

# money

## WHAT TAX BURDEN?

Reality shows average U.S. worker pays less in taxes than most other developed countries **Story, D-3**

Stein Mart  
2.73 +.09/+3.4%

PHH Corp  
13.08 +.25/+1.9%

Liberty Property  
40.59 +.59/+1.5%

**LOCAL MOVERS**

Web.com Group  
17.60 -.30/-1.7%

FedEx Corp  
192.99 -2.77/-1.4%

CSX Corp  
47.21 -.47/-1.0%

# Gymboree to file for bankruptcy

The retailer hasn't posted a profit since 2011

By Lauren Coleman-Lochner & Jodi Xu Klein  
Bloomberg News

Gymboree Corp., the struggling children's clothing retailer with three stores in the Jacksonville area, is preparing to file for bankruptcy as it faces a June 1 interest payment on its debt, according to people with knowl-

edge of the matter.

The Bain Capital-controlled company is seeking to reorganize its debt load and may transfer control to its lenders, including Searchlight Capital and Brigade Capital Management, said the people, who asked not to be identified because the process isn't public.

Representatives for

Bain, Gymboree, Brigade and Searchlight declined to comment.

Gymboree, laboring under more than \$1 billion in debt from its Bain buyout in 2010, warned last month it's running short on cash and may not survive if it can't persuade creditors to refinance its debt. The June 1 interest payment applies to its 9.125 percent

notes due 2018.

The retailer, which operates about 1,300 stores, hasn't posted an annual profit since 2011, with losses totaling more than \$800 million. Gymboree hired Rothschild & Co. to advise it on a potential restructuring this year, people with knowledge of the matter have said.

A Rothschild representative also declined to comment.

Retailers like Gymboree have been hammered by a decline in mall shopping and the rise of online competitors like Amazon.com Inc.

Gymboree has a \$761 million term loan due in February 2018. The loan is trading at about 44 cents on the dollar, compared with 80 cents in late September.

Jacksonville has two Gymboree stores and St. Augustine has one.



**work wanted**  
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## Open-office plan can be distracting, lack privacy

According to Forbes, 70 percent of all workplaces have open-floor plans or cubicles for at least some of their staff. Studies have shown that the millennial workforce prefers to be able to see, hear and connect with co-workers, so open-concept floor plans are coming back into vogue.

The open design is more cost-effective for companies, but workers often find that the noise and traffic make it hard to focus. For a while, two of my staff were housed in cubicles with no front-wall barriers. They called their space the Petting Zoo, since everyone who walked by felt they had to say something. Some even stopped for a social conversation, despite strong "I'm busy" body language.

Studies have shown that even tiny interruptions in concentration can cost up to 20 minutes of time before a worker can regain full focus and productivity; flow can be elusive. One company solved the interruption problem with a single piece of paper.

The Muse is an online career resource in which offices are open concepts. It tried many solutions to solve the pain of interruptions, including working from home, a quiet library space for complex projects, and noise-canceling headphones. Finally, a staff member came around and handed everyone a small piece of Velcro for their computer monitors. Everyone also got a red "do not disturb" sign to put up when they needed to focus and couldn't spare any time for drop-bys.

Software company 10000ft developed a green/red/yellow system that worked so well for them that they offer free downloads of templates at their site (10000ft.com/ideas/dnd-cards). The template includes directions on cutting slots so they fit your monitor or laptop. They also are wonderfully snarky. Red templates say things like "What part of 'I'm wearing headphones' don't you understand?" Yellow templates offer this advice: "You can talk to me about the project but not your cats." Green might say: "Who wants to hear about my weekend?"

Snark aside, not being able to control your work environment is a serious source of discontent for some workers. In a study published by the Journal of Environmental Psychology in 2013, nearly half of the open-office workers surveyed said they were dissatisfied with sound privacy, while nearly 40 percent disliked the lack of visual privacy. Workers reported lower productivity, higher job dissatisfaction and less motivation to do their jobs in survey after survey conducted between 2000 and 2010.

So being able to ignore visual and social interruptions may be vital to keeping workers on task and productive. Green, yellow and red signs might be a viable solution, since it allows team members to signal their availability without having to personally rebuff interruptions.

**MOODY** continues on **D-3**

## Powerful SUVs focus of NY auto show



The updated 2018 Subaru Outback has a face and body which would fit in at the 2007 auto show. (Raymond Boyd/Getty Images)



An Automobili Lamborghini Spa Huracán Performante has 640 horsepower on a naturally aspirated V10 engine. (Luke Macgregor/Bloomberg)



The new Audi TT will be the brand's most powerful TT coupe ever, with an all-new five-cylinder, 400-horsepower engine. (Provided by Audi)

## Bugatti will bring the 1,500 hp Chiron

By Hannah Elliott & Kyle Stock  
Bloomberg News

This week, as Tesla Inc. surpassed Ford Motor Co. for the first time in market value, American auto-making feels a little bit like anybody's game as brands ready themselves for the New York Auto Show, which begins Wednesday.

Geneva's recent expo featured many gilded world debuts, leaving mostly minor line updates to be revealed in New York, along with such pumped-up variants as the 100+ octane Demon version of the Dodge Challenger. There will also be some new crossovers and tweaks to popular SUVs.

Here is some of what to expect.

Honda Motor Co.'s Acura will stage one of



A BMW AG M760Li on display during media day of the Seoul Motor Show in Goyang, South Korea. (Photo by SeongJoon Cho/Bloomberg)

the few luxury world debuts, showing off an updated TLX sedan in a move to gather consumers who might otherwise choose an Audi A4 or a BMW 3 Series; this will be a refresh for the mid-size sedan. Toyota Motor Corp.'s Lexus will show its LS 500 F Sport

as a world debut, too. It's a performance-oriented model that upgrades the standard LS sedan, with a unique grille and a racing-inspired interior, plus tighter suspension and handling.

In and around the

**SHOW** continues on **D-2**

## United Airlines CEO orders investigation

By Avi Selk & Lori Aratani  
The Washington Post

After two days of conflicting corporate statements, falling stocks and swelling outrage, United Airlines entered full-scale mea culpa mode Tuesday afternoon, as its chief executive announced an internal investigation into a Sunday-evening flight in which a man was dragged violently from his seat so a crew member could have it.

"I continue to be disturbed by what happened on this flight," United chief executive Oscar Munoz wrote in a statement.

"I deeply apologize to the customer forcibly removed and to all the customers aboard. No one should ever be mistreated this way.

"We are going to fix what's broken so this never happens again," Munoz wrote — promising a report on the beleaguered airline's policies on calling police, transferring crew and "how we handle oversold situations."

It was the latest in a flurry of attempts from the airline to defuse a public relations crisis.

Munoz had defended his employees Monday, saying the passenger, who refused to give up his

seat, was belligerent. The battered and bloodied man was dragged back to the terminal at Chicago's O'Hare International Airport.

One of the officers involved in the incident was placed on leave pending an investigation. But international outrage continued Tuesday, with United's stock price falling, memes exploding and disturbing videos of the incident shared across the world.

In China, where United bills itself as a top carrier, tens of millions of people have read or shared a report that the passenger claimed he was targeted for being Chinese. Many there are now



United Airlines CEO Oscar Munoz said he continues to be disturbed by the incident on Flight 3411 in Chicago. (AP Photo/Richard Drew)

echoing calls in the United States for a boycott.

"I deeply regret this situation arose," Munoz wrote in a memo to the company, according to The

**UNITED** continues on **D-2**

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