



BNB Resiliency and Recovery Program  
Sponsored by BNB Bank

# Seasonal Business Management

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## BNB Resiliency and Recovery Program - Sponsored by BNB Bank

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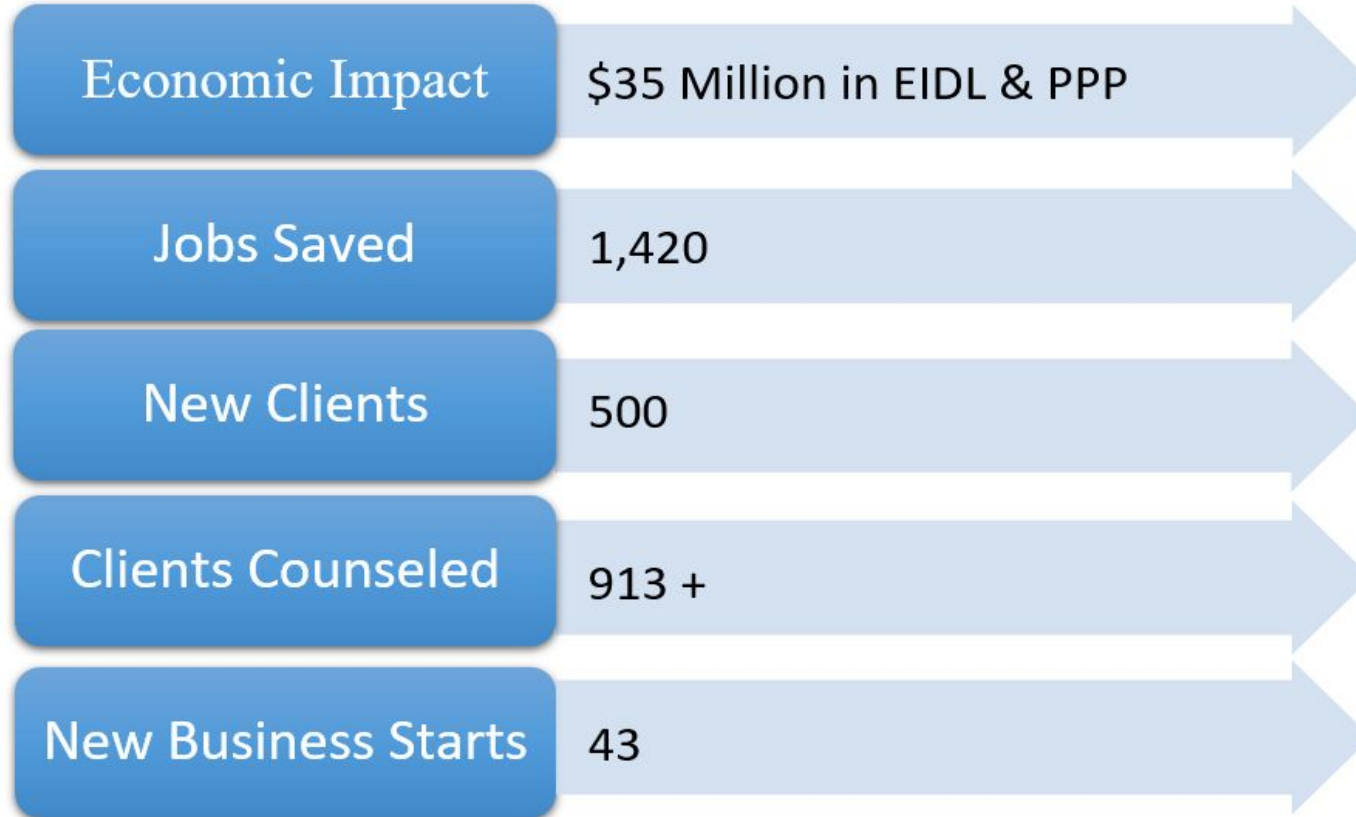
**Brenda Zhang** - CPA, Business Advisor





# STONY BROOK SBDC

## 6 Month Pandemic Overview



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**Stony Brook Small Business Development Center:**  
**Helping You Start Up or Grow Your Established Business**

The mission of the Small Business Development Center is to strengthen the small and medium size business community by providing customized business solutions through free and confidential one-on-one business advisement, education, research and advocacy for entrepreneurs and innovators.

<https://www.stonybrook.edu/commcms/sbdc/>



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## What are seasonal businesses?

- **A business dependent on weather**
- **A business that is linked to tourism or holiday seasons**
- **Agencies who get paid depending on client budget cycles**
- **A business that is busy because of a specific event or occasion**
- **Writers writing for magazines that get shorter during summer**

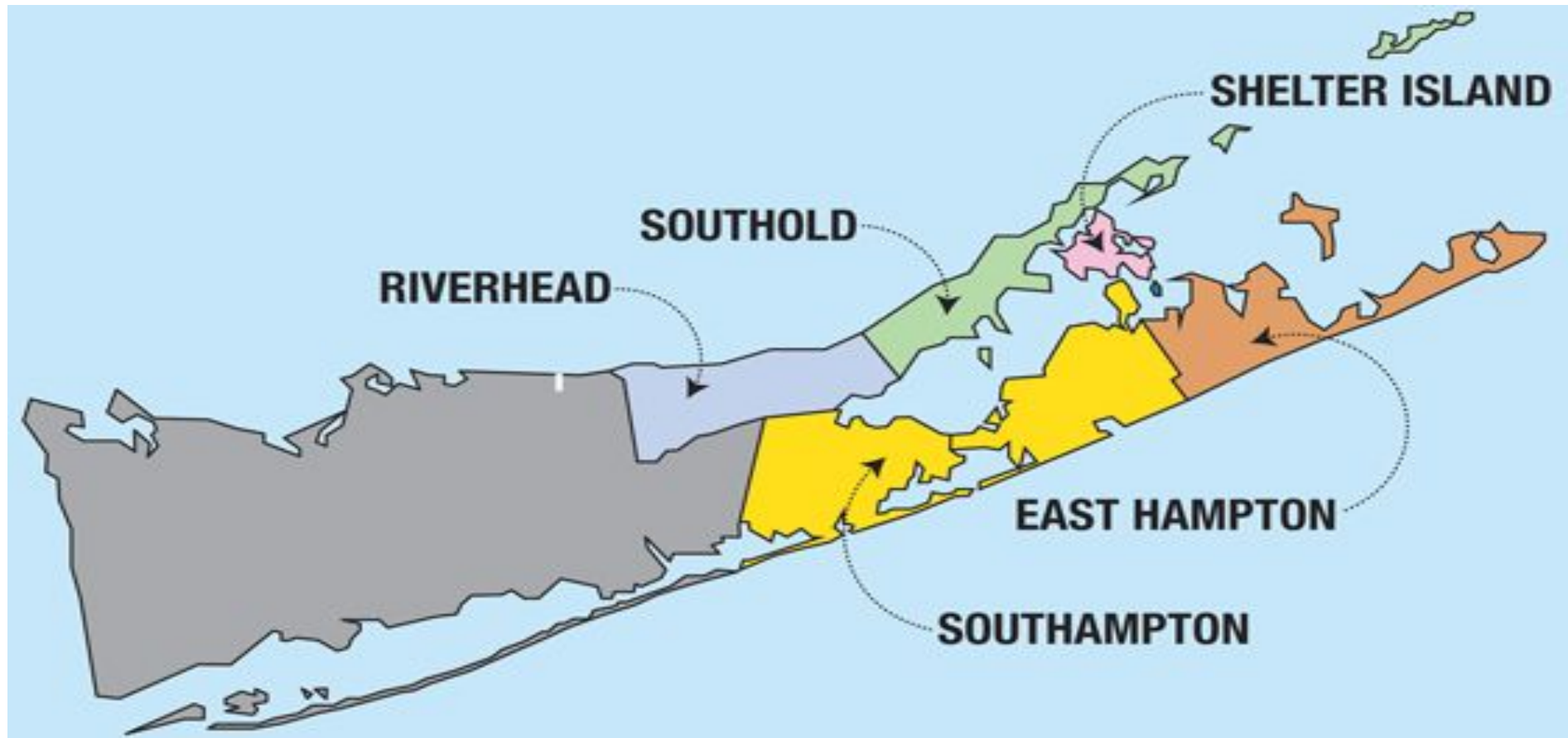


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# Example...



# Common Problems of Seasonal Businesses

- Poor cash flow
- Difficulty on expense control
- Inability to predict fluctuating cycles
- Lack of staff during high season
- Excess inventory at the end of the peak season
- Lack of activity during low season
- Not knowing what to do with free time during the offseason
- Not knowing how to keep customers interested all year



# Problem Solving

- **Cash Flow Management**
- Inventory Management
- Off-Season Management
- Reopening Guidelines



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# Accounting Basics

## Balance Sheet:

What you own...

What you owe...

What you are worth...

## Income Statement (Profit & Loss):

Reflecting ongoing operations

## Cash Flow Statement:

Operation / Finance / Investment activities



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# CASH FLOW

VS.

# NET PROFIT

## Definition

Money coming in (Inflows)  
vs.  
Going out (Outflows)

Operational concept,  
look at your bank account!

Income from services or products  
vs.  
Cost to deliver them

Accounting concept,  
call your accountant!

## What does it measure?

Solvency, or the ability to pay a  
company's bills

Financial performance  
of a company

## What are we aiming for?

Having **positive cash flow**

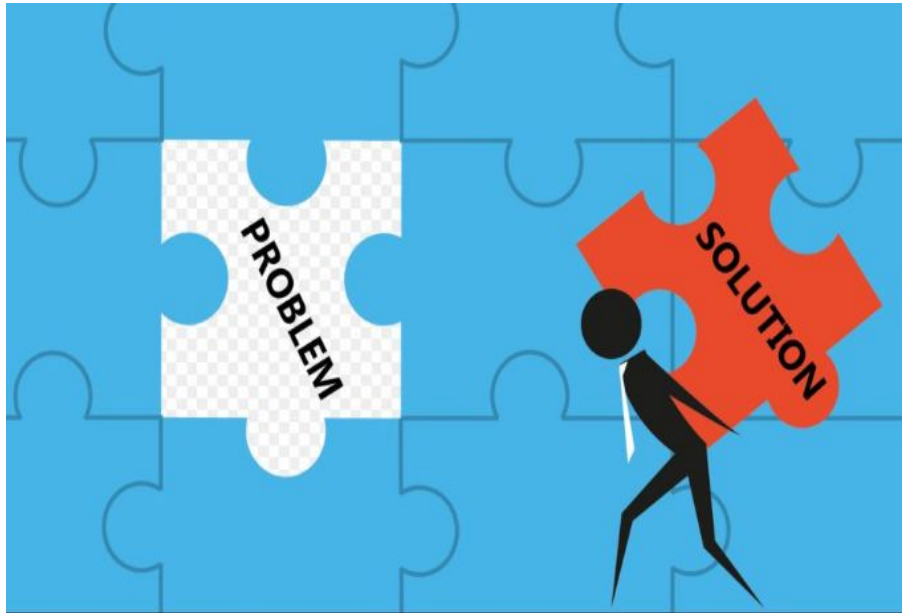
Inflows > Outflows

Being **profitable**

Income > Expenses



# Cash Flow Management



- **Do Cash Flow Forecast**
- **Manage Account Receivables**
- **Get help with financing for slow seasons**





# Cash Flow Management - Projection

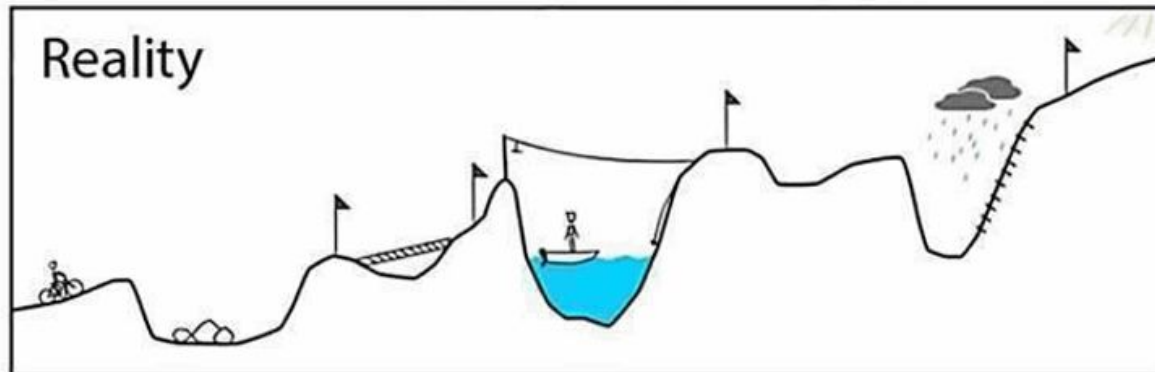
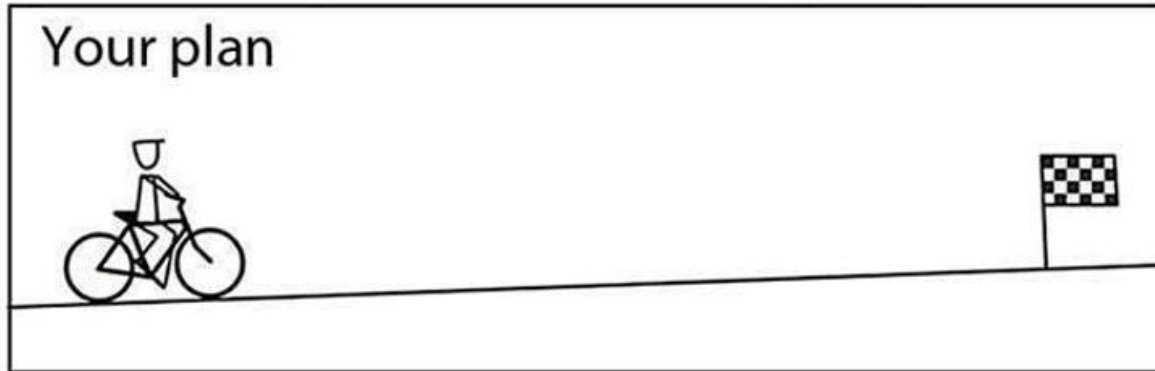
**Cash flow is the net amount of cash and cash-equivalents being transferred into and out of a business. It comes in three forms: operating, investing, and financing.**

**Cash flow can be quite fluctuating for seasonal business. It's crucial to prepare the projection to gain additional insight about your business's finance.**

- Create a baseline for expenses
- Plan a year in advance
- Track as much as you can



# Cash Flow Management - Projection



- ❑ Cash flow forecasting for all expenses requirements in the following season, anticipate future needs
  - ❑ Guide and template  
<https://bench.co/blog/operations/cash-flow-forecasting/>
- ❑ Small business cash flow projection  
<https://templates.office.com/en-us/small-business-cash-flow-projection-tm16410107>



# Cash Flow Management



Stony Brook SBDC's Resiliency and Recovery Program Webinar

Cash Flow and Inventory Management

Thursday Sept 24th



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# Cash Flow Management - A/R

Cash Sales  
**VS**  
Credit Sales

**Accounts receivable (A/R) is the balance of money due to a firm for goods or services delivered or used but not yet paid for by customers.**

- **Send invoice soon after you make each sale**
- **Shorten the payment terms (net 10 )**
- **Offer incentive for early payment ( 2/10, net 30)**
- **For large sales, collect deposit in advance**
- **Follow up with late-paying customers**

# Cash Flow Management - Finance Options

The seasonality nature causes some months to be lower in sales, which, in turn, may causes cash flow issue.

Loan types	Max amount
Merchant Cash Advance	\$2.5K - \$250K
<u>SBA Loan</u>	\$5K - \$5M
<u>Business Term Loan</u>	\$25K to \$500K
<u>Business Line of Credit</u>	\$10K to over \$1M
<u>Invoice Financing</u>	Up to 100% of invoice value
<u>Startup Business Loan</u>	\$150K
<u>Equipment Financing</u>	Up to 100% of equipment value
<u>Short-Term Business Loan</u>	\$2.5K - \$250K
<u>Personal Loan for Business</u>	\$35K

# Problem Solving

- Cash Flow Management
- **Inventory Management**
- Off-Season Management
- Reopening Guidelines



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# Inventory Management

Inventory management refers to the process of ordering, storing and using a company's inventory.

## Benefit:

- Avoiding lost sales
- Gaining quantity discounts
- Reducing COGS (cost of goods sold)
- Achieving efficient production runs

**Too much inventory may cause liquidity issue!**

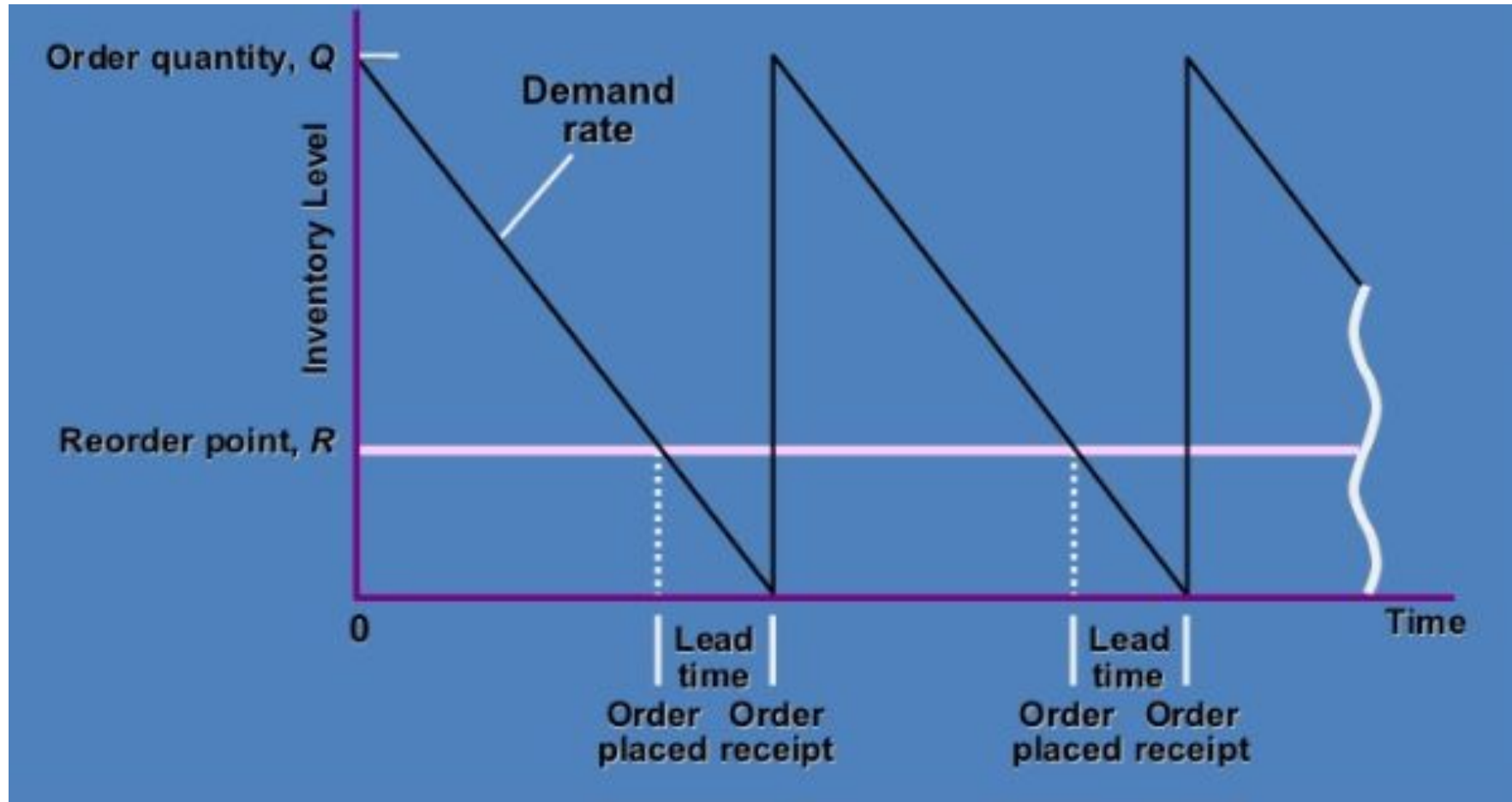


# Inventory Management

- Track historical data and stay up to date on industry trends to develop plan on inventory level on peak season and the reordering point
- Keep good vendor relationship for low cost, and better payment terms
- Pay close attention to your top selling items
- Bundle items together and sell as a package deal
- Calculate your inventory storage expenses
- Know the lead-time from your various suppliers and make sure you have everything set up and ready for your peak season

# Inventory Management

Reordering Point System:



# Problem Solving

- Cash Flow
- Inventory Management
- **Off-Season Management**
- Reopening Guidelines

# Off-Season Management



## Professional Sports

1. Draft players
2. System development
3. Strategic planning
4. Training



## Seasonal Businesses



1. Industry research and network with potential partners
2. Streamline process / apply software
3. Diversify Your Income
4. Employee management and training

## NYS Shared Work Program

<https://dol.ny.gov/shared-work-program-0>



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# Online Platforms to Create a Website



## SquareSpace

### Pros

- Easy To Set Up
- Great For Simple Stores
- Template Designs Provided

### Cons

- Limited Ecommerce Integrations
- Limited Payment Gateways
- No Phone Support



## GoDaddy

### Pros

- Fastest and easiest to build
- Cheapest option

### Cons

- Limited creative control
- Some features lack quality



## BigCommerce

### Pros

- Flexible and scalable
- Excels with multi-channel selling
- Strong SEO Performance

### Cons

- Inconsistent loading speed
- High volume stores pay more
- No one-Click Selling



## Shopify

### Pros

- Fastest Load Time
- Easy Set Up
- 1-Click Selling Apps Available

### Cons

- Weak SEO
- Checkout Not Customizable
- Apps Can Become Costly



# Social Medias



#Create hashtags!

Stony Brook SBDC's Resiliency and Recovery Program Webinar  
**Social Media - Attracting and Retaining Customers**  
Tuesday Sept 29th



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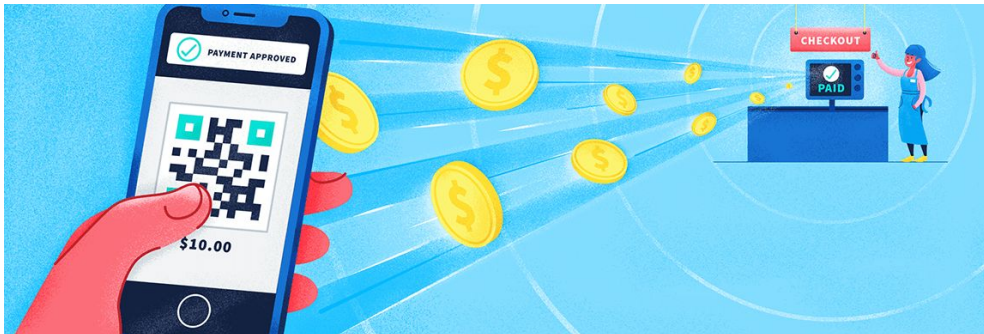
# SBDC Stony Brook - Small Business Tech Enhancement Program

The SBDC has partnered with Suffolk County Forward Program and Stony Brook University Colleges of Business and Engineering to assist Suffolk County small business owners enhance online technology capabilities. The Technology Enhancement Program will assess small businesses' current technology profile, pinpoint needs, and assist in developing solutions

- Setting Up Contactless and Remote Payments
- Ensuring Websites are Mobile Friendly
- Managing Delivery Orders From Multiple Delivery Services

**Phone : (631) 632-9837**

**Email: [sbdc@stonybrook.edu](mailto:sbdc@stonybrook.edu)**



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# Problem Solving

- Cash Flow
- Inventory Management
- Seasonal Employment
- Off-Season management
- **Reopening Guidelines**



# Reopening

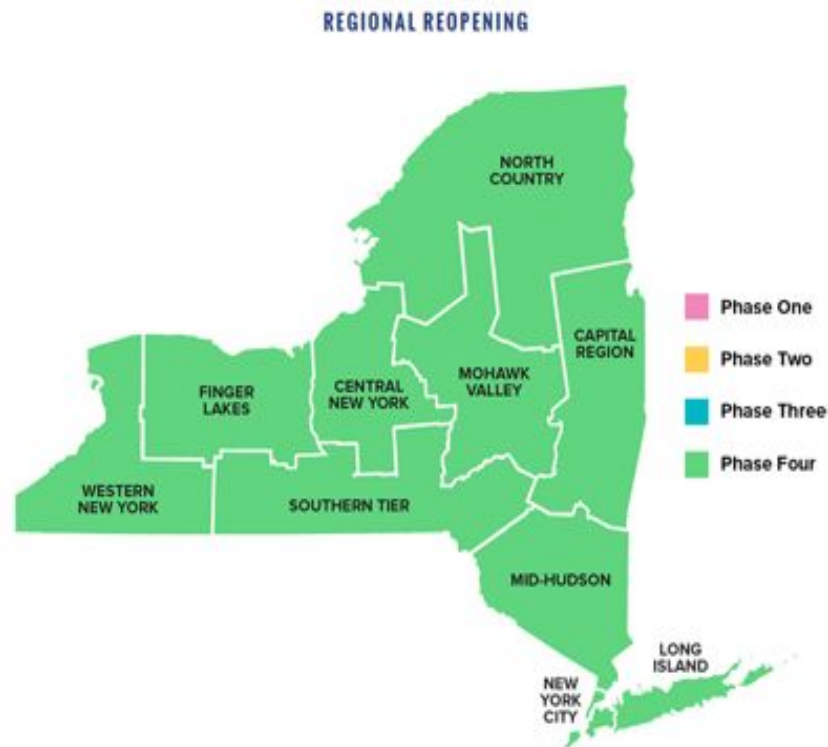
The COVID-19 pandemic has had devastating consequences to all types of businesses.

- Federal: Paycheck Protection Program (PPP)  
Economic Injury Disaster Loans (EIDL)
- NYS: NY Forward Loan Fund (NYFLF)



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# Reopening

- Maintain a safety environment
- Utilize online platform
- Contactless Payment
- Innovation of products or services that can get customers engaging to increase sales
- Get necessary material only, do not overstock

# CDC and NYS DOH Guidelines for Reopening

- ❑ **COVID-19 Employer Health Screen Review Documentation Template ( Require by the NYS)**
  - ❑ <https://www1.nyc.gov/assets/doh/downloads/pdf/imm/covid-19-health-screen-template.pdf>
  
- ❑ **Reopening Safety Plan (Required)**
  - ❑ [https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/NYS\\_BusinessReopeningSafetyPlanTemplate.pdf](https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/NYS_BusinessReopeningSafetyPlanTemplate.pdf)
  
- ❑ **COVID-19 Symptom Screening Tool Sample (required)**
  - ❑ <https://www1.nyc.gov/assets/doh/downloads/pdf/imm/covid-19-symptom-screening-businesses.pdf>
  
- ❑ **CDC preparing for workplace guideline**
  - ❑ <https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-small-business.html>
  
- ❑ **New York Forward Business Reopening Lookup Wizard: A guided tool to help businesses determine if they are eligible to reopen**
  - ❑ <https://www.businessexpress.ny.gov/app/nyforward>





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- College of Business COVID-19 Economic Recovery Assistance  
<https://www.stonybrook.edu/commcms/business/about/COV19-for-Business/>
  - Virtual Expert Network Office Hours
  - Small Business Tech Enhancement Program
  - Pandemic Shift Business Survival Workshops
  - Videos, articles, and more
- Center of Entrepreneurial Finance COVID-19 Resources  
<https://www.stonybrook.edu/commcms/cef/covid19resources/index.php>
- COVID-19 Long Island Small Business Survival Guide  
<https://tinyurl.com/coronavirusfinance>



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Request an Appointment

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