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BRIEFING

LG to exit mobile phone business

South Korean electronics maker LG said Monday it is getting out of its loss-making mobile phone business to focus on electric vehicle components, robotics, artificial intelligence and other products and services.

LG's board approved the shift in strategy and the company expects to fully exit the mobile phone business by the end of July, it said in a statement.

LG was once the third-largest mobile phone maker but has lost market share to Chinese and other competitors.

It was still No. 3 in North America, with a 13% market share behind Apple's 39% and Samsung's 30% as of the third-quarter of 2020, according to Counterpoint Technology Market Research.

The company said it was selling its phone inventory and would continue to provide services and support for various periods of time depending on where they are sold.

Amazon illegally fired 2 workers

The National Labor Relations Board has found that two outspoken Amazon workers were illegally fired last year.

Both employees, Emily Cunningham and Maren Costa, worked at Amazon offices in Seattle and publicly criticized the company, pushing it to do more to reduce its impact on climate change and to better protect warehouse workers from the coronavirus.

Cunningham shared with The Associated Press an email from the NLRB, which said it found that Amazon violated the rights of the two workers. The government agency also confirmed on Monday that it found merit in the case.

In a statement, Amazon said it fired the employees for repeatedly violating internal policies, not because they talked publicly about working conditions or sustainability.

Cunningham said the ruling proves that they were on the right side of history.

"Amazon tried to silence us," said Cunningham. "It didn't work."

U.S. services sector hits record high

The U.S. services sector, which employs most Americans, recorded record growth in March as the easing of coronavirus restrictions released pent-up consumer demand.

The Institute for Supply Management, an association of purchasing managers, reported Monday that its nonmanufacturing index rose to an all-time high 63.7 last month from 55.3 in February. The old record of 60.9 was set in October 2018.

New orders also hit a record, and hiring and prices grew faster.

Anything above 50 signals growth, and the services sector, which includes banks, retailers and restaurants, is on a 10-month winning streak since rebounding from the economic impact of the pandemic in spring 2020. The March reading was much higher than economists had expected.

—Bulletin wire reports

Deschutes Brewery ranked nation's No. 10 craft brewer



With New Belgium no longer a craft brewer, Deschutes jumps up a spot

Ryan Brennecke/The Bulletin

BY MICHAEL KOHN • The Bulletin

Despite having a down year in terms of sales volume, Deschutes Brewery gained ground in a list of the top country's top beer sellers.

The Bend-based brewer ranked 10th among craft breweries and 19th overall, according to a list produced by the Brewers Association. The association ranked the top 50 craft brewers and top 50 overall brewers.

The beer industry suffered heavy losses early in the pandemic when restaurants and bars closed for months on end, limiting the amount of draft beer sold. Packaged beer sales did increase for many companies as Americans bought more canned and bottled beer to drink at home. But the overall numbers were still down for most brewers.

Last year, Deschutes took the 11th spot in the ranking of craft breweries. It jumped one spot in 2020 after New Belgium Beer was acquired by Kirin. That acquisition took New Belgium out of the craft beer category.

To meet the definition of a craft brewery, a company must have an annual production of 6 million barrels of beer or less. The brewer must also meet the definition of independent, meaning that no more than 25% of the craft brewery can be owned by a company that is not a craft brewer.

Deschutes Brewery sold 235,000 barrels of beer last year, according to Erin Ranin, marketing and communications specialist for Deschutes Brewery. In 2019, Deschutes shipped 288,966 barrels of beer, which was down from 311,000 barrels of beer in 2018.

"After the challenging year we've had, we're glad we're still here and we are looking forward to improving trends, which it looks like we're beginning to see," said Deschutes Brewery founder Gary Fish. "Our team is psyched for the future."

Deschutes Brewery's recent acquisition of Boneyard Beer could help boost the company's sales in 2021. In 2019, Boneyard sold close to 30,000 barrels of beer, all in draft.

Bart Watson, chief economist for the Boulder, Colorado-based Brewers Association, said production fell across the board in 2020 and many companies were put in a bind financially. The hardest-hit companies were those that rely more heavily on draft beer for their sales portfolio.

"The total craft industry was down for the first time in the modern era," said Watson. "Many brewers had tough years, but it's difficult to separate which of those struggles are going to continue and which were simply due to the unique nature of 2020."

America's top-selling craft brewery last year was D.G. Yuengling and Son Inc., this country's longest-running brewery, founded nearly 200 years ago. The other companies rounding out the top 10: Boston Beer Co., Sierra Nevada Brewing Co., Duvel Moortgat, Gambrinus, CANarchy, Bell's Brewery Inc., Artisanal Brewing Ventures and Stone Brewing.

Ninkasi Brewing Co., based in Eugene, ranked 33rd place among craft brewers and 42nd overall. Rogue Ales Brewery, based in Newport, ranked 37th among craft brewers and 46th place overall.

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Pandemic gutted jobs at Oregon breweries

Employment at Oregon breweries tumbled 43% in the first months of the pandemic. While many of those jobs bounced back over the summer as the state gradually reopened, brewery jobs remained down nearly 29% — a greater fall than at restaurants and bars, overall.

That's according to a new analysis by Damon Runberg, regional economist with the Oregon Employment Department. His findings underscore the degree to which the state's beer sector relies on brewpubs to support Oregon's distinctive craft brewing segment.

People certainly didn't drink less during the pandemic. Liquor sales jumped 20% in April 2020, during the first month of the pandemic, to a record high.

The problem Oregon brewers had, Runberg concludes, is that most don't simply brew beer — they also sell it in brewpubs. And those all closed in March 2020, at the outset of the pandemic. McMenamins notably laid off "almost everyone" as it shut down its distinctive bars, restaurants, theaters and hotels across the Northwest.

Oregon's breweries were already undergoing a generational transition in the months before the pandemic hit.

Oregon breweries shed 1,000 jobs between the summer of 2019 and the start of the pandemic, nearly 12% of the sector's total employment. Those losses were overshadowed by the 3,500 jobs that vanished in the spring of 2020, but they were significant.

If you prefer to see the stein as half full, though, there are good reasons for optimism about the months ahead.

Just 15 breweries stopped reporting employment figures to the state during the first six months of the pandemic, according to Runberg's data, 7% of the total. That suggests the vast majority of breweries, like the bulk of all Oregon businesses, were weathering the pandemic. And that means they will be able to hire again when business returns.

—The Oregonian

Northwest officials consider hydrogen fuel option

Associated Press
OLYMPIA, Wash. — More folks from Pacific Northwest government and industry are jumping on the hydrogen bandwagon to test if the alternative fuel could be a viable and green replacement for diesel and gasoline, in some situations.

The potential converts include more than half a dozen transit agencies from Everett to Eugene, state legislators and Boeing's drone subsidiary in the Columbia River Gorge, KUOW reported.

A weeklong demonstration tour with a hydrogen fuel cell electric bus started at Kitsap Transit recently and traveled down the Interstate 5 corridor to eight more stops at agencies large and small.

"We're studying all of these opportunities to try to determine what is the best path for our community here to a cleaner environment," Ann Freeman-Manzanares, general manager of Inter-city Transit, said when the demonstration hydrogen bus stopped in Olympia on Thursday.

A hydrogen fuel cell doesn't burn anything. It uses a chemical reaction between the hydrogen fuel and oxygen from the air to produce electricity to drive a motor. Fuel cell vehicle tailpipes emit only water vapor and warm air.

However, hydrogen fueling is comparatively more expensive than battery electric and diesel bus technology. The advantage is that a hydrogen fuel-cell bus can operate much like current diesel buses can, but with zero emissions and without the range limitation and recharging downtime that current battery-powered buses have.

TriMet in Portland has committed to phasing in an all-alternative fuel bus fleet by 2040. So far, its evaluation of options is leaning toward battery electric propulsion. But hydrogen remains on the table for some routes.



123RF

A bus powered by hydrogen fuel cells sits at a bus station.

Court sides with Google in Android copyright case

BY JESSICA GRESKO

The Associated Press

The Supreme Court sided Monday with Google in an \$8 billion copyright dispute with Oracle over the internet company's creation of the Android operating system used on most smartphones worldwide.

To create Android, which was released in 2007, Google wrote millions of lines of new computer code. But it also used 11,330 lines of code and an organization that's part of Oracle's Java platform.

Google had argued that what it did is long-settled,

common practice in the industry, a practice that has been good for technical progress. And it said there is no copyright protection for the purely functional, noncreative computer code it used, something that couldn't be written another way. But Austin, Texas-based Oracle said Google "committed an egregious act of plagiarism," and it sued.

The justices ruled 6-2 for Google Inc., based in Mountain View, California. Two conservative justices dissented.

Justice Stephen Breyer wrote that in reviewing a lower

court's decision, the justices assumed "for argument's sake, that the material was copyrightable."

"But we hold that the copying here at issue nonetheless constituted a fair use. Hence, Google's copying did not violate the copyright law," he wrote.

Justice Clarence Thomas wrote in a dissent joined by Justice Samuel Alito that he believed "Oracle's code at issue here is copyrightable, and Google's use of that copyrighted code was anything but fair."

Only eight justices heard

the case because it was argued in October, after the death of Justice Ruth Bader Ginsburg but before Justice Amy Coney Barrett joined the court.

In a statement, Google's chief legal officer, Kent Walker, called the ruling a "victory for consumers, interoperability, and computer science." "The decision gives legal certainty to the next generation of developers whose new products and services will benefit consumers," Walker wrote.

Oracle's chief legal officer, Dorian Daley, condemned the outcome. "The Google plat-

form just got bigger and market power greater. The barriers to entry higher and the ability to compete lower. They stole Java and spent a decade litigating as only a monopolist can," she wrote in a statement.

Microsoft, IBM and major internet and tech industry lobbying groups had weighed in on the case in favor of Google. The Motion Picture Association and the Recording Industry Association of America were among those supporting Oracle.

The case is Google LLC v. Oracle America Inc., 18-956.