**Assignment #1**

Due to the Covid 19 Pandemic numerous small business have not been able to continue operations, in an effort, to help level the curve and control the spread of this virus. Many of these small to medium sized enterprises (SME’s) are owned and operated by local entrepreneurs who have taken their ideas and built their business from the ground up. During the Covid 19 shut down many are not able to sell their products or services; this means their revenue has been shut down completely. To cut costs in order to survive many have had to lay off employees. It is a very difficult time for many SME’s.

Entrepreneurs by their nature accept some level of risk. They have struggled to build their business and have often weathered times where revenue was lower than expected. Now faced with a full  a loss of their revenue streams due to Covid 19 business have either had to 1) find new products or services that they can make and sell safely, or b) cut costs in an effort to keep losses tolerable until Covid 19 is over.

Choose a business in your community that has been forced to close during the Covid 19 shut down. For that business consider the following issues the business must deal with:

1. What is a sunk cost is? What sunk costs does this business likely have? Can you do anything about a sunk cost during Covid 19?
2. From the following list which are NOT sunk costs? Can you stop these costs during Covid 19?
3. Equipment
4. Incorporation Fees
5. Office Lease
6. Loan Payments
7. Inventory
8. Marketing
9. Website fees
10. Office Furniture and Supplies
11. Utilities
12. Payroll (employee wages)
13. Professional Consultants
14. Insurance
15. Taxes
16. Travel Expenses
17. Shipping
18. What are the challenges for small to medium sized businesses who have no money coming in?
19. What are some things a business could have done to prepare for an unexpected event such as Covid 19?
20. Are SME’s getting help from the Government during Covid 19? What type of support are they getting?
21. How are some businesses adapting, pivoting and or doing things different, or putting their businesses on hold? (Here is one example of many: Canadian restaurants are becoming online grocery stores)

**Here are some links to more examples**

<https://www.cpacanada.ca/en/news/canada/2020-03-26-covid-19-small-business-survival-tips>

<https://www.cbc.ca/news/canada/new-brunswick/struggling-musicians-covid-new-brunswick-1.5536490>

<https://www.cbc.ca/news/canada/new-brunswick/nb-businesses-have-started-mass-producing-ppe-1.5532798>

<https://www.cbc.ca/news/canada/new-brunswick/new-business-fredericton-saintjohn-1.5535587>)

Here is one of Fredericton’s big success stories, using Covid -19 as a opportunity to pivot.

<https://www.newswire.ca/news-releases/luminultra-will-supply-500-000-covid-19-tests-per-week-to-ca>

<https://www.cbc.ca/news/canada/new-brunswick/covid-19-luminultra-fredericton-chemical-test-trudeau-1.5533133nadian-government-874342760.html>