

Two in Three Minority Small Businesses Worry about Permanently Closing

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are concerned about having to **permanently close**

66% vs **57%** for non-minority businesses

METLIFE & U.S. CHAMBER OF COMMERCE SMALL BUSINESS INDEX

Minority-owned small businesses have been hit harder by the pandemic and corresponding economic crisis, according to a new [special report](#) released today by the U.S. Chamber of Commerce and MetLife.

By the numbers:

- Two in three (66%) minority small businesses are concerned about having to permanently close their business versus 57% for non-minority small businesses.
- Two-thirds (66%) of all small businesses acknowledge that minority-owned businesses have been disproportionately impacted by COVID-19.
- The number of small businesses believing minority-owned small businesses face more challenges than non-minority-owned ones increased from 52% in January to 69% in July.

Additional findings include:

- **Minority-owned businesses are more likely to have tried and failed in securing a loan.** Minority-owned businesses are slightly more likely to report trying and failing to secure a loan to help survive the economic turmoil (13% versus 8% of non-minority businesses). Viewed as a percentage of those who have applied for a loan, 35% of minority-owned businesses came up empty, compared to 30% of non-minority businesses.
- **More minority-owned businesses expect revenue to decrease.** The number of minority-owned businesses expecting revenue to decrease in the next year has shot up fivefold since the beginning of the year (5% in Q1 to 24% now).

- **Gaps exist in views around reopening.** Minority-owned businesses are more concerned about the risks COVID-19 poses to their customers and employees (70% versus 58% of non-minority-owned small businesses).
- **Majority of small businesses believe it is important to take steps toward racial equality.** The two actions seen as particularly critical are making a commitment to fairness in hiring, promotion, and pay (79% view this as important), and supporting local, Black-owned businesses (74%).
- **Small businesses report taking some form of action to address or promote racial equality this year.** 35% have issued a statement of support for racial equality and fairness, 28% have found ways to support local, Black-owned businesses, and 18% report reevaluating their hiring, promotion, and compensation practices.

What we're saying: "The pandemic's disproportionate impact on minority-owned small businesses is further evidence of systemic inequalities in our country. Even more concerning, the pandemic could exacerbate and elongate the economic struggles already facing minority-owned businesses and families," [said Suzanne Clark](#), president of the U.S. Chamber.

What we're doing: Today, we sent a [letter to Congress](#) endorsing more than a dozen bills to close inequality gaps. Read more below in Chamber in Action. These bill endorsements are informed by research in the Chamber's [America's Opportunity Gaps](#) report released in June.

ICYMI: Rick Wade, U.S. Chamber Vice president of Strategic Alliances and Outreach discussed the report's finding with [Yahoo! Finance](#).