PRESS RELEASE

Thursday, 22nd October 2020

Keeping Ireland's Christmas spend local will be vital for the survival of SMEs

Consumers urged to support local business when shopping online during Level 5

<u>SME Recovery Ireland</u> are today (22.10.20) encouraging Irish consumers to support local businesses when purchasing online over the coming weeks. The groups call comes as the country enters day one of nationwide Level 5 restrictions, which is set to leave Ireland's SME sector in a precarious position over the next six weeks.

Commenting, Chair of SME Recovery Ireland, John Moran said: "Once again we need to ensure local shops are prioritised when making purchasing decisions. Today's Level 5 restrictions are yet another crushing blow to Ireland's decimated SME sector. Businesses across the country are forced to close their doors for a second time, wondering how and when they will be able to reopen fully.

"After the initial lockdown, we witnessed first-hand the emotional, physical and financial efforts from business owners to reopen and operate safely while the country continued to supress Covid-19. The sad reality of this second closure, not of their own making, is that many of those businesses may never reopen.

"But we can each play our part to help. The Government has reminded us of the important role we play in containing the spread of Covid-19 by restricting our movements. In the same manner, we want to remind the public today that by choosing to shop local, they can help to ensure the survival of small businesses. It makes a big difference each time we give preference to those that remain operational during this difficult period or even those closed but who can offer vouchers for Christmas and beyond."

In relation to consumers online spending in the run up to Christmas, Mr Moran said: "70 per cent of Irish consumers' online spending goes to international multinationals. That is valuable cash leaving the country at a time when we need it most to work in our economy. With simple choices, Irish consumers can reverse this trend. The run up to Christmas is the perfect opportunity to gift back to our local shops by choosing them instead of the large multinational retailers.

"Even businesses with limited online retailing, can be reached via email, social media or by phone to see how purchases can be arranged. Each purchase we make may seem small to us but collectively if we all change our habits this year, we can make a huge positive impact. This will go a long way in determining how many of our local businesses stay open, keeping our friends and family employed, and are able to recover to continue to serve our communities.

"One small purchase can start a positive reaction like a small pebble in a big pond. Saving our local shop also helps other Irish businesses in the same supply chain. Behind every business are the families of the owner and their employees. We can save Christmas for those families too."

SME Recovery Ireland welcomed several supports announced in last week's Budget especially those aimed at supporting small businesses through the Level 5 restrictions. Referring to the measures including the Covid Restrictions Support Scheme (CRSS) and the extension of the Emergency Wage Subsidy Scheme (EWSS), Mr Moran added: "We strongly encourage businesses that have been forced to temporarily close today or whose trade will significantly drop as a result of the new restrictions, to make full use of the supports available

to them. But we urge the Government to monitor the situation closely and add more firepower to the measures if needed to ensure the survival of the SME sector."

For further information about SME Recovery Ireland, visit: www.smerecovery.ie.

ENDS

Media contact:

David O'Donnell, Tel: 086-1081139 / 01-5880866 / david.odonnell@instinctif.com.

Notes to editors:

- Chair of SME Recovery Ireland, John Moran is available for interview upon request.
- Follow SME Recovery Ireland on social media:
 - o Twitter: @SMERecoveryIrl

About SME Recovery Ireland

SME Recovery Ireland is a platform representing Ireland's small and medium business sector to ensure that policy response to Covid-19 is designed to succeed for SMEs. The small business sector has and will continue to be disproportionately affected by the Covid-19 crisis. Small businesses provide most employment in Ireland and are critical to our social fabric. Small businesses were under-capitalised before the crisis and so lack the financial resilience to survive the force majeure crisis they are facing. Every small business owner is in need of hope and a Government plan to help them restart their business.