

If you missed it ...

In a week when **Tesla** stunned the world by posting a fourth consecutive profitable quarter, this also happened:

▶ The **Commerce Department** reported that sales of new homes rose 13.8% in June, the second straight increase after two months when sales plunged during shutdowns because of the coronavirus. The June gain pushed sales of new homes to a seasonally adjusted annual rate of 776,000, but that is still roughly 20% below pre-pandemic levels. A separate report showed that sales of previously owned homes surged 20.7% in June to a seasonally adjusted annual rate of 4.72 million.



Chris O'Meara / Associated Press

▶ **Delta Air Lines** will provide at-home coronavirus tests for some employees and **Southwest Airlines** will tighten its rule on face masks by ending exceptions for medical reasons. Those moves come as airlines try to reassure passengers and their employees about safety during a pandemic that has made many people afraid to fly. Delta will expand coronavirus testing at its hub airports and provide at-home tests for its employees in Florida and

Texas. Southwest will require all passengers older than 2 to wear masks.

▶ **McDonald's** will be requiring customers to wear face coverings when entering its U.S. restaurants. The rule will go into effect Saturday. It joins companies issuing mask mandates recently, including **Starbucks, Walmart, Target, Best Buy** and **Kohl's**.

▶ The **New York Times** agreed to buy **Serial Productions**, the company behind the hit podcast "Serial," the paper's latest move to broaden its digital journalism. The arrangement will allow Serial Productions to increase the number of shows it makes, said **Julie Snyder**, executive editor of Serial Productions. The Times will promote the shows on its website, in its newsletters and through its other channels. The Times paid about \$25 million for the company, according to a person with knowledge of the deal.



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Business Report

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Pandemic puts workers' comp in limbo

With trials delayed, injured claimants struggle to get by

By **Chase DiFelicianantonio**

It was two years ago this month when Sintia Garcia found out her fiancé and son had died.

The two were traveling down Interstate 5 from the family's East Bay home to Santa Monica for a construction job when their vehicle collided with another car,

killing them both.

The 2018 crash left Garcia grief-stricken but also with two children, including a small son whose father was her fiancé, that she now had to provide for. After the insurance carrier denied Garcia's workers' compensation claim seeking death benefits, her lawyer, Mark Vickness, spent two years getting a trial date to

press the fight with a division of the Department of Industrial Relations, which oversees such disputes.

The pandemic had other plans. Garcia's original April trial date was postponed because of the coronavirus. It is one of hundreds of contested cases the state agency has been unable to handle remotely.

Compensation continues on D3



Sintia Garcia (left), alongside daughter Dallana Garcia, holds pictures of her son and fiancé, who were killed in a car crash on their way to a construction job.

Santiago Mejia / The Chronicle



Photos by Gabrielle Lurie / The Chronicle

Biotech firm rebounds to combat coronavirus

By **J.D. Morris**

Want to find the coronavirus' infamous spike protein that allows it to latch onto human cells?

Look no further than Atum, a 17-year-old Newark firm specialized in making synthetic genes and proteins.

Like other firms in the biotechnology-heavy Bay Area, Atum has rapidly refocused on the pandemic. It's now playing a vital role supplying cellular pieces to researchers who use them to build coronavirus antibody tests, drugs and vaccine candidates.

When the first publicly reported COVID-19 cases arose in the United States several months ago, Atum co-founder and Chief Commercial Officer Claes Gus-



Gabrielle Lurie / The Chronicle

Top: Brian Huang, a production associate at biotechnology company Atum in Newark, works to make spike-shaped protein and antibodies that can neutralize the coronavirus. Above: Atum co-founder Claes Gustafsson in the lab where the firm specializes in making synthetic genes and proteins.

tafsson didn't think his company would play such an active role. In fact, the management team started thinking about winding down Atum's operations, given that most of the company's clients were working in non-virus areas and some appeared to be shutting down.

"The first reaction was, 'Everything's going to come to a screeching halt,'" Gustafsson said.

Then new customers came along and old customers pivoted.

"To our surprise, good and bad, I think we doubled," he said. The next few weeks (were), probably, the biggest weeks we've had when it comes to both orders coming in and production. It went a completely different way."

Atum continues on D2

KATHLEEN PENDER

Net Worth



Extending jobless, health care coverage

Questions about unemployment in California keep rolling in, so in this column I'll answer ones on how to get extended benefits when your first 26 weeks run out, when the state will require people on unemployment to begin looking for work and what the differences between COBRA and Cal-COBRA health care continuation are.

Q: I got laid off at the end of January and have been on

Pender continues on D2

Get the latest

Pandemic relief, benefits and more: sfchronicle.com/network

Amping up messaging on masks

By **Anna Kramer**

Everyone in California is supposed to wear a mask these days — in stores, on sidewalks, when socializing with others.

But many don't. And that's a problem. Lack of masks and social distancing are key reasons, experts say, that California is experiencing a surge in coronavirus cases. Though data are sparse, about 64% of Californians reported using masks consistently in an Axios/Ipsos poll conducted June 19-22, a week or two

Masks continues on D4

BUSINESS

Biotech firm rebounds to combat coronavirus

Atum from page D1

The company, which works out of a roughly 4,500-square-foot office near the Dumbar-ton Bridge, essentially buys “buckets” of tiny biological building blocks that it can assemble in various ways, according to Gustafsson.

Atum’s ability to make components such as the spike-shaped protein and antibodies that neutralize the virus is crucial. It helps other researchers begin quickly working with the pieces they need to make tests or therapeutics — instead of having to rely on a live, highly infectious virus.

“It really changes the concept,” Gustafsson said. “If you go back prior to synthetic genes ... the process to go from research into a product was much, much longer, much more expensive and, frankly, a lot more dangerous.”

Atum has more than 100 or so employees and thousands of worldwide customers, a few hundred of which are working on the coronavirus, Gustafsson estimated. He couldn’t discuss them at length, but the Stanford Daily student newspaper recently reported that Atum helped researchers at the university make an internal test to identify whether someone has antibodies for the coronavirus.

All of Atum’s revenue comes from charging other firms for services, and it became profitable within about two years of its founding, according to Gustafsson, though he declined to share specific figures. He said he and the other co-founders started the company without relying on venture capital or private equity.



Photos by Gabrielle Lurie / The Chronicle

Production associate Brian Huang works at biotech firm Atum. When the pandemic began, Atum focused its work to synthesize key cellular pieces for coronavirus research.



Tubes contain DNA infused into bacteria at the Newark biotech firm, which specializes in making genes and proteins.

“We started small and have just been growing ever since,” he said. “To this day, we don’t

have a single penny from outside investors.” Atum joins a long list of

Bay Area efforts to beat back the pandemic, from Gilead Sciences’ COVID-19 drug remdesivir to various initiatives and studies under way at UCSF, Stanford, Kaiser Permanente and elsewhere. Other local companies building tools to combat the coronavirus include LakePharma, which has offices on the Peninsula and in the East Bay, and San Francisco’s Twist Bioscience.

“Companies that are doing the cutting-edge project development — they don’t exist in silos,” said Sean Randolph, senior director at the Bay Area Council Economic Institute. “They depend on a very diverse biotech and life science ecosystem of companies that provide materials and ingredients and different reagents and virus pieces. ...

Having companies that fill very specific needs for other companies is part of how the system works.”

One benefit of using synthetic products is that they can be modified, said Gustafsson, the Atum co-founder. For example, Atum can help tweak the virus’ spike protein to “make it more recognizable, make it more soluble, make it express better,” he said.

Santa Clara’s Antibody Solutions, a contract research organization, uses Atum products in its work helping other companies identify drug candidates, including to combat the coronavirus.

“Some people say if you’re going to make a fine wine, you have to have great grapes. Maybe in Atum’s case, they’re really making the grapevines that make the great grapes,” said Antibody Solutions co-founder and President John Kenney. “As the technology has become more complex ... you can’t do everything,” Kenney said. “You have to rely on people who can create that great tool for you.”

Randolph compared the efforts of Atum and companies like it to the many different kinds of businesses that support the automotive industry. Their presence in the Bay Area now, he said, should underscore how the region’s business importance does not lie solely with the major software companies in Silicon Valley.

“What’s going on right now with COVID should remind us how important and how big biotech is in the Bay Area,” he said.

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Extending jobless, health care benefits

Pender from page D1

unemployment ever since. On Monday I got an email that said, “You have received all benefits payable to you at this time. You cannot file another California unemployment insurance claim until your current benefit year ends.” Why is EDD cutting me off after 26 weeks? Your July 1 column said you can now get up to 59 weeks in California.

A: The Employment Development Department also started getting questions like this, so starting July 16, it added this information near the end of its weekly news release on jobless claims, EDD spokeswoman Loree Levy said:

“If you run out of the up to 26 weeks associated with a regular UI claim, another up to 13 weeks of benefits is available in the Pandemic Emergency Unemployment Compensation (PEUC) extension provided by the federal government until the end of the year.

“If you are still within your 12-month benefit period of your claim and you run out of benefits, the EDD will automatically file a PEUC claim for

you and you should get a notice by mail 5-7 business days later with more information. For faster updates and to certify for benefits, check your UI Online account inbox.

“If your 12-month benefit period has expired and you run out of your benefits, you must reapply for benefits and the quickest way to do so is through UI Online.”

The EDD will first “check to see if you have earned enough wages to qualify for a new regular claim. If you don’t, you will get a \$0 award notice in the mail on that new claim. But within a few days, you will get another notice showing that we automatically filed a PEUC extension for you and advising you that you need to certify for benefits. You can also check your UI Online account for updates.”

At the end of this 13-week extension, if you are still unemployed, you could be eligible for a “Fed-Ed” extension for up to 20 more weeks. The EDD “is sweeping the system daily to identify” people who meet the “slightly different eligibil-

ity requirements” for Fed-Ed. If you qualify, the EDD will automatically file a Fed-Ed extension and mail you a notice. You will then need to complete the usual biweekly certification.

If you don’t qualify for a Fed-Ed extension you “will receive a notice about that disqualification but the EDD will proactively reopen their PUA claim if they already had one established.” PUA, which stands for Pandemic Unemployment Assistance, is a federal program that provides unemployment benefits for people who don’t qualify for or have run out of regular state unemployment benefits. “For those who have not previously established a PUA claim, the Department will proactively file a PUA claim in order to help maintain the availability of benefits.”

Q: At what point will EDD require a benefit recipient to actively look for work in order to keep receiving payments?

A: This has not been decided. “We’re still in a situation of businesses closed down so answering ‘No’ to whether or not you are looking for work won’t prevent payment at this point. But, an individ-

ual does have to remain able and available to work,” Levy said in an email.

She added: “We noticed a lot of people were making mistakes on the first two questions of the biweekly certification for benefits, unnecessarily delaying benefits, so we included some additional text in the UI Online certification app.” For more tips, go to bit.ly/edd coronavirusclaims and under Step 2, click on the drop-down menu titled “What mistakes can I avoid when I certify so my payments aren’t delayed?”

Q: My husband lost his job with a six-person company due to the COVID pandemic and is being offered continuation of health benefits through Cal-COBRA. We are interested in the possible extension of the 60 days in which you typically have to sign up for COBRA. Your June 13 article said recent Department of Labor guidance gives laid-off workers much more time to choose and pay for COBRA coverage. Is Cal-COBRA also subject to the Department of Labor change or do they operate independently?

A: The new Labor De-

partment rules do not apply to Cal-COBRA, because it’s a state law.

COBRA, on the other hand, is a federal law officially called the Consolidated Omnibus Budget Reconciliation Act. It lets most employees who quit or lose their job stay on their former employer’s medical, dental or vision plan, generally for up to 18 months. They almost always have to pay the full premium themselves, plus an administrative fee. Federal COBRA generally applies to group health plans maintained by private-sector employers with 20 or more employees, and by state or local government employers.

Cal-COBRA applies to state-regulated health plans offered by employers with two to 19 employees. It lets their ex-employees stay in the group health plan, again at their own expense, for up to 36 months.

Cal-COBRA also lets eligible people who exhaust federal COBRA stay in their old group health plan for an additional 18 months. However, Cal-COBRA does not cover self-insured employers (those who pay employee medical costs themselves) because their plans are not state-regulated. So their former workers

cannot move from federal to Cal-COBRA after 18 months. Many nonprofits and large companies self-insure, whether their workers know it or not.

Normally, once people receive a notice that they’re eligible for COBRA or Cal-COBRA (or to move from federal to Cal-COBRA), they have 60 days to enroll and 45 days after enrolling to begin paying premiums.

Because of the pandemic, the Labor Department gave COBRA-eligible employees a longer time period to enroll in COBRA and pay premiums. The new deadline is 60 days after the national COVID-19 emergency declaration ends or March 1, whichever comes first. My previous column explained how people might use this longer period to their advantage.

Unfortunately, the state has not extended the time frame for Cal-COBRA, so the old deadlines still apply, according to state regulators.

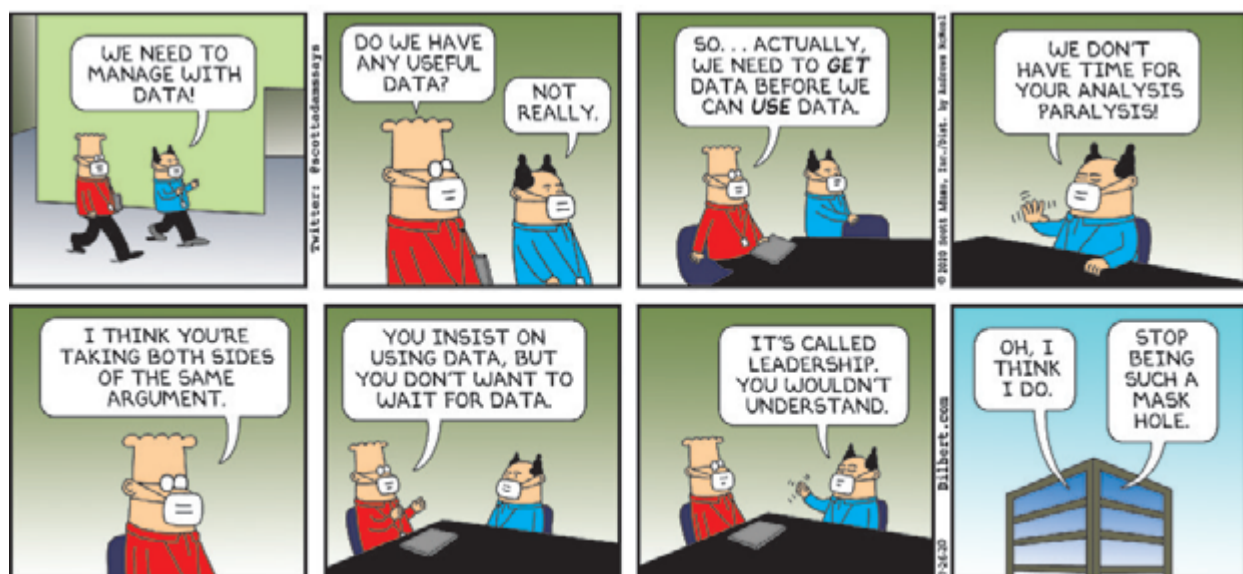
If you lose your job or have certain other life-changing events, you can enroll in health care through Covered California within 60 days, even if it’s outside the annual enrollment period. Because of the pandemic, Covered California is letting any eligible individual apply through the end of July, even if they had no life-changing event.

Congress could add a subsidy for COBRA premiums in its next coronavirus bill. The House-passed Heroes Act would provide a 100% subsidy for laid-off workers through Jan. 31. Republicans are expected to unveil their stimulus plan Monday.

For more information on Cal-COBRA, see bit.ly/calcobrahelphelp.

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DILBERT By Scott Adams



Ship traffic

Due to arrive today

SHIP	FROM	PORT
Cap Capricorn	Papeete, Tahiti	OAK
CSL Frontier	Santa Rosalia, Mexico	ANZ
Ever Safety	Los Angeles	OAK
London Highway	Long Beach	BNC
Maersk Altair	Long Beach	OAK
MSC Ajaccio	Long Beach	OAK
Naruto Strait	Taipei, Taiwan	SCK
Synergy	Long Beach	OAK
Antwerp		
YM Uniformity	Los Angeles	OAK

Due to depart today

SHIP	TO	PORT
Cosco America	Shanghai	OAK
Ever Lucent	Tokyo	OAK
Hyundai mars	Busan	OAK
	South Korea	
Jiangmen Trader	Port Unknown	SCK
One Stork	Yokohama, Japan	OAK

Source: S.F. Marine Exchange