

Business

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THE MARKET REPORT

▲ DOW	15,301.26	+64.15
▲ NASDAQ	3,815.27	+23.40
▲ S&P 500	1,710.14	+6.94
▲ RUSSELL 2000	1,090.30	+5.99
▲ 10-YR. NOTE	2.69%	+0.01
▲ CRUDE OIL	\$102.41	+\$0.39

THE MORNING LINE

For first time, Macy's open on Thanksgiving

Macy's Inc. says it will open most of its stores for the first time on Thanksgiving, breaking a long-standing tradition for the venerable retailer.

In a release issued late Monday, the Cincinnati-based chain says it will open its doors at 8 p.m. Nov. 28.

The move comes as the chain faces growing pressure from other stores. Over the past few years, rivals have gotten a jump on the holiday shopping season by opening their doors increasingly earlier on Thanksgiving.

Macy's, which operates about 800 stores, says it began planning early to let its employees review available shifts throughout the holiday season and volunteer for their preferred shifts, including on Thanksgiving. In Palm Beach County, Macy's operates stores at The Gardens Mall in Palm Beach Gardens, CityPlace in West Palm Beach, The Mall at Wellington Green in Wellington, the Boynton Beach Mall and Town Center at Boca Raton.

Amtrak's 31.6 million riders sets a record

Railroad officials say Amtrak carried a record number of passengers in the year ending Sept. 30 despite Northeast service that was temporarily knocked out by Superstorm Sandy.

The nation's passenger railroad network carried 31.6 million riders during the 2013 federal budget year. Amtrak's long-distance routes recorded their best ridership in 20 years with 4.8 million passengers.

Ticket revenues also increased to a record \$2.1 billion. Amtrak relies on federal subsidies for a small share of its operating expenses.

Ikea's annual sales, market share rise

Buoyed by increasing demand for its popular furniture and accessories, Swedish furniture giant Ikea says sales grew more than 3 percent to \$38 billion in the latest fiscal year.

The world's largest furniture retailer said Monday that market share grew in most regions, including Russia and China, and that "significant progress" was made in North America.

Ikea has 328 stores employing some 154,000 people in more than 40 countries.

Ford, U of Michigan team up for battery lab

Ford Motor Co. and the University of Michigan are opening a new battery research and manufacturing lab that they hope will speed the development of batteries for electric and hybrid cars.

The center, on the university's campus in Ann Arbor, Mich., will bring together battery makers, car companies and researchers who will test new batteries for prototype vehicles.

Ted Miller, who manages battery research at Ford, said that labs currently testing new battery chemistries can't produce them in the amounts or formats needed for automotive research.

CITIZENS PROPERTY INSURANCE

Citizens lawsuits report debated

Insurer cites high legal expenses, but lawyers say prompt, fair claims payments would resolve issue.

By Charles Elmore
 Palm Beach Post Staff Writer

Miami-Dade County accounts for 19 percent of the policies at state-run insurer Citizens but 67 percent of the lawsuits over water damage and other claims besides sinkholes, a report released Monday shows, though the company and opposing lawyers disagree on what that means.

Some parts of the company's report refer to the "tri-county" area of South Florida as producing most of the lawsuits, meaning Miami-Dade, Broward and Palm

Beach counties, but a close look shows Palm Beach County has 10 percent of Citizens policies but only 6 percent of the litigation.

Citizens said it spent \$51 million defending lawsuits in 2012, up from \$14 million in 2009. "It is both in Citizens' and its policyholders' interests to decrease litigation," the report concludes.

Attorneys who handle claims against Citizens and other insurers said litigation would not be a problem if Citizens paid claims promptly and fairly.

"The way to minimize litigation is to fairly adjust and adequately pay claims that homeowners and business owners make," said Ely Levy, litigation partner at Miltzok Levy in Hollywood.

"The buck stops with Citizens," said Chip Merlin, president of the MerIn Law Group with offices in Tampa, West Palm Beach and Coral Gables. "If they want the lawsuits to stop, they need to either pay legitimate claims or prove there is rampant fraud in one region of the state."

Money spent defending litigation is expected to decrease somewhat to \$37 million by the time 2013 ends, Citizens projects, partly because it has 1.2 million customers compared with 1.5 million about a

year ago.

Citizens officials stopped short of saying there are particular legislative changes they want, though Citizens general counsel Dan Sumner said initiatives to encourage mediation of disputes could be helpful. Also, Citizens President Barry Gilway has said the company is considering a pilot "managed repair" program in South Florida in 2014 to guide customers to certain certified repair vendors.

"We do not want to be litigating with our policyholders when it should be resolved through mutual agreement," Sumner said.

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LOCAL BUSINESS IS OUR BUSINESS ECONOMIC DEVELOPMENT

Wider Panama Canal seen as Fla. boon

But critics say state too inconveniently located to benefit in a big way.

By Jeff Ostrowski
 Palm Beach Post Staff Writer

The expansion of the Panama Canal could turn Florida ports into major players in global trade, the Florida Chamber Foundation said Monday — but its optimistic outlook met skepticism from logistics experts.

The Florida Chamber Foundation, a Tallahassee nonprofit affiliated with the Florida Chamber of Commerce, said the state could create 150,000 trade and logistics jobs over the next five years.

Tim Feemster, head of Foremost Quality Logistics in Dallas, called that projection "aggressive."

"There's not going to be a major shift in volume because of the Panama Canal expansion," Feemster said.

But the Florida Chamber Foundation sees it differently. The huge ships that set sail from China unload their cargo in Los Angeles and other Pacific ports, and the goods are shipped by train and truck to the East Coast. The biggest cargo vessels can't squeeze through the Panama Canal today, but the shipping channel is being expanded to allow so-called Panamax ships through.

That creates a big-time opportunity for Florida, said Tony Carvajal, executive vice president of the Florida Chamber Foundation.

"We haven't been capturing this international trade market," Carvajal said. "We've got to start changing the mentality so we're no longer the end of the line, where goods come into Los Angeles and then end up in Miami. We want to be the start of the line."

Logistics experts say Florida

is unlikely to transform into a major import destination because it's far from population centers in the rest of the country. Companies that import goods from China will be unloading them at ports in Charleston, S.C., Norfolk, Va., or Baltimore, Feemster said. Goods bound for the Midwest will keep coming through Los Angeles, he said.

"It's still cheaper and faster to get all the way to Dallas, Memphis, Kansas City and Chicago from the West Coast ports," Feemster said.

Bill Diehl, president of the Greater Houston Port Bureau, likewise anticipates only small shifts in cargo traffic.

"I don't see where your economy is going to grow just because the Panama Canal is widened," Diehl said. "I don't really need an extra pair of shoes just because the Panama Canal expanded."

It's not the first time Florida business leaders have dreamed of cashing in on the Panama Canal. Henry Flagler built a railroad through the state in anticipation of building a port that would land cargo through the newly built shipping lane, said economic historian William Stronge, a former economics professor at Florida Atlantic University.

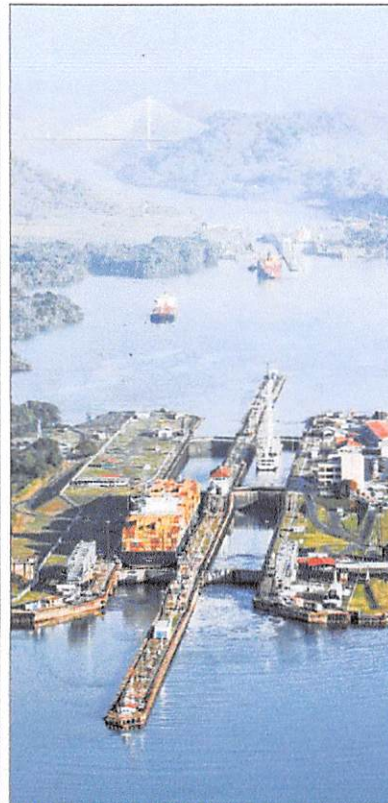
"That didn't happen, because once you get the goods on board the ship, why stop in Miami and put them onto a more expensive form of transportation?" Stronge said.

But Carvajal notes that since Flagler's day, Florida has turned into a major consumer market.

"What everybody ignores is that there are 19 million people in Florida," Carvajal said.

The state has spent \$425 million on ports over the past three years to prepare for the canal's expansion.

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Two ships pass through Miraflores Locks (foreground) on the Panama Canal outside Panama City, Panama. The canal is being widened to accommodate the largest cargo vessels, the so-called Panamax ships. Some think the project will boost Florida trade. ASSOCIATED PRESS/2006

STOCK MARKET

Debt ceiling talks nush stocks higher