



OCBJ INSIDER

by Mark Mueller

Hearts, Minds and HQs

Robert Braithwaite's been busy of late: check our front-page story on the new wellness push at Hoag Health Center Foothill Ranch, as well as this page's story on the first Be Well OC location in Orange, where Hoag and other area hospitals are involved.

Last Saturday, the CEO of Hoag Memorial Hospital Presbyterian had another job: chair of the 2019 Heart and Stroke Ball, held at Paséa Hotel & Spa. The Oct. 19 benefit for the American Heart Association drew a crowd of about 300—notable members of the ball's leadership team included Greenberg Traurig's Bruce Fischer, Bellwether Financial's Ralph Grippo and Snyder Langston's Jo-E Lopez—and brought in a record haul: more than \$1.5 million raised, and a 50% boost over the prior year's event.

Credit Braithwaite, though at a meeting at Hoag's Newport Beach office last week, he was first to note he wasn't the hardest-working exec at the Surf City event. That title falls to Kingston Technology co-founder John Tu, whose JT & Friends Band—30+ members, and about a dozen guest acts—provided the entertainment over a nearly 2-hour set that left the billionaire tech exec/drummer drenched in sweat.

One reason for the record fundraising: Tu announced at the show he'd match up to \$250,000 in gifts raised that evening. Company officials tell the Business Journal that JT & Friends are already confirmed for next year's event.

Check out Jessie Yount's startup column on page 14 to learn more about an area medical technology company, Fluxergy, which Tu also supports.

The biggest area tech company relocation since Broadcom's move to the Great Park Neighborhoods won't put a crimp on Alteryx's laid-back style, says CEO Dean Stoecker.

"Yes, the iconic Alteryx VW bus (see photo, page 21) will be making the move with us" across town, Stoecker said, after news of the rapidly expanding big data firm's move to Spectrum Terrace was announced.

The CEO last week also told students at Chapman University (as a guest speaker at a class taught by our Peter J. Brennan) that the new headquarters would feature an area to enjoy adult beverages, among other amenities—news that caught the ears of some job-seeking students. The \$5.8 billion-valued company is hiring about 50 people a month.

For more on Alteryx's move and news on the area's other fast-growing public companies, see our front-page story, and Special Report.

To the question of who will win the World Series, "the answer is clear—Scott Boras," quipped a recent NY Post column from Joel Sherman, who pointed out the Newport Beach super-agent's numerous clients among both the Nationals and Astros.

Boras also reps Washington's Anthony Rendon and Stephen Strasburg and Houston's Gerrit Cole—"or the likely three biggest free agents in the upcoming market," the NYP column points out.

There's one less Boras free agent on the market: his daughter Natalie, a model, this month wed Luke Morris, son of Vantera Partners' Jeff Morris, at a lavish event at the Parker Palm Springs.

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Unified Plan to Tackle Mental Health Concerns in OC

COMMUNITY: Be Well to focus on addiction, too

By MARK MUELLER

A large cross section of Orange County healthcare and civic leaders expect a forthcoming \$40 million facility in the city of Orange to mark the first step in a unified approach by the county toward combatting mental health problems and treating drug abuse—and in doing so alleviating some of the area's homelessness issues.

Be Well Orange County, a recently created collection of businesspeople, politicians and others, this month held a groundbreaking event for a new mental health treatment campus, the first of its type in the area.

The roughly 45,000-square-foot facility, at 265 Anita Drive, was bought last year for about \$7.8 million, property records indicate.

The site is now beginning an extensive renovation that's scheduled to be completed in about a year.

Backers of the project expect the center to get nearly 10,000 visits a year.

The services provided "will be a significant step forward in helping to break the cycle of mental illness, drug addiction, and displacement that many homeless citizens suffer," said Orange Mayor Mark Murphy.

The site is near the intersection of the Santa Ana (5) and Orange (57) freeways, not far from where Anaheim's prominent homeless encampments were previously situated last year.

The estimated \$40 million cost of the initial project is largely being funded by three groups: CalOptima, the community-based



\$40M estimated cost for Orange facility; 10K visits per year expected

Medi-Cal plan, the County of Orange, and a collection of area hospitals—Kaiser Permanente, Hoag and Providence St. Joseph Health.

Two more locations are planned by Be Well OC going forward, in South County and closer to the coast, according to Dan Young, a board member of the group. Specific locations haven't been selected yet.

Heart Surgery Mentality

Young, a former mayor of Santa Ana, and more recently an executive at Irvine Co., likens Be Well's approach with treating mental health and addiction to that of treating heart disease. Until now, "there was no [unified] system of care" with the former locally, he said.

"You can't win the battle without setting up the system," Young said. "It's the same as heart surgery."



Young on group's premise: 'You can't win the battle without setting up the system.'



Thermal barcode printer: retails for about \$495

No Paper, No Problem For Toshiba's OC Ops

TECHNOLOGY: Lake Forest firm sees future in printing

By KEVIN COSTELLOE

Toshiba America Business Solutions Inc.'s headquarters in Lake Forest is ready to help businesses make the long-awaited transition to offices more focused on digital and less on paper.

"There's such a large global population that has grown up with screens," Toshiba America CEO Scott Maccabe told the Business Journal.

"That's how they live their entire life. That will propagate, I believe, a faster transition into the paperless environment."

While less paper use may at first glance look like a big loss for printer- and copier-oriented Toshiba, Maccabe said less paper will in fact create an "opportunity" for the com-

►Toshiba 73



Helen Norris
Vice President and CIO
Chapman University

HERE TO LEAD CHANGE.

Helen Norris, Chapman University Vice President and Chief Information Officer, believes that technology can foster community and enhance learning. At Chapman, we're using technology to rise to the world's challenges. We congratulate Helen on her appointment to the board of EDUCAUSE.



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CEO Maccabe (right) and CMO Melo

Toshiba

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pany.

“We provide solutions across our multiple businesses in information sharing, information efficiencies,” Maccabe said. “And it comes in a digital format or it comes in a paper format. That’s not a concern for us. It’s just a different application.”

320 Workers in OC

Maccabe leads almost 2,500 employees companywide in the unit that has taken on growing importance within the Japan-based parent company, **Toshiba Tec Corp.** More than 320 of them work in Orange County.

The debate over the “paperless office” has been raging for decades with few signs of slowing down.

Chief Marketing Executive **Bill Melo** said the trend actually may be toward “the less paper office, not the paperless office.”

“The market share of information that is printed is probably less, but there’s just so much more information out in the world that even with people printing less of it, there’s still a lot of paper that is happening and it’s not going to go away,” according to Melo.

“All of our devices have individual meters for scanning and printing and copying. So, you’ll see much greater usage of the device as a scanner than anything else,” the marketing chief said.

“Part of our service offering to customers is to teach them how to print less,” the marketing executive adds. “There’s a lot of waste that happens.”

Keeping TABS

Toshiba America Business Solutions—often referred to by the acronym TABS—also provides thermal barcode printers, digital sign displays (see story, this page) and other products throughout the United States, Mexico, and Central and South America.

Toshiba is adding more security tools for its office printers. For example, users may need to key in a code to start the printing of documents from a centralized printer.

“So you’re not wasting anything and you’re not letting confidential documents just sit, able to be picked up by somebody else,” Melo said.

There are also security functions built into the printers’ hard drives, while an ID card may be required for access to prevent sensitive documents from being sent to competitors.

Some of the printers are made in China, a development that has raised questions regarding President **Donald Trump**’s tariffs on products made in that country.

The tariffs are “greatly impacting many technology providers, including virtually every multifunction printer manufacturer,” Toshiba said in a statement.

“As a result, we’re starting to see price in-

Toshiba America Business Solutions Inc. TOSHIBA

- **FOUNDED:** 1999
- **CEO:** Scott Maccabe
- **HEADQUARTERS:** Lake Forest
- **BUSINESS:** printers and other products for business
- **2018 REVENUE:** about \$4.3 billion, parent company Toshiba Tec Corp.
- **EMPLOYEES:** more than 320 in OC
- **NOTABLE:** growing focus on scanning product, digital signage

creases from many companies in our space,” the company said. “Similarly, Toshiba is working to offset the impact of the tariffs through all means possible and is looking at implementing a small pricing increase this quarter.”

Thermal, POS Offerings

Toshiba is also turning out a line of sophisticated thermal barcode printers—a business area that Maccabe said has “taken off” as more goods are shipped directly from warehouses and distribution centers.

“Toshiba was more of a niche player, and we have just made a concerted effort to grow across the different market opportunities for us and be competitive in that that space,” Maccabe said of the barcode printers.

Zebra Technologies Corp. of Lincolnshire, Ill., has about 89% of the market share for the thermal barcode printers, he said.

The company is also rolling out a whole line of point-of-sale printers—the place where customers can step up to the counter, pay, and ask for a paper receipt.

The business is worth more than \$1 billion a year in the Americas alone, Maccabe said.

Maccabe is also the CEO of a separate company, **Toshiba Global Commerce Solutions (TGCS)**, a North Carolina-based firm that focuses on retail store technology and in-store products with about 1,140 employees in the U.S.

Profit Center

Toshiba Tec has about \$4.3 billion in revenue, according to the dual-role CEO.

“Between our two U.S.-based companies—TABS and TGCS—we represent about 48% of that revenue and a much greater amount of the profitability of the corporation,” Maccabe said.

“We have been the leading profit contributor to our parent company for a long time now,” he said. “We moved from being the tail on the dog to now further up,” he said. “We have been the most significant profit generation vehicle and cash generation vehicle.”

Several Toshiba-branded units have operational bases in OC; other business lines in-

Toshiba’s Digital Signage: Deli Counters, Sporting Arenas

Head into a fancy deli or trendy clothing store, or one of the country’s larger sporting facilities, and you may find one of **Toshiba**’s newer product lines—their digital signage displays.

The signs post food prices and let you order food at the deli counter in the supermarket. Others show clothes models in retail stores and are designed to keep visitors posted on the day’s events at attractions such as the Union Station culture hub in Kansas City, Mo.

The segment continues to expand into sports areas and churches, moving beyond the traditional printer and copier business.

“It’s a lot smaller than the multifunction-printer business but growing very rapidly,” said **Bill Melo**, chief marketing executive of **Toshiba American Business Solutions Inc.** in Lake Forest. “It’s in the early stages, but it’s a rapidly growing business.”

“We create the content, we deliver the hardware,” Melo said.



CEO **Scott Maccabe** said companies use the digital signage for advertising, promotions and interactive shopping.

The signage is featured within numerous venues across the United States and internationally including **Staples Center** and **L.A. Live** in Los Angeles, **Dignity Health Sports Park** in Carson, and **T-Mobile Arena** in Las Vegas.

Toshiba’s digital signs can also be seen at **Mercedes-Benz Arena** and **Mercedes Platz** in Berlin, and the **O2 Arena** in London.

clude medical-focused divisions that are near the **University of California-Irvine**.

Much of the company’s area operations were previously consolidated at a larger facility in Irvine; those groups moved elsewhere following the building’s sale a few years ago, with TABS moving a few miles away to an office park off Bake Parkway in Lake Forest.

TABS remains an emphasis for the parent company, Maccabe said.

“One of the most significant changes has been Toshiba corporate—Toshiba Tec, our parent company—really becoming so much for dependent on this business unit, this business entity,” Maccabe said.

That includes helping to train employees from Japan, where Marketing Chief Melo says the focus is more on manufacturing.

“We have a number of Japanese staff that are resident here for about a three-year tenure, and they turn over,” Mccabe said. “We have become the training, grooming mechanism

for headquarters in Japan.

“They’ll bring over their best and brightest and ask us to immerse them in the culture, in our business acumen, our business strategies.”

Toshiba’s one of several printer manufacturers with large operations in Orange County that’s looking to reinvent operations in light of the paperless office movement.

Local Hub

Rival **Ricoh USA Inc.** is headquartered in Pennsylvania, but retains a collection of large facilities along the Costa Mesa (55) Freeway, including several buildings in Tustin.

Epson America Inc., meanwhile will move its headquarters from Long Beach to a just-refurbished campus in Los Alamitos next year.

“We’re proud to be an Orange County company,” said Toshiba’s Maccabe, who grew up in Southern California. “We’re very proud of that.” ■



Toshiba digital signage for use in food service