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ENTREPRENEURS STEPPED UP IN RESPONSE TO COVID-19

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While wreaking havoc on lives and livelihoods, the pandemic has required businesses to not only adapt quickly, but also to make short-term decisions with uncertain implications for the long term. Although global supply chains and financial markets have been significantly disrupted, when the government of Canada called on manufacturers to help in the battle against COVID-19, many businesses mobilized quickly.¹ Aside from the obvious and tremendously important worldwide effort by pharmaceutical companies to rapidly develop vaccines to fight the virus directly, here are a few more down-to-earth examples of how entrepreneurs came through when we needed them most, providing help and comfort in these unprecedented times.

APPAREL COMPANIES KEPT US PROTECTED

In the early stages of the pandemic, the World Health Organization warned of personal protective equipment (PPE) shortages leaving doctors, nurses, and other frontline workers “dangerously ill-equipped” to care for COVID-19 patients.² To make matters worse, rising demand, panic buying, hoarding, and misuse were compounded by the federal government’s lack of preparedness to maintain and distribute domestic inventories.³

Harnessing its expertise in making helmet visors, hockey apparel company Bauer redirected operations in its Quebec facilities to make medical face shields for health care workers.⁴ Charging just enough to break even, any profits accrued were earmarked for charity, with design specifications published online, entirely free of charge, to encourage other companies to follow suit. Nike and New Balance similarly repurposed their facilities to produce PPE,⁵ and Canada Goose used manufac-



turing facilities in Toronto and Winnipeg to produce scrubs and patient gowns.⁶

DELIVERY COMPANIES SAVED CHRISTMAS

Facing store closures and panic-buying that emptied shelves quicker than they could be restocked, Amazon initially prioritized essential household items and those related to COVID-19 such as hand sanitizer, face masks, and disinfectants.⁷ Amid widespread unemployment and economic turmoil, the company also hired more than 175,000 new warehouse and delivery workers to fulfill demand for essential household orders between March and mid-April 2020.⁸ Amazon also spent billions on internal testing, PPE for workers, enhanced sanitation in its facilities, and the like.⁹

E-commerce spending in the third quarter of 2020 was up 37% over the same period in 2019, and retailers and shipping companies prepared for the holiday crunch by hiring widely. FedEx hired 70,000 new workers, UPS hired 139,000, and Amazon hired a further 100,000 seasonal workers.¹⁰

TECHNOLOGY KEPT US CONNECTED

Pandemic-related lockdowns have re-shaped the way businesses conduct their work. In the last week of March 2020, nearly 40% of Canadians were telecommuting.¹¹ Combined with the closure of schools and the use of virtual learning options, demand for communications technologies like Google Meet, Microsoft Teams, and Zoom has skyrocketed.

For example, in November 2019, Microsoft Teams had 20 million users. This more than doubled to 44 million by March 2020, and increased again to 75 million by April.¹² Research shows that the use of such communications technologies promoted the perception of social support, which mitigated some of the harmful psychological impacts of the lockdown.¹³ Moreover, in December 2020, Zoom announced the free removal of time limits for all accounts over the holidays, thus allowing families and friends around the world to prolong their virtual gatherings beyond the usual 40-minute cut-off.¹⁴

It is also these videoconferencing companies that allowed telemedicine to accelerate its entry into the lives of Canadians in 2020, for the duration of the health crisis, thus providing patients with better access to health professionals. It goes without saying that making this increased use of telemedicine permanent is a golden opportunity to improve our health care system for the long term.¹⁵

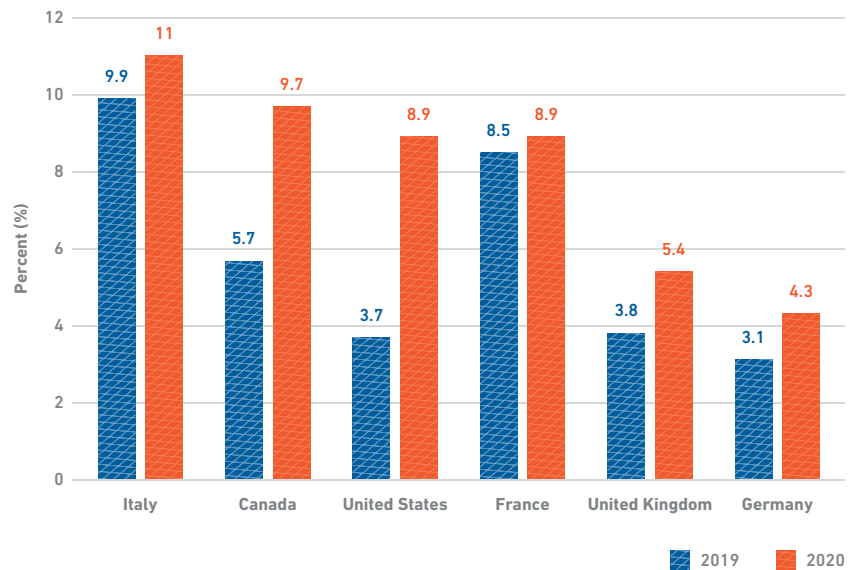
ALCOHOL COMPANIES KEPT US SANITIZED

In the first week of March 2020, sales of alcohol-based hand sanitizers rose 792% over the same week the year before, and by mid-April sales were up 345% in Canada.¹⁶ Demand quickly outstripped supply, leading the federal government to call for assistance.¹⁷ Health Canada then approved product licenses for non-traditional manufacturers, such as distilleries.

Among others, Gelamain Québec, a group of collaborators and partners from Quebec's spirits industry, answered the call and went one step further, providing their expertise *pro bono* in support of an initiative to produce and distribute hand sanitizer for the health network and select essential services.¹⁸ The group processed a generous dona-

Figure 1

Yearly unemployment rate in select world economies, 2019 vs. 2020



Source: Lora Jones, Daniele Palumbo, and David Brown, "Coronavirus: How the pandemic has changed the world economy," BBC News, January 24, 2021.

tion of alcohol from the Diageo distillery and distributed 25,000 litres of hand sanitizer for free.

Not only did distillers and alcohol producers provide a much-needed medical supply; they kept their staffs working instead of relying on the Canada Emergency Response Benefit (CERB). Keeping staff gainfully employed is no small matter, what with the 2020 unemployment rate 70% above the 2019 rate (see Figure 1).¹⁹

DELIVERY APPS KEPT US FED

In shutting down dining rooms and calling on Canadians to stay home, the pandemic devastated the restaurant industry while also ushering in an era of widespread food delivery. Nearly two-thirds of Canadians ordered food online in some fashion in the second half of 2020, with nearly half intending to continue ordering online at least once a week post-pandemic.²⁰

Many restaurants turned to third-party delivery apps. At 23.5 million orders, Winnipeg-based SkipTheDishes doubled its business in the third quarter of 2020 compared to the previous year, with order volumes up 72% over 2019.²¹ In May 2020, DoorDash saw sales up 110% since the beginning of the year.²² Quebec companies like

UEat, Pizzli, and Restoloco also helped expand the options available for restaurateurs by proposing more affordable alternatives.²³ Finally, there was unprecedented demand for online grocery orders, which resulted in a 241% rise in e-commerce sales for Sobeys compared to 2019.²⁴

The pandemic has been hard on everyone, but as the above examples show, many businesses have pivoted quickly to adapt to the uncertain landscape, often helping to address critical resource voids while strengthening the ability of community actors to deal with adversity and keeping their employees working, or even hiring new ones. In times of crisis, bureaucratic barriers are often lowered to give free rein to innovation. This will help entrepreneurs show the agility and the ingenuity that will be essential to the success of the post-pandemic economic recovery.

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