

# New Haven Register

## Where we're headed: CT business will change post corona

By Luther Turmelle - May 2, 2020



*In this July 31, 2008 file photo, a woman strides past the Hartford, Conn., headquarters of Aetna, Inc. (AP Photo/Bob Child, file)*

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## ***Retail***

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### **Retail**

The aftermath of the coronavirus will only hasten "the ice age of the big department store," said Burt Flickinger, managing director of New York City-based Strategic Resource Group.

Malls looking to survive into the next decade will look to attract warehouse clubs like BJ's Wholesale to take over vacant anchor space.

"Seventy percent of what warehouse clubs offer is comparable to what is sold in grocery stores," Flickinger said. "There will be a real fresh food renaissance."

### **Corporate Headquarters**

Prior to the pandemic, corporations were looking to leave suburban office parks and relocate their headquarters to urban settings. Look for that to change.

"There's going to be a new momentum for suburban and more rural projects, which positions Connecticut very well," said John Boyd, whose Princeton, N.J.-based company evaluates locations for many of the nation's corporate behemoths.

Headquarters themselves will get smaller, too.

"Being able to work from home has become the American dream," Boyd said. "And for the companies, the savings in real estate costs are enormous."

### **Gambling**

With traditional sports sidelined, betting on e-sports — or competitive videogaming, is on the rise. Expect it to become the norm in the years ahead.

For young people in particular, betting on e-sports is "only a natural extension of their spending the bulk of their lives online," said Jason Chung, an assistant professor of Sports Management and Executive Director of ESports at the University of New Haven.

“If there is a competition out there, people want to bet on it,” he said. “And young people today really place no distinction between the digital world and the physical one.”

## **Aerospace/Defense**

“A mix of very bad and not bad at all” is the outlook for Connecticut’s aerospace and defense sectors, said Richard Aboulafia, vice president of analysis at Virginia-based Teal Group.

“It’s going to be a rough couple of years,” for companies associated with the commercial airline sector, like engine maker Pratt & Whitney, he said, though a bright spot will be P&W’s geared turbofan engine, an exclusive in many modern jets.

Stratford-based Sikorsky Aircraft will benefit from an expected increase in defense spending after the pandemic, Aboulafia said. Federal lawmakers will see military spending as a way to put people back to work and prime the pump of the overall economy.

## **Insurance**

“I think what the pandemic has done is it has accelerated the look-ahead process in terms of insurance products,” said Susan Winkler, vice president and executive director of Connecticut Insurance and Financial Services.

Telemedicine benefits, which are already available with some plans, will become ubiquitous in the coming years, she said.

“It’s going to happen faster than you think,” Winkler said.

## **Biotech/Pharmaceuticals**

The coronavirus has put the drug development process centerstage.

“Hopefully it will give people a better understanding of what goes on,” said Paul Pescatello, senior counsel and executive director of CBIA’s Connecticut Bioscience Growth Council.

“(And) doctors and nurses will use telemedicine more as a monitoring tool, which will add a lot of efficiency,” he said. “That’s important because clinical trials are the costliest part of drug development.”