Fluid Power and Coronavirus: Effect and Response

A brief summary of a survey of Official Company Representatives (OCRs) of NFPA member companies conducted March 19, 2020. The survey was sent to a total of 288 OCRs of manufacturer, distributor and supplier members of NFPA. Not included in the survey were member companies with operations entirely outside the US, as well as trade press and research members.

Travel Restrictions

Seven companies reported variation by position, with several indicating lesser restrictions for sales and/or supply chain and operations, as well as executive travel.

Sample comments:

“Personal travel can't be stopped but staff returning from hotspots or travel by air are self-quarantined”

“Business and personal. Personal travel requires self-quarantine upon return.”

“County I had just declared only essential travel which allows travel to work.”

“Travel into and out of California & New York banned. No employee is forced to travel.”

“In some parts of the country, where customers are still accepting appointments, we are visiting them. Travel is by car only.”

“No forced travel - employee discretion for safest travel while trying to take care of customers. Goal is more virtual online visits.”
Similar to domestic travel, several companies indicated variation by position type, typically for sales or executive travel.

Sample comments:

“Any employees traveling outside local area will need to self-quarantine for 14 days upon return.”

“No forced travel - employee discretion for safest travel while trying to take care of customers. Goal is more virtual online visits.”
Several comments indicated companies are reassessing on a periodic basis, adjusting for the dynamic situation, and will shorten or lengthen as needed.

**Internal and External Meetings**

Sample comments:

“Try to do as many virtual meetings as possible”

“Instituted social distancing guidelines internally”

“Max 10 people per meeting”

“No more than 10 people in the same meeting and at smaller facilities, we have limited to 6 people”

“to <5 persons in a room.....keeping 2m distance as standard”

“No unnecessary outside visitors. Meeting size less than 10. Many working from home and using web meeting apps.”

“Implemented Teams and use Skype”

“More Skype / WebEx meetings and meetings of <6 people in a large enough room”

“Eliminated our morning "All Hands" meeting for now.”
“External meetings are not permitted unless approved by management and then for very specific instances only.”

Current Impact

Sample comments:

“The Sales Team has the biggest impact since 90%+ of the customers will not accept visitors. Operations are running 98%.”

“With Ford announcing suspension of production, the depth of impact is foreshadowed.”

“We have business units that must be on site to perform work and bill. Heavily reliant on automotive. They will be severely hurt. We aren’t sure as much how the distribution side will be hit.”

“Totally unstable situation that could change at any moment”

“This is just getting started in the USA this week. So far, no effects other than the phones and email have been slow this week.”
Expected Impact – 3 Months

Looking forward over the next 3 months, to what extent do you believe the coronavirus will affect your business? n=70

Sample comments:

“If we have to shut down, I believe it will definitely cause a negative effect on the whole economy.”

“Sales/orders and performance are linked -- could be moderate or major -- what do we want to believe?”

“Depending on how long the current restrictions last, we may see a bigger impact the longer it lasts. Hard to predict.”

“We are very hopeful that all the measures put in place will yield a Moderate effect”
Additional Actions

Members were asked whether there is something creative their company has done to respond to the challenged presented by coronavirus situation.

Sample comments include:

“Work from home and web-based meetings” (multiple responses)
“Virtual Sales Demos”
“after show (IFPE) asked people to self-quarantine”
“Separating employees, working from home via VPN”
“Allowed partial staff to work remotely and implemented Teams (Microsoft Teams) within the Corporation”
“office employees work from home. screenings at the door for all visitors and employees. No face to face meetings, only web meetings.”
“Work off site, proactive planning for downsizing if necessary”
“Created a response team”
“Decided to get ahead of congress first, to expand excused absences relative to COVID-19 and second, to provide additional paid sick time relative to COVID-19 -- both to encourage associates to stay home if needed but still get paid for a period of time.”
“Reviewing potential on-site daycare Due to school closures, limiting number of children.”
“Previously placing redundancy in the supply chain is helping now. Setting up video monitoring for third party testing”
“Separating manufacturing shifts with increased time between shifts to allow for separation, washing of hands and disinfecting all areas. This allows for quarantine of only one shift if a confirmed case would be identified.”
“We think it is not our place to lead by overacting. There are no cases nearby. We are asking those with high risk family or any other reason to let us know so we can provide them a way to isolate. We are accommodating to individuals who feel they must act. Otherwise trying to conduct business at 6' distance.”
“This whole thing is lacking a sense of proportionality as it relates to the Swine Flu and other Flu outbreaks. None of those got the attention this thing is getting.”
NFPA Action

Respondents were asked; Is there anything NFPA can do to help your company in these challenging times?

Sample responses:

“Sharing information, keeping us informed” (5 respondents)

“keep doing what you’re doing to spread the word”

“Not really at this time. Although it would be good to be kept abreast on what is happening to the supply chain in our market”

“Industry/companies update”

“update on manufacturing shutdowns and supply chain inhibitions [sic]”

“Help us understand the Families First Coronavirus Response Act and how it impacts us”

“Close communication with NAM to make sure fluid power companies are included in its lobbying activities”

“Yes, we have a lot of business right now but go ahead and send lots more our way as it will help when / if things end up slowing down a bit because of all the hype.”

“If anything, the NFPA can do is Marketing for the small businesses.”

“continue to share information with us on current market trend”

“Don’t think so, other than lobby for relief.”

“Keep the surveys going and share them; this is good useful information!”

“Pray”