

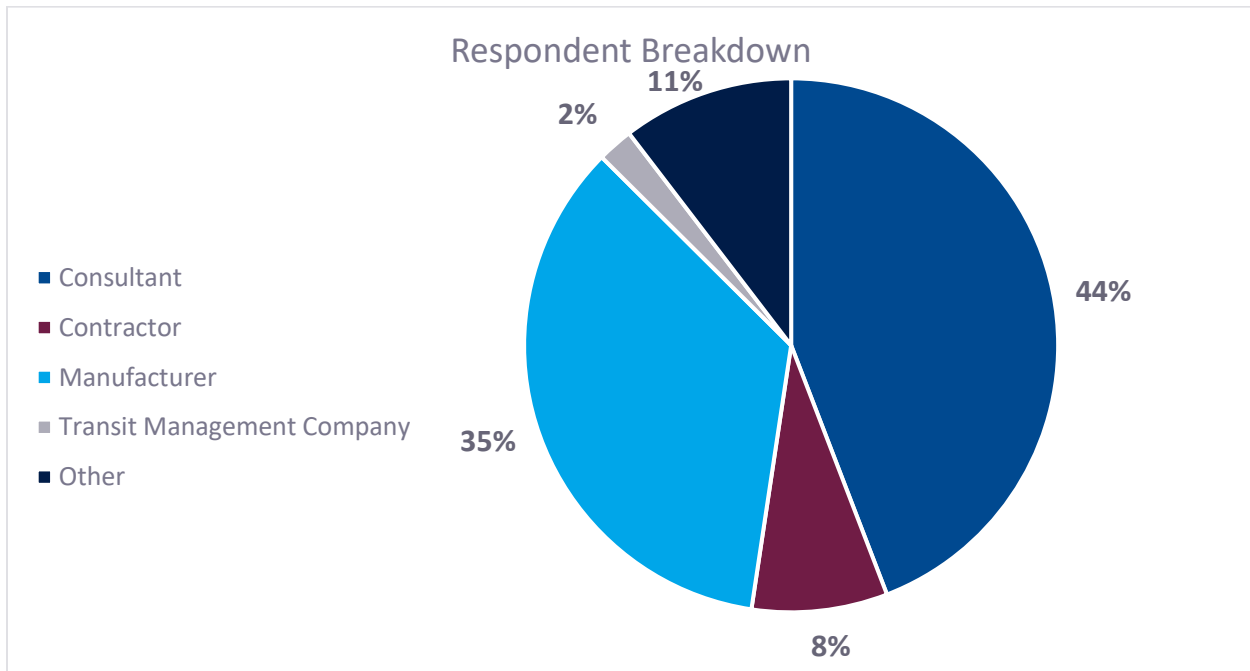


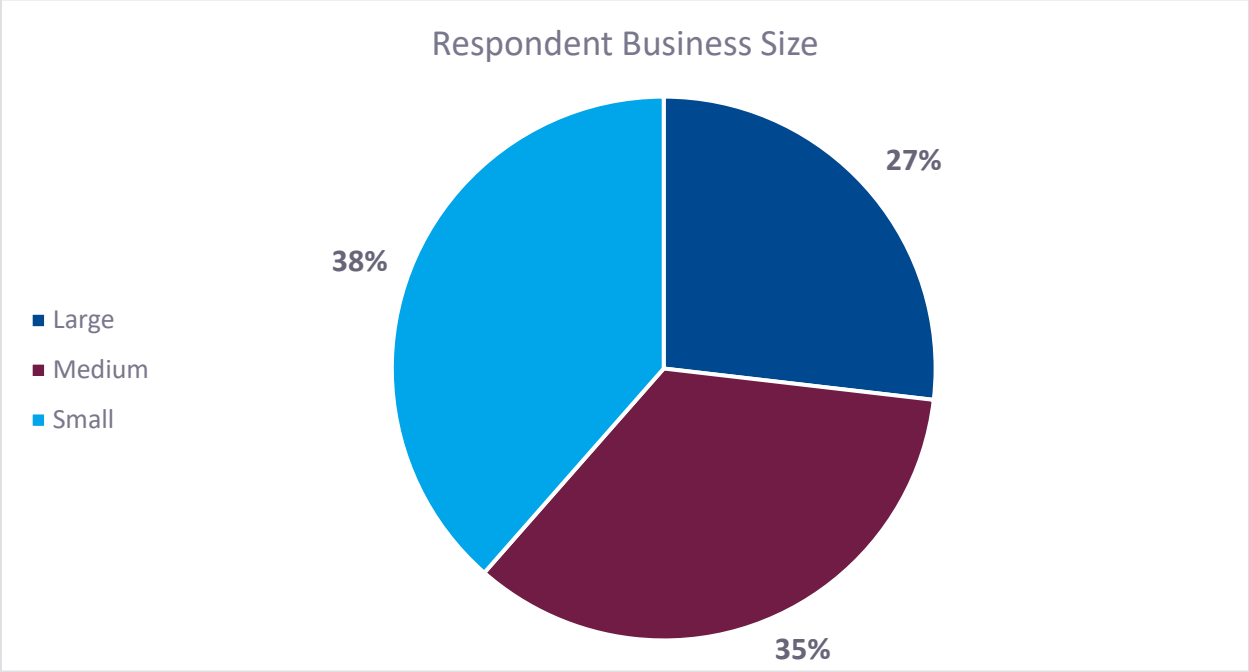
# Impact of COVID-19 on Public Transit Businesses

## Key Takeaways

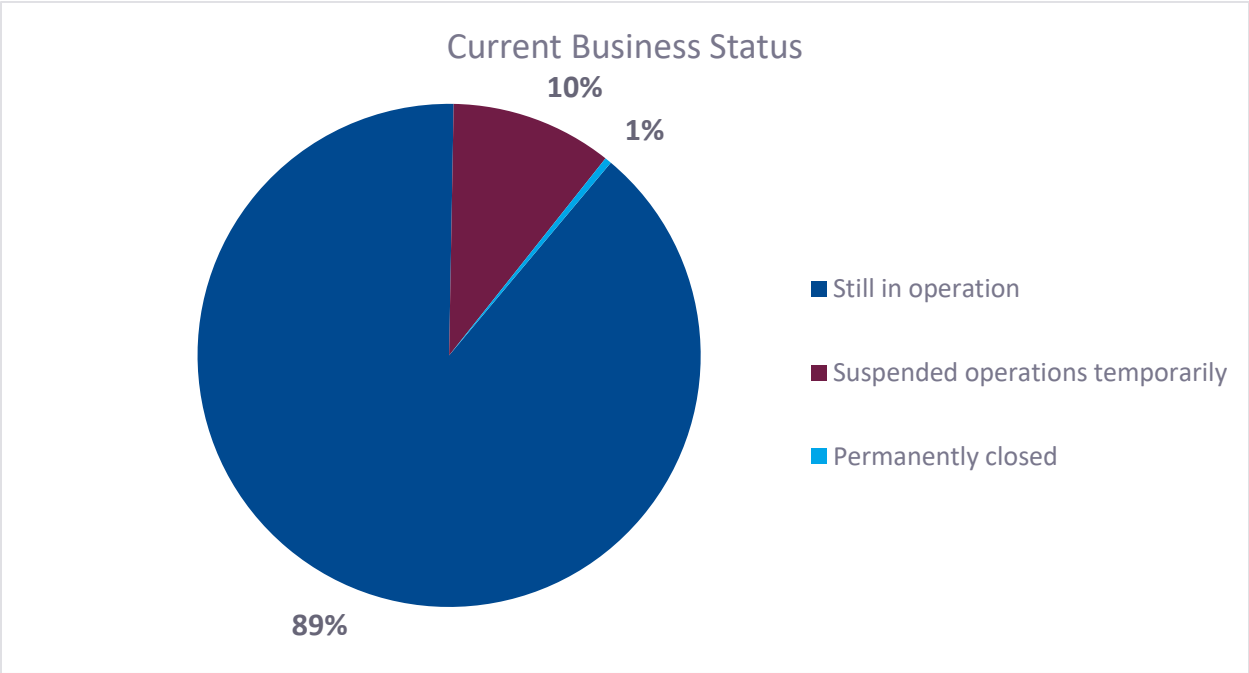
1. Eighty-seven percent of all businesses, and 94 percent of large businesses, said their business operations had been disrupted by COVID-19.
2. Over one-half of businesses said their business activity had decreased over the past month.
3. Forty-three percent of all businesses, and 52 percent of large businesses, said that they had experienced supply chain disruptions.

APTA surveyed its business members on the impacts of COVID-19 on their operations in late March and early April 2020. Two hundred thirty-one (231) APTA business members responded to the survey. A breakdown of the respondents follows:

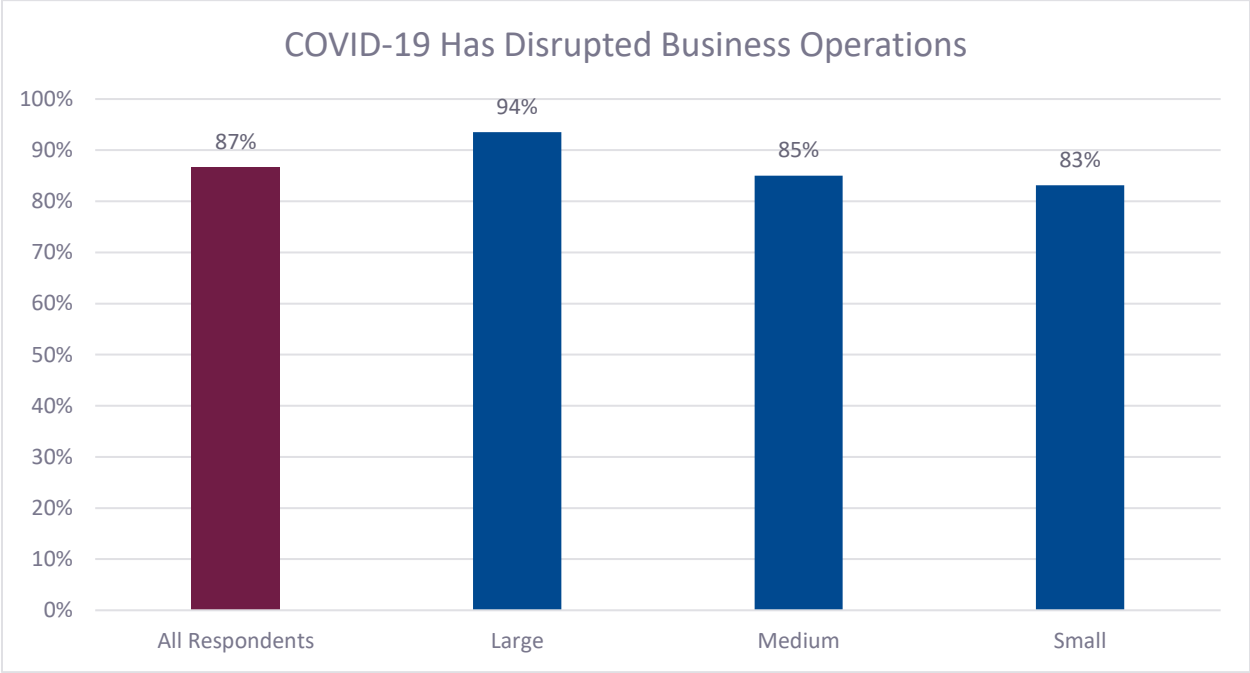




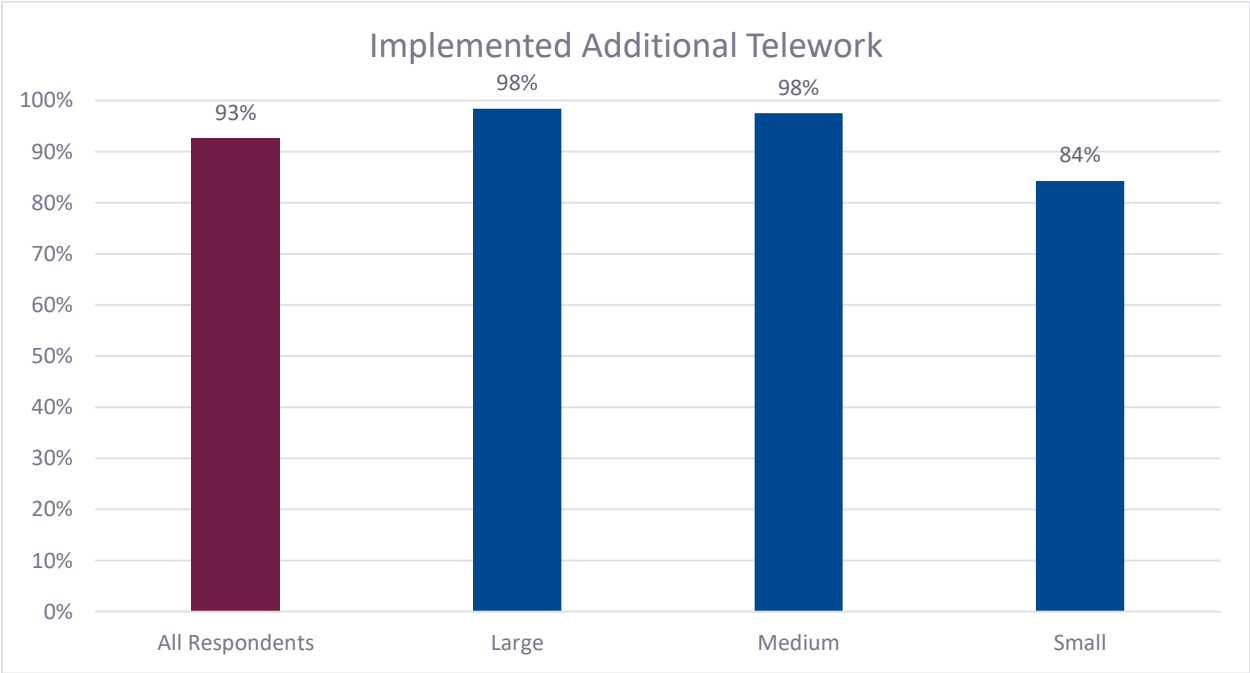
The overwhelming majority of businesses (89 percent) are still operating. One business closed permanently due to the COVID-19 pandemic.



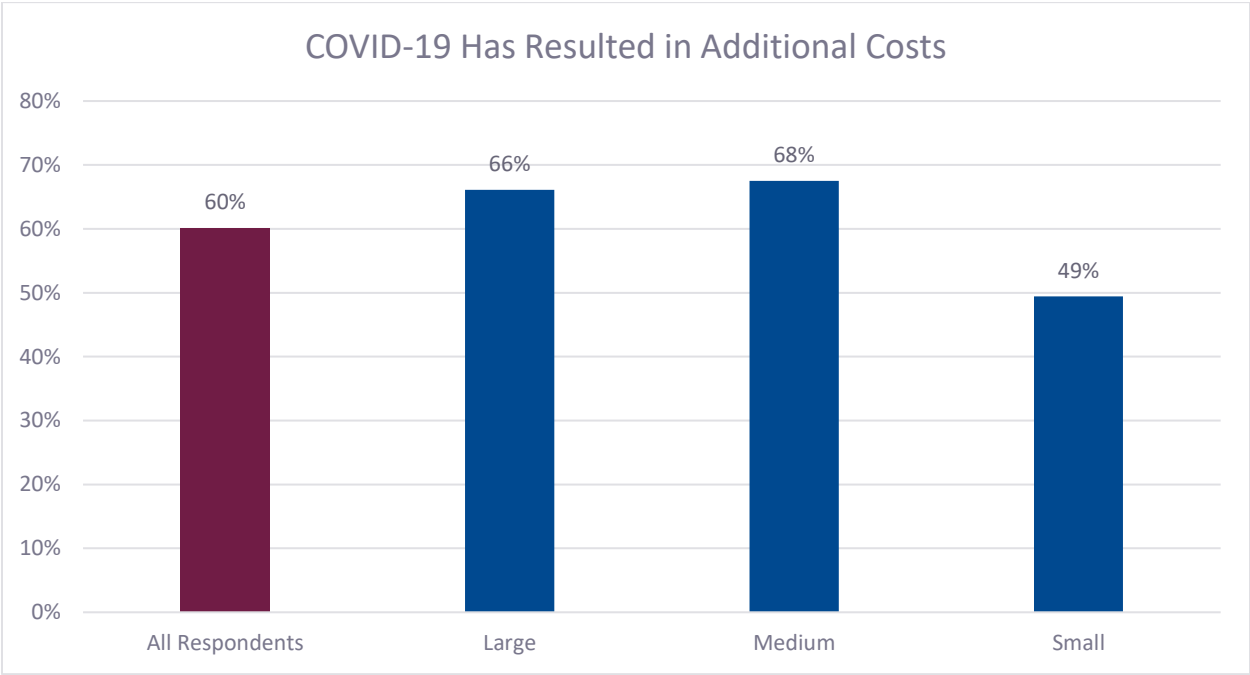
Eighty-seven percent of all respondents said that COVID-19 had disrupted their business operations. Large businesses faced an even higher percentage (94 percent) of disruption to their operations.



Most businesses have implemented additional telework. Small firms were less likely to have done so, because those firms already work remotely or are sole proprietors.

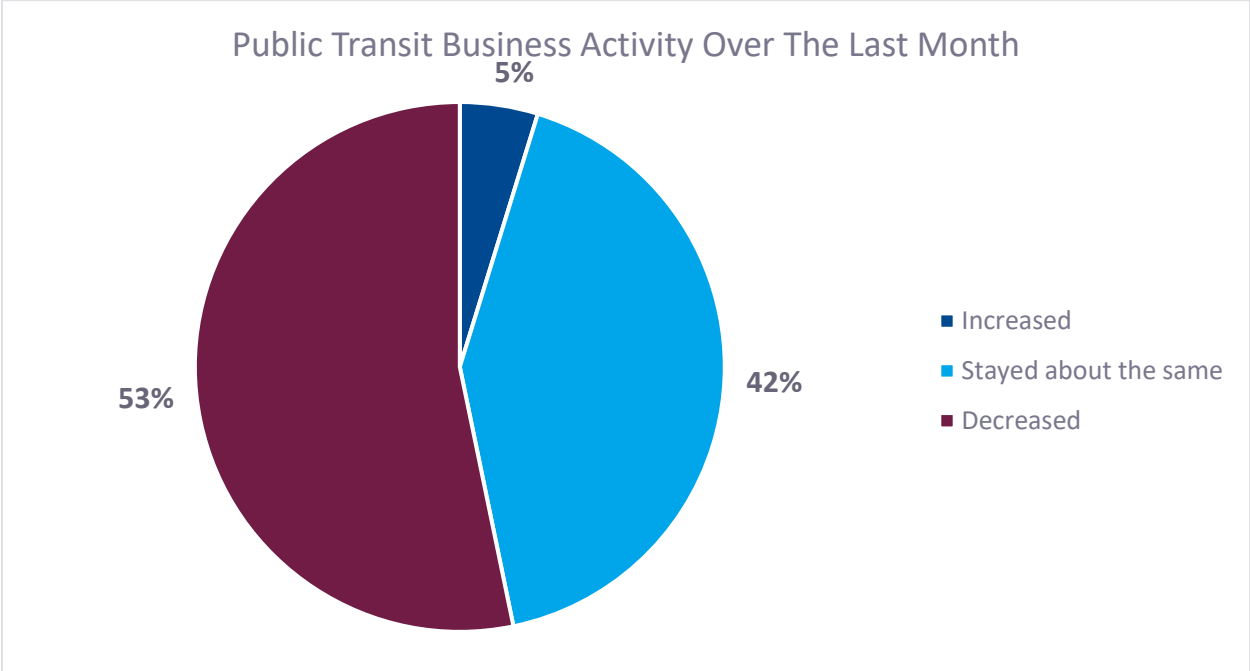


Three in five respondents said that the pandemic had resulted in additional costs to their business. Large- and medium-size businesses were more likely to say that they had experienced additional costs.

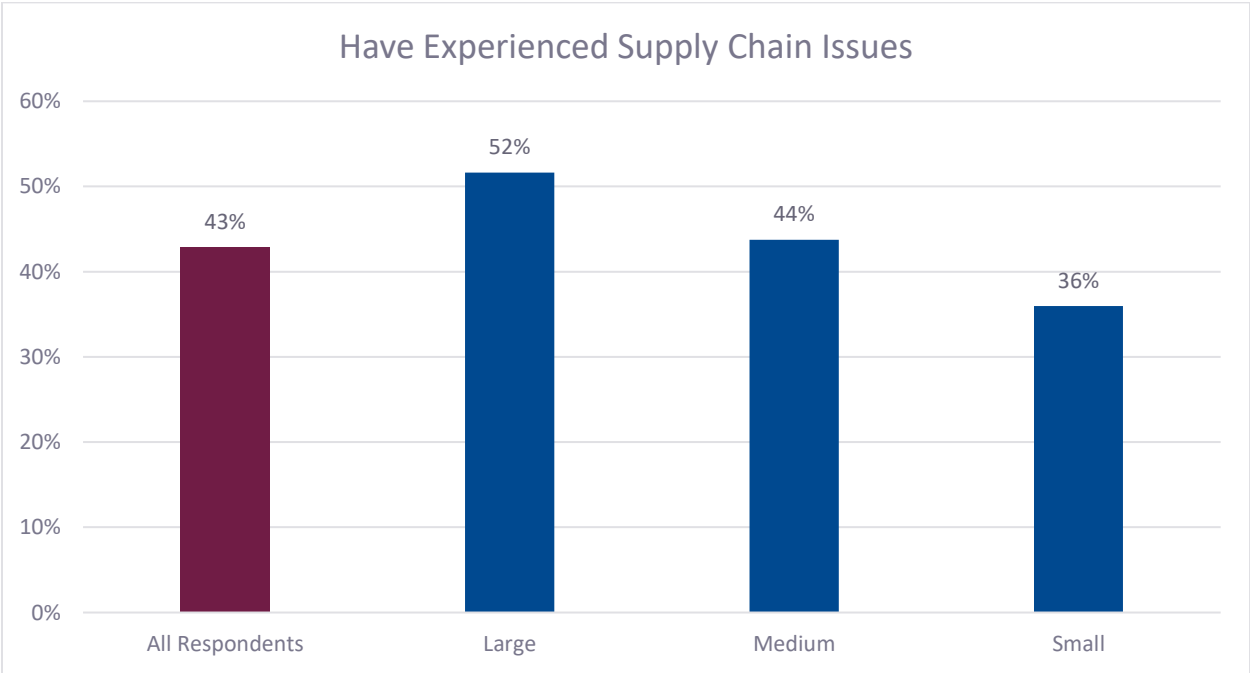


The additional costs fell into several categories. Several businesses mentioned buying computer equipment such as monitors or laptops, and even purchasing internet service to enable employees to work from home. Businesses also purchased more personal protective equipment and disinfectants to address the spread of COVID-19. Other businesses mentioned increased freight costs and costs to store and reroute product due to changes in demand.

More than one-half of all respondents said that their public transit business activity had decreased over the last month, and four in 10 said their transit business activity had stayed about the same.



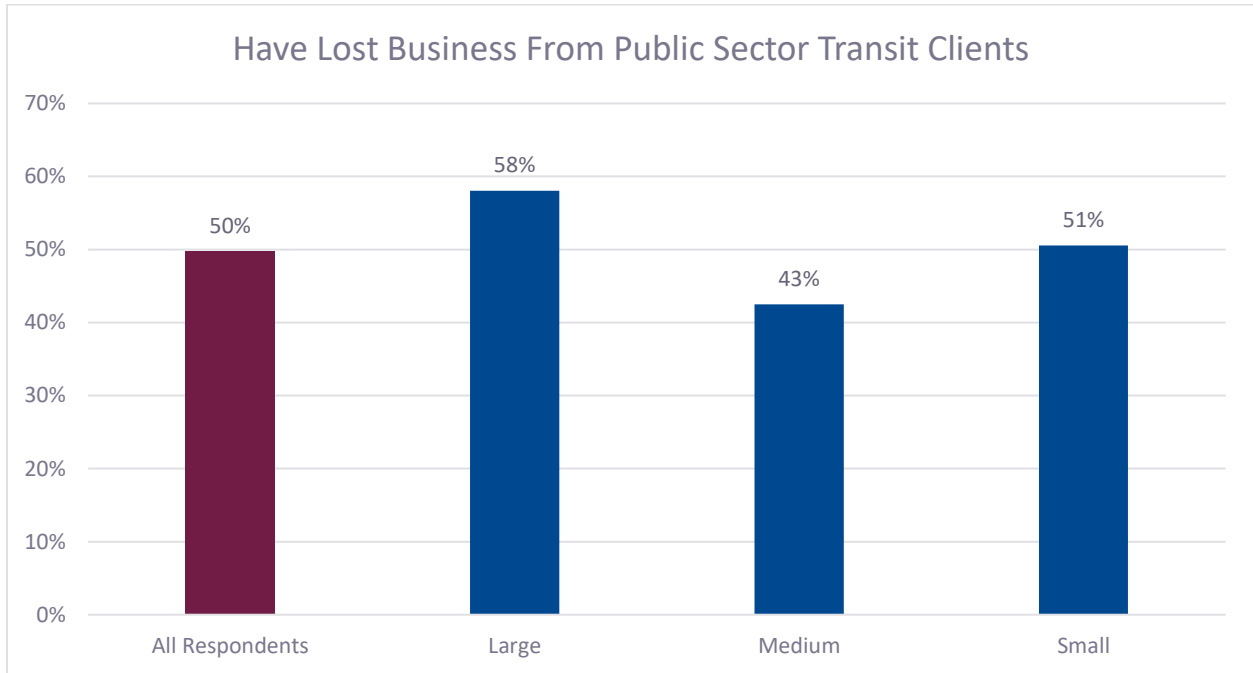
Four in 10 respondents (43 percent) said they have experienced supply chain issues in the last month, but among large businesses the rate was higher—more than one-half (52 percent) of those businesses experienced issues with supply chain.



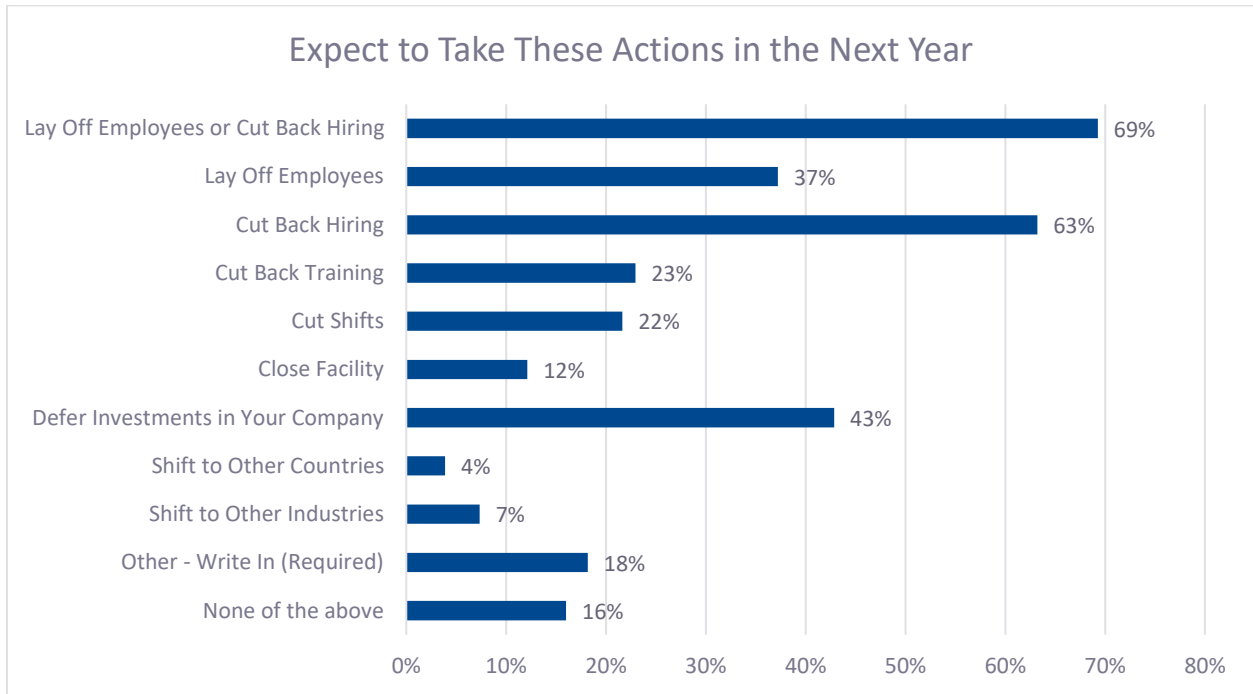
Respondents noted that some components are no longer available because COVID-19 is impacting countries where those components are produced. Other components are unavailable because they are

produced by supplier businesses deemed non-essential and closed. According to respondents, air freight costs have also increased due to COVID-19.

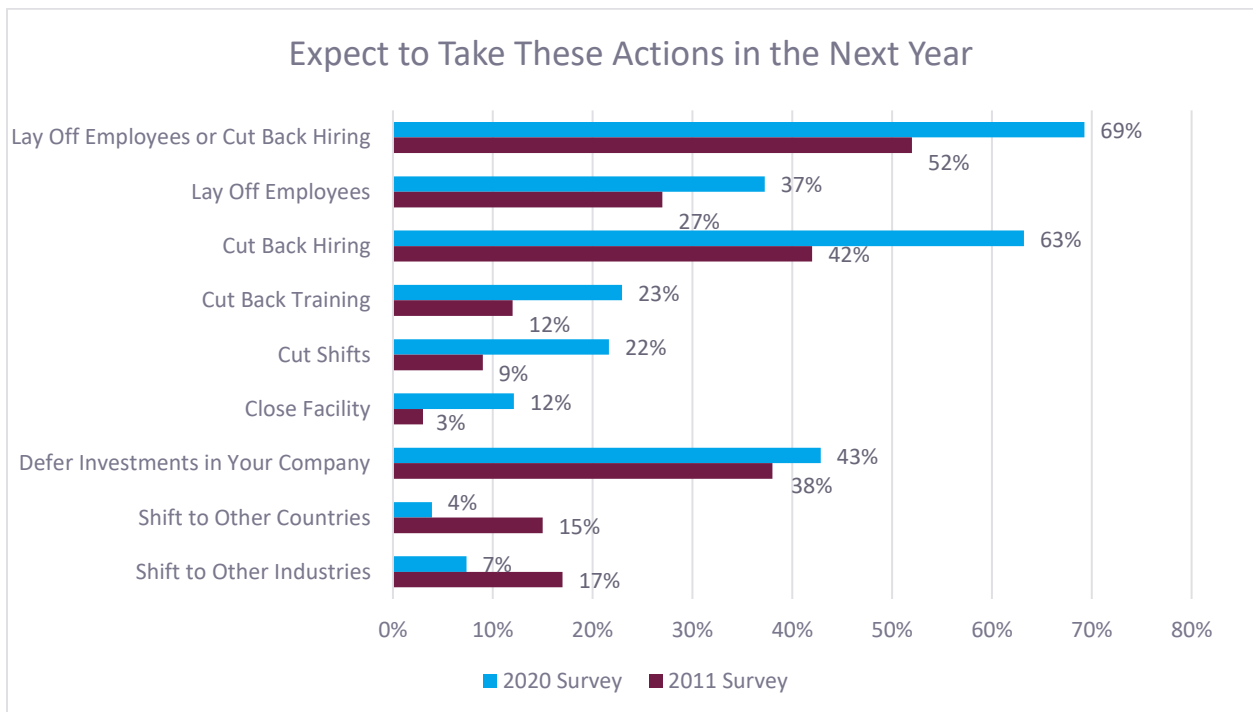
One-half of all respondents (50 percent) said that they have lost business from public sector transit clients in the past month. Large businesses were slightly more likely to have lost business, with 58 percent of large businesses saying they had lost business from public sector transit clients.



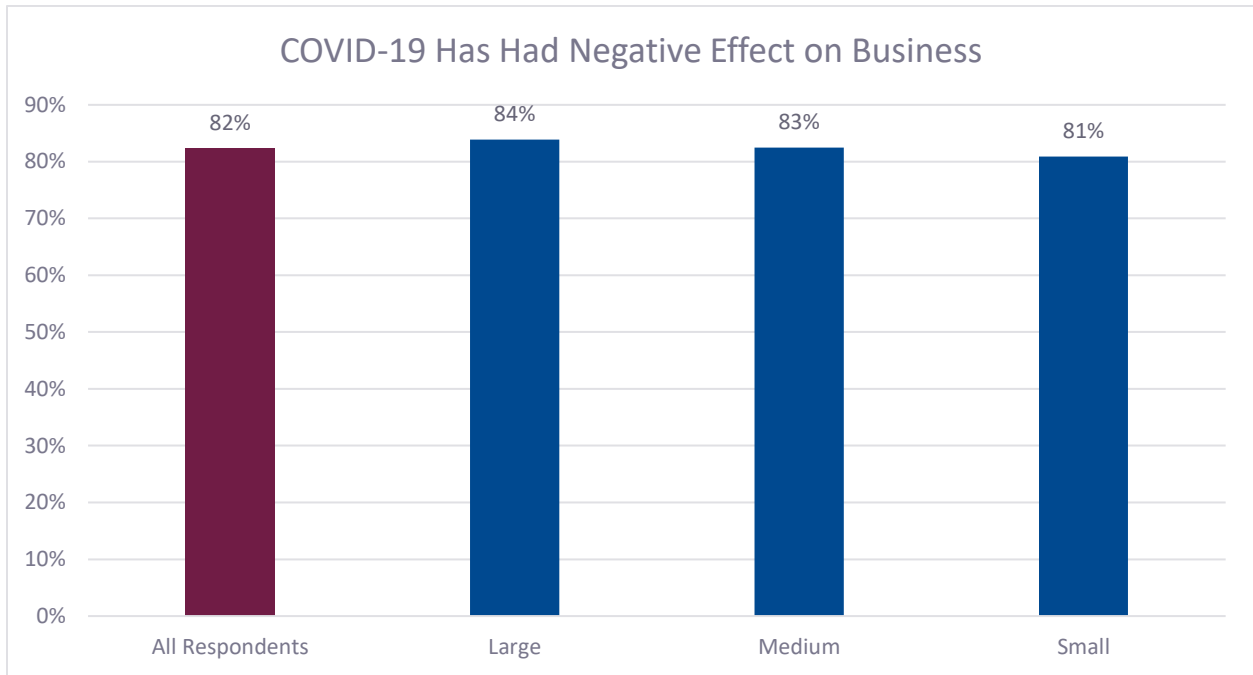
Respondents were asked whether they expected to take a number of actions over the coming year in response to COVID-19. Six in 10 businesses (63 percent) said they planned to cut back on hiring. Four in 10 (43 percent) said they would defer investments in their company, and nearly four in 10 (37 percent) said they expected to lay off employees in the coming year. Nearly seven in 10 (69 percent) expect to either lay off employees or cut back on hiring. Nearly seven in 10 (69 percent) expect to either lay off employees or cut back on hiring.



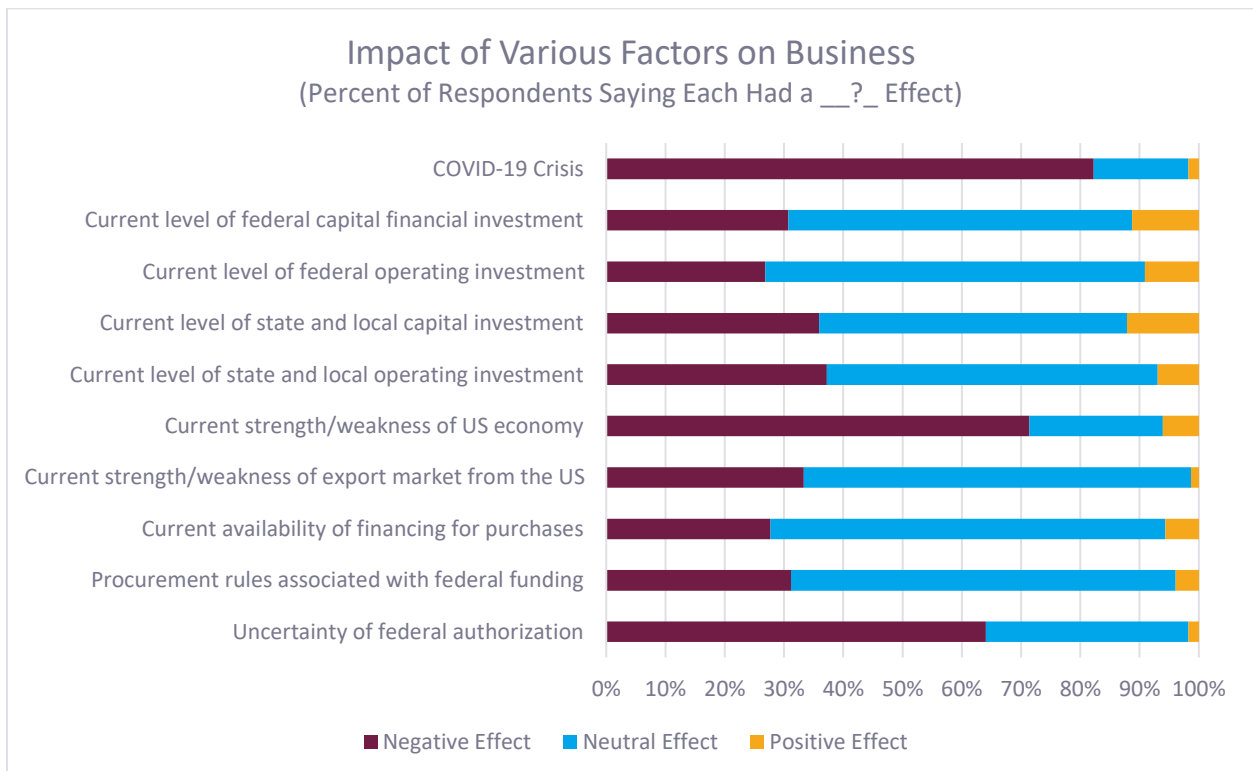
Compared to APTA's 2011 survey of business impacts of the Great Recession, more businesses expect to either lay off employees or cut back hiring in 2020. Notably, fewer businesses expect to shift their business to either other countries or other industries.



More than eight in ten businesses (82%) said that the pandemic has had a negative impact on operations.



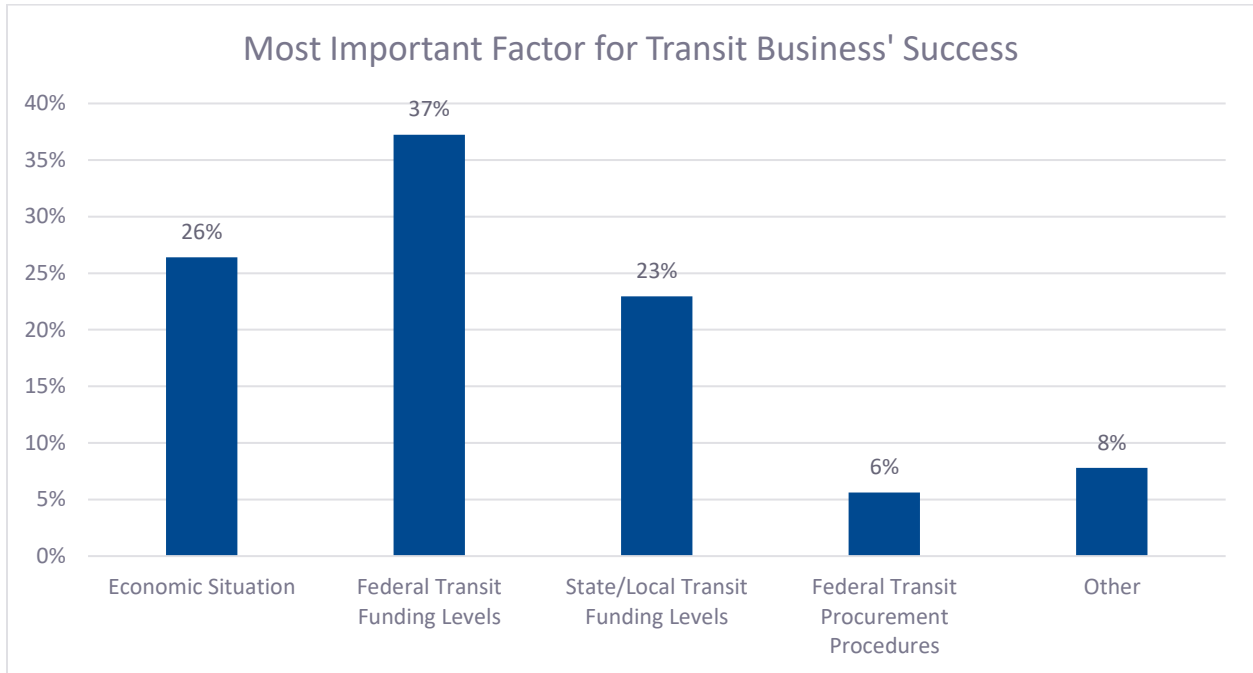
We asked respondents about the impact of various factors on their business. Respondents said the current COVID-19 crisis, the current economic strength or weakness, and the uncertainty of federal authorization all had a negative effect on their business.





When we compare the percentage saying “negative effect” to our 2011 survey of businesses, similarly high numbers said the uncertainty surrounding authorization and the current economic situation had negative effects.

Answers were mixed regarding which factor was most important to business’ success. A plurality of respondents, more than one-third, said federal transit funding levels were the most important factor.



## **The American Public Transportation Association (APTA)**

The American Public Transportation Association is a nonprofit international association of 1,500 public and private sector organizations that represents a \$74 billion industry that directly employs 435,000 people and supports millions of private sector jobs. APTA members are engaged in the areas of bus, paratransit, light rail, commuter rail, subways, waterborne services, and intercity and high-speed passenger rail. This includes transit systems; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA is the only association in North America that represents all modes of public transportation. APTA members serve the public interest by providing safe, efficient and economical transit services and products.

### **Authors**

Matthew Dickens  
Senior Policy Analyst  
202.496.4817 | [mdickens@apta.com](mailto:mdickens@apta.com)

### **For General Information**

Policy Development and Research  
Darnell Grisby, Director  
202.496.4887 | [dgrisby@apta.com](mailto:dgrisby@apta.com)  
[www.apta.com/research-technical-resources/research-reports/](http://www.apta.com/research-technical-resources/research-reports/)

---

### **APTA Vision Statement**

APTA leads public transportation in a new mobility era,  
advocating to connect and build thriving communities

---