SBCS

• Bi-annual survey
• Monitors financing needs and choices and credit experiences in NY, NJ, and CT
• 40+ nonprofit and government partners

KEY FINDINGS, Q4 2013

• Managing uneven cash flow is top concern
• Firms report small credit needs, high search costs
• Traditional credit market favorable for experienced and profitable firms
CREDIT APPLICANTS: 1ST HALF 2013

AMOUNT OF CREDIT SOUGHT

- 9%: Less than $10,000
- 21%: $10,001–$25,000
- 14%: $25,001–$50,000
- 15%: $50,001–$100,000
- 17%: $100,001–$250,000
- 10%: $250,001–$500,000
- 13%: Over $500,000

N = 424

REASONS FOR SEEKING CREDIT

- 21%: Expand business
- 25%: Day-to-day operations
- 35%: Capital Investments

59% sought < $100K, and 46% were approved
40% sought > $100K, and 60% were approved

Sought under $100k (N = 223) Sought over $100k (N = 197)

FRBNY Small Business Credit Survey | February 2014
UNSUCCESSFUL APPLICANTS

**REASONS FOR DENIAL**

- Insufficient collateral: 38%
- Low credit score: 35%
- Weak business performance: 29%
- Weak financial statements: 9%
- Other factors: 28%

**ACTIONS TAKEN IN RESPONSE TO DENIAL**

- Contacted new/longer financial institutions: 51%
- Paid down debt: 45%
- Explored new financing types: 33%
- Consulted business advisor / improved financial management: 30%
- Did not take action: 16%
- Other: 15%

**IMPACT OF CREDIT DENIAL**

- Limited business expansion: 42%
- Did not complete existing orders: 16%
- Prevented hiring: 16%
- Other: 14%
- No impact: 9%
- Sought alternative financing: 3%

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FEDERAL RESERVE BANK of NEW YORK
Small Business Credit Survey

- Semi-annual survey
- Monitors small business financing, credit experiences, and business expectations
- Results inform local and national policymakers and lenders
- See results at: www.newyorkfed.org/smallbusiness

Partner with the Fed
You are a trusted industry representative. Help us to survey your business membership—by emailing members, promoting the survey on your website, and sharing through social media and at your events.

How?
Survey Timeline

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Partner Benefits
- Private briefing of survey results and macroeconomic conditions at the New York Fed
- Participating small businesses featured on the Fed’s website: www.newyorkfed.org/smallbusiness/2012

Contact us at: nyfed.regionaloutreach@ny.frb.org

FEATURED IN:
THE WALL STREET JOURNAL, Bloomberg Businessweek, CRAIN’S NEW YORK BUSINESS, AP, DAILY NEWS, 1010 WINS