

CORONAVIRUS

County's consumer confidence plunges



Jonathan Lansner
Columnist

The economic damage of the coronavirus has slashed Orange County consumer confidence, by one yardstick. The latest Chapman-CMC Orange County

Consumer Sentiment Index was down 19% — to 77.7 from 96.3 — in the first quarter of 2020. It's the largest drop in this index that dates to 2017. According to the index authors, the 500 local residents polled showed less faith in all seven questions asked: from assessing business conditions and

personal finances to the likelihood of finding a job or buying a car. The smaller drop in Orange County's view of expectations vs. huge dips in optimism for today's economy suggests locals see the virus-linked slowdown as temporary, the report noted. "Going forward, consumer sentiment in Orange County is

directly tied to the virus," said Marc Weidenmier, a Chapman University professor. "If social distancing and stay-at-home orders are followed and work, then consumer sentiment may bounce back rather quickly. However, if the virus continues to spread rapidly across California and the United States, then

consumer sentiment is likely to fall even farther and possibly approach depression levels." California consumer is down, too. A Chapman-CMC index for the state showed confidence slashed by half in the same period. And by Conference Board math, statewide confidence fell to a 13-month low.

STATUS UPDATE



Samantha Gowen has the latest on movers and shakers in Orange County

Send items about business expansion, milestones and promotions to sgowen@scng.com

Karma to build Revero GTE for release in 2021

Irvine-based Karma Automotive is adding an all-electric GTE to its Revero lineup.

The 2021 Revero GTE is the fourth model in Karma's Revero production line. The company did not include a price tag for the new model in its announcement Thursday.

The company, owned by the Chinese conglomerate Wanxiang Group, manufactures its \$135,000 electric-gas hybrid Revero sedans in Moreno Valley. Karma in the past has said it produces about 500 vehicles annually. In recent months, the company has undergone a strategic realignment, cutting its staff by at least 260 employees, mostly in Irvine.

The GTE will be offered in two models: a standard option with a range of roughly 200 miles and an extended version with a range of 300 miles.

The car, designed and developed in Irvine, will be assembled in MoValley. It's expected to be market-ready in spring 2021.

The company in February laid off 60 people in Irvine and an unknown number of workers at its manufacturing facility. The company in November also laid off 200 workers in Irvine, part of a plan to morph into a company that markets its technology to other companies.

Covid funding

Hyundai Motor America in Fountain Valley is expanding its support for COVID-19 drive-thru testing to 22 hospitals, including The Hyundai Cancer Institute at CHOC Children's. The company has contributed \$4 million in grants through its Hyundai Hope On Wheels program and supplying 65,000 COVID-19 tests.



KARMA AUTOMOTIVE

Karma Automotive is adding a Revero GTE to its lineup of luxury cars. The GTE model will be the automaker's first fully electric vehicle. It's due for release in spring 2021.



AVISON YOUNG

Yorba Linda Business Center, a four-building, 115,760-square-foot industrial property, has been sold to a private investor for undisclosed terms, according to Avison Young, which represented the buyer, an Orange County-based investor.

Yorba Linda business center is sold

Yorba Linda Business Center, a four-building, 115,760-square-foot industrial property, has been sold to a private investor for undisclosed terms, according to Avison Young.

Avison Young principal Alan Pekarck and senior associate Chris Smith, based out of the company's Irvine office, represented the buyer, an Orange County-based investor

who was completing the upleg of a 1031 exchange. The seller, a Bay Area-based investment company, was represented by CBRE.

Built in 1998 on 9 acres on La Palma Avenue in Yorba Linda, the property is almost fully occupied, Avison Young said.

The center includes 14-foot clear height, 66 ground-level doors and 400 car parking spaces.

Grants

Human Options, an Or-

ange County-based nonprofit, has secured a \$226,000 transitional housing grant via the California Governor's Office of Emergency Services. The money will help the organization fund housing and offer additional support services for survivors of domestic violence and their children.

On the move

Larry White has been promoted to chief operating officer at Toshiba America Business Solutions in Lake Forest. The 24-year Toshiba executive served



White

as the company's chief revenue officer. White assumes more oversight and strategic planning responsibilities across the business. Also at Toshiba America, Steven Sauer has been named president of the division's direct sales operation. Sauer is now responsible for the sales, professional services and operational man-



Sauer

agement of four regional offices with nearly 100 locations across the U.S. He is specifically tasked with expanding revenues while optimizing operational efficiencies throughout the company's direct sales organization.

Michael Navarro has joined Kidder Mathews' Irvine office as a senior vice president and shareholder. He will specialize in major tenant representation and the sale and leasing of retail properties. Navarro has over 35 years of experience in the commercial real estate industry, most recently as the owner of Navarro Retail Group, a boutique retail advisory company founded in 2002.

On board

Ruzbeh Daruwalla of Irvine and Steve Sherman of Laguna Hills have been named to the board of directors for the nonprofit Project Access in Orange. Daruwalla is a global controller at Envista Holdings Corp. of Brea, where he leads the finance teams for the operating companies in North America, Europe, Latin America and Asia Pacific. Sherman is the chief financial officer of Related California of Irvine, where he oversees the company's financial operations and arranges debt and equity for all of Related's affordable housing transactions.

Status Update is compiled from news releases by contributing writer Karen Levin and edited by Business Editor Samantha Gowen. Submit items and high-resolution photos to sgowen@scng.com. Allow at least a week for publication. Items are edited for length and clarity.

CORONAVIRUS BRIEFLY

Walmart looks to hire 50,000 workers

By The Associated Press

The outbreak of the coronavirus has dealt a shock to the global economy with unprecedented speed. The following are recent developments Friday related to the global economy, the workplace and the spread of the virus.

Social media distancing

Social media companies actively have sought to quash misinformation that has led to dangerous behavior. This while the pandemic disrupts internal operations across the tech sector.

Facebook employees will work remotely until at least the end of May. CEO Mark Zuckerberg said in a post that employees who feel they can't return to offices will be allowed to work remotely through at least the summer.

Digital news publisher Vox Media, which is fur-



GENE J. PUSKAR — THE ASSOCIATED PRESS

Walmart plans to hire 50,000 workers to meet a surging demand for essentials after reaching its goal to add 150,000 new workers six weeks ahead of schedule.

loughing about 100 people, or 9% of its staff, without pay from May to July, and is cutting pay temporarily 15-25% for those who earn at least \$130,000.

Salaries for both its CEO and president will be cut in half.

The company, which publishes New York magazine and blogs including Vox, Eater and SB Nation, expects revenue declines in the tens of millions.

Retail pain

Darkened storefronts tell the story of what has happened to the retail sector and emerging economic data paints an even darker picture.

In a letter to Congress, the Retail Industry Leaders Association, which counts among members Best Buy, Walmart and The Gap, asked Congress to allow furloughed and laid off re-

tail workers to accept part-time work shifts without a reduction in state unemployment benefits.

Walmart, meanwhile, says it plans to hire 50,000 workers to meet surging demand for essentials after reaching its goal to add 150,000 new workers six weeks ahead of schedule. The nation's largest private employer announced its hiring plans in mid-March and expected to complete the hiring at the end of May.

It says it received more than 1 million applicants for the mostly temporary or part-time jobs that could become permanent. It worked with more than 70 companies in the hospitality, restaurant and retail industry that have furloughed workers.

Boeing setback

Boeing suffered another setback over its 737 Max on Friday, as General Electric Co.'s aircraft-leasing arm canceled an order for 69 of the planes, which have been grounded for more than a year after two crashes. GE Capital Aviation Services



RUTH FREMSON — THE NEW YORK TIMES

People pass through the Boeing campus in Renton, Wash., on March 23, 2019. Boeing plans to resume commercial airplane production in Washington state by bringing about 27,000 employees back to work, the company said Thursday in the wake of the coronavirus pandemic.

referred to less need for planes by airline customers. Nearly two-thirds of the world's passenger planes are grounded because of a sharp drop in travel during the coronavirus pandemic, and Boeing removed about 300 Max jets from its order book last month.

Boeing also said it will resume production Monday at facilities near Philadelphia

that produce military helicopters after a two-week shutdown because of the coronavirus. The announcement came a day after Boeing said it will resume production at commercial jet assembly plants in the Seattle area, which shut down after some workers tested positive for the coronavirus.

The car biz

Manufacturing has come to a standstill and it is unknown when major industrial players will be able to restart plants.

Ford Motor Co. now expects to post a \$2 billion first-quarter loss. The automaker also floated \$8 billion in bonds Friday at interest rates ranging from 8.5% per year to 9.625%. They mature from 2023 to 2030. The company is raising cash to make sure it gets through the virus crisis. Ford's U.S. factories have been shut down for about four weeks, cutting off the company's main source of revenue.

Ford is hoping to restart factories in the second quarter.