

Schein offers bonuses

■ **About \$1G in cash to 4,000 of its U.S. workers**

■ **Melville firm's payout comes after new fed tax bill**

BY **KEN SCHACHTER**
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Henry Schein Inc., the nation's largest distributor of dental products, said Tuesday it would spend about \$4 million to pay one-time cash bonuses of \$1,000 to some of its U.S. workers in light of a lower tax rate under the new federal tax law.

The Melville-based distributor of products and equipment to the offices of dentists, doctors and veterinarians said that the bonuses would go to "certain designated staff members

in the U.S. with one full year of service" as of Jan. 1. About 4,000 workers would receive the bonus, the company said.

The firm employs more than 22,000 people worldwide, about half of those in the United States, according to a government filing for the quarter ended Sept. 30.

Henry Schein, which is the largest public company by revenue based on Long Island, also reported a fourth-quarter net loss related to \$140 million in taxes on repatriated foreign earnings, another facet of the new tax law.

The company posted a net loss of \$8.5 million, or 6 cents per diluted share, in the quarter ended Dec. 30 compared with net income of \$139.2 million, or 86 cents per diluted share in the prior year's period.

Net sales for the fourth quarter rose 6.3 percent to \$3.3 billion on growth from higher sales, acquisitions and foreign currencies.

"We closed out 2017 with a strong fourth quarter that demonstrates the advantages of our high-touch, value-added solutions business model," CEO Stanley M. Bergman said in a statement. He said the model helps practitioners and their office staffs "operate efficient practices."

The company said it is raising its forecast for 2018 earnings per share to \$4.03 to \$4.14. It expects its 2018 tax rate to be about 24 percent.

For the full year 2017, Henry Schein had net sales of \$12.5 billion, a 7.7 percent increase compared with 2016.

Shares of Henry Schein fell 2.2 percent Tuesday to close at

\$67.97. The stock has declined about 20 percent in the past 12 months.

The company's stock price came under pressure in December after a Morgan Stanley analyst warned that e-commerce giant Amazon.com could pose a competitive threat as it entered the health care business.

New U.S. tax rules require U.S. multinational companies like Henry Schein to pay taxes of 15.5 percent on overseas earnings held in cash and cash equivalents and 8 percent on other earnings under a "transition tax" that deems those earnings to be repatriated.

Under the previous law, they would have had to pay corporate taxes of 35 percent if repatriating the earnings to the United States.

Last week, the Federal

Trade Commission disclosed an antitrust complaint against Henry Schein and two other suppliers of dental products, saying that they conspired to boycott or refuse to offer discounts to dentists' buying groups.

The case is scheduled to be heard before an administrative judge in October.

The federal regulator seeks no monetary penalties, but would require Henry Schein, Benco Dental Supply Co. of Pittston, Pennsylvania, and Patterson Companies Inc. of St. Paul, Minnesota, to document communications with competitors, submit compliance reports and pay for an independent monitor.

In an earnings conference call Tuesday, Bergman decried the complaint as "meritless" and "outrageous."

Great Neck resident files suit over LED lights

BY **CHRISTINE CHUNG**
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Some of the more than 800 LED lights illuminating the village of Great Neck have prompted a nearly \$1 million lawsuit from a resident who said the energy-saving bulbs disrupt her sleep, impair her vision and cause her severe stress.

Judith Youngblood, of Great Neck, filed a lawsuit in state Supreme Court on Feb. 7 against the mayor, board of trustees and the clerk-treasurer. She is seeking a permanent injunction preventing the use of the light fixtures installed near her home.

The lawsuit names each of the village's four trustees, Mayor Pedram Bral and Clerk-Treasurer Joe Gill as defendants.

The installation of "high intensity" LED bulbs emit "high levels of intense light directly into plaintiff's home at night and make it impossible to sleep, use and enjoy the home she has lived in for the past 28 years," the complaint reads.

Youngblood's attorney, Tamara M. Harris, of Manhattan, could not be reached on Tuesday.

The village recently completed its project to replace more than 800 streetlights with LED bulbs at a total cost of about \$600,000, Gill said. The project was funded in part by a \$250,000 state grant, with the remainder offset by the village's Community Benefit Fund.

The installation followed months of discussion at public meetings, with multiple residents voicing opposition to the LEDs, citing health and safety concerns.

The LED streetlights dotted around the village can be dimmed, Gill said, though the plan is not to "individually adjust" the roughly 830 bulbs near residences.

"The streetlights are meant for public safety, and certainly the safety of the many outweighs the few," Gill added.

The village's attorney, Andrew Preston, of Mineola-based Bee Ready Fishbein Hatter & Donovan LLP, filed an opposition to Youngblood's complaint on Feb. 12, which states that the cases against the trustees should be dismissed and instead addressed solely to the village. He also argues that granting Youngblood's injunction could lead



Great Neck has installed about 800 LED streetlights and says they may halve the village's electric bill.

to "unsafe conditions" for the rest of the community.

"A street lamp is not a substantial interference; indeed, the installation of something as simple as window shades may

hide any intrusion of light at all," the town's complaint reads.

Village officials previously told Newsday that with the LEDs, they expected to halve the village's \$100,000 annual

electric bill.

Youngblood is seeking compensatory damages of nearly \$1 million, which include punitive and emotional damages, and legal fees.