

Training

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business school hospitality program, which produces graduates schooled in the nuts and bolts of running a profitable enterprise.

“We met with HR people and GMs who were really happy our students get these lower-division business classes,” said Executive Director **Kim Tarantino**. “Our graduates understand the business model.”

A hospitality minor is in process, and Tarantino said she’d like to add a certificate

in the discipline.

Results-Oriented

Many of the 50 annual graduates go into local roles, including a former intern at the **Orange County Visitors Association** in Irvine who now works at Pelican Hill.

Students meet executives from firms, including **Warner Music, LiveNation, Walt Disney Interactive** and Irvine Co.’s resort properties.

Grippio serves on the program’s advisory board and works with the CSU alliance and Cal Poly Pomona.

“Over the years, we’ve hired more than a hundred students” from the programs, he said. “The beauty of these kids is their character and work ethic. They are working-minded, driven individuals. What we do is hard work.”

In his career he’s benefited from “people

who have provided direction, helped me navigate my career, and I enjoy paying it forward, to provide insight from experience, give direction and guidance.”

The “rational business reason [is we] engage with them, mentor them ... and they stay with us.” ■

BUSINESS BITES

Other items of interest
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Compiled by Hannah Mitchell

► APPAREL

Anaheim-based retail chain **Pacific Sunwear of California Inc.** is reportedly in talks with Bellevue, Wash.-based sports retailer **Eddie Bauer** to consolidate their businesses, Reuters reported. Both retailers are owned by private equity firm **Golden Gate Capital**. PacSun emerged from bankruptcy in 2016 under Golden Gate’s ownership following a restructuring plan that converted debt into equity. **Wells Fargo** provided a five-year, \$100 million revolving line of credit. Store sales rose 9% this year, Reuters reported.

—Subrina Hudson

► AMUSEMENT

Walt Disney Co. said Star Wars: Galaxy’s Edge will open at Disneyland Resort in the summer of 2019. The Walt Disney World iteration will follow in the fall. Heavy local rains last year delayed construction on the 14-acre project.

—Paul Hughes

► MANUFACTURING

Mitsubishi Electric US Inc. in Cypress named **Mike**

ECONOMIC INDICATOR

MIXED: Year-over-year John Wayne Airport traffic in April, when the passenger count rose 5% to 894,000 on about 3,775 commercial flights, up 4.4%. International passengers, about 2% of JWA travelers, dropped by 18% to 17,000 on 85 flights, down 23%.

Corbo to the newly created position of chief operating officer. He was most recently general manager of Mitsubishi Electric US’ elevator and escalator division, which he joined in 1986. The company also named **Erik Zommers** to Corbo’s prior position. Mitsubishi Electric US is an affiliate of the Japanese-based conglomerate that makes cooling and heating products, elevators, escalators and LCD digital signage monitors.

—Peter J. Brennan

Newport Beach-based **DPW Holdings Inc.** said subsidiary **Coolisys Technologies Inc.** bought **Enertec Systems 2001 Ltd.** of Israel for \$4.8 million. Coolisys, which works in sectors like defense and aerospace, assumed \$4.3 million in revolving debt. Enertec, which generated \$8 million in revenue last year,

is Israel’s largest private developer and maker of specialized electronic systems for the aerospace and defense markets, according to DPW, which describes itself as a diversified company with a growth strategy of acquiring undervalued assets and disruptive technologies, including “cryptocurrency mining.” It reported first-quarter gross sales tripled to \$5.2 million and that its “comprehensive loss” widened to \$10.8 million from a \$973,000 loss a year earlier.

—Peter J. Brennan

A “self-chilling” beverage can created by an Irvine-based firm is selling in 15 Los Angeles 7-Eleven stores. **Mitchell Joseph**, founder and chief executive of the **Joseph Co. International Inc.**, said, “We’ll test for 45 days and decide whether to go farther.” Irvine, Texas-based **7-Eleven**



Corbo: fills new COO spot at Mitsubishi Electric US

Inc. has 66,000 stores. The chain holds the new **Fizzies Sparkling Cold Brew Coffee** owned and launched by the chain.

—Paul Hughes

► RESTAURANTS

Cypress-based **Real Mex Restaurants Inc.**’s owners seek to sell the chain and hired investment bank **Piper Jaffray** to unearth a buyer, reported Bloomberg, which said a second bankruptcy filing in seven years could precede a transaction. It was No. 11 on last year’s Business Journal list of OC-based restaurant chains, with \$263 million in system-wide sales and 92 locations, the latter down a third year-over-year.

—Paul Hughes

► RETAIL

A former vice president of finance at Newport Beach-based make-up brand **Urban Decay** was sentenced to a year in jail after pleading guilty to a grand-theft charge for embezzling nearly \$600,000 from the company, according to news reports. Prosecutors said **Ranjeet Reedy Paladugu** tried to cash three company checks worth a combined \$1.1 million. Bank employees noticed the activity and stopped payment on the third check. Paladugu returned the money.

—Hannah Mitchell

► TOURISM

Last week at the IPW tradeshow in Denver, **Visit Anaheim** Chief Executive **Jay Burress** promoted the event’s shift to Anaheim next year, when an estimated 6,000 travel industry executives will attend. It’s backed by destination marketer **U.S. Travel Association** in Washington D.C., and people use it to book future events. Next year’s IPW will be June 1 to June 5 at Anaheim Convention Center. (More from Burress and fellow booster, **Ed Fuller**, on the tourism’s eco-

nom ic impact, page 51)

—Paul Hughes

► TRANSPORTATION

JetSuite Inc. plans to get the first “hybrid-to-electric” aircraft from Kirkland, Wash.-based **Zunum Aero** when it’s ready in 2022. The Irvine-based charter plans to buy up to 100 planes long term from the startup. The aircraft use less fuel with comparable cruising speed and range performance.

—Paul Hughes

Delta Air Lines will fly nonstop between **John Wayne Airport** and **John F. Kennedy International Airport** in New York, daily except Saturdays, starting on Oct. 15, a new destination for JWA, which for nonstop flights to the East Coast currently has only a United Airlines flight to Newark, N.J.

—Paul Hughes

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Tourism's Significant Impact In Orange County



By Jay Burress
Chairman,
Orange County Visitors Association
President, Chief Executive,
Visit Anaheim



By Ed Fuller
President, Chief Executive
Orange County
Visitors Association

This month hundreds of local travel and tourism leaders gathered at the 10th annual conference of the **Orange County Visitors Association** at the Hilton Waterfront Beach Resort in Huntington Beach. Attendees heard about industry initiatives and discussed how to showcase and strengthen the Orange County brand at the event, which coincided with National Travel & Tourism Week and California Tourism Month.

The conclusion drawn from each of the celebrations is that travel matters—a lot. Supervisor **Todd Spitzer** opened the May 7 conference saying, “It’s what (tourism) creates—in terms of the multiplier effect—that is so important.”

U.S. Travel, the national advocate for the \$1 trillion industry, reports that tourism generated \$2.4 trillion in total economic output last year and is the country’s second-largest industry export. **Visit California** just announced that total visitor spending in the state reached \$132.4 billion last year.

wages. But tourism generates jobs—and wages—from the bottom to the top of the jobs ladder. It’s important to remember, too, that tourism generates jobs across a range of sectors, from food service to marketing to finance to construction.

Data shows, and we know firsthand, that the tourism industry not only offers a starting point for new workers, but it also provides flexibility and the opportunity to build important skills. Both of us began our careers in the hospitality industry. Jay was a waiter and cook at a restaurant in Waco, Texas, and Ed was a security guard at a Marriott Hotel in Arlington, Virginia. Our careers have turned out OK; in fact Ed left Marriott as president and managing director of **Marriott International Lodging**.

In its 2017-18 Workforce Indicators Report, the **Orange County Business Council** reported that “tourism occupations offer development of soft skills, teach important transferable skills such as customer service

“**BLS data also indicates that two out of five workers who start their careers in the travel industry go on to earn more than \$100,000 per year.**”

OCVA's latest research indicates that visitors spent nearly \$13 billion in Orange County in 2016—that's more than \$35 million a day that tourism is contributing to the local economy. While those visitor dollars support the large venues for which Orange County is famous—**Disneyland Resort, Knott's Berry Farm** and **South Coast Plaza**—they also flow to places like the mom-and-pop restaurant that's a neighborhood favorite, the local museum that hosts world-class exhibitions, and the community theater.

Tourism also supports municipal budgets. In 2016, Orange County's tourism industry generated \$404 million in local taxes and fees—revenues that can be used to support local priorities, like roads, parks, libraries and public safety.

One of the most obvious benefits of tourism is job creation. Tourism is our nation's seventh-largest employer, supporting 15.6 million jobs. In California, the industry supported 1.1 million jobs last year. Here in Orange County, the tourism industry sustained more than 175,000 jobs in 2016. Unfortunately, the stereotype is that most tourism jobs are low-wage. Clearly, entry-level jobs in the sector—as in any sector—pay entry-level

that are increasingly valued in other industry sectors as well as potential upward mobility and promotion into supervisory and managerial positions." Bureau of Labor Statistics data add some heft to that statement: One-third of Americans who work part time while furthering their education work in the leisure and hospitality field. The BLS data also indicates that two out of five workers who start their careers in the travel industry go on to earn more than \$100,000 per year, enforcing the contention that tourism employment provides an important, rising step on the jobs ladder.

The Orange County Visitors Association combines its members' individual strengths to build and broadcast "the OC" brand, which in turn fuels the local economy. At this year's OCVA conference, there was ample evidence of such collaboration and cooperation: **Visit Anaheim** working with **Visit Newport Beach**, **Hilton** with Marriott, **Fashion Island** with South Coast Plaza.

Our members know that working together makes the larger OC brand stronger—and everyone benefits. At the end of the day, our members know and the economic impact studies confirm one thing: tourism matters.