Pandemic-hit businesses lean on local chambers

By MICHAEL KOHN
The Bulletin

Dean Guernsey/The Bulletin
Bend Chamber of Commerce members, from left, Katy Brooks, Garrett Jaenicke and Bob Savage with some of the PPE supplies issued to businesses.

BEND — Adaptability has proven to be a key asset during the global pandemic. Schools have gone online, real estate agents do Zoom home tours, and bars now sling to-go cocktails. Quietly behind the scenes, your nearest chamber of commerce has likely also gone through a dramatic transformation.

Chambers that once served as networking hubs have become lifelines, supporting pandemic-slammed businesses to get a federal loan or pick up personal protective equipment. Their mandates have transformed from business promotion to business saviors, assisting local entities hamstrung by the lockdowns and restrictions.

"We are that collaborator, that convener when things need to come together, that is our charge," said Garrett Jaenicke, director of marketing for the Bend Chamber of Commerce, which has around 1,500 members.

When the pandemic hit, said Jaenicke, local businesses were scrambling to apply for a Paycheck Protection Loan and finding out where to get their hands on personal protective equipment. Chambers of commerce helped with that learning process, acting as a conduit between the public and private sectors.

"Understanding what businesses needed right off the bat was a big challenge," said Jaenicke. "Everyone was trying to figure things out on the fly."

The Bend Chamber put together COVID-impact webinars, assisted small businesses during their loan application process, and helped to distribute $1.2 million in CARES Act grants.

"The videos they did, online seminars were very helpful. It was good to see what they were doing and what others were doing to follow COVID rules but not go out of business," said Larry Sidor, brewmaster for Crux Fermentation Project.

Chambers across the region also acted as a repository for masks, face shields, and other PPE, especially at the start of the pandemic when shortages of such products were common.

The protective gear was collected from various federal, state and city sources and distributed to local businesses. Recipients included restaurants, childcare centers, shops, construction sites and other businesses.

"We distributed a ton of PPE," said Eric Sande, executive director of the Redmond Chamber of Commerce, which has around 820 members. "We called our group the Redmond Rallies Team."

Sidor from Crux said his brewery was one of the local outfits to take advantage of protective equipment distributions.

"We took advantage of that when it was hard to come by," said Sidor.

While their efforts helped hundreds of businesses navigate tricky times, the lockdowns inevitably put a few local shops out-of-business and pushed others to the brink of collapse.

Jaenicke estimates that around 20% of businesses have fallen into deep economic despair. Only 15% of local businesses could call 2020 a success, he said. In between the two extremes, most companies are barely getting by.

"Anybody in an in-person type of business really got hit hard and they are still reeling at this point," said Jaenicke. "Some have done really well, like real estate and tech. So some got a bump and others were just devastated."

Now the chambers in their respective communities are looking ahead to the rest of 2021, with their focus on getting Central Oregonians to shop locally and support businesses right through the worst of the pandemic.

The big box stores will come out the other end of the pandemic in-tact, but it's up to local communities to help the mom and pop shops get across the finish line.

Katy Brooks, chief executive of the Bend Chamber of Commerce, said grocery stores are taking business away from local restaurants as people are eating at home, and asks the public to support local restaurants, especially those that are relying on takeout.

"Take-out food from restaurants that are more geared toward sit-down style," said Brooks. "That will help them survive."

Brooks is also asking the public to avoid Amazon when possible and look for products that are available at smaller shops around town. Gyms and fitness centers are more difficult to support, she said, but some may be offering online classes.

Sande and his team of three employees are blasting out the "shop local campaign" on Facebook, Twitter, Instagram, and other social media platforms.

"We try to encourage people to make a habit of shopping local and make a conscious effort to support local businesses," said Sande. "If we all work together, we can make a difference and help our businesses survive this challenging time."

Three things you need to know if you're new to gig work

MILLENNIAL MONEY

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Shutdowns, layoffs and salary cuts brought on by the coronavirus pandemic have left millions of Americans searching for new sources of income. Those who've recently turned to gig work may be weeks away from a financial surprise in the form of unexpected tax bills and insurance coverage fine print.

"These are the two key items that most new business owners overlook," says Chris Russell, a San Diego-based certified financial planner who specializes in business owners and the self-employed.

Don't consider yourself a small-business owner? Well, let's start there.

To the IRS, you are a small business

Sure, you're just running food deliveries. But that simple act makes you a small business in the eyes of the IRS. And that opinion is the only one that counts when it comes to taxes.

"Basically, you're considered an independent contractor," says Garrett Watson, a senior policy analyst with the Tax Foundation, a nonprofit organization. "You don't need to do anything super complicated. You don't need to incorporate or do anything like that."

But you do need to pay taxes on any money you earn through gig work. This fact is often an unwelcome, and expensive, surprise for new gig workers. As an employee, income and payroll taxes are automatically withheld from your paycheck. That's not the case for gig workers, Russell says.

"No taxes are deducted from the money you make as a business owner," Russell says. "Meaning that you will likely owe a lot of money to the IRS when you file your returns."

A good rule of thumb: For every dollar you earn doing gig work, save 30% to put toward income and self-employment taxes. Going forward, plan to estimate and pay those taxes quarterly to avoid a penalty from the IRS.

And if you're thinking "I didn't earn much. I won't report it. How will the IRS know?" Don't. It'll know.

Expense tracking is your best friend

Gig work isn't all money in the bank. You are incurring expenses, too. Keep track of those as you can likely deduct some of them and lower that tax bill we talked about a second ago.

"Keep good and honest records to take advantage of all deductions that you're entitled to," says Ryan Greiser, a certified financial planner in Doylestown, Pennsylvania.

Apps like Stride, Hurdlr and MileIQ automatically track your mileage and expenses, for free or a nominal fee, to help you calculate taxes. Depending on your situation, Greiser says QuickBooks might be worth exploring.

"It is a small investment to track expenses, estimate your quarterly taxes, track your mileage and pay your quarterly taxes online," Greiser says.

You also want to investigate the nuances of what can and cannot be deducted depending on your slice of gig work, Watson says, pointing to ride-hailing services as an example.

Say you drop a passenger off and drive across town to find your next ride, he says. Can you deduct the cost of gas used in between rides? (You can.)The IRS Gig Economy Tax Center is a good place to find answers to your questions.

Insurance can be complicated

The IRS isn't the only agency that needs to know about your new income stream. Your insurance agent needs to be clued in, too. Not disclosing your work could get you dropped from your policy in some cases. Your insurance agent can help you understand what aspects of your gig work are covered.

Transporting food or people? You need to know if your personal car insurance policy covers incidents while you're on the job (It likely won't.). Rideshare or commercial auto insurance could fill in the gaps.

While the platform you work on might cover you with a commercial policy, it only kicks in under specific circumstances. It's important to know the details of that coverage.

Uber and Lyft provide commercial coverage for drivers, but it applies only if you have passengers in the car or are on the way to pick up a passenger after accepting a ride.

DoorDash provides liability coverage only and just when food is in your car.

Grubhub and Instacart don't provide any commercial coverage for delivery drivers on their platforms.

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Kelsey Sheehy is a writer for the personal finance website NerdWallet.

PepsiCo goes Beyond Meat in new deal

Partnership would use plant-based proteins to create snacks, drinks

By DEE-ANN DURBIN
Associated Press

PepsiCo and Beyond Meat are creating a joint venture to develop snacks and drinks made from plant-based proteins.

The companies didn't reveal what kinds of products they will make Tuesday, Jan. 26, saying they're still in development.

But the collaboration sent Beyond Meat's shares to their largest single-day gain since they began trading in 2019, jumping by more than $62 each to $221. Pepsi's shares remained flat.

The join venture gives Pepsi access to one of the leading plant-based meat companies at a time when consumers are increasingly cutting back on meat consumption and looking for healthier, more sustainable foods. Beyond Meat's burgers, sausages and chicken, which are made from pea protein, are sold worldwide, including at Starbucks in China and Pizza Hut in the U.S.

Beyond Meat gets access to to Pepsi's distribution system and broad product line. Pepsi makes Fritos, Cheetos and Tostitos, as well as Matador beef jerky.

It's a shot in the arm for El Segundo, California-based Beyond Meat, which had been struggling to convince investors of its growth opportunities as competition increased. Beyond Meat shares plummeted in November after retail sales stalled and McDonald's hinted that it might work with another supplier on a new plant-based burger for the U.S. market.

Food companies are jumping into the plant-based space. In 2019, Chobani introduced coconut milk-based yogurt and Nestle brought out plant-based burgers and ground meat. Tyson Foods, which used to own a stake in Beyond Meat, has its own line of plant-based meats.

Consumers are eager to try those products. U.S. sales of plant-based meat jumped 45% in the 52 weeks ending Jan. 16; traditional meat sales rose 19% in the same period, according to NielsenIQ, a data firm. Total U.S. sales of plant-based proteins — including products like almond milk and plant-based eggs — jumped 19% over the last year, outpacing the 14% increase in all food sales.