



OCBJ INSIDER

by Mark Mueller

Here Comes the Boom

Irvine's **Apex Parks Group**, the operator of the Irvine and Fountain Valley **Boomers** family entertainment centers, closed its OC locations and 10 other amusement park sites it runs across the country several weeks ago because of COVID-19 restrictions.

Last Wednesday, it filed for Chapter 11 bankruptcy protection, the first notable OC firm reported to do so amid the pandemic. Expect many more.

Apex, which plans to have its assets (listed in court documents as between \$50M and \$100M) acquired by **Cerberus Capital Management**, didn't cite the pandemic as the culprit for the bankruptcy. Instead, it noted "increased industry competition and consolidation, extensive operational expenditures and the seasonal nature of the business." Recent events clearly didn't help, though.

"We recognize this is a challenging time on numerous fronts and look forward to us all returning to work," Apex CEO **John Fitzgerald** said in a statement, thanking the company's team members.

A lot of people echo that sentiment. Nearly 17 million people in the U.S. have filed for unemployment the past three weeks, almost 1,000 lost jobs for each reported COVID-19 related death in the country.

More than 2.1 million California residents lost their jobs over that same time, or about 4,200 jobs lost per reported death in the state as of April 10.

Tom Phelps, eponymous co-founder of national law firm **Manatt, Phelps & Phillips LLP**, is back from a South American cruise that lasted two weeks longer than expected, notes our **Rick Reiff**. His report:

Phelps and his wife, **Beth**, were among nearly 3,000 passengers aboard the **Celebrity Eclipse**, one of many cruise ships stranded at sea after ports closed over coronavirus fears.

They traveled with "two dear friends," **Pam and Phil Wheeler** from San Juan Capistrano. Phil is a retired electrical engineer, Pam a former Ms. Senior California.

The Phelpses were finally able to disembark in San Diego and clear screening and return to their Coto de Caza home on March 30.

Phelps said nobody on the ship was diagnosed with COVID-19 during the voyage, and passengers freely went about the ship. And thanks to additional supplies that were ferried aboard, there was plenty of food, drink and medicine throughout the extended trip. "It was pretty nice," Phelps said.

But the day after returning, they were notified that one Eclipse passenger had tested positive for the virus, so they're self-isolating for 14 days. And their food and drinks are no longer free.

"Now I know what it's been like for you guys on land," he said.

Luxe home broker **Tim Smith's** "Teach Me How to Duffy" video helped sell a \$35M waterfront home in Newport Beach last year.

His team last week launched a video for a new listing in Laguna Beach. The three-minute film shows off the \$8.5M-valued house, as well as a collection of eight dogs that are up for adoption through a partnership with **Leashes of Love**, an SJC dog shelter.

While the home hasn't yet sold, our **Katie Murar** reports that one dog, a Chihuahua-mix named **Prince**, has already been adopted as a result of the film. Hear more from Smith and Murar on the state of the luxe market on page 32.

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CORPORATE RESTRUCTURING AND BANKRUPTCY

RICHARD H. GOLUBOW, ESQ.
rgolubow@wghlawyers.com

GARRICK A. HOLLANDER, ESQ.
ghollander@wghlawyers.com

www.wghlawyers.com
949.720.4100

tMed Platform Allows for Private Doctor Consultations

TECHNOLOGY: Serves patients wary of leaving home

By KEVIN COSTELLOE

Titan HST of Newport Beach, a communications-focused technology firm founded in 2012, has stepped up its moves in the telemedicine market, as patients opt to stay home in the midst of the coronavirus pandemic rather than head to doctors' offices.

tMed 2.0 by Titan HST is a new video medicine and health platform that allows people to access their on-call doctors instantly, and securely, without venturing outside.

It allows medical providers to quickly connect directly with their patients, both for medical consultations and for general mass communication to help share accurate and up-to-date information about COVID-19.

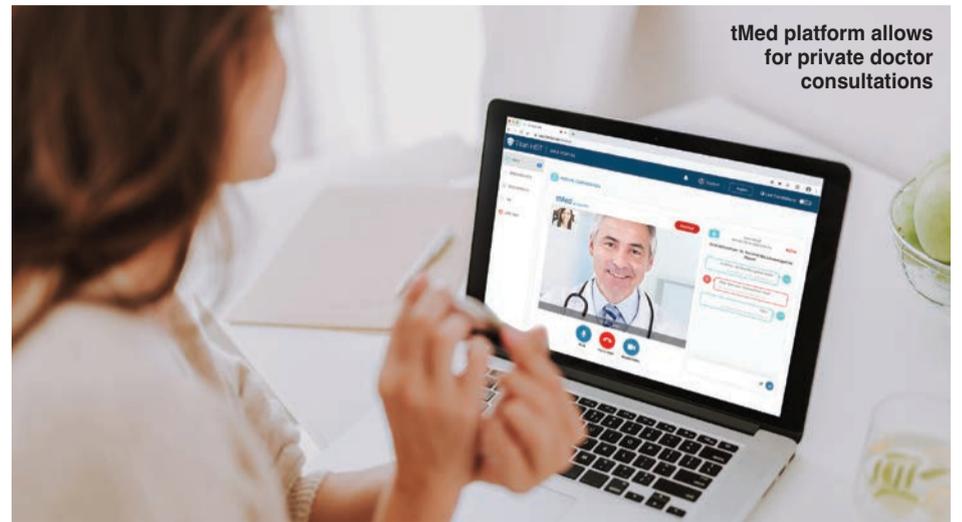
"Medical offices are closing their doors because they don't want to have sick patients in there or because too many patients are canceling appointments," **Vic Merjanian**, founder and chief executive of Titan HST, told the Business Journal this month.

"One of the doctors we've spoken to, used to see 50 patients a day. He was down to four. They had to close the offices because everyone's scared to go in."

OB-GYNs, Pediatricians

Merjanian said the company's system is mobilizing primary care physicians, including OB-GYNs and pediatricians, to stay open and see patients especially now during the pandemic.

Doctors enroll patients and staff instantly in just one step. The medical providers then have the ability to video call, audio call and text chat with patients during consultations, including the ability to translate communications in real-



time so that all populations in a community have access to medical care.

They can also send informational messages to patients and staff including video, photos and documents via text message, mobile app, email, web and social media.

Medical care providers can also poll their patients and staff regarding anything including symptoms, work attendance, etc. and mobilize resources with group conferencing over video, audio and text including real-time translation in over a dozen languages.

Merjanian, who is also an attorney, received the Business Journal's Excellence in Entrepreneurship Award in 2018.

In addition to medical uses, the company's products are used by emergency personnel, law enforcement, security personnel, school districts and others, to share information during emergency situations.

Titan HST allows users and emergency personnel to communicate emergency information instantly—including GPS coordinates, text, audio, pictures and videos—increasing infor-

mation dissemination and reducing emergency response time.

A deal struck in 2018 with unrelated security services firm **Titan Global LLC** of New York, to provide communications systems to Titan Global's workforce and customers, was billed at the time as being valued at \$300 million or more.

Merjanian said last week that the Titan HST-Titan Global contract has resulted in "tremendous and high-profile" deal flow, assisting in Titan HST reaching profitability within approximately a year of its Series A. In fact, "the partnership has been so successful that their CEO **John Ventura** actually joined our company as our chief business development officer," he said.

Secure, Encrypted

Merjanian sees advantages of tMed over other video platforms for medical care.

"Zoom and those other platforms are not intended for video medicine," Merjanian said. "We have a digital waiting room. We are secure. We're encrypted."

►Titan HST 35

BigRentz Plows Ahead On Acquisitions

FINANCE: Attracts \$15M investment; IPO considered

By PETER J. BRENNAN

BigRentz Inc., the nation's largest online website to rent construction equipment, is forging ahead to almost double annual revenue to more than \$60 million following two acquisitions and an investment led by a Japanese conglomerate.

The Irvine-based firm on April 1 said that it closed \$15 million in funding from private investors, including new lead investor, **Itochu Corp.** (OTC: ITOCF), a Tokyo-based Global Fortune 500 company with assets totaling over \$90 billion. It is Japan's third-largest trading company by assets.

"BigRentz has been on our radar for some time and believe it is positioned to make an impact in other rental markets throughout in the world," **Masa Yoshikawa**, manager of Itochu's construction machinery section, said in a statement.

BigRentz is also considering becoming a publicly traded company and is interviewing investment bankers and preparing for audits, Chief Executive **Scott Cannon** told the Business Journal.

If BigRentz does an initial public offering, ►BigRentz 35



Cannon: can handle more than 100K annual rentals

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2020

2020 SPRING ECONOMIC FORECAST

WEDNESDAY APRIL 22, 2020

A VIRULENT YEAR?
Growth Prospects Amid Global Epidemic and Election Risks

Anil Puri, Ph.D.
Provost Emeritus
Director, Woods Center for Economic Analysis and Forecasting
California State University, Fullerton

Mira Farka, Ph.D.
Associate Professor,
Department of Economics
Co-Director, Woods Center for Economic Analysis and Forecasting
California State University, Fullerton

This year, our spring forecast is coming to you.

We've postponed the event and will present a version to you ONLINE.

For more information, visit business.fullerton.edu/woodscenter.

Mihaylo College supports the Southern California business community in all sectors through regular expert updates on the outlook for the local, national and world economies.

Titan HST

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With Zoom, for example, another patient can show up in your appointment, according to Merjanian, while the FBI is issuing a warning about Zoom, telling users that they could be victims of hacking that could come with pornographic or hateful messages.

Full Privacy

The company said it aims to keep doctors and other medical care open for business. This way they can see patients without exposing the medical providers to illness or letting illness spread in their waiting rooms. Titan HST said it helps to keep continuity of care, and therefore keep small medical businesses employing people while treating patients and reducing burden on hospitals.

“Our medical platform allows for mass notification and polling of users,” Merjanian said. “Doctors can confidentially poll all of their patients with one touch to see if they are healthy or not healthy.”

He emphasized the strict privacy of the tMed platform.

“We don’t share or sell any of the information



Titan HST CEO Merjanian pushing further into telemedicine

with anyone,” he said. The system is HIPAA compliant, meaning it conforms to federal law on patient privacy and confidentiality of medical records.

PPE, Costs

“The tMed platform costs less than the safety equipment required for just one patient interaction and there are no contracts or monthly fees,” the company said April 1 in announcing the platform upgrade.

The medical provider goes online to sign up for the platform. The price is a “few dollars per visit” with the doctor paying and then generally getting insurance reimbursement. The doctor initiates the service.

“Due to the pandemic, we’re deferring all payment for 100 days,” according to Merjanian, whose company has been working remotely. “Right now, our goal is just to mobilize the medical community to help Americans get access to medical care.”

13 Languages

“Our medical platform allows for mass notification and polling of users, so doctors can confidentially poll all of their patients with one touch to see if they’re healthy or not healthy,” according to Merjanian. That helps to allow for a “continuity of care.”

It also provides for real-time translation across 13 different languages while allowing for the storage and sharing of documents, videos, pictures and more with patients or staff.

The platform for all of the company’s services was used 200 million times last year, according to Merjanian. ■

BigRentz

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Itochu will own more than 20%, he said.

“While we are cognizant of the current health and economic landscape, we have ambitious growth plans and believe Itochu is the ideal investment partner to help execute our 10-year strategy,” Cannon said.

Two Acquisitions

BigRentz on March 31 acquired Lizzy Lift, an international provider of construction equipment rental services. The Elmhurst, Ill.-based firm has been co-owned by sisters Jennifer DuBose-Lombard and Elizabeth Faruzzi for more than 20 years.

“They are incredibly well known in our space,” Cannon said. “They have an absolutely stellar reputation.”

The investment from Itochu also helped BigRentz acquire Atlanta-based Equipment Management Group, a national site services provider. Terms of the acquisitions weren’t disclosed.

The two acquisitions, plus internal growth, should double BigRentz’s revenue from \$35 million in 2019 to about \$63 million this year, Cannon said. The two acquisitions will boost



CEO Cannon on left, at Irvine HQ

BigRentz’s employee base from 75 to about 105.

Coronavirus Effect

Cannon lowered his original revenue forecast from \$70 million because of the coronavirus pandemic, which is forcing his employees to work from their homes.

“The biggest impact to our business is our customers are cutting back on capital investments due to the uncertain financial environment created by shutting down various elements of the economy due to COVID-19,” he said.

The company describes itself as similar to how Expedia sells hotel rooms and airline tickets. Cannon said it’s basically the sales and marketing arm of 2,500 small rental companies that control about 8,500 yards with equipment valued at \$50 billion.

It rents anything from boom lifts to bulldozers to an 18-ton carry deck crane. Its website arranged 36,000 rentals last year. That amount should almost triple with the two acquisitions and its own growth.

“We are positioned to handle over 100,000 annual rentals without adding additional costs,” Cannon said. ■

Titan HST

- **HEADQUARTERS:** Newport Beach
- **FOUNDED:** 2012
- **CEO:** Vic Merjanian
- **BUSINESS:** multi-patented comprehensive web and mobile based emergency alert and mass notification system for businesses, governments, schools; video medicine platform
- **OC EMPLOYEES:** 20
- **NOTABLE:** tMed payments deferred for 100 days due to pandemic

BigRentz Inc.

- **FOUNDED:** 2012
- **CEO:** Scott Cannon
- **BUSINESS:** website arranges rentals of large construction equipment
- **HEADQUARTERS:** Irvine
- **2020 REVENUE:** \$63M (estimate)
- **EMPLOYEES:** 105
- **NOTABLE:** wins \$15M investment from Itochu, third-largest trading company by assets in Japan

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