

Barbara Corcoran says majority of her Shark Tank companies won't make it through coronavirus

Zack Guzman Senior Writer

Yahoo Finance April 1, 2020

As progress is being made on getting the roughly \$350 billion in dedicated stimulus loans and grants to small business owners around the country, Shark Tank's Barbara Corcoran is warning that it might not be enough to prevent many beloved startups from shuttering [amid the coronavirus](#).

Speaking to Yahoo Finance's [YFi PM](#) on Tuesday, the investor and entrepreneur highlighted the fact that businesses she's directly backed have already been **forced to lay off between 25% to 30% of their employees in the past two weeks alone**.

"That's a lot of people, and so **unless something happens that's dramatic that turns this around**, which we're all hoping for the stimulus bill to do that, **that translates into a very high unemployment rate**," she said. "Every one of my entrepreneurs are planning to apply for help. I'm wondering how long the help will go on."

Whether the businesses Corcoran is invested in receive help or not, looking at the size of the slowdown and the timeline of states lifting prolonged lockdown orders, the "Shark Tank" host estimates that a majority of her investments will fail to make it through the slowdown.

"The smart ones are shifting their models, they are getting more creative," she said. "The smart ones will come through, but **the great majority of investments I made, I don't expect them to make it honestly through this trough. I just don't.**"

Barbara Corcoran has invested millions into companies on Shark Tank, including an investment in the two cousins from Portland, Maine who founded Cousins Maine Lobster (Photo by Adam Taylor/Walt Disney Television via Getty Images)

In her estimation, receiving government aid will only help small business owners weather the next two to three months. On top of that concern, Corcoran also said many of the business owners she consults with have reported problems in even applying for support. That led her to question the timeline that [Ivanka Trump had provided to Yahoo Finance in an exclusive interview that pegged money getting released for small businesses as early as this Friday](#).

"We'll see what Friday brings," Corcoran said. "I have many small businesses that have been applying and [they] are having a hard time even applying for the help."

One of Corcoran's "Shark Tank" investments most impacted by the coronavirus shutdown has been Cousins Maine Lobster, a seafood truck and restaurant business that's been grappling with a drop in foot

traffic. A quick shift to focus on neighborhood delivery has slowed the bleeding for the time being, Corcoran says.

“Their sales were off almost 70%,” she said. “Now, they're off 40%, that's a sizeable difference.”

Meanwhile, just like the major corporations that have stepped up to address the shortage of medical supplies, Corcoran says small business owners have stepped up, too. Snackfood startup Pipcorn, another company the shark invested in on the show, is donating snacks to nurses and doctors in the New York area.

“It's interesting that the people who have in small business sometimes the least resources but the most conviction find a way to help out,” she said. “And these are exactly the entrepreneurs I am not the least bit worried about because they have a great way of standing on their feet and making room for the next guy and really making a difference.”

This article is provided courtesy of:

866-515-6280 YourPersonalBank.com

