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 shrunk 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 extend 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.

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<th>Positive Company-Specific News (since 4/15)</th>
<th>Negative Company-Specific News (since 4/15)</th>
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<td>- P&amp;G’s thousands of office employees to continue working from home amid pandemic.</td>
<td>- Green Tokai Co. Ltd., one of Dayton’s largest manufacturing companies, recently furloughed 543 workers at its HQ in Brookville.</td>
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<td>- Ardent Technologies Inc., a Centerville-based IT has been awarded part of a $20B deal to provide federal agencies with integrated professional services.</td>
<td>- 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.</td>
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<td>- 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.</td>
<td>- 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.</td>
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<td>- 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.</td>
<td>- Goodyear said it expects a pretax loss between $175-185M for Q1 2020 after tire sales dropped 16.67% YoY due to COVID outbreak.</td>
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<td>- 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.</td>
<td>- American Financial Group has revised its 2020 guidance stating it will be “significantly lower than its previous expectations” due to COVID.</td>
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**Resources**

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

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