



Date: Friday, April 17, 2020

RE: “Opening Up America Again” (summary of third-party economic research and perspectives to foster communication with business and economic development stakeholders during the COVID19 crisis.)

Key Takeaways

- **Global:** China experienced first GDP decline in four decades.
- **U.S.:** A Decade of Jobs Destroyed in a Month: From Jul-09 to Feb-20, the U.S. economy created nearly 22M jobs. In the last month, that many people lost their jobs. The White House provided guidelines to open up America again.
- **Ohio:** As of April 16, the SBA’s Paycheck Protection Program had approved 59,800 loans totaling \$14.1B. Ohio will begin a phased-in reopening of the state economy beginning May 1.

Global

[China’s first-quarter GDP](#) shrank 6.8% - the first time in four decades, which foreshadows the pain expected in the U.S. and around the world. IMF warns global economy to [suffer worst blow](#) since the 1930s – most countries should expect their economies to be 5% smaller than planned even after a sharp recovery in 2021. The [U.K.](#) extended its lockdown for three more weeks on Thursday until at least May 7. [India’s fragmented food supply chain](#) frays as people stay home during coronavirus shutdown.

IMF suggests [fiscal policies](#) to contain the damage from COVID-19. Japan plans direct payments to household and business as part of a nearly [\\$1T economic package](#) – nearly \$3,000 for families and \$20,000 for some businesses. Germany to begin gradually [reopening its economy](#) next week after a month in a partial lockdown. [Canada and the US](#) agree to extent border restrictions by 30 days for nonessential travel.

[Ford announced](#) that its year-over-year sales in China fell 34.9% following it posting a 12.5% decline in the U.S. [In Europe](#), auto sales plunged by 55.1% year-over-year dropping from 1,264,569 units to 567,308. [Global investment management group BlackRock’s](#) total assets fell nearly \$1T as worries about the economic fallout of the coronavirus pandemic hammered global markets. The company’s CEO, Larry Fink, said he expects there to not be a rapid rebound.

U.S.

[Freight executives](#) gave feedback to White House on economic restart as the President is [outlining broad new federal guidelines for reopening the economy](#). The economic impact to local economies threatens to blow a [\\$500 billion hole in state tax revenues](#) as the National Governors Association asked Congress for more funding to make up the collapse in tax revenue. The [Business Roundtable President and CEO](#) urged that testing is crucial to getting back to running business smoothly.

[Per American Chamber of Commerce in China’s March survey](#), fewer big companies calling “decoupling” impossible in March than last October and more than a quarter of the companies plan to start sourcing some or all of their materials from different locations. The [SBA’s Paycheck Protection Program \(PPP\)](#) provided payroll assistance to more than 1.6M small businesses in all 50 states and territories, processing more than 14 years’ worth of loans in less than 14 days. [In just four weeks](#), 22.3M workers, or 14% of America’s workforce filed for unemployment claims. The Conference Board [Leading Economic Index](#) for the U.S. declined 6.7% in March – its largest decline in 60 years.

[Cargill](#) is temporarily idling its Big Lake, MN, facility and laying off employees there due to shifting demands of the foodservice industry. [Meat plants](#) continue to close, [creating disruptions to store deliveries](#). There are [129 hospitals furloughing](#) workers in response to the cancellations of elective procedures. [Electronics retailer BestBuy](#) has announced it will be furloughing nearly 51,000 employees but would retain about 82% of full-time employees. [The hotel industry](#) continues to struggle in the U.S. with revenue per available room falling 83.6% year-over-year to \$15.61 and occupancy dropping 69.8% to finish the week of April 11 at 21%. [According to data from the Association of American Railroads](#) total weekly rail traffic fell 21.9% for the week of April 11th year-over-year.



[Boeing](#) will resume commercial airplanes production in Puget Sound, Washington with 27,000 people returning to work. [Apple and Google](#) team up on coronavirus tracking using smartphone Bluetooth data.

Ohio

[“We are at the end of the beginning”](#) said Governor DeWine as he announced that considerations are being made for some parts of the economy to reopen beginning May 1. The official Ohio [unemployment rate](#) was 5.5% in March as the U.S. unemployment rate was 4.4%.

Procter & Gamble posts [biggest U.S. sales gain](#) in decades as shoppers rushing to stock up on medicine and cleaning supplies. [Key Corp.](#) processed nearly a decade’s worth of SBA PPP applications. Amazon will add 75,000 new positions across the country, and about [4,500 of those new jobs](#) will be in Ohio. [Wendy’s and Cardinal Health executives](#) have been picked to serve on president’s economic task force.

[Mayors across Ohio](#) have stated they may have to lay off police officers, firefighters, and other essential service providers if cities are excluded from the next round of federal coronavirus relief. [The Dayton Medical](#) community and physicians at Wright-Patterson AFB have coordinated on a potentially groundbreaking treatment for COVID-19 patients using transfusions of plasma from previous survivors. [Several cities in the Dayton-area](#) have launched emergency business loan programs to provide relief amid the economic disruption of COVID-19. Troy, Kettering, and Miamisburg are all offering loans ranging from \$2,500 to \$5,000.

<i>Positive Company-Specific News (since 4/15)</i>	<i>Negative Company-Specific News (since 4/15)</i>
<ul style="list-style-type: none"> - P&G’s thousands of office employees to continue working from home amid pandemic. - Ardent Technologies Inc., a Centerville-based IT has been awarded part of a \$20B deal to provide federal agencies with integrated professional services. - Hilliard-based Advanced Drainage Systems announced it has taken proactive steps to ensure health and safety through COVID-19. In addition, the company expects sales to rise above previously issued 2020 guidance. - Eaton Corp. has designed a tool designed to keep hands from touching public surfaces by allowing users to open doors, turn on faucets, and push elevator buttons. - Dublin-based technology company Updox has experienced a surge in new users as its service which provides HIPAA-compliant telehealth chat, texting and video chat. The company reported about 220 visits per day prior to COVID-19 and now says it receives 45,000. 	<ul style="list-style-type: none"> - Green Tokai Co. Ltd., one of Dayton’s largest manufacturing companies, recently furloughed 543 workers at its HQ in Brookville. - Hospitals furloughing: Adena Health System – 500; Summa Health – 360; Aultman Health – 400; Ashtabula County Medical Center; Fayette County Memorial Hospital; Premier Health; Mount Carmel Health System; Kettering Health Network; Mercy Medical Center. - KeyCorp posted a \$119M first quarter net income loss based partially on it raising its provision for loan losses by 229.4%. The company also removed its 2020 guidance. - Goodyear said it expects a pretax loss between \$175-185M for Q1 2020 after tire sales dropped 16.67% YoY due to COVID outbreak. - American Financial Group has revised its 2020 guidance stating it will be “significantly lower than its previous expectations” due to COVID. - Cedar Fair announced several cost saving measures since closing its parks including suspending advertising, eliminating seasonal and part-time labor, suspending quarterly distribution and non-essential capital projects, and reducing salaries. - REIT Welltower withdrew its 2020 guidance due to the “unanticipated impact of COVID-19”.

Resources

- Ohio Department of Health’s COVID-19 Website: www.coronavirus.ohio.gov
- JobsOhio’s resource portal remains available at: <https://www.jobsohio.com/covid-19-resources/>