

DOW JONES

▲ 8.07 to 25,891.32

Over the past year:



CRUDE OIL

▲ \$0.50 to \$56.09

Over the past year:



Key:

○ — Past year's low ○ — Past year's high

Close; color indicates up/down from previous close

STOCKS EXTEND GAINS INTO FOURTH WEEK

Stocks shook off an early wobble on Wall Street Tuesday, finishing modestly higher and extending the market's gains into a fourth week.

Solid Walmart earnings encouraged investors to bid up other retailers and consumer goods companies. Communication services and banks also contributed to the broad gains.

Home builders also notched gains after an industry survey showing improved confidence among builders heading into the key spring home buying season.

"Now that we're winding down on earnings, investors are looking forward to what's going to move the market higher," said Karyn Cavanaugh, senior markets strategist at Voya Investment Management. "The fact that the consumer is still strong is a comfort to investors."

Meanwhile, uncertainty over the costly trade conflict between the U.S. and China has also clouded the outlook for company profits. "We still have that overhang of global growth and trade issues," Cavanaugh said, noting traders are looking to earnings for the first quarter with "a little trepidation."

The benchmark S&P 500 index, up for three weeks, closed up 0.1 percent to 2,779.76. The Dow Jones Industrial Average rose 8.07 points to 25,891.32, and the Nasdaq composite rose 0.2 percent to 7,486.77. — AP



PAYLESS FACTS

FOUNDED

1956

NORTH AMERICAN STORES

2,500

LONG ISLAND STORES

30

ANDREW THEODORAKIS

Payless ShoeSource, with this location in Massapequa, employs about five people at each of the 30 closing stores, a retail expert says.

30 stores on LI closing

Payless shoe chain seeks bankruptcy, to shut 2,500 sites

BY TORY N. PARRISH

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Kathie Heloskie rushed there as soon as she could after hearing the news.

Payless ShoeSource is closing all its North American stores, leaving the Seaford resident in a bind for finding affordable, comfortable shoes for work, she said while standing outside the chain's location in the North Massapequa Shopping Center on Tuesday afternoon.

"I work five days a week, eight hours a day, sometimes longer. These are the best shoes for me," said Heloskie, 67, a front-desk attendant at a hotel, as she held a bag containing the two new pairs of Dexflex Comfort flats she bought from Payless.

The discount shoe retailer's 30 stores on Long Island will be among the 2,500 North American stores the chain will close starting in March, follow-

ing Payless Holdings LLC's Chapter 11 bankruptcy protection filing Monday in the U.S. Bankruptcy Court for the Eastern District of Missouri.

Experts expect the losses on Long Island to have a bigger impact on jobs than on long-term store vacancy rates or shoe shopping options.

"The shoes will be bought elsewhere, that's easy. But the jobs lost to be replaced — not as easy. Tax revenue lost is minimal as footwear sale and the tax on it will be shifted to other stores," said Marshal Cohen, chief industry adviser for the NPD Group Inc., a market research firm in Port Washington.

"So all in all, [a] big loss for LI? Jobs-wise, yes. Revenue-wise, no, except for e-commerce business replacing store business," Cohen added.

Founded in 1956 in Topeka, Kansas, Payless Holdings employs about 13,700 people in the United States, Puerto Rico, the U.S. Virgin Islands and Guam, plus about 2,400 people in Canada, according to the bankruptcy filing. Only the chain's U.S., Puerto Rico and Canada stores are closing. The vast majority of the part-time employ-

ees work in Payless stores.

Payless declined to comment on its employee numbers, but Cohen said the stores average five workers per location.

Kimco Realty Corp. in New Hyde Park has 39 Payless stores in its tenant portfolio in several states, including ones at the North Massapequa Shopping Center, Centereach Mall, Bridgehampton Commons and a small retail center on Merrick Road in Bellmore, said Dave Bujnicki, Kimco's senior vice president of investor relations and strategy.

When Payless filed for bankruptcy previously, in 2017, the company modified its rents, so the chain pays Kimco just under \$21 per square foot, while average small-shop rent is \$28, Bujnicki said. "They're about 25 to 30 percent below market average. And with the high demand for small-shop [locations] from health and wellness, restaurants . . . we feel good about the ability to re-lease these spaces."

The vacancy rate for Long Island shopping centers of 10,000 to 350,000 square feet in 2018's fourth quarter was 7.5 percent, the highest since the second quarter of 2000, according to economic analyst Cody

Bond of Manhattan real estate information company Reis Inc.

But most of the local Payless stores are in shopping centers with strong traffic and high demand from potential tenants, including the Garden City Park Shopping Center, Expressway Plaza in Farmingville and Southport Shopping Center in Shirley, said Kenneth R. Schuckman, president of Schuckman Realty Inc. in Lake Success. That firm markets Expressway Plaza for leasing.

But malls, such as Sunvet Mall in Holbrook, will have a tougher time placing new tenants in their Payless stores because those properties have lost many of the anchor stores that drive traffic, he said.

Payless' 2017 bankruptcy reorganization was not effective enough to stave off a shutdown, Stephen Marotta, who was appointed in January as Payless' chief restructuring officer, said in a statement.

"The prior proceedings left the company with too much remaining debt, too large a store footprint and a yet-to-be realized systems and corporate overhead structure consolidation," he said.

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