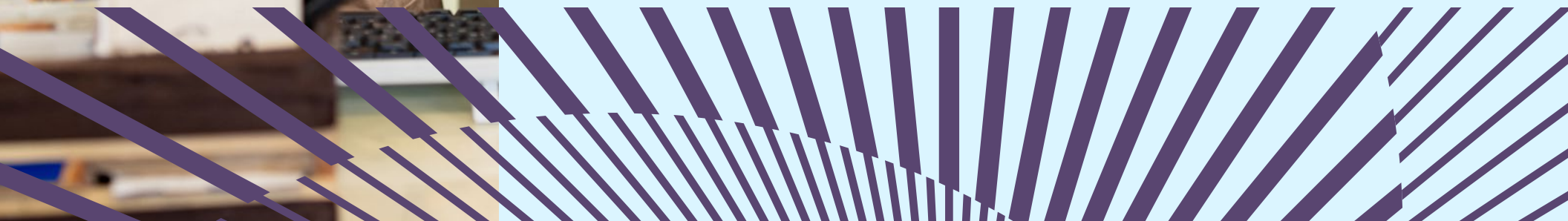


U.S. Chamber of Commerce
Foundation

Small Business Readiness for Resiliency

2023 Impact Report

FedEx®





Introduction

FedEx has long been a champion of small business preparedness. FedEx business services and FedEx Cares programs work towards the recovery and resiliency of small businesses and communities impacted by disasters. The U.S. Chamber of Commerce Foundation, the 501(c)(3) affiliate of the U.S. Chamber of Commerce, harnesses the power of business to create solutions for the good of America and the world. The organization has a long history of disaster preparedness, response, and recovery programming—particularly for small businesses, as they represent a large share of economic activity and local employment in their community.

Through this need for small business resiliency and our organizations' experiences, the U.S. Chamber Foundation proposed a partnership with FedEx to build the [Small Business Readiness for Resiliency Program \(R4R\)](#). This program helps prepare small businesses for a disaster and quickly disburses funds to those businesses when needed after a disaster.

This report serves as a reflection of those commitments, highlighting the work of both organizations to improve economic and community disaster recovery for small businesses. Building resiliency for natural disasters is vital for small businesses, which are critical to their communities. Whether it be direct impacts, such as inventory loss, local infrastructure collapse, and structural losses; or indirect impacts, such as the reduction in consumer traffic or impacts on employees, a disaster can mean the end of a small business if it is not prepared.

The Need for Small Business Resilience

Small businesses serve as the economic engine of the U.S. There are 33.2 million small businesses in the country, which account for 99.9% of all U.S. businesses. However, these businesses often struggle in the aftermath of disasters and how to prepare for the next one. The U.S. Federal Emergency Management Agency (FEMA) and the Institute for Business and Home Safety [estimate](#) that 25% of businesses do not reopen following a major disaster.

Several federal agencies, such as the U.S. Small Business Administration (SBA), offer funding or loan programs dedicated to small business disaster recovery. However, not all small businesses in a federally declared disaster may qualify for these sources of funding. Business owners may be disqualified due to poor credit, a lack of collateral or liquid assets, defaulting on other federal loans, or a criminal record. For this reason, other forms of financial assistance must be made available to protect the resilience of the small business community.

Fostering a culture of preparedness in small businesses can significantly limit disaster damage. A [2022 Harvard Business Review study](#) found that simple risk management approaches, such as a business continuity plan, improved small business recovery by 30%. However, a [California Small Business Development Center survey](#) revealed that 72% of small businesses do not have a disaster plan, making them extremely vulnerable. As disaster costs continue to rise, it is imperative to promote preparedness as a fundamental strategy for resilient commerce.

Disasters of all kinds happen year-round



Winter

Winter Storm
Tornado
Extreme Cold



Spring

Extreme Cold
Extreme Heat
Tornado
Severe Storm



Summer

Wildfire
Hurricane
Extreme Heat



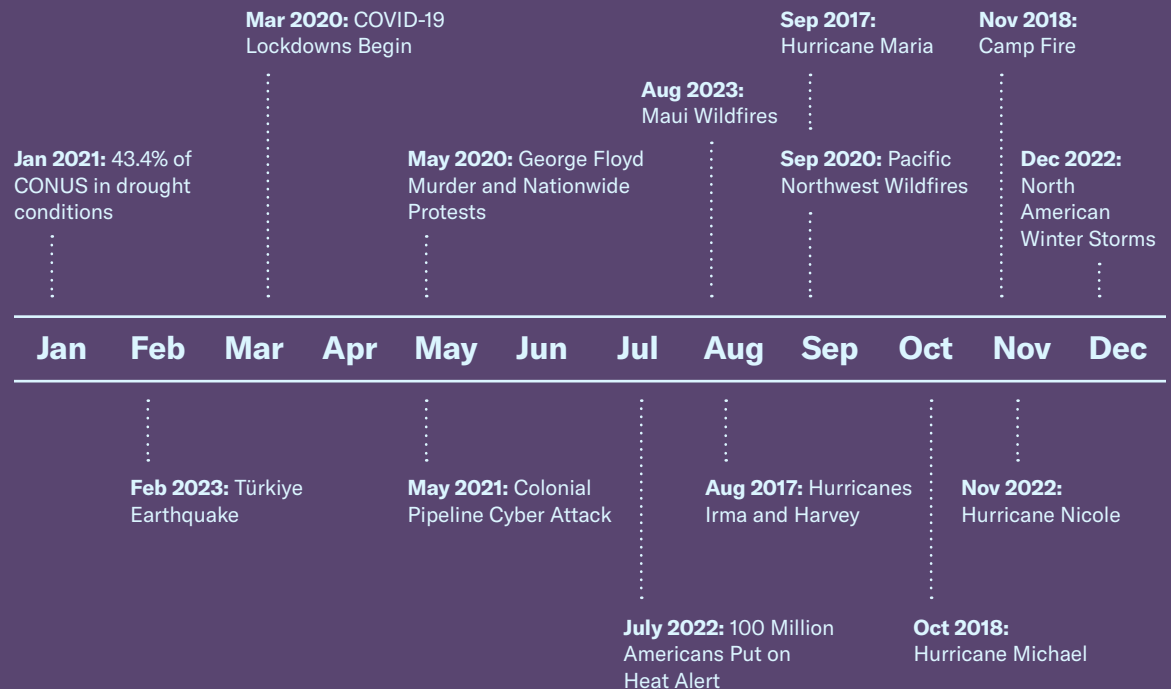
Fall

Hurricane
Wildfire
Extreme Heat
Tornado



Anytime

Public Health
Earthquake
Drought
Civil Unrest
Cyber
International Conflict



Overview

R4R addresses the challenges of small business disaster recovery funding and bridges the knowledge gap for disaster preparedness among small businesses. The program seeks to:

- Shift response-oriented giving to planned readiness and resilience for small businesses
- Build resilience in areas most prone to climate-based disasters
- Increase the speed in which community commerce can resume after a disaster
- Raise awareness of the positive effects of prepared small businesses
- Build a body of knowledge with small business insights to develop thought leadership

In 2022, FedEx pledged an initial \$3 million to provide 100 grants annually through June 2026 to fund small business preparedness and recovery grants, as well as program marketing. Since the program's inception, Allstate has also become a contributor to the R4R program, donating \$198,000 to promote small business disaster preparedness in the Texas Gulf Coast.

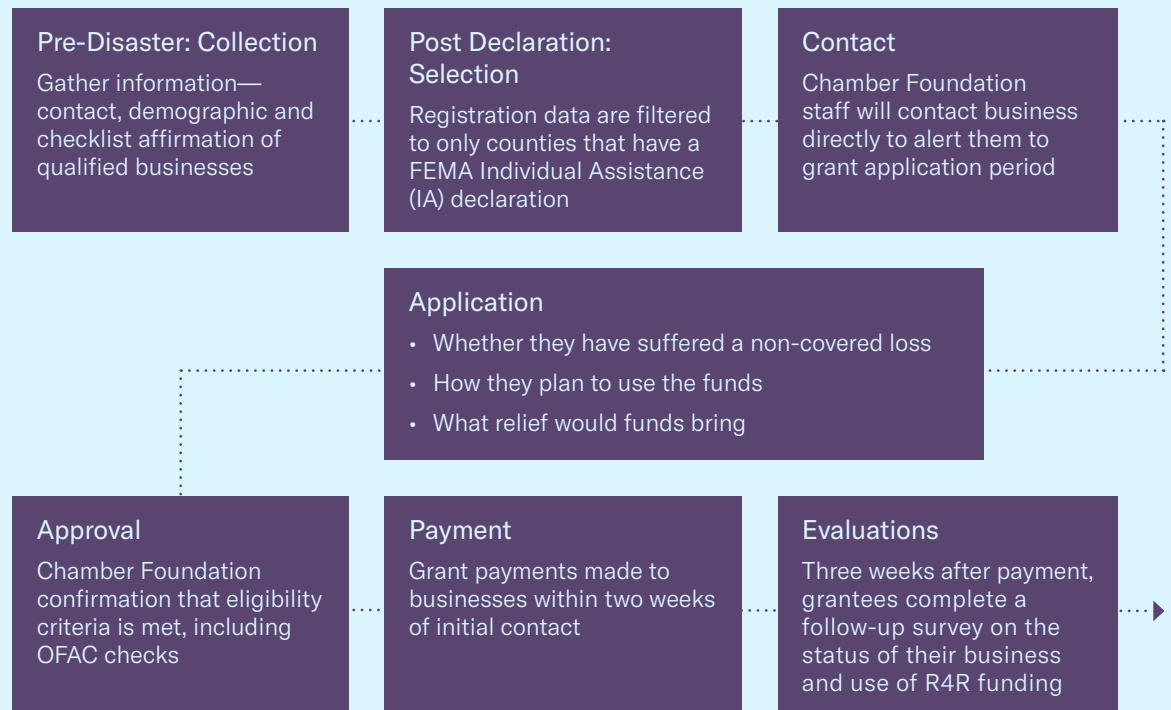
The R4R grant program incentivizes small businesses to become prepared by first completing an Emergency Preparedness [Checklist](#).¹ The checklist allows businesses to assess their disaster preparedness by asking three questions:

- 1. How vulnerable would the business be if a disaster or other emergency were to occur?**
- 2. What is the plan to protect the business and its employees and customers before, during, and after an emergency?**
- 3. What can the business do to integrate emergency preparedness procedures into its workplace culture?**

Past Disasters Supported by R4R

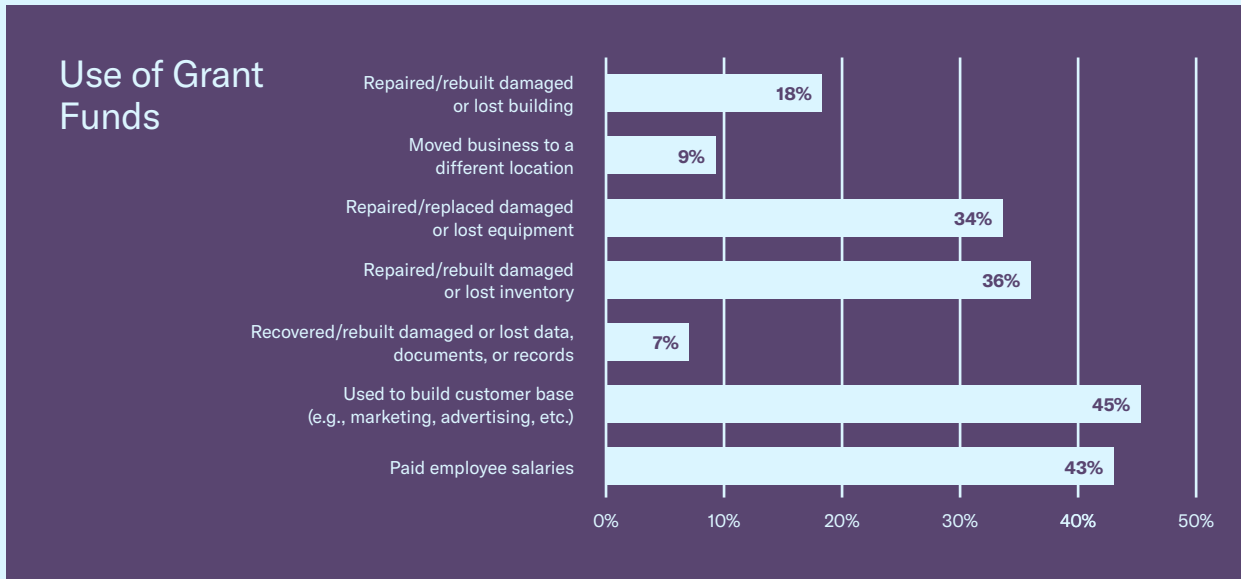
Flooding in Kentucky	July 2022	Wildfires in California	April 2023
Hurricane Fiona	September 2022	Flooding in Florida	April 2023
Hurricane Ian	October 2022	Flooding in Mississippi	August 2023
Hurricane Nicole	November 2022	Wildfire in Hawaii	August 2023
Tornadoes in Alabama, Georgia	February 2023	Flooding in Illinois	August 2023
Wildfires in California	February 2023	Hurricane Idalia	August 2023
Tornadoes in Arkansas, Indiana, Minnesota, Tennessee	April 2023		

Support Moving at the Speed of Business



¹ The small business definition follows the SBA's definition of small business by employee count (under 500 employees for most industries).

A Closer Look at R4R






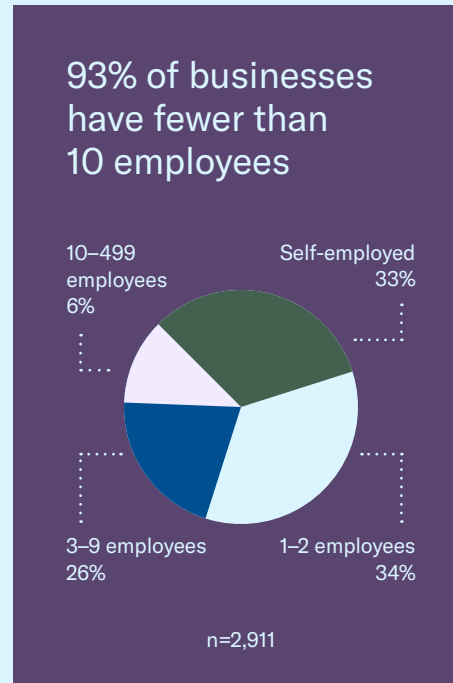
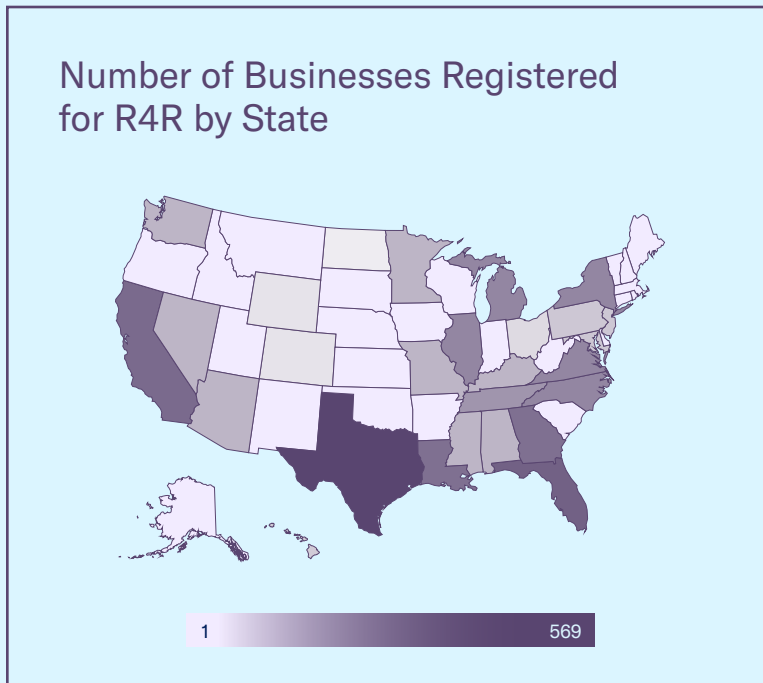
The checklist also lists helpful tips for businesses, such as assessing the most impactful disasters to business operations, creating an emergency action plan, and training employees and community members in preparedness.

Once a small business completes the Emergency Preparedness Checklist and registers for the program, they have the opportunity to apply for unrestricted \$5,000 payments if a FEMA Individual Assistance (IA) disaster declaration occurs in their county, and they certify they were harmed by the disaster and exhibit actual need.

R4R Businesses

2,911 businesses have registered for the program. Top three states with the most R4R businesses:

- 1 Texas (569) 
- 2 Florida (321) 
- 3 California (305) 



Success Stories

The R4R program has provided 51 \$5,000 grants to various small businesses across the U.S. and its territories. In a follow-up survey, business owners reported using the funds to cover critical expenses, from repairing or rebuilding damaged structures, equipment, or data, to supporting staff wages or building their customer base. Business owners also discussed lessons learned and the impact of R4R on their overall preparedness. To the right are some real-life stories from businesses that benefitted from the program.

51 business owners received a grant

19 industries

50 states

DC + 4 territories

BISTRO DEL MAR

Bistro del Mar is a minority-owned small business specializing in food and beverage services in Luquillo, Puerto Rico. Founded in 2019 by Marina Martinez, the business was impacted by Hurricane Fiona resulting in a complete loss in staff, permanent closures, and a reduction in revenue. Marina used the R4R grant to build her customer base through marketing and advertising, as well as covering basic utilities and expenses like rent, water, and electricity.

SWEET ADVANTAGES 2 ICE CREAM SHOP

Sweet Advantages 2 Ice Cream Shop is a minority-owned small business in Selma, Alabama that opened in 2007. The business was impacted by tornadoes in early 2023, resulting in a reduction in staff, temporary closures, and a loss in revenue. The loss of inventory and availability of employees, impacts on its customer base, and a need for long-term business financing kept owner Towanda Friday from re-opening the business to its fullest potential. With the assistance of the R4R grant, Towanda was able to repair and replace damaged or lost inventory, expand their advertising and marketing, and pay employee salaries. The grant allowed Towanda to reopen her ice cream shop and serve her community.

AMERICAN FAMILY & SPORTS CHIROPRACTIC CENTER, INC.

American Family & Sports Chiropractic Center, Inc., based in Port Orange, Florida, specializes in health care and social assistance. More than 20 years old, the business needed to close temporarily during Hurricane Ian in 2022 and faced a reduction in revenue. As an R4R grant recipient, founder Elizabeth Hennighan was able to rebuild her customer base through marketing and advertising, as well as pay employee salaries with the funding she received.

SWEET & SALTY ISLAND GRINDZ

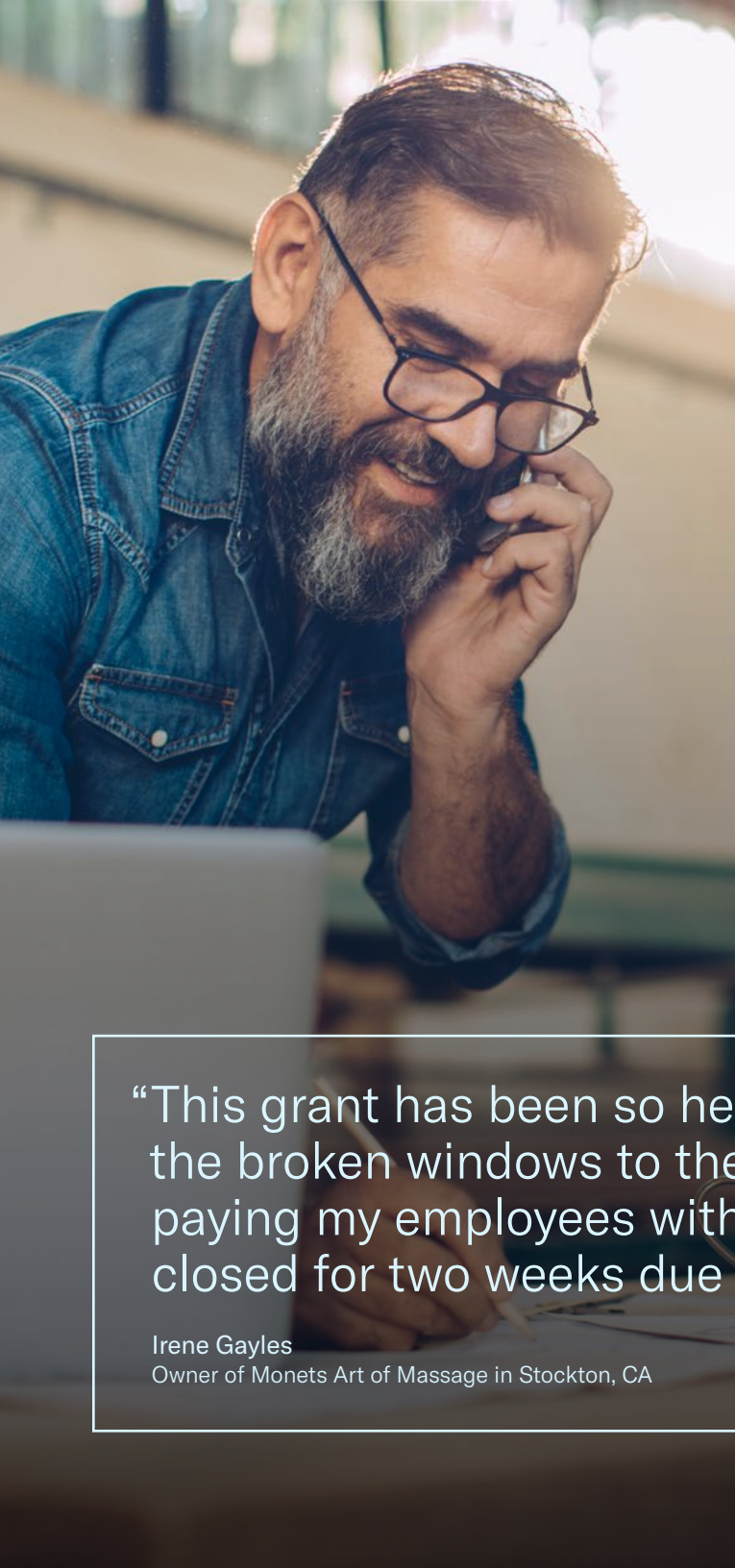
Sweet & Salty Island Grindz provides food and beverage services in Sanford, Florida. Impacted by Hurricane Ian in 2022, the business closed temporarily and had to reduce its staff. Owner Sonya Rogoobeer struggled with the availability of her employees, an impact on her customer base, and desperately needed short-term capital to help her business. With recovery resources hard to come by, she was able to turn to R4R for assistance. Sonya used the R4R grant to repair and replace damaged equipment and inventory, as well as relocate its storefront, helping her keep her business afloat.

2 FOR 1 REALTY ADVISORS

2 for 1 Realty Advisors is a minority-owned real estate advisory small business located in Titusville, Florida. Founded by Clement McDowell in 2012, the business was impacted significantly by Hurricane Ian with headcount and revenue reductions and long-term closure. McDowell used his R4R grant to repair and replace damaged and lost inventory and equipment, build his customer base, and make payroll.

RJS UNLIMITED LLC

RJS Unlimited LLC is a minority-owned business specializing in professional, scientific, and technical services in Palo Alto, CA. Founded in 2019 by Rycklon Stephens, the business was impacted by the flooding in California in early 2023, resulting in a reduction of headcount and temporary closures. Rycklon used the R4R grant to build a customer base through marketing and advertising, pay rent, and cover repairs from damage. Rycklon noted the preparedness steps taken prior to the flooding, including gathering essential documents, backing up electronic data offsite, and having a better understanding of business insurance coverage, all improved the odds of reopening.



What Our Grantees Are Saying

“I am very grateful for the U.S. Chamber of Commerce Foundation for this grant. It comes right at a very difficult time in life and business and helps tremendously for the business to sustain. It also provided a great up-lifting spiritual support with hope and encouragement.”

Susan Su
Owner of Page by Page Inc.
in Oakland, CA

“Selma is built on small businesses and it is hard for us to get things back in order without exhausting all resources. The R4R grant helped us to at least get back on our feet, especially when other sources such as FEMA and SBA take months for approval.”

Towanda Friday
Owner of Sweet Advantages 2 Ice Cream
Shop in Selma, AL

“This grant has been so helpful with repairing the broken windows to the storefront and paying my employees with the business being closed for two weeks due to the weather.”

Irene Gayles
Owner of Monets Art of Massage in Stockton, CA

Conclusion and Next Steps

Small businesses are the cornerstone of American communities and commerce. As the frequency and intensity of disasters increase, small businesses must be prepared to protect the livelihoods of countless people and communities across the country. R4R serves a critical role in meeting this goal—providing businesses with preparedness strategies and financial assistance if impacted by a disaster.

As R4R continues to grow, there are opportunities to make sure the program provides immediate impact, invests wisely in national small businesses, and leads the charge to incentivize disaster preparedness. The Foundation has a goal to prepare 10,000 small businesses by 2026. Meeting this goal can be done by marketing the program through social media, podcasts, and other public small business resources.

To learn more about the R4R program, visit [this website](#) for more information on eligibility and how to apply.

GOAL

Prepare 10,000 small businesses by 2026

Immediate Impact

- Incentivize America's small businesses to prepare for increasing disasters
- Nation-wide commitment to resilient communities through prepared small businesses

Smart Investment

- Invest in the economy of communities nationally through small businesses
- Consistent approach to scaling against more climate-based disasters

Lead Change

- Shift to incentivized preparedness
- Address a long-standing gap for small businesses planning for disasters and access to capital after

