

SBA COVID Relief Funds Help Local Restaurant to Thrive

Situation: Cisco's Salsa Company was established in 2011 by Laura Wilson, her brother Bob Wilson Jr, and husband Dennis Henderson in the heart of historic 'old town' Tomball, TX. This family-owned business with roots in Southern California dating back to 1971 serves mouth-watering Baja-style Mexican cuisine. Leading up to the COVID-19 pandemic, sales had been increasing 15-20% annually, the restaurant had 37 employees on payroll, and through a lot of energy and excitement, the adjacent banquet and catering facility had been booked out for the upcoming year providing another revenue source.

In early March 2019, Laura began hearing rumblings about COVID including the Houston Rodeo potentially closing- Laura immediately thought 'if they are thinking of doing something with the rodeo, this is bad. We are in Texas; you don't cancel the rodeo!'

Solution: To stay ahead of what was potentially coming, Laura took out a merchant loan to provide a cushion should things go south especially given restaurants don't operate on a big margin. And that was indeed what happened as restaurants nationwide were quickly shut down. It was at this time that employee count was rapidly reduced from 37 to 10. Laura along with her brother quickly realized to survive they would need to pivot, and business would need to go outside as that was the only way people would feel comfortable. Thus, the merchant loan helped the restaurant to expand and cover the outdoor dining area

Next, SBA COVID relief programs came into play as focus shifted to obtaining funding to be able to keep the restaurant going and rehire employees. The Paycheck Protection Program (PPP) 1st draw loan was funded in April 2020 which helped cover day-to-day operating expenses and hire employees back. After this round of funding and shift to outdoor dining, employee count surpassed pre-COVID levels! Laura reports that customers were coming back, they loved the outside, and they felt safe. Laura exclaimed, 'the only reason we were able to survive and make this happen was because of the PPP funding'. Indoor dining came back at a slow pace to keep customers and employees safe in addition to adding UV air purifiers to all air conditioning units. The restaurant was also funded the Economic Injury Disaster Loan (EIDL) in June 2020 and PPP 2nd draw loan in Jan 2021 which further helped to cover payroll and operating expenses.

Impact/Outcome: Currently, and after full utilization of SBA COVID relief programs, Cisco Salsa Company employs 48 plus there has been a 20% increase in raises and hours, almost all COVID debt is paid-off and the restaurant is looking at a record-breaking year!! Laura adds that her greatest pride in owning a small business is the ability to be a job creator and to make an impact on the lives of her employees.

For more information on Cisco Salsa Company visit: <http://www.ciscosalsa.com/>

For more information about SBA programs visit: www.sba.gov/tx/houston

