks.

About ECIA

The Electronic Components Industry Association (ECIA) is made up of the leading electronic component manufacturers, their manufacturer representatives and authorized distributors. ECIA members share a common goal of promoting and improving the business environment for the authorized sale of electronic components. Comprised of a broad array of leaders and professionals representing all phases of the electronics components supply chain, ECIA is where business optimization, product authentication and industry advocacy come together. ECIA members develop industry guidelines and technical standards, as well as generate critical business intelligence. For more information, visit www.ecianow.org or call 678-393-9990.