

March 24, 2020

The Honorable Gavin Newsom 1303 10th Street, Suite 1173 Sacramento, CA 95814

Dear Governor Newsom,

California's independent appliance retailers are focused on the health, safety and sustainability of their employees, families, customers, and communities as the continued outbreak of COVID-19 develops. On behalf of the 101 independent appliance dealers who operate some 157 storefronts in California and are members of Nationwide Marketing Group, we're sincerely appreciative of the leadership, quick responses, and continually developing efforts your administration has shown as together, we work to minimize the impact of the COVID-19 outbreak on both public health and the broad economic implications in California.

The independent appliance retailers and servicers in California are following the CDC's Interim Guidance for Businesses and Employers and strive to do their part to help accomplish the goal of all Californians in slowing the spread of COVID-19 in our communities.

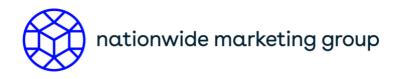
Today, perhaps more than at any time in the past, California families are counting on our retailers during this time of crisis, and the independent appliance retailers are committed to being there for their customers, their neighbors, and their communities. The current and unprecedented pandemic demands that all Californians work together for the greater good, and these small businesses and their teams stand ready to do their part. We believe that independent appliance retailer business owners are best equipped, best informed, and best able to determine their abilities to remain open and serving their communities.

Your administration is undoubtedly very deliberately considering which businesses are "essential" and "nonessential" retail for purposes of social distancing, it is critically important not to overlook the important role that California's independent appliance retailers and servicers play in the safety of California's residents and their households during this time of crisis.

It's crucial that appliance retailers and appliance servicers remain open. Consumers cannot maintain safe preservation of food and medicine and cannot perform safe preparation of food without access to fully functioning home appliances. Further, studies have shown that the virus can be transmitted via clothing exposed to COVID-19, and as such, fully functioning laundry machines are imperative, and the presence of such machines in private homes will prevent Californians from being forced to risk or stress social distancing measures as is inherent to laundromats and public laundry facilities.

Today's industry data shows that more than 60 percent of major appliance purchases are made under duress for the replacement of products that have failed. Such failures occur daily, and as such, access to quality appliance repair service and replacement is vital. Additionally, the sudden surge in appliance use by those who don't normally subject their appliances to daily use will see a correlating spike in failures and the needed service or replacements that result.

The products offered by the independent appliance retailers of California serve critical roles necessary to maintain safe and sanitary homes for those sheltering in place. Among the critical roles played by these products are:



- Refrigerators and freezers are essential for the basic preservation of food and medicine. Today, as consumers are making fewer trips to food suppliers and stockpiling more, food storage and preservation are even more critical.
- Ranges, cooktops and ovens provide necessary food preparation capabilities, and as the population is required to stay in and prepare meals at home the need is greater than normal.
- Automatic dishwashers are essential for sanitizing dishes and utensils which limits the spread of disease. Hand washing of dishes is generally not as sanitary and requires more water.
- Laundry appliances such as clothes washers and dryers which sanitize garments and linens are essential, because according the CDC it is possible for COVID-19 to be transmitted via clothing. Those who continue to function outside the home and those who have a single household member who is self-quarantined must be able to sanitize clothing and linens.

It is also our understanding that the Department of Homeland Security's CISA memorandum on essential workforce guidance during the COVID-19 pandemic specifically designates groceries, pharmacies, convenience stores, and other retail that sells human food, animal/pet food, and beverage products being clearly designated as essential. However, we believe there is an implied obligation that in order to safely preserve and prepare food products, fully functioning appliances in the homes of Californians are equally necessary. We urge you to clarify this in your statements to the public, and to clearly designate major appliance retailers and servicers as essential in California.

Finally, it is important to note that many stores operating in the independent appliance retail sector in California are equipped to allow for contact-less, curbside pick-up or curbside deliveries. Further, the vast majority of California's independent appliance retailers have in place e-commerce solutions that allow consumers to select, purchase and request delivery or pickup of appliances through secure, transactional websites. These capabilities reduce the need to strain in-place social distancing measures in physical store locations, which are in place to serve those with no access or familiarity with shopping for such goods online.

Thank you for your attention to this concern and your ongoing leadership. Nationwide Marketing Group stands ready to assist in any way as you consider how to best safeguard our communities.

Sincerely,

Tom Hickman President, Nationwide Marketing Group



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cc: Matthew R. Sway, National Retail Federation, Brian Dodge, Retail Industry Leaders Association