

What's News

Business & Finance

◆ **Fed officials penciled in** just one interest-rate cut for this year, indicating most are in no hurry to lower rates, even after a widely watched report showed inflation improved last month. **A1**

◆ **The S&P 500 and Nasdaq** rose to records after the consumer-price figures were released, gaining 0.9% and 1.5%, respectively. The Dow shed 0.1% and the yield on the 10-year Treasury note slid. **B11**

◆ **The EU plans to impose** tariffs on imported Chinese electric vehicles, marking an early victory for officials who view the imports as a threat to the region's car sector despite deep divisions in Europe over the issue. **A1**

◆ **McKinsey leader Bob Sternfels** said he is poised to "rewire" the consulting firm over a new three-year term as global managing partner, with plans to adjust some fee structures and make other changes. **A1**

◆ **Tesla CEO Elon Musk** said on X that preliminary voting results show shareholders backing proposals to ratify his pay package and reincorporate the company in Texas "by wide margins." **B1**

◆ **Do Kwon's crypto** company, Terraform, agreed to pay the SEC a massive \$4.5 billion penalty and wind down its operations to settle a civil securities-fraud lawsuit. **B1**

◆ **Global oil markets** are headed toward a major glut this decade, the IEA forecast, citing surging supplies and slowing demand growth. **B1**

◆ **Amazon said it would** invest billions of dollars in Taiwan over the next 15 years to build data centers to help meet growing demand for cloud services. **B3**

World-Wide

◆ **The House voted to** hold Attorney General Merrick Garland in contempt for refusing to release audiotapes of Biden, as Republicans stepped up their fight with the Justice Department in their push to keep questions about the president's mental acuity in the spotlight. **A3**

◆ **Hamas hardened its** position on a Gaza cease-fire proposal with Israel that has faced intransigence from both sides despite heavy U.S. lobbying, including by Biden. Meanwhile, violence flared on Israel's northern border with Lebanon. **A6**

◆ **The Southern Baptists** voted to oppose the use of in vitro fertilization as it is commonly practiced, aligning the church with a right-wing stance on the issue. **A3**

◆ **The State Department** relaunched an online passport-renewal program in trial mode, aiming to get the document to eligible travelers in six to eight weeks. **A3**

◆ **The U.K.'s economic** recovery sputtered to a halt at the start of the second quarter, underlining the scale of the task facing the next government in lifting the country out of a long period of stagnation. **A7**

◆ **The Oklahoma Supreme** Court dismissed a lawsuit brought by two survivors of the 1921 Tulsa Race Massacre, who sought reparations for the attack. **A3**

◆ **Biden's ability to hold** together a Western alliance central to the defense of Ukraine in its war against Russia was at the forefront when he arrived for the G-7 industrialized nations summit in Italy. **A18**

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Cubists Celebrate 50 Years of Their Art



SOLVED: Students take part in a flash mob Wednesday in Budapest to mark the 50th anniversary of the invention of the Rubik's Cube. Erno Rubik, a Hungarian architecture professor, designed the puzzle to teach about three-dimensional spaces.

Musk Blurred Boundaries With Women at SpaceX

By Joe Palazzolo and Khadeeja Safdar

When Elon Musk personally contacted a former SpaceX engineering intern to discuss a role on his executive staff in 2017, the woman spoke with excitement to her friends about a high-profile problem-solving role at the rocket company, a dream for someone a few years out of college.

She and Musk had met years earlier during her internship, when she was still in college. She'd approached him with ideas for improving

SpaceX. Her outreach had led to a date, which led to a kiss, and eventually sex, she told friends. The year after her internship, the billionaire had the fresh college graduate flown out to a resort in Sicily, before they ended things, according to documents reviewed by The Wall Street Journal.

Musk, who is more than 20 years her senior, attempted to restart their relationship but she rejected his advance. They remained close as she tried to establish herself in the new job.

He texted her often and invited her to come over to his Los Angeles mansion at night on multiple occasions. Sometimes she accepted his invitations, but friends said she told them at the time that his behavior made her job harder.

She eventually moved off Musk's executive team, according to friends she told and to people familiar with her time at SpaceX. The woman left the company in 2019.

Her lawyers, who also represent Musk, provided the Journal with two affidavits signed by the woman. The af-

fidavits disputed some aspects of the Journal's reporting but confirmed many others, including that she had a romantic relationship with Musk in the past. She said she invited him to dinner near the end of her summer internship and broke things off the following year.

She said at no point during employment at SpaceX from 2017 to 2019 was there any "romantic relationship" with Musk. "Nothing that Elon Musk did towards me during either of my periods of em-

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EU Targets China EVs For Tariffs Despite Opposition

By William Boston and Kim Mackrael

The European Union plans to impose tariffs on imported Chinese electric vehicles, marking an early victory for officials who view the imports as a threat to the region's powerful car sector despite deep divisions in Europe over the issue.

The baseline level of tariffs, calculated at 21%, would come on top of the EU's existing 10% tariff on cars, the bloc said Wednesday. While some individual companies would face lower or higher tariffs—up to a total of 48.1% for Chinese company SAIC—they are still a fraction of the duties the U.S. announced recently, likely blunting how much they can disrupt the flow of Chinese EVs to the continent.

China was the source of nearly one in five European sales of fully electric vehicles last year and that proportion should grow, according to data from green lobby group Transport & Environment. Concerns have grown in Europe that China's low production costs and what European officials found are hefty state subsidies could soon price out European carmakers.

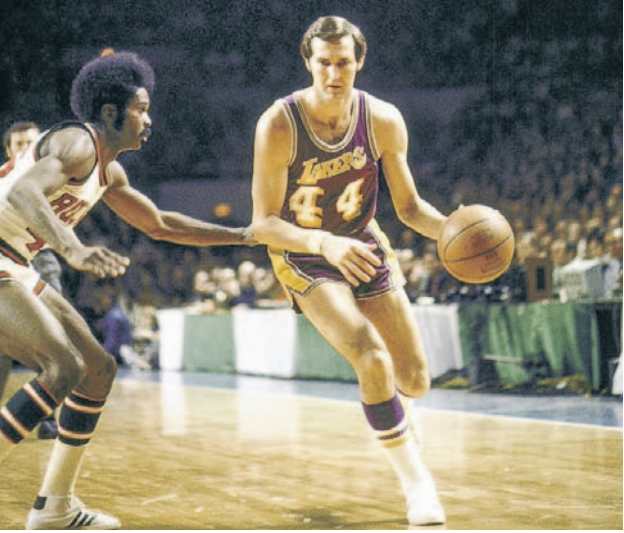
Brussels' pushback against China is controversial—and not

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◆ **Chinese megaport poses** U.S. challenge..... **A7**

◆ **Heard on the Street: China** eyes new markets..... **B12**

Farewell to 'The Logo'



SUPERSTAR: Jerry West, an NBA legend and the inspiration for the league's logo, died Wednesday at age 86. **A14**

The College Scholarship Secret Hiding in Plain Sight

A weird last name might just be a golden ticket to a debt-free degree

By Melissa Korn

Derek Gatlin discovered the value of his last name during middle-school detention.

A teacher urged him to get serious about school so he could land a special college scholarship. He wouldn't need a 4.0 GPA, athletic accolades or a musical skill. He just needed to be a Gatlin. (Or, he later learned, a Gatling.)

Gatlin didn't know what the teacher was talking about, but he liked the idea of being the first in his family to go to college.

In 2001, as Gatlin entered his senior year, the scholar-

ship offer arrived. He received a letter from North Carolina State University, about 2,800 miles from home in Olivehurst, Calif., noting his strong SAT score—and his last name. It said if he was admitted, his tuition costs would be covered.

"It was the golden ticket, like in 'Charlie and the Chocolate Factory,'" Gatlin recalls. "Then I asked: Where is Raleigh, North Carolina?"

Quirky scholarship opportunities abound these days. Funds are set aside for golf caddies, tall children and even those with notable duck-calling abilities.

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McKinsey Boss's Next Big Project: Fixing McKinsey

By Chip Cutter

Soon after Bob Sternfels took the top job at the consulting giant McKinsey a few years ago, he embarked on an around-the-world tour to meet with the lowest rung of managers at the firm.

The conversations largely took place outside; Sternfels is prone to walking meetings and finds that a jaunt out of an office can elicit more candid feedback than staring at someone across a conference table. What many of the young managers discovered, though, is that a walk with Sternfels, a former Stanford water-polo player, is more often akin to a light jog.

"Some end up a little

Fed Sees Just One Rate Cut After Soft Inflation

Central bank holds benchmark steady as consumer prices show improvement

By Nick Timiraos and David Uberti

Federal Reserve officials penciled in just one interest-rate cut for this year, indicating most are in no hurry to lower rates, even after a widely watched report Wednesday showed inflation improved last month.

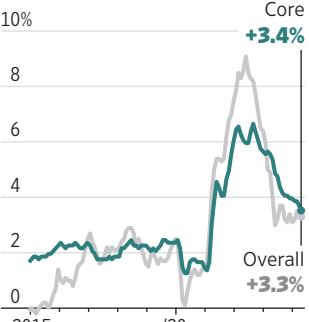
The central bank also held its benchmark rate steady, in a range between 5.25% and 5.5%, a move that was widely expected.

New economic projections showed 15 of 19 officials expect the Fed to cut rates this year, with that group roughly split between one or two rate cuts. The median, or midpoint, of those projections reflected expectations of one rate cut.

Fed officials meet four more times this year, in July, September, November and December, and the rate projections could temper expectations of a September cut that investors anticipated earlier Wednesday

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Consumer-price index, change from a year earlier



Note: Core excludes food and energy prices
Source: Labor Department

INSIDE

PERSONAL JOURNAL
A sunscreen ingredient is lurking in foods from pizza and candy to salsa and icing. **A12**

THE FUTURE OF EVERYTHING
THE ENERGY & CLIMATE ISSUE
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U.S. NEWS

Fed Expects Rate Cut This Year

Continued from Page One after the inflation report.

After setbacks at the start of the year, more recent inflation readings have shown improvement, Fed Chair Jerome Powell said at a news conference. “We’ve made pretty good progress on inflation,” he said. Wednesday’s report was “a step in the right direction...but you don’t want to be too motivated by any single data point.”

In order to cut rates, “we’ll need to see more good data,” he said.

Powell’s caution didn’t deter many investors in Wednesday trading. The tech-heavy Nasdaq Composite advanced 1.5%, notching a fresh record, while the S&P 500’s 0.9% gain similarly pushed it to an all-time high. The Dow Jones Industrial Average, after rising earlier in the day, edged lower by 0.1%, or 35 points.

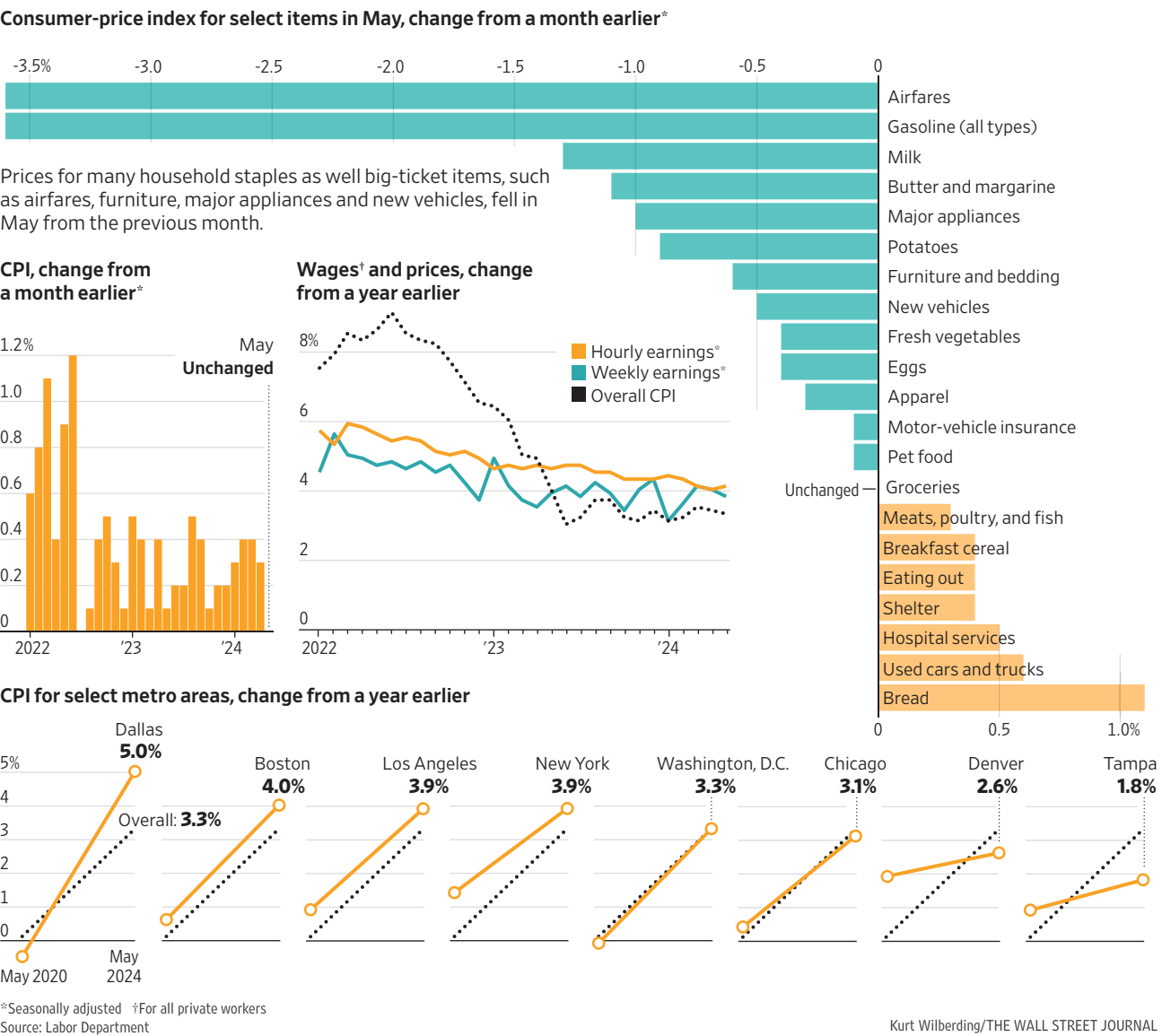
Benchmark 10-year Treasury yields dropped to 4.294%, extending June’s bond rally. For bonds, prices move inversely to yields.

The latest Fed decision came hours after the Labor Department reported the consumer-price index—a measure of goods and services costs across the economy—was essentially flat from the month before and up 3.3% from one year earlier. In April, prices rose 3.4%.

Core prices, which exclude volatile food and energy items, posted their mildest gains since 2021 and rose 0.2% from April, below economists’ expectations.

“This was a very encouraging number,” said Laurence Meyer, a former Fed governor who runs an economic advisory firm. “I’d need to see more before cutting, but I think September is in play” for the first-rate cut.

The report showed a slow-



down in price pressures was broad based and could help Fed policymakers restore their confidence that inflation will return to their target.

Officials were surprised in the second half of last year by how rapidly price growth slowed despite strong spending and hiring. Inflation turned around after that and was unexpectedly hot at the start of this year, derailing expectations by investors and the Fed itself that the central bank might have been able to cut rates by now.

Investors were highly focused Wednesday on whether a majority of 19 officials who submit quarterly interest-rate and economic projections

would pencil in two rate cuts or just one. In March, a narrow majority of them had penciled in three cuts, but that was before stubborn inflation readings effectively restarted the clock on rebuilding confidence that inflation would subside over the next year.

Officials will have just one more inflation reading before their next policy meeting in July, but they will have three more monthly reports by the time of their meeting after that, in mid-September.

“The story is that they’re not ready to cut rates. We are on an inflation roller coaster. You have to be careful here,” Meyer said.

The Fed raised rates at the

most rapid pace in decades in 2022 and 2023 to combat high inflation, and many economists have marveled at how the economy has weathered those increases so far.

Powell and his colleagues don’t want to cut rates without more convincing evidence their policy stance is as restrictive as they think it is—but they are uneasy that by the time they see that evidence, it will be too late to avoid a big rise in unemployment.

They face two risks. One is that there is more pain to come as banks and businesses least prepared for and most vulnerable to higher rates will encounter serious challenges if rate cuts don’t come down

in the months ahead, as widely anticipated.

The other is that rate cuts ignite market rallies and increased spending that sustains inflation above the Fed’s 2% target, which is measured against a separate index maintained by the Commerce Department. Core prices in that index rose 2.8% in April.

On Wednesday, officials revised up their projections for inflation and now anticipate core prices to rise 2.8% in the fourth quarter from a year earlier, up from 2.6% in their March projections. They see core inflation slowing to 2.3% next year and 2% after that.

Last week, central banks in Europe and Canada made their

first interest-rate reductions of the current cycle. Growth has been weaker abroad than in the U.S., where many homeowners have been shielded from the effects of higher interest rates because they locked in ultralow 30-year, fixed-rate mortgages in 2020 and 2021.

Fed officials have puzzled in recent months over why their interest-rate stance, which influences the cost of mortgages, business debt, auto loans and credit cards, hasn’t done more to slow the economy. But several measures of labor-market conditions are back to levels last seen in 2018 and 2019, when growth was solid but inflation was low—a sign that monetary policy and the resolution of pandemic-related shocks have slowed economic activity.

Powell has attempted to explain this mystery by pointing to how a surge of immigration and workforce participation last year boosted demand as well as the ability of the economy to supply more goods and services.

Many people in the U.S. remain gloomy about the state of the economy even though steady job and income growth—and significant gains in asset prices such as stocks and houses—are powering spending.

Consumers are taking little comfort from milder annual inflation rates because the run-up in the price of everything from housing to groceries to cars since 2021 has been unusually large. Over the last four years, prices are up 22% in the CPI, compared with 7% in the four years before that.

And slower inflation hasn’t yet translated to lower borrowing costs: The 30-year fixed-rate mortgage has hovered around 7% in recent months, near the highest level since 2001, while banks are charging 22% interest on credit cards.

Watch a Video



CORRECTIONS & AMPLIFICATIONS

Holocaust survivor and real-estate developer Tibor Hollo was born in Uzhhorod, now part of Ukraine, and he arrived in the U.S. as an immigrant in 1949. An obituary on Saturday incorrectly gave his birthplace as Budapest and the year of his arrival in the U.S. as 1948.

Apple’s market value rose to \$3.176 trillion on Tuesday. In some editions Wednesday, a Business & Finance article about the technology sector incorrectly said \$3.176 billion.

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McKinsey Boss Pushes For Change

Continued from Page One tlements for its work with OxyContin maker Purdue Pharma and other pharmaceutical companies. The Justice Department has opened a criminal probe. Congress has grilled Sternfels over the firm’s work on behalf of Saudi Arabia and in China.

An election for global managing partner earlier this year stretched to three rounds, laying bare dissatisfaction within the firm. Sternfels survived and kept his position, but the process highlighted an unusual structure that gives McKinsey’s 750 senior partners the power to choose their leader every three years.

As his new term begins next month, Sternfels and his colleagues are planning for much change. With clients, McKinsey is adjusting some of its fee structures, taking on more work in which it defers payment until companies reach agreed-upon results. Asutosh Padhi, McKinsey’s current head of North America, will work on such experiments, part of a broader leadership shake-up across the firm.

Rodney Zimmel, who faced off against Sternfels in the final round of the election and heads a growing practice called McKinsey Digital, will spend time on how McKinsey consultants should adapt their work in the era of artificial intelligence.

The firm is also rethinking how it runs itself. It launched a 30-person “partnership modernization” task force, which is debating issues tied to McKinsey’s governance, including the length of a term for the firm’s leader and how often it conducts elections.

“We’ll ask some questions of...when are elections helpful to a partnership, and when are they divisive?” Sternfels said, adding that he wants the group to wrap up by year-end.

One of the task force’s first moves, taking effect July 1, is to separate McKinsey’s senior management team from its board to better differentiate



Bob Sternfels was elected to another term as McKinsey’s global managing partner.

between those overseeing the firm and those running its operations. Board members will still include partners, including well-known leaders such as Liz Hilton Segel, McKinsey’s chief client officer.

3,000 partners

What has made running McKinsey challenging, those inside and outside the firm say, is that the company has grown significantly in recent years. McKinsey has about 45,000 employees around the globe and about 3,000 partners. While that is still a fraction of some of its broader consulting-industry peers—Accenture had about 740,000 employees at the end of February—it is still a steep increase from its past. As recently as 2021, McKinsey had about 30,000 employees.

Sternfels said he is spending time thinking about how to make the firm feel smaller, while maintaining its global structure. In addition to organizing groups geographically or in functional areas, such as private equity, McKinsey is debating how it might set up internal “communities” within the firm, pulling people from across divisions.

These communities, for example, might be devoted to infrastructure work, as companies from oil giants to semiconductor makers invest in big projects, requiring con-



sultants with business expertise and experience navigating government policies and subsidies.

At a recent leadership retreat for partners in Copenhagen, Sternfels also emphasized that, no matter what shape McKinsey takes, he wants the organization to be a place where employees get “unrivaled development.” That goal means doubling down on feedback—and lots of it—for staffers.

Up-or-out culture

McKinsey has long had an up-or-out culture, where consultants either ascend through the ranks or are shown the door and invited to join an active McKinsey alumni group. Earlier this year, the firm put about 3,000 employees on notice with unsatisfactory performance ratings. Some consultants feared they would be “CTL’d,” or counseled to leave,

in McKinsey speak.

Sternfels said McKinsey is a meritocracy, and that its ratings are in line with its historical averages. “The great reveal is people have always been rated that way,” he said. “Guess what? Not everybody gets an A.”

He added: “It’s not just the feedback, sink or swim, but it’s done with a sponsor, so that you have somebody who’s going to be in your corner to help change the odds that you can actually do something about that feedback.”

McKinsey laid off some nonclient-facing staffers last year and elected a smaller new class of partners. It also deferred start dates for some new hires.

Sternfels and other senior partners said they don’t foresee additional layoffs. Some of the previous cuts came after a burst of hiring during the pandemic when demand for McKinsey’s services soared.

“We’re back in balance now,” Sternfels said. The company plans to hire 6,000 people this year, about the same as the year before, and Sternfels expects net employee growth at McKinsey in 2024.

AI advice

As McKinsey veterans talk about the future of the firm, and what it means to be a consultant, AI looms large.

When a summer intern recently asked Hilton Segel, McKinsey’s chief client officer, for tips on how to succeed at the firm, she didn’t hesitate.

“My advice to her was to be an outstanding prompt engineer” on an internal McKinsey generative AI tool.

Consultants should know how to use such tools, streamlining their work, she said, so they can then focus on offering higher-value services, such as counseling clients to put new processes in place.

“I think the word ‘consulting’ is a misnomer. I have not figured out the new word,” Hilton Segel said. “What we do is we effect change: change in results, change in capabilities.”

McKinsey is best known for offering strategy ideas to companies—a proposition the firm increasingly views as table stakes in the AI era. “That part of the profession will get disrupted,” Sternfels said.

Instead, the firm wants McKinsey’s people delivering ideas while also helping clients through the often-difficult process of changing how they work, said Shelley Stewart, a senior partner on Sternfels’s new leadership team.

U.S. probe

Challenges remain. The Justice Department is conducting a criminal investigation into McKinsey’s work with opioid manufacturers, the Journal previously reported. A former senior partner also recently sued the firm and Sternfels, alleging that McKinsey made false statements when it fired him in 2021 for allegedly violating the firm’s document-retention policies.

Asked how he thought the Justice Department investigation would end, Sternfels said, “My sense is just with all the regulators that we’re talking to, we are on a path to come to a resolution.”

U.S. NEWS

Dangerous Flooding Inundates Much of Southern Florida



DRENCHED: People slogged along a flooded street in Hollywood, Fla., on Wednesday as a tropical disturbance brought heavy rain to the area.

Southern Baptists Oppose In Vitro Process

By ALYSSA LUKPAT AND VICTORIA ALBERT

The Southern Baptists, the country's largest Protestant denomination, voted Wednesday to oppose the use of in vitro fertilization as it is commonly practiced, aligning the church with a right-wing stance on an issue that roiled the nation earlier this year.

Delegates to the Southern Baptist Convention's annual meeting Wednesday approved a resolution that called to "re-affirm the unconditional value and right to life of every human being, including those in an embryonic stage, and to only utilize reproductive technologies consistent with that affirmation."

The resolution noted that the IVF process often involves creating more embryos than are actually used, and can result in the destruction of unused embryos. In a hand-raise vote, delegates overwhelmingly approved the resolution, a spokesman for the Southern Baptist Convention executive committee said.

The Southern Baptist annual meeting, held in Indianapolis this year, is often viewed as a bellwether for evangelicals' views on political and social issues. Earlier Wednesday, the delegates failed to pass a measure banning churches with women pastors, a surprise reversal of an earlier decision.

The IVF vote comes months after Alabama's Supreme Court ruled that frozen embryos qualified as children under a state law. The ruling temporarily upended the procedure in the state and sent Republicans nationwide scrambling to clarify the GOP's position on the treatment.

Several party members, including presumptive presidential nominee Donald Trump, defended the procedure. Gov. Kay Ivey quickly signed a law granting Alabama's IVF providers civil and criminal immunity.

Wednesday's vote isn't a ban on the procedure, and wouldn't directly affect anyone undergoing IVF.

Jason Thacker, the director of the research institute at the Baptists' public-policy arm, called for pastors "to walk alongside couples facing the devastating realities of infertility with both truth and grace."

Garland Contempt Vote Clears House

GOP lawmakers seek audiotapes of Biden interview on classified documents

By KATY STECH FEREK AND SADIE GURMAN

WASHINGTON—The House voted Wednesday to hold Attorney General Merrick Garland in contempt for not releasing audiotapes of President Biden, as Republicans stepped up their fight with the Justice Department in their push to keep questions about the president's mental acuity in the spotlight.

The vote on the GOP-led measure was 216 to 207, with all but one Republican voting in favor of contempt. All Democrats were opposed.

Republicans made the move against Garland for declining to comply with a subpoena demanding recordings of Biden's interview with special counsel Robert Hur, who investigated the president's handling of classified documents.

The contempt of Congress vote is largely symbolic, as it refers the matter to the Justice Department, which would most likely decline to prosecute its own leader. The department's Office of Legal Counsel noted in a May memo that no U.S. attorney has ever pursued criminal contempt charges against an official who was asserting the president's claim of executive privilege.

GOP leaders say the recordings are important to their impeachment investigation into the Biden family's finances, which has lost steam. "This decision was not made lightly," said House Speaker Mike Johnson (R., La.), arguing that lawmakers leading the inquiry need the tapes to verify the transcript's accuracy. "This is a simple matter. We have the transcript, and we need the audio."

Democrats opposed the contempt measure, calling it a political stunt tied to a fishing expedition. Rep. Jamie Raskin of Maryland, the top Democrat on the House's Committee on Oversight and Accountability, said the contempt effort is designed to shift blame to Garland for the Republican impeachment inquiry's failure to produce evidence of wrongdoing by Biden.

Republicans are hoping the audio of Biden reveals "a mispronounced word or phrase or a brief stammer, which they can then turn into an embarrassing political TV attack ad," Raskin said. "That's what this is all about."

The one Republican to oppose the measure, Rep. Dave Joyce of Ohio, is a former prosecutor. He said he couldn't support a "resolution that would further politicize our judicial system to score political points."

Garland has decried the contempt push as the latest in a series of unfounded and escalating attacks on the Justice Department. Garland released a transcript of Biden's interview with Hur, but he said sharing the audio would chill witness cooperation in future investigations. At Garland's request, Biden last month asserted executive privilege over the records,

further blocking their release.

Garland Wednesday said it was "deeply disappointing" that the House "has turned a serious congressional authority into a partisan weapon." The Justice Department had been cooperative with the Republicans, he said, providing substantial information without releasing the audio.

Hur's report, released in February, concluded that Biden was sloppy in holding on to classified material related to his time as vice president. The special counsel said prosecutors couldn't pursue a criminal case against Biden, in part because there were some innocent explanations for Biden's actions—and because a jury might view him as a sympathetic defendant who was well-intentioned and forgetful.

Further blocking their release.

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Online Passport Renewal Program Relaunches

By ALLISON POHLE

Travelers who want to renew their passports online can now do so.

Eligible travelers as of Wednesday can process their applications without sending everything in the mail and can expect to receive their passport back in six to eight weeks. The State Department tested online passport renewals in 2022, but took the program offline in 2023.

The relaunched renewal program is open to the public but

is in beta, or trial mode, senior State Department officials said. This will allow the department to make changes as it evaluates the process and user feedback.

Under the program, a limited number of people can renew their passports. Each day around 1 p.m. Eastern time, the department will open up a small number of spots for renewal, the officials said. The window of availability will extend over time, officials said.

Travelers faced long delays getting their passports earlier in the pandemic as the department

dealt with an influx of applications and staffing challenges. Processing times stretched up to 18 weeks in 2021 but have since shortened as staffing has improved. The online renewal is meant to save time and effort and provide a more convenient option for travelers, the officials said.

An online renewal doesn't yet guarantee you'll get your passport any faster. These renewals aren't eligible for expedited processing. Processing times are the same as those submitted by mail, the officials said.

Not all travelers are eligible for online renewals. Those applying for a first-time passport still must mail in their documents, for instance.

Applicants must be 25 or older and already have a valid passport. That passport should have been valid for 10 years and must have been issued between 2009 and 2015.

Travelers who use the online option can't update biographical information such as their name, gender or date of birth, the senior State Department officials said. The department

has posted complete requirements on its website.

The officials declined to say how many people can apply for online renewals each day, but said the number will increase over time. Once the daily quota is reached, the portal will close, the officials said.

During the previous online renewal period, the department processed more than 565,000 passports. Since then, the department accounted for traveler feedback to make changes to the web interface and photo upload tool.

New York City Traffic Slows To a New Degree of Terrible

By JOSEPH DE AVILA AND MAX RUST

In the battle of man vs. machine, man is rapidly catching up in the car-jammed streets at the heart of New York City.

As state and local officials are battling over a ditched plan to unclog Manhattan's sclerotic arteries, the average travel speed in midtown fell to 4.5 miles per hour in May, the lowest ever recorded for the month, said Sam Schwartz, a former New York City Department of Transportation official who has tracked traffic trends in the metropolis since the 1970s.

It was the fifth straight record month this year, with 2024 shaping up to be the worst on record for Midtown Manhattan traffic.

"We are approaching walking speeds," Schwartz said.

There is no relief in sight from the steady stream of commuter vehicles, delivery trucks, taxis and Ubers and Lyfts that pour onto the island everyday. Last week, New York Gov. Kathy Hochul shelved the state's congestion-pricing tolling plan, which would have charged drivers \$15 to enter Manhattan's business district.

The strategy was projected to take 100,000 cars off the streets daily. About 802,000 people traveled by vehicle to

the business district on a typical fall business day in 2022, according to the most recent figures from the New York Metropolitan Transportation Council.

The pullback on congestion pricing raises questions about what officials can do to curb Manhattan traffic and all the problems that come with it like crashes involving pedestrians and the release of harmful pollutants in the air. Pro-congestion pricing advocates say there is no comparable measure available that can make the same impact.

Vehicular trips to downtown Manhattan are up 11% from 2019, according to Inrix, a transportation-research firm. Traffic on bridges and tunnels in New York City have also returned to prepandemic levels, according to the Metropolitan Transportation Authority.

New York's congestion-pricing plan, which would have been the first in the nation, was signed into law in 2019 by Gov. Andrew Cuomo. In addition to cutting down the number of cars and trucks on the road, the proceeds from the toll was intended to fund public transportation.

Hochul said she put an indefinite pause on congestion pricing because she was concerned about the rising cost of living and New York's eco-

nomics recovery from Covid-19. Cuomo has also backed away from congestion pricing and said the city needs a more robust economic rebound before proceeding with the tolling plan.

The MTA said Monday it will rein in capital projects to make up for the revenue shortfall from canceling the tolling plan.

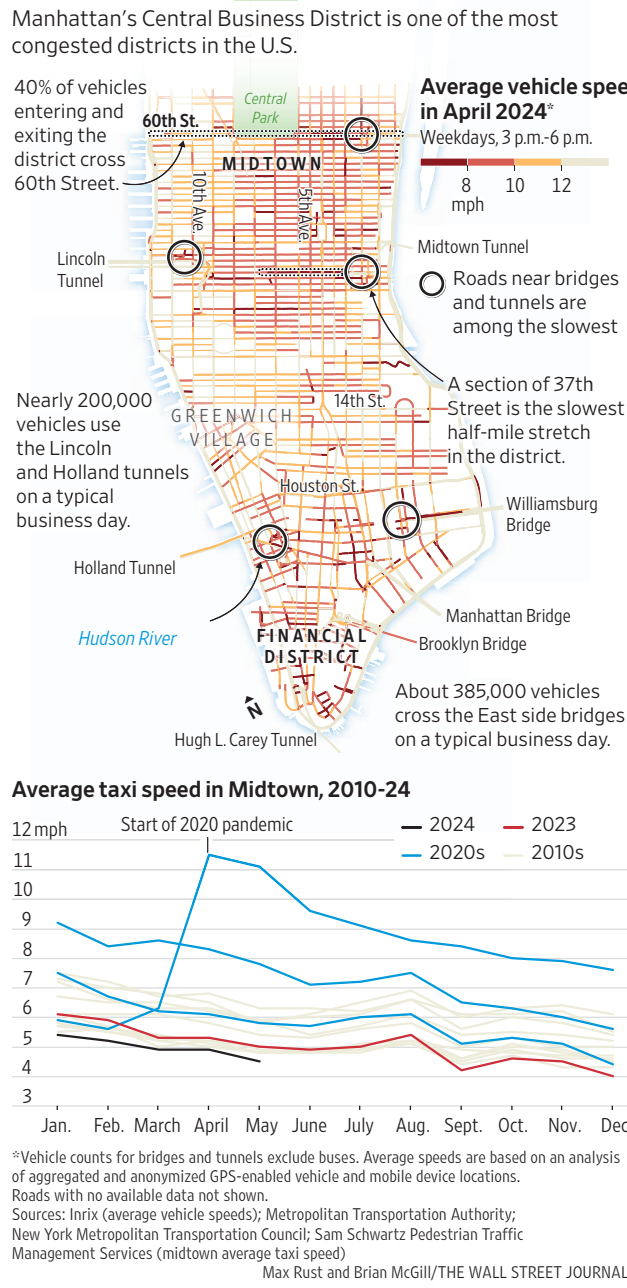
Congestion pricing also faced stiff opposition from unions, some business owners and New Jersey Gov. Phil Murphy. Opponents said the toll was unfair for commuters and businesses that needed to be on the road.

A spokesman for Hochul didn't respond to requests for comment.

Manhattan's traffic has been terrible for decades, said Lucius Riccio, a former commissioner of New York City's Department of Transportation. Riccio said congestion pricing perhaps could have helped with traffic problems. Making for-hire vehicles like Ubers and Lyfts pay fees would drive down the number of vehicles clogging up streets during midday, he said.

Congestion has increased because fewer commuters from New Jersey are taking buses and trains and are instead driving to work alone, Schwartz said.

—Brian McGill contributed to this article.



Tulsa Race Massacre Lawsuit Dismissed

By TALİ ARBEL

The Oklahoma Supreme Court on Wednesday dismissed a lawsuit brought by survivors of the 1921 Tulsa Race Massacre, who sought reparations for the attack.

The attack occurred in Tulsa's Greenwood district, at the time one of the wealthiest Black neighborhoods in the U.S. White mobs burned the neighborhood to the ground, destroying hundreds of homes and businesses. As many as 300 people were killed.

The case was filed in 2020 under Oklahoma's public nuisance law. The plaintiffs said they sought to abate the public nuisance caused by the massacre and to claim redress. The court said the case didn't fall under the public-nuisance statute.

Two of the plaintiffs are Viola Ford Fletcher and Lessie Benningfield Randle, both over age 100. The defendants included the city of Tulsa, the Tulsa Regional Chamber, the Oklahoma Military Department and other local entities.

The plaintiffs' legal team said they would file a petition asking the court to reconsider its decision and called on the U.S. Justice Department to open an investigation into the massacre. The city of Tulsa said it respects the decision.

U.S. NEWS

U.S. WATCH

MILITARY
V-22 Ospreys Still Have Safety Issues

The military's hundreds of V-22 Ospreys won't be permitted to fly their full range of missions until at least 2025 as the Pentagon continues to address safety concerns in the fleet, the head of the program said Wednesday.

Vice Adm. Carl Chebi, the head of U.S. Naval Air Systems Command, which has responsibility for the V-22 military-wide, told lawmakers at a House oversight hearing into the program's recent crashes that it will be at least another six to nine months before the command will be able to complete all of the safety and performance assessments for the Osprey.

Following a November crash off the coast of Japan that killed eight service members, the fleet was grounded for months. The Ospreys were returned to flight status in March, but in a very limited format, and don't perform the full range of missions, including carrier operations, that the aircraft was made to carry out.

In use since only 2007, the Osprey can fly like an airplane and land like a helicopter.

The military hasn't yet said what exact part failed in the November crash, but Chebi told the panel Wednesday that the cause was something "we'd never seen before."

—Associated Press

NEW HAMPSHIRE
Probe Finds Officers Justified in Shooting

Four Manchester police officers involved in the fatal shooting of a 26-year-old man outside his fiancée's apartment building last year were justified in their use of deadly force, the state attorney general's office said Wednesday.

Alex Naone died May 26, 2023, after being shot seven times in the arms, chest, abdomen and back, according to the attorney general's report.

According to investigators, Naone had an on-and-off relationship with his fiancée and had been arrested two weeks earlier for throwing cans of beer at the windows. On the night of May 25, they argued and he left, but returned around 2 a.m., intoxicated and holding a gun to his head in front of their 4-year-old daughter, she told police.

Outside the apartment, Naone initially complied with officers' orders to put down the gun, but later picked it back up, racked it and raised it toward his head. Officers Jeffrey Belleza, Robert Bifsha, Stephen Choate and Patrick Rud-dell fired their weapons.

The report concludes that Naone's conduct could reasonably be interpreted as defiant and threatening.

—Associated Press

ILLINOIS
Three Sheriff's Deputies Shot

Three sheriff's deputies were shot Wednesday while responding to a northern Illinois home, and the suspect was also wounded, authorities said.

Ogle County Sheriff Brian VanVickle said the deputies were responding to a report that someone inside the home in the Lost Lake community near Dixon was threatening to kill themselves or others.

VanVickle said a family member called police shortly after 8:30 a.m. to report the threats from someone at the home. He said negotiators tried to reach the person by phone and decided to go inside shortly before noon.

"Immediately upon entering the house, our deputies received fire from inside the house," VanVickle said. Everyone injured is in good condition, he said.

—Associated Press

MISSISSIPPI
Drug Trafficker Gets 23 Years

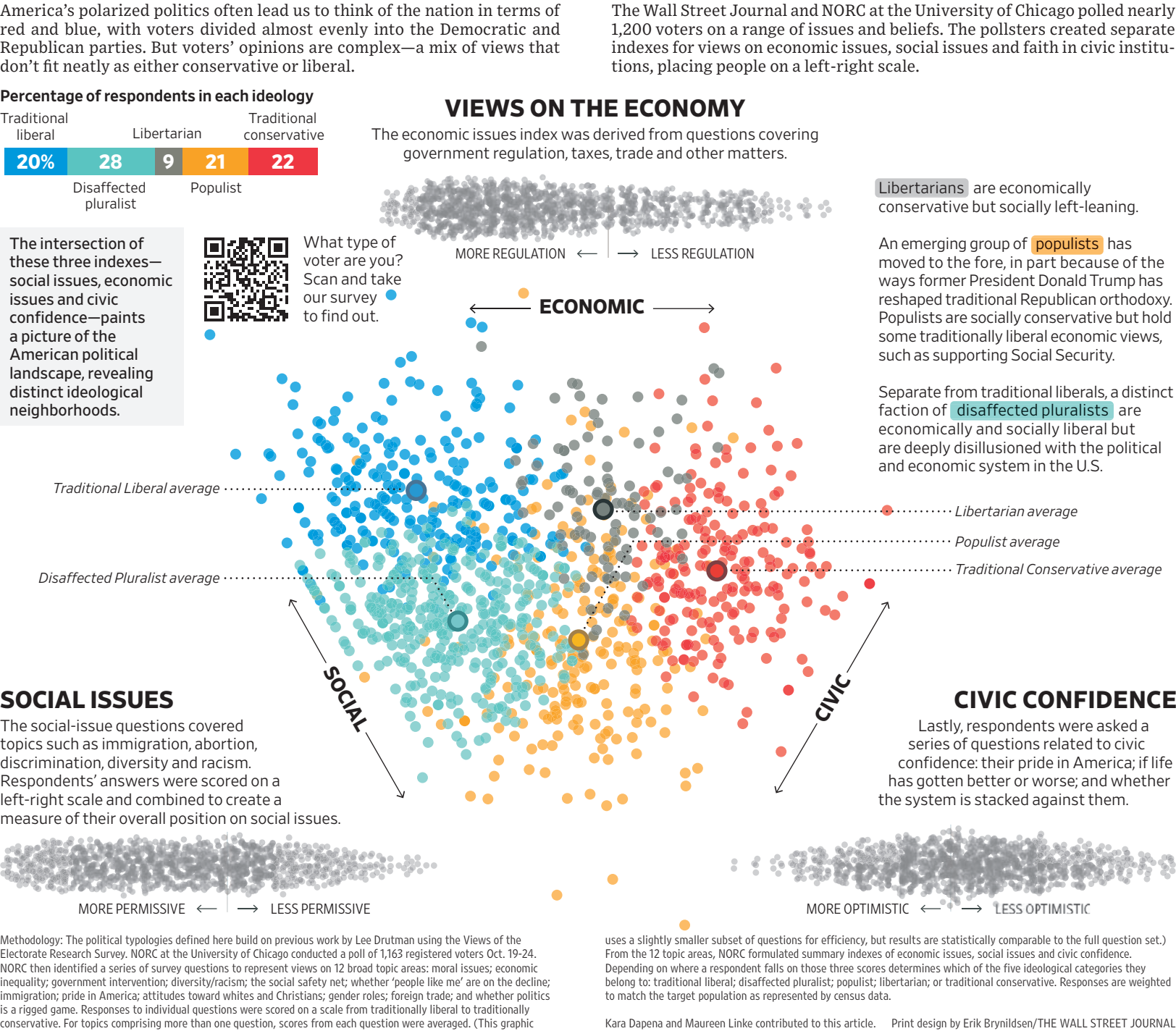
A Mississippi woman who oversaw a drug-trafficking organization has been sentenced to 23 years in prison, federal prosecutors say.

Linda Hunt, 49, of Crowder, was sentenced Tuesday by U.S. District Judge Shariun Aycock. The sentencing came six months after Hunt pleaded guilty to distribution of methamphetamine. She also was ordered to forfeit \$20,000.

—Associated Press

A WSJ/NORC survey shows a more nuanced picture of the electorate than just red and blue

By Randy Yeip and Aaron Zitner, Graphics by James Benedict



EU Targets China EVs For Tariffs

Continued from Page One

just in China. The tariffs' most vocal opponents include Europe's largest carmakers, which are concerned about retaliation in China, a vast and highly profitable market on which they have become dependent. This reliance has complicated Europe's effort to follow the U.S. in raising barriers to Chinese imports.

If talks with China don't lead to an immediate resolution, the tariffs will start to apply on July 4, but the money would only be collected if member states approve a decision to extend the duties into the fall. Officials from some countries, including Germany, Sweden and Hungary, have criticized the push to issue tariffs but the bar for blocking them in the fall is high.

At stake, economists said, isn't just the future of an industry that is among Europe's largest employers. The outcome could determine whether and how much Beijing's industrial offensive, which some have dubbed the second China shock after the country's conquest of consumer goods manufacturing in the early 2000s, reshapes the economies of the West.

"China is trying to play divide and conquer," said Gregor Sebastian, a senior analyst at Rhodium, a think tank. "With some like Germany and France it's using sticks, going after car exports and agricultural products. With countries like Spain, Italy and Hungary, the carrot would be promising more EV investments."

Among the tariffs' opponents in Europe is Volkswagen, even though the German carmaker is under increased competition from the new breed of Chinese EV makers that are challenging the dominance of Western manufacturers in China and abroad.

A look at VW's sprawling EV complex in Hefei, China's answer to Silicon Valley, goes some way to explaining the company's position. There, more than a thousand robots are busy assembling a sporty all-electric SUV that VW is building here for export to Europe. The plant is one of the company's most efficient in the world, according to VW officials, who said it has helped the company drastically cut the time needed to make a car,

from design to mass-market production—a feat VW describes as "China Speed."

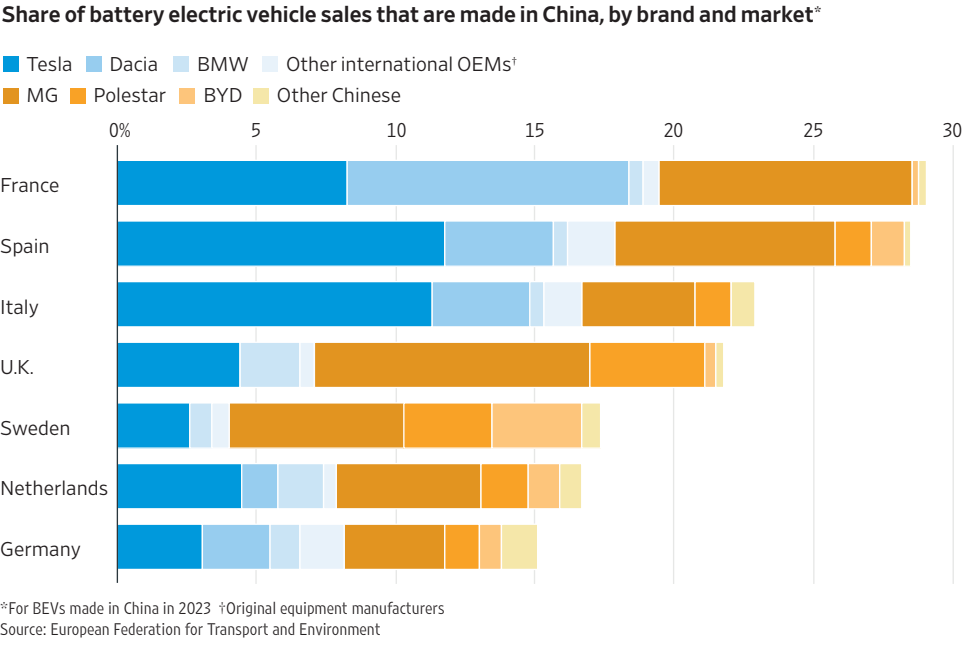
As the factory shows, VW has become deeply entwined with China—not just as the source of 33% of the company's sales, but also as a production base for exports. German carmakers like VW campaigned against proposed European import tariffs on Chinese EVs because maintaining their access to the Chinese market matters more. Some German suppliers have welcomed the rise of Chinese carmakers that are now among their customers.

"We stand for fair and open trade and do not want additional protectionist measures," Ralf Brandstätter, CEO of VW's China business, said in a recent interview. "We have to adapt to this new situation instead of putting up new barriers."

Germany is the EU's largest auto market and biggest producer of vehicles and components. As the EU's largest economy, its support can often make



German carmakers like Volkswagen campaigned against the proposed tariffs because maintaining their access to the China market matters more. VW's plant in Hefei, China.



ologue with each other," Lower Saxony Prime Minister Stephan Weil told The Wall Street Journal during the trip.

The EU—which last year ran a €291 billion trade in goods deficit with China, equivalent to \$313 billion—has hardened its position on China. In addition to the EV tariffs, the commission has opened investigations into alleged Chinese subsidies for companies in sectors ranging from clean energy to security equipment.

Some member states worry that this could invite retaliation. "We should not forget: European manufacturers, and also some American ones, are successful on the Chinese market and also sell a lot of vehicles that are produced in Europe to China," Scholz said recently.

Chinese government officials have warned that China would retaliate against any EU tariffs. Facing a saturated domestic market and 100% U.S. import tariffs, the likes of BYD, Polestar and SAIC need

to expand to Europe to realize their global ambitions.

During a recent visit with Spanish government officials and to Chinese EV maker Chery's factory in Barcelona, China's commerce minister, Wang Wentao, urged the Spanish government to lobby Brussels against the coming tariffs. Wang and a deputy also held meetings last week in Greece, Poland and Portugal—all countries where China has made important investments.

Later in the week, during a visit to Spanish auto supplier Gestamp, Spain's industry minister, Jordi Hereu, expressed skepticism about the EU's planned tariffs, and called on Brussels to provide aid to build up key industries at home instead. "I don't believe in trade wars, because I believe in international trade, but I do believe in policies to strengthen reindustrialization," he said.

The China Chamber of Commerce to the EU protested the planned tariffs, calling them a protectionist measure that will harm Chinese EV companies and damage economic and trade relations between the EU and China. Yet tariffs alone are unlikely to halt the growing influence of Chinese carmakers.

Investor Zhejiang Geely Holding controls Sweden's Volvo Cars, and the group's backer, billionaire Li Shufu, has also invested in British automotive companies including Lotus. Li holds nearly 10% of Mercedes-Benz stock while China's BAIC holds another 10%. China's state-owned chemical group Sinochem is the biggest shareholder in Italy's Pirelli.

Chinese EV makers are also beginning to set up production in Europe. BYD announced plans last year to build a Tesla-style Gigafactory in Hungary, while Chery has created a joint venture with Spain's EV Motors to assemble vehicles in Barcelona. China's leading battery makers including Contemporary Amperex Technology, Gotion, and BYD have built or plan battery cell manufacturing plants in Europe.

New factories accounted for 78% of Chinese foreign direct investment in Europe last year, up from 51% the year before, according to a study by the Mercator Institute for China Studies and Rhodium. The push was led by investment in battery plants in Hungary, Germany and France.

Chinese auto executives argue that given a fair choice, European consumers are likely to favor Chinese cars, not because of their price but because they are better. Chinese consumers, they point out, gradually turned away from Western brands for the same reason.

WORLD NEWS

Hamas Haggles Over U.S.-Backed Plan

While Blinken campaigns for peace deal, militants issue new demands

Hamas has toughened its position on a Gaza cease-fire proposal with Israel that has faced intransigence from both sides despite heavy U.S. lobbying, including by President Biden.

By Summer Said, Rory Jones and Alan Cullison

Meanwhile, violence flared on Israel's northern border with Lebanon, as the Iranian-backed military group Hezbollah staged its biggest attack on Israel since the early days of the war following months of lower-intensity conflict. Hamas leaders have told Arab mediators that they want Israeli forces to withdraw from territory alongside Egypt by the end of the first week after a deal is signed, and to completely withdraw from Gaza and announce a permanent cease-fire before the group releases additional hostages in a second phase.

Hamas added those demands, the mediators said, after the Israeli military rescued four hostages held by the group in Gaza on Saturday that resulted in scores of Palestinian casualties. Secretary of State Antony Blinken, who is crisscrossing the Middle East to promote Biden's proposal, said Wednesday the U.S. is consulting with other proponents of the peace plan over what to do about Hamas's new demands. "All I can tell you having gone over this with our colleagues is that we believe that some of the requested changes are workable and some are not," Blinken said after a meeting in Doha with Qatari officials, who with Egyptian counterparts have helped mediate talks for months. "And so we have to see on an ur-



Members of Hezbollah carried the coffin of Taleb Sami Abdullah, a commander killed after an Israeli strike Tuesday in Lebanon.

Senior Hezbollah Commander Is Killed in Attack

Hezbollah fired a barrage of rockets at Israel on Wednesday after an Israeli strike in southern Lebanon on Tuesday killed commander Taleb Sami Abdullah, one of the most senior members of the militia to be killed in the past eight months. Hezbollah said its strikes injured some civilians. The Israeli military said

Wednesday that about 215 rockets were fired from Lebanon at towns in northern Israel, causing fires but no casualties. Israel says it has been trying to calibrate its actions to avoid sparking a full-scale war. Rockets and drones fired by Hezbollah into Israel have kept 60,000 Israelis from returning to their

homes after they were evacuated near the border early in the Gaza war. Israeli Prime Minister Benjamin Netanyahu was planning to hold a security assessment with his advisers Wednesday night "in light of the developments in the north, and Hamas's negative response regarding the release of the hostages," his office said.

the U.S., Egypt and Qatar. As part of a cease-fire deal to free hostages, Hamas has demanded the release of Palestinians held in Israeli jails. One of the militant group's new demands Tuesday was that Israel shouldn't be allowed to veto any names of prisoners proposed by Hamas to be released by Israel, according to Arab mediators who received the Hamas response. Hamas's counterproposal also reduced the number of hostages dead or alive to be released in the first phase to 32 from 33. Hamas further said the release of hostages Avera Mengistu and Hisham al-Sayed, held by the militant group since 2014 and 2015, respectively, wouldn't be included in the initial group. Hamas said its proposed prisoners to be released would include Marwan Barghouti, a Palestinian politician who was jailed for his involvement in the

gent basis over the course of the coming days, whether those gaps are bridgeable." Arab mediators said they received an initial response from Hamas on June 6 that included demands for Israel to initially withdraw from the strip of land between Gaza and Egypt called the Philadel-

phi Corridor and the Rafah crossing into Egypt's Sinai Desert. Israel says Hamas uses those border zones to smuggle weapons and goods into Gaza. Over the next 48 hours, mediators tried to persuade the group to soften its demands. But Hamas's position only hardened after Saturday's

hostage-rescue operation. The operation was backed by the U.S. military, which provided intelligence and other support, an American official said. In response to that revelation, Hamas revived another demand: for China, Russia and Turkey to be guarantors of any deal along with

Floating Aid Pier off Gaza Is Hobbled by Rough Seas

By Nancy A. Youssef

LARNACA, Cyprus—In a large warehouse, food intended to help stave off famine in Gaza sits alongside cases of Corona, Stella and Brooklyn Lager. Pallets piled with food are wrapped in cellophane for the roughly 36 hours of sea travel to the U.S.-built temporary pier off Gaza. Many of the estimated 4,000 pallets have been sitting here in warehouses for weeks, waiting to be delivered. The \$230 million pier was installed as the Israeli military advanced in the city of Rafah and the two southern border crossings that were supplying most of the aid to the Gaza Strip closed. The maritime corridor between Cyprus and Gaza—and a continuing airdrop campaign—was meant to supplement ground deliveries, which are cheaper and more efficient. But the hastily constructed pier wasn't designed to handle the Mediterranean Sea's rough waters, and the logistics of delivering aid from the pier to the Gazan population proved vexing. The floating structure broke apart last month after 10 days of operation, something defense officials privately described as all but inevitable. Some humanitarian organizations have all but given up making longer-term plans around the pier. After a week of repairs, the pier went back in place Saturday, only to be shut again Sunday because of the rough waters, the Pentagon said. It reopened Tuesday. The life and near death of the pier reflect the Biden administration's larger struggle to deal with the deteriorating humanitarian situation in Gaza. Three months after President Biden announced the pier during his State of the Union address, only enough aid to support Gazans for a few days has flowed through this maritime route, a fraction of what is needed for more than two million civilians facing severe hunger and famine. During his address, Biden said the pier "would enable a

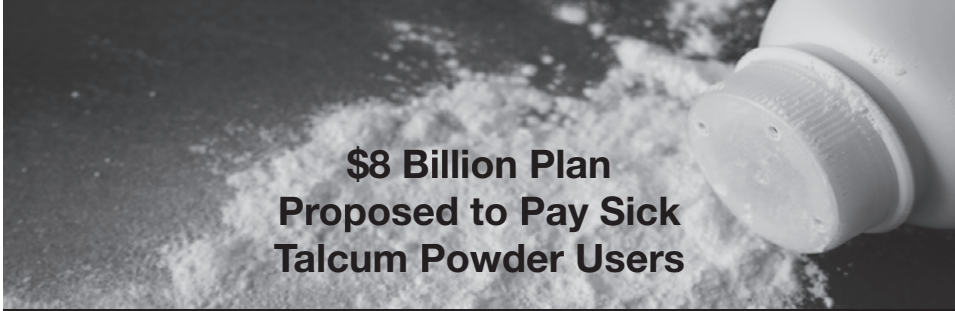


Pallets of flour intended for Gazans sit in a food warehouse in Larnaca, Cyprus, alongside food and drinks for Cypriots.

massive increase in the amount of humanitarian assistance getting into Gaza every day." The Pentagon, which only learned about the president's plan to mention the pier days before his speech, began scrambling to put it in place, defense officials said. Soon, roughly 1,000 troops left Virginia in ships carrying parts of the pier. Even then, defense officials said they didn't know many aspects of the plan. The concept was daunting: The U.S. military would need to assemble the pier several miles off Gaza's coast. Support vessels and barges would be used to transport aid from the structure to a roughly 1,800-foot-long floating causeway leading to the shore. Among the challenges was using the pier in the sometimes rough waters off the Gaza coast. Military guidance on the pier, known as Joint Logistics Over the Shore or JLOTS, says its usage is "weather-dependent," and it can't operate in conditions beyond sea state 3, or short and moderate waves. The Mediterranean Sea often is at sea state 4, or significant winds and waves. The U.S. military pier was in place by mid-May, but weather damaged the structure May 22 and three U.S.

troops were injured, one seriously. But the pier was still functioning. A few days after that, parts of the pier broke off and the Pentagon said it was damaged beyond use. The U.S. military moved the pier to Israel's Ashdod port for repairs. Those involved in the shipping industry in Cyprus described the pier's suspension as inevitable. "We know the weather, and we know the rhythm of the waves and the wind at any time of year, and we could have told it was not going to work," said Miki Peleg, general manager of EDT Offshore, a Cypriot cargo ship-owning firm that was contracted by the U.S. military to move the pier, via tugboats, back to Gaza's shores. Aid began traveling again from Cyprus to Gaza on Saturday, and U.S. Central Command said that roughly 1.1 million pounds of aid was delivered via the pier. "Let's see how long this lasts," one U.S. defense official said shortly after the pier resumed operations. While the Pentagon has allotted enough money to pay for the pier to receive aid for three months, those familiar with its operations say they don't expect it to last that long—at least not without several repairs.

Legal Notice



\$8 Billion Plan
Proposed to Pay Sick
Talcum Powder Users

Your rights could be impacted by a proposed bankruptcy if you are
sick now or in the future from ovarian or gynecological cancer.

Vote to accept or reject the Plan by
4:00 p.m. (Central Time) on July 26, 2024

Johnson & Johnson and a subsidiary (together called the “companies”) have agreed to pay approximately \$8 billion over 25 years to people who claim talcum powder products made them sick. If you believe you are sick from using J&J products that contain talc, such as Johnson’s Baby Powder and Shower to Shower, you may have an opportunity to vote on a bankruptcy plan that governs how claims will be paid.

The companies maintain that their products are safe, do not contain asbestos, and do not cause cancer or other illnesses. Please note, J&J discontinued Johnson’s talc-based Baby Powder in May 2020 and sold Shower to Shower in 2012 to another company.

What is the Plan?

Under the Plan, a multi-billion-dollar trust will be established to pay current and future talc claims. If the Plan is approved, you will not be able to bring a lawsuit against the companies or other parties for any talc claim. Mesothelioma, lung cancer, and Canadian claims are not part of the Plan.

The Plan provides a way for ovarian claimants to receive compensation without going to trial. J&J has won approximately 95% of ovarian cases tried to date, including every ovarian cancer case tried over the last six years. In addition, based on the historical run rate, if the Plan were not approved, it would take decades to litigate the remaining cases. Therefore, most claimants would never have “their day in court.”

How can I vote on the Plan?

You must cast your vote to accept or reject the Plan by **4:00 p.m. (Central Time) on July 26, 2024**. Information about how to vote is provided in a solicitation package, which includes details on the proposed bankruptcy, the Plan, and a ballot.

Already Filed a Talc Claim: You or your attorney will receive a solicitation package.

Have Not Filed a Talc Claim: Go to www.OfficialTalcClaims.com or call 1-888-431-4056 to request a solicitation package to determine whether you can vote on the Plan.

When will the court decide on the Plan?

If the Plan is accepted by at least 75% of voters, a bankruptcy may be filed under the case name *In re: Red River Talc LLC*. This will take place in the Texas bankruptcy court. A hearing to confirm the Plan will be scheduled and further notifications will be issued if the court sets a deadline for objections.

www.OfficialTalcClaims.com

1-888-431-4056

WORLD NEWS

Chinese Megaport Poses U.S. Challenge

Peru project could let Beijing deepen its influence among America’s neighbors

By RYAN DUBÉ AND JAMES T. AREDDY

CHANCAY, Peru—In this serene town on South America’s Pacific coast, China is building a megaport that could challenge U.S. influence in a resource-rich region that Washington has long considered its backyard. The Chancay deep-water port, rising here among pelicans and fishermen in small wooden boats, is important enough to Beijing that Chinese leader Xi Jinping is expected to inaugurate it at the end of the year in his first trip to the continent since the pandemic. Majority-owned by the giant China Ocean Shipping group,

easier for the Chinese to extract all of these resources from the region, so that should be concerning,” Army Gen. Laura Richardson, who heads the U.S. Southern Command, said last month at a Florida International University security conference. Former American officials say the project highlights a diplomatic void that the U.S. has left in Latin America as it has concentrated resources elsewhere, most recently in Ukraine and the Middle East. “This changes the game,” said Eric Farnsworth, a former high-ranking State Department diplomat who leads the Washington office of the Council of the Americas think tank. “It really platforms China in a major new way in South America as the gateway to global markets. It is not just a commercial issue at that point, it is a strategic issue.” Located 50 miles north of Peru’s capital, Lima, the \$3.5 billion port—funded by Chinese bank loans—will be the first on South America’s Pacific coast able to receive megaships because of its nearly 60 feet of

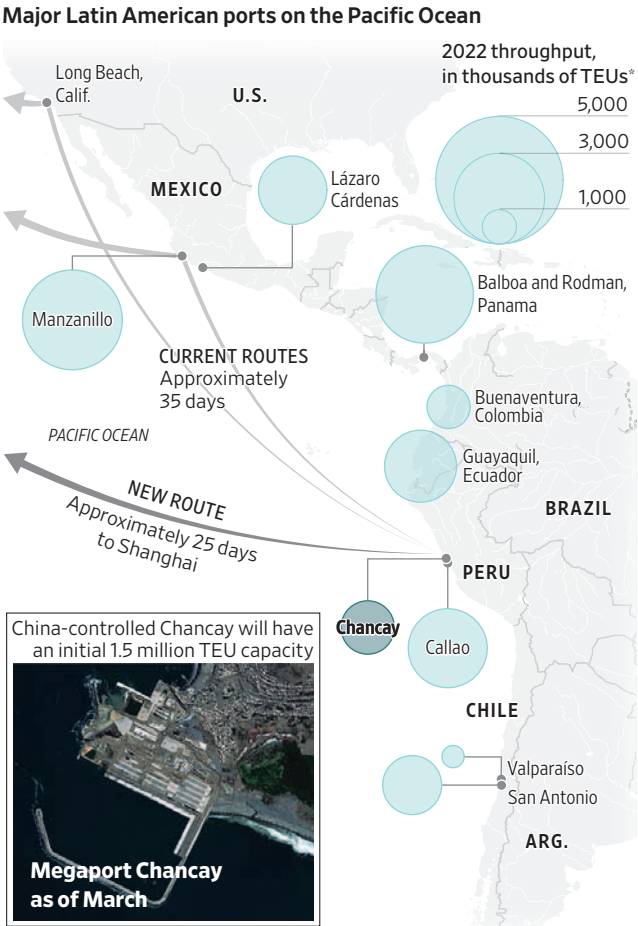
‘The Americans have been somewhat asleep,’ says a businessman.

depth, though other ports in the region have large container-handling capacity. That would allow companies to send cargo on those vessels directly between Peru and China rather than on smaller ships that must go first to Mexico or California. Cosco says Chancay is purely intended to boost commerce. “This is a commercial project to promote development,” said Gonzalo Rios, Cosco’s deputy general manager in Peru. Soon after the port was agreed to in 2019, Chinese state media gushed with predictions of Peru’s future as a hub in

China-South American trade, and suggestions it could help Beijing with other priorities, such as a submarine cable link. Peru has brushed aside U.S. concerns. Congress in Peru, a country of 33 million that is far from any potential global conflicts, has to approve the arrival of foreign military, not a port operator. Peru’s Foreign Minister Javier González-Olaechea said that if the U.S. is concerned about China’s growing presence in Peru, then it should step up its own investments. “The United States is present almost everywhere in the world with a lot of initiatives, but not so much in Latin America,” González-Olaechea said in an interview. “It’s like a very important friend who spends little time with us.” Chancay is an echo of a Cosco port in Greece in 2016 that gave China a foothold in southern Europe. Today, Chinese companies control or operate terminals at about 100 foreign seaports. According to AidData, a research lab at the Virginia university William & Mary, they financed nearly \$30 billion of work in at least 46 countries between 2000 and 2021. Port investments have given China diplomatic leverage with investment-hungry nations. Their navy ships have called at over a third of the ports its companies own or operate worldwide. But the ports haven’t emerged as stealth Chinese military bases, instead playing host to ceremonial naval port calls. And the commercial cost-benefit analysis of China’s port building push won’t be known for some time, since it will take years to establish trading hubs in new markets. More immediate concerns about its ports, from debt loads in Mozambique to signs of environmental damage in Kenya, are in evidence, along with signs in Europe that the local inter-



The port will hasten trade between Asia and South America.



ests are secondary to China’s. The U.S. has discussed concerns with Peruvian officials about China’s control over vital infrastructure, including Chancay, said a former U.S. official and ex-Peruvian official with knowledge of the talks. What worries Washington is the interplay between China’s commercial companies and the government—specifically the military. Ports, and the equipment in them, can have both commercial and military uses. “The Americans have been somewhat asleep,” said John Youle, a businessman in Peru and former U.S. diplomat. “Suddenly they’ve woken up.” —Samantha Pearson contributed to this article.

4TH

THEIR

SAKES

forget the fireworks on Independence Day

Fireworks frighten cats and dogs. The noise and explosions can be terrifying for them. Animal shelters report a surge in the number of companion animals admitted after loud fireworks displays because so many run away from home, terrified. Please, this Fourth of July, celebrate without fireworks.

PETA

FREEMAN'S | HINDMAN

TIME TO SELL?

Accepting watch consignments for our fall auction in New York.

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FROM PAGE ONE

Blurred
Boundaries
At SpaceX

Continued from Page One
ployment at SpaceX was predatory or wrongful in any way,” the woman said.

She is one of several female employees at SpaceX who have told friends, family, or the company itself, that Musk showed them an unusual amount of attention or pursued them.

One woman, a SpaceX flight attendant, alleged that in 2016 Musk exposed himself to her and offered to buy her a horse in exchange for sex acts.

Another woman who left the company in 2013 alleged in exit negotiations with SpaceX human resources and legal executives that Musk had asked her to have his babies.

A fourth woman had a month-long sexual relationship with Musk in 2014 while she directly reported to him. The relationship ended badly, leading to recriminations over text and email as she left the company and signed an agreement prohibiting her from discussing her work for Musk.

Former SpaceX executives, as well as fired SpaceX employees who complained to the National Labor Relations Board in 2022, say a high-level group around Musk fails to apply his company’s own rules to the CEO, contributing to a culture of sexism and harassment. They say there’s an understanding that Musk, a charismatic leader with many fans who call him a genius, can act with impunity. “Elon is SpaceX, and SpaceX is Elon,” one former engineer recalled an executive saying during a June 2022 meeting after the firings of some of the SpaceX employees, who had criticized Musk and demanded greater accountability at the company.

Musk, who is one of the richest men in the world, leads companies including the publicly traded electric-vehicle maker Tesla, rocket-maker SpaceX and social-media platform X. SpaceX has won billions in federal contracts, and is key to NASA and Pentagon space programs. Tesla, meanwhile, is holding a shareholder vote that closes on June 13 over Musk’s \$46 billion pay package, which was struck down by a Delaware court in January because of concerns about the approval process.

Musk didn’t reply to requests for comment.

Gwynne Shotwell, SpaceX’s president and chief operating officer, said the Journal’s reporting doesn’t reflect SpaceX’s culture. “The untruths, mischaracterizations, and revisionist history in your email paint a completely misleading narrative,” she said. “I continue to be amazed by what this extraordinary group of people are achieving every day even amidst all the forces acting against us. And Elon is one of the best humans I know.”

She said SpaceX fully investigates all complaints of harassment and takes appropriate actions.

Other behavior by Musk, including his use of illegal drugs, has raised concerns among some executives and board members of SpaceX and Tesla, according to previous Journal reporting. Musk has used drugs including LSD, cocaine, ecstasy, mushrooms and ketamine, at times with some board members, the Journal has reported.



Elon Musk speaks at the unveiling of SpaceX’s Dragon V2 spacecraft in Hawthorne, Calif., in 2014.

An attorney for Musk, Alex Spiro, said at the time that Musk is “regularly and randomly drug tested at SpaceX and has never failed a test.” He said “there are other false facts” in the reporting about Musk’s drug use but didn’t detail them.

Former intern

This article is based on conversations with more than four dozen people, including former employees, people familiar with Musk’s interactions with female subordinates and friends and family of the women. The Journal also reviewed emails, text messages and other documents.

Since 2017, the era of MeToo has resulted in a pronounced cultural shift that has put more scrutiny on the conduct of executives in the workplace. Good-governance norms in the corporate world have shifted toward hard bans on supervisor-employee sexual relationships, out of concern for their potential to create power imbalances and conflicts of interest in the workplace.

Federal and state laws bar supervisors from sexually harassing employees. Some courts have recognized “sexual favoritism” as a form of harassment, blessing claims of a hostile work environment by employees who alleged that their bosses gave preferential treatment to colleagues with whom they were having consensual affairs.

A SpaceX policy discourages employees from directly overseeing romantic partners.

The women who described the encounters with Musk had jobs that meant they worked closely with him.

The college student studying engineering met Musk in the early 2010s during her summer internship at SpaceX. Musk and the woman went out for a meal after she sent him ideas about how to improve the company, she told friends. They bonded over “Star Wars” and kissed.

A year later, the chief executive arranged for the woman to meet him at a resort in Sicily, where he was attending an exclusive conference sponsored by Google, according to documents reviewed by the Journal.

The woman’s passport was in another city at the time so Musk had arrangements made for a friend of hers to bring it to the woman on an early

morning domestic flight, documents show. The woman was then scheduled on a first-class flight to London and a private jet to Italy, the documents show.

The former intern told friends not to speak with Journal reporters and later said that she didn’t want to be part of an article, following outreach from the Journal.

Clare Locke, a Virginia-based law firm that also resents Musk and Tesla, sent the Journal legal letters on behalf of the woman that demanded her removal from the article. The affidavits signed by the woman were attached to the letters.

The woman said in one of the affidavits that after she broke off the relationship with Musk they remained friends. Following online publication of the article, her lawyers sent an email saying that she “never had sexual relations” with Musk nor told her friends that she had.

New job

In 2017, Musk personally contacted the former intern about a fulltime job at SpaceX, which would be to find problems at the company and fix them. She moved from New York to the Los Angeles area to become a member of Musk’s executive staff. Former employees said that while she was a

talented engineer, they found it odd that someone so junior was given such a high-profile role so close to the boss.

She said in one of the affidavits that she believes she was one of many candidates for the role.

After she arrived in California, Musk invited her for drinks and came on to her, touching her breast, friends said she told them at the time. One of them said the woman

recalled Musk saying, “Oh, I’m so bad. I shouldn’t be doing this.”

In one of her affidavits, she said, without providing details, “Elon tried to rekindle our relationship prior to my employment, and I rejected the advance. While there was some initial awkwardness, it was nothing out of the ordinary after a rejection.”

She told friends that she was unhappy at SpaceX, had no authority and had trouble getting executives to take her ideas seriously. She told one friend that she sometimes hid in the bathroom at SpaceX.

She said in one of the affidavits that her feelings about her job at SpaceX “were completely unrelated to any romantic or personal interactions with Elon Musk.” “I came into a very difficult role as a newcomer into an established company,” she said in the affidavit.

She visited Musk at his

home multiple times, as she struggled at work to establish herself, according to people familiar with the matter and friends she confided in.

“He would text her, like a lot,” said one of the friends. When she didn’t respond to a nighttime invitation to come over to his house, Musk texted her name repeatedly, the friend recalled.

‘Come by!’

About half a year into her job, the woman received another invitation from Musk to come to his house, according to a text exchange reviewed by the Journal.

“Come by!” he wrote. When she didn’t respond, he peppered her with more texts:

“Look, it’s either me or 6am [exercise] :)”

“Just finished the Model 3 production call. It’s def going to be hell for several more months.”

“Are you coming over? If not, I will probably tranq out. Too stressed to sleep naturally.”

When she still hadn’t responded, he wrote, “Probably best if we don’t see each other.”

The woman texted him in the morning. “Oh man. I’m sorry, I’d already fallen asleep. I’ve been a late night person most of my life but have been trying to switch over because it seems responsible. Thh. Sorry I crashed last night,” she wrote.

Later that day, she shared the text exchange with a friend.

‘Are you coming over? If not, I will probably tranq out,’ Musk texted.



Musk and then-wife Talulah Riley at a 2014 state dinner hosted by President Barack Obama.

“Dude not gonna lie the fact that I have mild society[sic] anxiety resulting from imposter syndrome definitely makes this job harder,” the woman wrote in a text. “And that’s definitely exacerbated by Elon’s behavior.”

“I was wondering about that,” her friend responded.

“So badly,” she said.

“I mean if hanging out with him stresses you out about work maybe you might want to let things chill? I dunno.”

“Well I mean I think he broke up with me this morning. If I interpreted that last text [laughing emoji],” she wrote.

She then sent her friend a copy of Musk’s string of messages asking her to come over.

“Why are so many of the men in my life so weiiiiirrrd-dddd,” she wrote.

The woman said in an email provided by her lawyers that her comment about Musk breaking up with her was a joke. His text message to her, she said, “was not referring to a romantic relationship.”

She said Musk’s lack of interest in roles such as hers is what made her job more difficult, and that her background expertise “made an already difficult role even more difficult.”

She said in one of the affidavits that she and Musk texted frequently as she supported him through difficulties, including issues at Tesla and his divorce from actress Talulah Riley. He was married to Riley when the woman and Musk were in a romantic relationship years earlier. They divorced in 2016.

On the few occasions that she went to Musk’s house, the woman said in one of the affidavits, they watched TV and talked. In the email, she said they watched anime and talked about the Tesla Model 3 production ramp up and the “technical future of humanity.”

Friends said she told them at the time that the job wasn’t going well because it had gotten awkward with Musk. Eventually she moved off the executive staff to a role reporting to another engineer.

The woman said in one of the affidavits that she requested the move and “worked out an arrangement that would give me better support for my daily responsibilities at the company.”

She exited SpaceX in 2019 after an executive she reported to was included in a mass layoff, she said in one of the affidavits.

Flight attendant

One incident of alleged sexual harassment of workers by Musk has surfaced publicly, in a 2022 report by Business Insider about the flight attendant who told SpaceX that Musk exposed himself to her and asked her for sex.

The woman, who worked on contract for SpaceX, alleged in a 2018 mediation with the company that Musk showed her his erect penis and offered her a horse in return for sex acts as she gave him a massage during a flight, according to people familiar with the allegations. SpaceX cut her shifts back after she rejected his advances, she alleged. The company agreed to pay her \$250,000.

Musk called the flight attendant’s allegations “utterly untrue.” In social-media posts, he joked that the scandal should be called “Elongate” and denied that he used a flight attendant on his plane.

But he had used flight attendants in the past, including in 2016, when the woman alleged Musk’s proposition

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had taken place, according to former SpaceX employees as well as LinkedIn profiles of former SpaceX flight attendants.

Shotwell, Musk’s No. 2 at SpaceX, defended him against the flight attendant’s allegations in a companywide email after the news report. “Personally, I believe the allegations to be false; not because I work for Elon, but because I have worked closely with him for 20 years and never seen nor heard anything resembling these allegations,” she wrote.

Musk’s denials and Shotwell’s email prompted SpaceX employees to post an internal letter protesting what they viewed as the company’s failure to take harassment allegations seriously.

Eight of them who were fired after the letter subsequently filed complaints with the NLRB, alleging they were terminated for speaking up. SpaceX denies the allegations in that ongoing case and is seeking a court ruling that the agency’s process is unconstitutional.

Population worries

In the summer of 2013, a woman who reported directly to Musk left the company and later returned with a lawyer. She alleged that Musk had asked her on multiple occasions to have his babies, according to people familiar with the allegations.

Musk, who has at least 10 children, has said that the world faces an underpopulation crisis and that people with high IQs should procreate. He has encouraged some of his employees to have children. He has spoken of the need to colonize Mars to protect the human species in the event of a cataclysm on Earth. Sending people to the red planet is a long-held ambition that animates his work at SpaceX.

“If people don’t have more children, civilization is going to crumble. Mark my words,” Musk said in a 2021 interview with the Journal.

Musk had children with an employee in 2021. He and Shivan Zilis, an executive at Musk’s Neuralink brain-implant company, share twins. Zilis has said Musk encouraged her to have children and later offered to be the sperm donor. “I can’t possibly think of genes I would prefer for my children,” Zilis is quoted as saying in “Elon Musk,” a biography by author Walter Isaacson.

But the woman at SpaceX declined Musk’s offer. She had continued working for Musk after he asked her to have his children, but their relationship deteriorated. Besides the baby allegations, Musk had denied the woman a raise and complained about her performance, according to people familiar with the matter.

The woman received an exit package of cash and stock valued at more than \$1 million, according to a person familiar with the agreement.

Planning a party

The same year that woman left SpaceX, 2013, Shotwell made allegations of her own: The executive accused one of her employees of having an affair with her husband, and then allegedly retaliated against the woman, according to the employee’s account to friends and family and emails she showed them at the time.

On her own time, the woman had helped Shotwell’s husband, Robert, plan a surprise Western-themed 50th



Top, a satellite image of the mansion Musk owned in Bel-Air, which was later sold; above, Musk boarding a SpaceX jet in Beijing last year.

birthday party for Shotwell, her boss. Robert sent boxes containing bull horns and other Western decor to the employee’s house for the party. Before leaving town to visit her family for Thanksgiving, the woman called Robert to arrange for him to pick up the boxes while she was away.

“So, your call last night was not good,” Robert wrote to the woman in a November 2013 email, with the subject line “Trouble.” “She accused us of having an affair...Be prepared when she gets in.”

The employee was on a plane with her brother when she got the email, which she later shared with her family. The accusation shocked and mortified her, her brother said.

“I hope you realize that this puts me in a very awkward position with my boss and makes me super uncomfortable,” she replied to Robert.

He emailed her after the party to thank her for her help and to tell her that “everything is cleared up now.”

When the woman told a human resources executive about the affair accusation, it got back to Shotwell, the woman told a friend.

The woman said in a text message that she understood the conversation to have been confidential. “He told Gwynne everything. She told me,” the woman texted the friend, referring to the human resources executive to whom she’d reported Shotwell. “I should be able to go to HR for such things. She f— thought I was having an affair with her husband for God’s sake.”

Gwynne and Robert Shotwell didn’t respond to requests for comment on the matter.

Musk’s lawyers sent a sworn declaration from Brian

Bjelde, SpaceX’s current vice president of human resources, that said he could not locate any records of an HR complaint from the woman.

By the time of Shotwell’s party, the woman was working for both Shotwell and Musk. Shotwell told the HR department at SpaceX that she wanted the woman removed from the office of the chief executive.

While Shotwell was trying to push her out, Musk was

pulling her in, she told people close to her.

17-hour days

In the fall of 2014, Musk initiated a sexual relationship with the woman, who by that time was working directly for him alone, she told the people. Musk was still married to but separated from Riley.

A couple of months earlier, Musk and a human resources officer had met with the em-



Sam Teller, Musk’s former chief of staff, left; Gwynne Shotwell, SpaceX president and COO, below.

ployee and said that a coming restructuring in Musk’s office meant that the woman would have to move to another part of the company, into a less visible role, if she wanted to stay, she later told friends.

She had declined but agreed to stay on as long as needed to get Musk’s new chief of staff, Sam Teller, up to speed.

“[Shotwell] has 100% sabotaged my future at a company I love, and I am not safe in any position,” she wrote in an email to another friend in September 2014. “This position is killing me and it has [affected] my mental and now physical health.”

Drinks invitation

The woman was still at SpaceX in the late fall of 2014, at Musk’s request, when Musk approached the woman at her desk and asked her if she wanted to have a drink and talk at his Bel-Air mansion, his primary Los Angeles residence at the time, situated on a knoll overlooking a country club.

Leading up to the invitation, Musk and the woman had become close professionally. They sat within view of each other in the office and were in frequent contact on work matters. She often put in 17-hour days to keep pace with Musk, helping out with matters at Tesla and in Musk’s personal life, in addition to her primary duties at SpaceX.

Her friends and family noticed she’d lost an unhealthy amount of weight, and her hair was falling out as she worked long hours and friction with Shotwell continued.

Musk’s invitation came as such a surprise to the woman that she told Teller about it at the office, according to people familiar with the matter.

When she arrived at Musk’s house that night, with her computer and work bag, they went into his living room.

She gave this account to friends in the following days: She and Musk drank and chatted. Musk told the woman she had both beauty and brains and continued to compliment her. They had sex and spent much of the rest of the night talking.

They saw each other again at his house in mid-December 2014, after Musk’s children were put to bed, according to text messages the woman shared with a friend at the time.

“I’ll see you at 11 or so,” the woman wrote in a text to Musk.

“Ok :) If you get tired or don’t feel like it for any reason, no problem to cancel,” he replied.

She said she didn’t want to cancel. “I might send a note to

your house security only, to let them know I’m coming to drop something off...or something. So they’re prepared?”

In bed the next morning, Musk promised the woman Tesla stock for unpaid work she’d done for him at the car-maker and in his personal life, she told a person close to her.

Musk told the woman that if the relationship ever became public, they’d have to say it started after she left the company, the woman later told that person and another friend.

Later that December, the woman asked Musk if she could enlist SpaceX information-security employees to check her email account, after they discussed the possibility of her email getting hacked. Musk granted her request but urged her in an email to delete “anything you don’t want them to see ahead of time, incl from sent folders and trash.”

Missed ‘bootie call’

The woman initially confided in people close to her that she believed she and Musk were starting a serious relationship and that they had a connection.

By late December, she was telling her friends that she felt used. Early on, she had wanted to keep their relationship private, but as it progressed, she sought more than drinks at his house and sex.

When she suggested dinner out, Musk said he couldn’t be seen with her in public, citing ongoing negotiations over a possible divorce from Riley.

As tensions mounted, Musk assigned Teller, his chief of staff, to handle the woman’s exit, according to people familiar with the matter and emails the woman shared with others. Musk had shared some of the woman’s texts with Teller, according to the people.

Musk declined to pay the woman directly in Tesla stock. In a Dec. 29, 2014, email, Teller offered her \$35,400 in cash for her unpaid work, saying she could use it to buy the stock instead. She negotiated the offer up to \$85,000, citing taxes and her broad brief for the billionaire.

To get the money, she had to sign an agreement that required her to release Musk from potential legal claims “known and unknown,” and to keep information about him “in strictest confidence,” including the document itself, which Teller had received from Tesla’s then-general counsel Todd Maron, who had also been a divorce lawyer for Musk. She shared the agreement with people close to her before signing.

Both Teller and Maron left their roles in 2019.

On Jan. 10, 2015, two days before she left the company, she received a late-night text from Musk: “Drinks?”

The woman didn’t see the invitation until the following morning.

“11:25 pm bootie call. Glad I was sleeping,” she wrote in a text to a friend.

After the woman left SpaceX, Musk told her in texts and emails that she shared with others that she had thrown herself at him while he was in a fragile state over his separation from his then-wife, and they had been intimate only after she had resigned.

“You insisted on coming to my house to sleep with me when I was just sad and tired and wanted to be alone,” he said in a text, the day after her exit from the company.

She and Musk never saw each other again.

—Emily Glazer and Micah Maidenbergl contributed to this article.

Unusual Scholarship Opportunity

Continued from Page One

But some scholarships boast other unique criteria. Namely, names.

Calling Dudleys

Descendants of major donors or graduates have long enjoyed an edge in admissions at many colleges. But legacy preference reaches even further at some schools, with money available for people who can trace their lineage directly to specific individuals, or who just happen to have

the same last name.

Loyola University Chicago offers scholarships to Catholic students with the last name Zolp. A University of California scholarship gives preference to graduate students from Colombia and direct descendants from the family of the benefactor, Miguel Velez. Among more than a half-dozen “ancestry-based scholarships,” as Harvard University labels them, is one for descendants of Thomas Dudley, who served as governor of the Massachusetts Bay colony in the 1600s.

If the donors want to claim charitable deductions on their taxes, university fundraisers say, they have to make clear that lineage is just a preference, not an outright requirement. That way, the money will still be used when no namesakes are selected, and

donors steer clear of what the IRS calls “private benefit.”

The University of Maine currently has 38 scholarships with stated preferences for descendants of a particular individual or family.

Sarah McPartland-Good, general counsel at the University of Maine Foundation, says while she could understand concern about these types of scholarships perpetuating privilege among a small class of families, the list of recipients demonstrates otherwise. This year, two-thirds were awarded to nondescendants.

Upside of Downer

One early-2000s Harvard graduate with the last name Downer discovered the moniker was anything but. He got wind of his potential windfall soon after being admitted,

when his grandmother handed over a 1980s news clipping detailing the Charles Downer Scholarship Fund.

“She’d saved it all those years and never mentioned it, holding onto it on the off-chance that her little Black grandson from West Baltimore made it to Harvard,” he recalls. “I was floored.”

First preference for the scholarship favors Downers who are descendants of Joseph or Robert Downer of Wiltshire, England, followed by others with that surname, followed by descendants of the Harvard class of 1889.

One of the most enduring surname scholarships originates from Elias Leavenworth, a lawyer and New York politician who could trace his U.S. roots to the late 1600s.

He detailed his scholarship plans in an 1873 letter, having

grown concerned that future generations of his family may not contribute enough to society. Through his will, he established scholarships at Yale University and Hamilton College.

They’ve sometimes struggled to find Leavenworths.

Yale placed advertisements in New York and Hartford, Conn., newspapers, inviting men with the last name Leavenworth to apply, according to an April 1938 article in the Yale Daily News.

“It seems that no Leavenworth can be found in the student body and, in this embarrassing predicament, the scholarship requires advertising,” the student paper wrote.

NC State of mind

Derek Gatlin, the California native who graduated from NC

State in 2009, can thank Raleigh businessman and 1921 NC State graduate John Gatling for his college education.

So can Derek Gatling, a 1991 graduate who now serves as a pastor at the First Baptist Church of Jericho in New Jersey. Both Dereks met their wives at school, too.

John Gatling’s 1959 will limited the scholarships to white students, but the school sued in 1977 to remove the discriminatory restrictions—and thus made Derek Gatling eligible. The benefactor said his aim was “to raise the standard of those bearing the Gatling or Gatlin name.”

Derek Gatling says he enjoyed meeting other scholarship recipients while a student, but didn’t pry much into how they might be connected.

“We were cousins somewhere, somehow,” he says.



Special Advertising Feature

Mergers Come Under a Microscope

General counsel face new M&A rules — and the uncertain impact of the presidential election

With 2024 seeing both a presidential election and additional federal rules for mergers and acquisitions (M&A), general counsel (GCs) need to be ready to address a new batch of requirements related to dealmaking.

These federal guidelines have formalized the way the U.S. government has viewed mergers over the past several years. They highlight issues that received less or no attention in past guidelines, including mergers involving “nascent” competitors, labor market effects, dominance and platform issues, while embracing European Union-style requirements for M&A participants to provide more information prior to a deal.

This heightened antitrust scrutiny from U.S. regulators could require longer lead times to close deals, says Kathryn McCarthy, senior managing director in the Technology segment of FTI Consulting, a global business advisory firm headquartered in Washington, D.C. “General counsel should be prepared with a strategy for dealing with an antitrust investigation — and even potential litigation — well before the deal is signed.”

However, it remains an open question whether the new rules — and a potential change in U.S. administrations after the November election — will actually impact the number and kinds of mergers that are ultimately approved.

“This country has two presidential candidates who take profoundly different stances on most issues, but less so about antitrust,” says Steven Sunshine, a partner with the Washington, D.C.-based law firm Skadden, Arps, Slate, Meagher & Flom LLP. “Bottom line: If you sign up a \$10 billion deal, you’re going to get a deep, serious look from regulators no matter who is in office.”

NEW BURDENS ON GENERAL COUNSEL

The potential of a “deep, serious look” at mergers will undoubtedly place new burdens on GCs. “General counsel contemplating transactions should be aware that more deals could be classified as presumptively anticompetitive,” McCarthy notes. The new guidelines take a more expansive view of what are considered concentrated and highly concentrated markets — situations where a small number of companies dominate a particular niche or market segment.

“Deals that include these new presumptions may not have garnered much scrutiny until recently, but are now subject to more aggressive enforcement,” she says.

Revisions to the Hart-Scott-Rodino (HSR) Antitrust Improvements Act, which are expected to be finalized shortly, will likely bring additional requirements. GCs may need to provide never-before-requested information, including disclosures of past antitrust violations and labor law violations.

McCarthy says GCs should fully understand how their organizations use and retain information, such as in cloud-based systems. At the time of the M&A filing, the new rules

may require companies to produce employee communications taking place within chat and collaboration tools.

“In the interest of accuracy and time, companies should consider involving advisors with expertise in HSR processes, data challenges and technology to preserve, process and cull both traditional information sources as well as emerging data that may need to be reviewed and produced to the government,” she says.

EU-TYPE SCRUTINY

In contrast to the U.S., European countries have long scrutinized M&A transactions closely, particularly when it comes to deals regarding technology. Following Brexit, the U.K. enabled its Competition and Markets Authority (CMA) to launch its own investigations, while looking at new theories about antitrust harm. The revised HSR in the U.S. will likely follow Europe’s approach to M&A.

Dan O’Brien, senior consultant at the economics consultancy Compass Lexecon and former deputy director of the Federal Trade Commission’s Bureau of Economics, notes the new federal guidelines relegate first-order benefits from non-horizontal mergers to rebuttal evidence and place “draconian” requirements on M&A participants.

“Aspects of the new guidelines turn the antitrust authority into a regulator with a blunt tool for regulating access to complementary products without adequately considering the effects on consumers,” he explains.

O’Brien adds that it is hard to predict the role politics will play in the next M&A guidelines revision or how soon that revision will come if a new administration is elected. “An optimistic view is that the guidelines will cause an intense international discussion of what the economic literature says — and does not say — about nonhorizontal mergers, which involve companies in different industries,” he says. “This, in turn, might lead to improvements in antitrust enforcement worldwide.”

Such uncertainty doesn’t mean deals will stop. The first quarter of 2024 saw a surge in both U.S. and European merger volumes, marked by the largest mega deals in finance, tech and energy. Sunshine attributes this activity to pent-up demand, as well as U.S. authorities losing a number of high-profile M&A challenges in court.

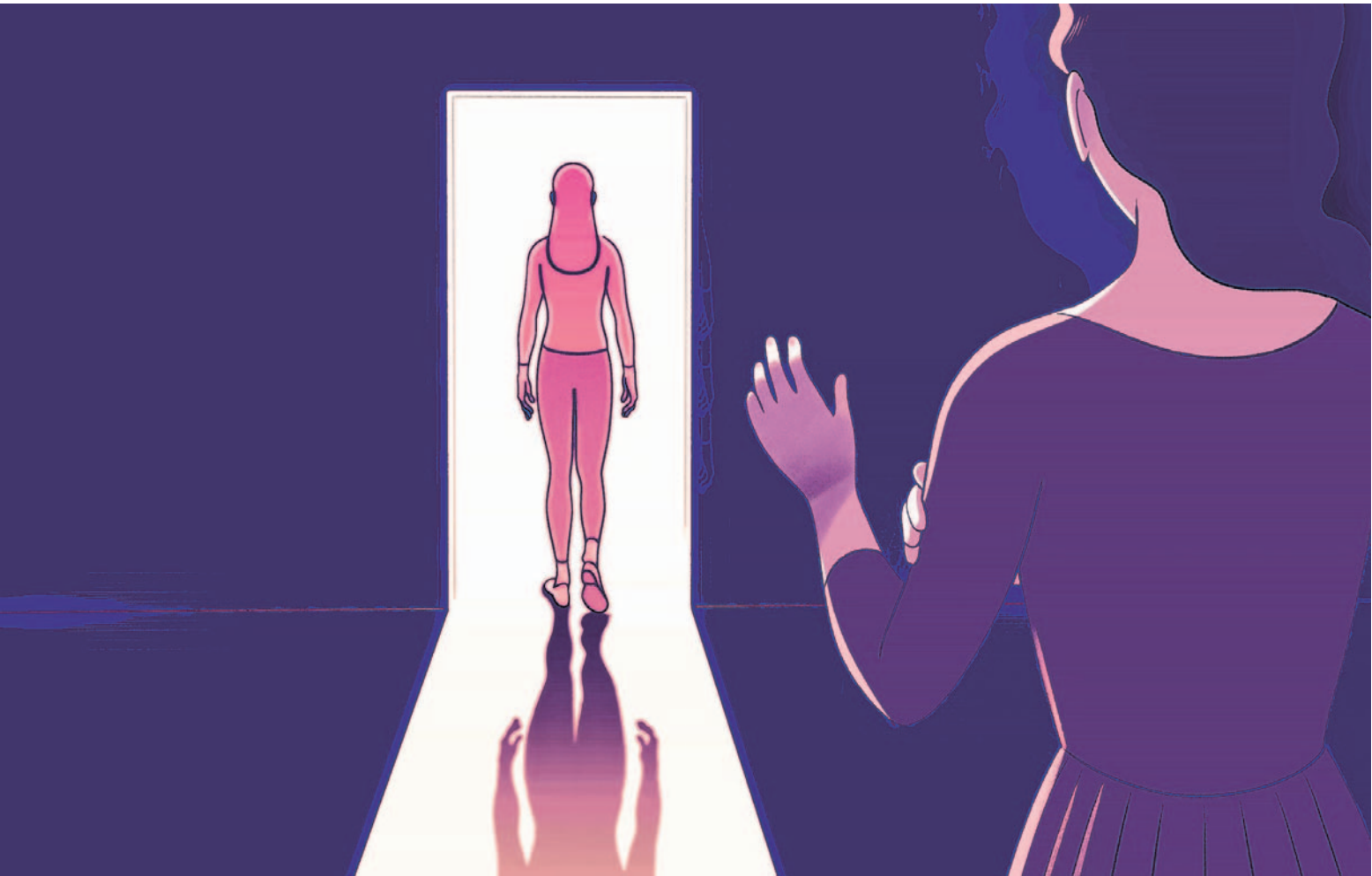
“The smorgasbord of theories about what the government could do on any given deal provide fewer guideposts in the new guidelines. But if you have a good deal, you should have the courage of your convictions and fight for it in court,” Sunshine says. “Even if regulators challenge the deal, you can go in front of a federal judge — and the judge will give you a fair shake on your position.”

“Deals that include these new presumptions may not have garnered much scrutiny until recently, but are now subject to more aggressive enforcement.”

— Kathryn McCarthy, Senior Managing Director, Technology Segment, FTI Consulting



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ELIZABETH BERNSTEIN

A Loved One’s Goodbye Takes Some Planning

Using a practical approach to someone’s deathbed makes a difference

When my dad was dying two years ago, I spent days sitting in bed beside him, listening to Chopin and Adele, reading his favorite poetry and reminiscing about our father-daughter sailing and kayaking trips. Although he was no longer conscious, I held his hand, told him I loved him and thanked him for being a fantastic father. He died, surrounded by family, while I was talking to him. I think we gave him a good death.

Losing someone we love, even when that death is expected, is one of life’s most dreaded experiences. It also can be one of the most profound, say experts in end-of-life care, such as hospice nurses, palliative-care doctors and death doulas. (Yes, they’re a thing.)

A game plan will help. It can be difficult to think or talk about what happens at someone’s deathbed. Taking a practical approach can help you do your best when the time comes. Some advice from those experts: Keep your final communication simple and loving. Take your time saying goodbye. And, above all, be emotionally present. Logistics, timing and fear can

► Julie Menanno and her grandmother a month before she died. The author and her father sailing in Biscayne Bay, off Miami, in 2010.

prevent us from being with a loved one at the end and that’s OK, they say. If you think you might have regrets later, try to be there. You won’t get a do-over.

In my reporting, I heard from people who spent days at a loved one’s deathbed, holding their hand, sharing favorite pictures or memories—even after the dying person was no longer verbal. Some lit candles and brought special blankets, pillows or stuffed animals to comfort the dying person. Others read favorite books, poetry or psalms. Many played the per-

son’s favorite music. Claude Debussy’s “Clair de Lune,” Judy Garland’s “Over the Rainbow” and REO Speedwagon’s “Time for Me to Fly” all received mentions.

Julie Menanno spent four days at her grandmother’s deathbed—playing her favorite church music, giving her massages, telling her stories and singing silly songs. At night, she slept in a recliner next to the bed, holding her 96-year-old grandmother’s hand, which is what she was doing when she died.

“It was one of the most beautiful experiences of my life, compa-

rable only to the days I gave birth,” says Menanno, 48, a therapist in Bozeman, Mont.

Prepare yourself

If you can, talk with your loved one about their wishes. Don’t be afraid to bring up the topic. People often know when they’re dying. Ignoring what’s happening just makes the person feel isolated.

Explain that having a plan for the last moments will allow you to feel you’re doing the best possible job taking care of them, suggests Bob Uslander, a palliative and end-

of-life care physician in San Diego.

Some questions to ask: Who would you like to be there? Do you want medication to ease distress? Are there songs, readings or prayers you’d like to hear?

Ask the medical team what to expect, such as restlessness, a change in breathing or consciousness and even a rally of energy a few days before death. “When you’re educated about what will happen, that cuts your fears in half,” says Narinder Bazen, a death midwife in Bangor, Maine.

Be present

Stop worrying about what comes after, such as arrangements you need to make. Those thoughts take you away from the present, says David Kessler, an author of six books on death and grief.

Make the room as peaceful as possible. “When we create this feeling around the person that fosters deep, deep relaxation, we allow them to let go,” Bazen says. Take the family drama outside. Ditto phone calls. Say what’s in your heart, even if you think they can’t hear you. But keep it simple.

“You want them to hear what is important,” says Hadley Vlahos, a hospice nurse in Biloxi, Miss., and author of a book about life’s final moments. Say: “I love you.” “Thank you.” “I’ll be OK.” (If you have amends to make, “I’m sorry” or “I forgive you” will do.)

It’s OK to cry, experts say. Sharing your sadness shows how much you care. When words fail, touch is enough. “Sometimes the best thing you can do is to sit quietly holding a person’s hand and letting them feel your unwavering, loving presence,” Uslander says.

Take your time

The moment of an expected death isn’t an emergency. Let yourself take in the event. “There is an invitation to experience awe when a loved one dies,” Bazen says.

Keep talking, even after the person dies, Kessler recommends. Research shows hearing may be one of the last senses to lose function. Don’t be afraid to touch. Some people prefer to wash and dress their loved one, but don’t feel guilty if you aren’t feeling up to it.

Consider leaving the room before the hospice or funeral-home staff come to take the body away.

Close out your day with a ritual or meaningful gesture. Have a family meal. Give a toast. Say a prayer. Light a candle.

After my dad died, we waited to call the funeral home and continued to tell him we’d miss him but would be OK. I prayed silently for my dad to keep watching over me.

After about an hour, my sister gasped and pointed to my hand. My father’s fingers, limp before, had closed around my wrist.

That night, my family opened a bottle of champagne and went outside to watch the sunset. As we lifted our glasses, we repeated one final goodbye: “We love you, Dad. Sail on, Sailor.”

Short Drives and Easy Stays Lure Families

By JACOB PASSY

You want to take the family to a Disney or Universal park, but getting there is work. Airfare, lodging, meals...and that’s before you buy an admission ticket. This is the secret to the success of Great Wolf Lodge.

It’s nice. But not *too* nice.

A generational shift has occurred in how families travel. They once might have undertaken one big trip a year. Now many millennial parents with young kids want to venture out more often. That has increased the importance of destinations within driving distance, says Chris Ballou, a Cleveland-based associate with LW Hospitality Advisors.

Theme-park and water-park chains that specialize in entertainment for younger children are opening in new markets. Lego, Barbie and Peppa Pig attractions now dot the U.S. landscape.

Great Wolf Resorts, which operates the Great Wolf Lodge indoor water parks, stands at the forefront of this trend. The company has exploded over the past decade to 20 locations in the U.S. and Canada, with two more set to open this year in the Houston metro area and Naples, Fla.

Including these two sites and another due to open in 2025 as part of the Foxwoods Resort Casino in Connecticut, about 90% of the U.S. population will live within a four-hour drive of a Great Wolf Lodge, says

John Murphy, the company CEO.

“Great Wolf has done a really good job of branding themselves as a true destination,” says Josh Martin, president and creative director of Martin Aquatic, a design and engineering firm based in Orlando, Fla., that develops water-based attractions (but isn’t a Great Wolf business partner). “With their expansion, it feels like they’re bringing the destination to you.”

Great Wolf’s competitive pricing also makes visits an affordable option for a family trip, travelers say.

John Shaw, a 39-year-old consultant who lives in the Atlanta suburbs, had never heard of Great Wolf Lodge before his wife purchased a Groupon to visit the chain’s LaGrange, Ga., location in September. Shaw says they aim to regularly make trips with their three kids, between 2 and 9.

He says he enjoyed how much there was to do in one location.

“Not having to drive to get to the next fun thing was really important,” he says, adding that having quick access to their ho-

tel room to circumvent naptime crankiness also helped.

More Great Wolf sightings

What is now Great Wolf Resorts began as Black Wolf Lodge, a small indoor water park resort in Wisconsin. The chain offers nearly 8,700 rooms now, up from 4,300 in 2014, according to data from CoStar. The chain’s average annual occupancy rate is around 80%, a spokesman says, up from 65% a decade ago.

Even as the company has grown, it has maintained its focus on families with younger kids, its CEO says. Great Wolf Lodges are known for

having multiple waterslides, lazy rivers and other water-based activities and a well-trained lifeguard staff. The resorts also offer ropes courses, mini golf, bowling alleys, mirror mazes and outposts of Build-A-Bear Workshops.

Each resort features a mix of dining options so families don’t have to venture elsewhere for food.

Murphy attributes the recent expansion to the influx of capital that started when Blackstone acquired a 65% stake in the company in 2019.

“We are big believers in the continued growth in and demand for experiential, year-round travel,” Rob Harper, head of Blackstone Real Es-

tate Asset Management Americas, said in an email.

A chunk of Great Wolf’s expansion has taken place in warm-weather destinations. When Jacki Tibbitts of Merritt Island, Fla., was planning a family vacation, weather was a major consideration. One of her granddaughters has a medical condition that requires her to use a wheelchair part-time and to avoid the heat. The family settled on a Great Wolf Lodge in North Carolina.

Regional rise

Regional theme parks, longtime staples of summer family excursions, are upping their games.

Park operators like Six Flags and Cedar Fair, which agreed to merge last year, have expanded the slate of attractions at many parks. Dollywood in Tennessee and Hersheypark in Pennsylvania are also gaining more national pull, says Ashley Edelbrock, vice president at attraction-design company PGAV Destinations.

Plenty of companies are vying for the grade-school set, too. Merlin Entertainment, a British company, opened a branch of its Legoland parks in New York in 2021 and a theme park based on Peppa Pig in Central Florida in 2022. Merlin, which Blackstone also has a stake in, is building another Peppa Pig-themed park in the Dallas area.

Universal is also constructing a kid-centric theme park near Dallas. A park based on Mattel toys is due to open in Arizona this year.

“It’s about creating these experiences where people can go on a Friday night, be there on Saturday and go home on Sunday, and have a great time,” Martin says.



▲ Great Wolf Resorts has embarked on an effort to be within a four-hour drive of most Americans.

PERSONAL JOURNAL.

By Andrea Petersen

If you have heard of titanium dioxide at all, you probably know it as an ingredient in sunscreen. But it is also used in lots of foods, from pizza and salsa to frosting and candy—and now, there is growing concern about the potential health risks of eating it.

The ingredient helps block the sun’s rays when we slather it on our skin at the beach. Food makers use it to brighten up colors—think whiter mozzarella on your frozen pizza or more vibrant hues in your Skittles. Some research, mainly in animals, has suggested that eating it might be linked to immune system problems, inflammation and DNA damage that could lead to cancer.

The European Union has banned titanium dioxide in food since 2022. Earlier this year, legislators in California introduced a bill to bar foods with titanium dioxide from being served in public schools. Some public-health advocacy groups have petitioned the U.S. Food and Drug Administration to not allow it to be used in foods.

What’s tricky: It isn’t always easy to tell whether titanium dioxide is in your food. Manufacturers don’t have to list it by name on packages—it might be identified on a label only as “artificial color.” But some do disclose it. And some food makers are reformulating products to remove titanium dioxide as questions about it grow.

The science isn’t conclusive. Some studies haven’t shown negative health effects, and some countries, including Canada, Australia and New Zealand, have recently reviewed the research and said that titanium dioxide in food is safe.

The Consumer Brands Association, a trade group that includes many food makers, says titanium dioxide is used safely in certain foods as a coloring, noting that the industry adheres to the FDA’s safety standards. Mars, which makes Skittles, says all of the ingredients it uses are safe.

Why it’s put in food

In general, manufacturers add titanium dioxide to make products look more appealing. “A very small concentration makes something look very white and bright,” said David Julian McClements, a professor in the food-science department at the University of Massachusetts Amherst. Adding it with other colors can make those colors pop, he said.

Titanium dioxide is most prevalent in candy, coffee creamers and frosted or powdered baked goods, said Kelsey Mangano, associate professor and nutrition program director at the University of Massachusetts Lowell. The substance is also in many chewing gums and mints.

It is a common ingredient in sunscreen because it is effective at blocking ultraviolet rays. It is used in medications for a similar reason: to help protect the active ingredients inside the pill from being broken down or altered by light.



The Substance Lurking in Food

Titanium dioxide, an ingredient in sunscreen, is also put in pizza, candy and other popular items



▲ Titanium dioxide is often found in sauces, creamers and frostings.

You don’t need to worry about it in sunscreen because there isn’t evidence that titanium dioxide penetrates the skin, said Nicolaj S. Bischoff, a Ph.D. student at Maastricht University Medical Center in the Netherlands who has researched the possible health effects of titanium dioxide. And since the substance performs an important function in medications, the risk/benefit calculus is different than with food, he noted.

The science

New higher-resolution microscopes and other methods of detecting and analyzing particles are allowing researchers to better un-



▲ Titanium dioxide is listed as an ingredient in this salsa verde. But some items that include the substance use the more general term ‘artificial color.’

derstand titanium dioxide.

Scientists now know that most titanium dioxide ingredients used in food contain varying amounts of tiny nanoparticles. The problem with nanoparticles is that, because of their small size, there is the potential for them to penetrate the mucous layer in your gastrointestinal tract, get into your cells and accumulate in your organs, said McClements.

Some studies in animals found that consumption of titanium-dioxide nanoparticles led to damage to the liver, immune and reproductive systems, as well as DNA. Other research has found that titanium dioxide changes the gut microbiome and inhibits the growth of beneficial bacteria.

New research in people has found a link between titanium dioxide consumption and inflammation in the gut. In a small study with 35 healthy adults, those who had the highest levels of titanium dioxide in their stool had higher levels of certain gut-inflammation measures than those with the lowest titanium-dioxide levels. They also had indications of more gut permeability, or how “leaky or separated the cells are,” said Mangano, lead scientist of the study, which was published in February in the journal NanoImpact.

The concern is that chronic increased gut inflammation and permeability could raise the risk of colon cancer, nutrient deficiencies and the low-grade inflammation that underlies many chronic diseases, Mangano said. After conducting this research, Mangano said she stopped chewing gum, which often contains titanium dioxide.

Children likely face greater potential risks from titanium dioxide, said McClements. They tend to eat more foods that contain it, like

candy and other sweets, and they are smaller.

The science isn’t clear-cut. Some studies in animals haven’t shown toxic effects. Scientists also disagree about which studies are relevant to how people consume it. Before the EU banned it in food, food-safety experts identified that titanium dioxide had the potential to cause damage to DNA. But they were uncertain about how exactly it happens and at what dose the damage starts to occur. So they could no longer consider titanium dioxide safe when used in food.

The occasional cupcake or creamer with titanium dioxide likely isn’t a problem, said Bischoff. The potential risks are longer term and likely from chronic exposure, he said.

What you can do

Many products that have titanium dioxide include it on the ingredient list. And there are many versions of foods that don’t contain it—including foods that aren’t packaged or ultra-processed, such as fresh fruit and vegetables.

Be aware, though, that the FDA doesn’t require food manufacturers to list the name titanium dioxide among a product’s ingredients. Companies can cite the more general “artificial color” or “artificial coloring” instead. You can contact the manufacturer to seek more detail if “artificial color” is listed on the label, an FDA spokesperson suggests.

Or you could save yourself the trouble and avoid foods with artificial colors.

MY RIDE | BY A.J. BAIME

Teens Turn Cop Car Into Winning Racer



Katie Ortengren, 18, a recent high-school graduate living in Oxford, Fla., on the Material Girls Racing Ford “Rangerus,” as told to A.J. Baime.

My dad is a car buff, and he entered the Grassroots Motorsports \$2000 Challenge a few times. When my brother entered his senior year in high school, he teamed up with my dad and entered a car. I thought: That sounds like a fun challenge. In 2021, I asked some friends from my high school to join me: Sam Sentell, Gia Privitera and Teresa Pearlman. All of us

were 16 when we started. We created what became Material Girls Racing. We wanted to put strong female influences into our work, and the team name comes from the Madonna song “Material Girl.”

The Grassroots Motorsports \$2000 Challenge is a competition where people from all over create a racing car for under \$2,000, and they gather every year at Gainesville Raceway in Florida to compete. With the help of my dad, we scoured Facebook Marketplace and found a 2013 Ford Taurus Police Interceptor. Even though it was messed up, it looked

like it would be a strong base.

We had to modify the car and fix everything. My dad guided us. When we got to the competition, none of us expected to drive since we had very limited driving experience. But I drag raced with my dad in the car and fell in love with it. So, I did some runs on my own. We won our category, but we thought it would be fun to go for the overall competition win. The winner gets to take home a blue blazer and can add a little something to it to make it their own, before giving it to the next year’s winner.

This was our third year, all of us now high-school seniors. We wanted to keep the Taurus, but we had to figure out how to make it faster. The main issue was her weight. By this time, the car was pink, and it was like a linebacker in a pink dress. We found a 1985 Ford Ranger on

▲ The Material Girls Racing team, from left, Katie Ortengren, Teresa Pearlman, Sam Sentell and Gia Privitera.

Facebook Marketplace, with a lightweight pickup truck body. It fit the wheelbase dimensions of our Taurus, so we began a body swap. We cut off the Taurus’s body. We had a lot of help from my dad. We used poles from a trampoline to connect the radiator to the engine cooling system. We put the tube of a leaf blower into the front of the car to funnel air and increase cooling. The interior remained stock Ford Taurus, but we swapped in racing seats and added racing safety harnesses.

We made our own paint mixture using house paint from Walmart and play sand, for texture, and sprayed it onto the car. We put

stripes and stickers on her. Because the car was part Taurus and part Ranger, we named it “Rangerus.”

This year’s Grassroots Motorsports \$2000 Challenge took place in April. We competed in the three events, starting with autocross, which is racing through a course of cones. I drove first, but in this event we were allowed to have an expert driver set a lap time to see what the vehicle could really do. A couple of the Material Girls competed in drag racing, but my dad set the fastest time, beating me by 0.001 second.

The next day, judges looked at all the vehicles in a concours contest. [Competitors are judged on “innovation, execution and presentation,” according to the rules.] We were crossing our fingers. Ultimately, we won our category, but also, the entire competition, which to us felt insane.

SCOTT SEMLER FOR THE WALL STREET JOURNAL. STYLING BY ALIE AYERS (3)

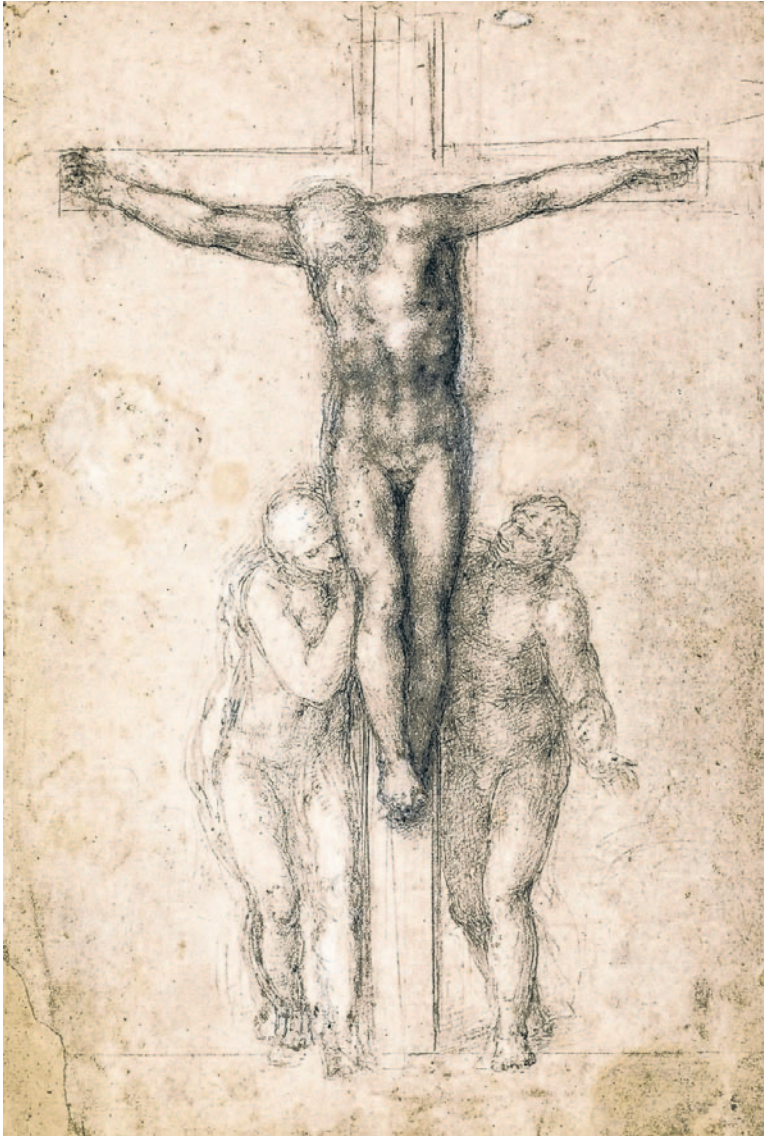
ALAYNA VANCE FOR THE WALL STREET JOURNAL (2)

ARTS IN REVIEW

ART REVIEW

Drawings of a Seasoned Master

The British Museum considers the last 30 years of Michelangelo’s career in a show that features a newly restored cartoon



Michelangelo’s ‘Epifania’ (c. 1550-53), left; ‘Crucifixion With the Virgin and St. John the Evangelist’ (c. 1555-63), above; ‘Study for the Last Judgment’ (c. 1534-36), below.

bat as they writhe across the space of the page, each group shown in multiple variations. Another black chalk study from the British Museum shows a muscular angel in a dramatically foreshortened pose, appearing to lunge forward with more speed than grace.

As important for Michelangelo as his surroundings were the people close to him. The fascinating and divergent friendships from his later life, with Cavalieri and Colonna, were creatively fruitful, generating both poems and drawings, which he gave as gifts, and which are featured in the exhibition.

The subjects Michelangelo chose for Cavalieri included ancient myths depicting “Tityus” (c. 1532) and “The Fall of Phaeton” (c. 1533), subjects which in his hands become occasions to depict the torsion of male bodies. Historians have struggled to characterize the erotic element in Michelangelo’s works ever since they were made, but the eroticism itself is hard to deny.

It is a fascinating juxtaposition, then, to also see the deeply religious results of Michelangelo’s friendship with Colonna. For her he made “Christ on the Cross”

(c. 1543), held by the British Museum and in the exhibition, and the “Pietà” (c. 1543), at Boston’s Isabella Stewart Gardner Museum and not on view here. These drawings marked the beginning of Michelangelo’s years of spiritual reflection, eventually inspiring his return to the theme of the crucifixion in the last years of his life.

These are featured in the exhibition’s last room, and its most affecting one. Here, in a dark, round space simulating a chapel, are eight of Michelangelo’s crucifixion drawings made between about 1555 and 1563. For an artist who was a master of depicting movement throughout his life, this set of drawings possesses a remarkable stillness. While there are some minor variations in the pose of Christ, or the presence or absence of surrounding figures, mostly Michelangelo seems to have devoted his attention to an incessant, obsessive and faltering repetition of the outer lines of the figures. This is drawing as a form of prayer.

For all the religious art of the 16th century, truly private works of devotion are rare, and drawings artists did for themselves even more so. For visitors, the meditative aspect of the show is interrupted by background recordings of an actor reading lines from Michelangelo’s letters and poems, an unnecessary and distracting flourish. These are drawings that need no supplement.

Michelangelo: The Last Decades
British Museum, through July 28

Ms. Brothers is a professor at Northeastern University and the author of “Giuliano da Sangallo and the Ruins of Rome” (Princeton).

By CAMMY BROTHERS

Michelangelo’s career was unusually long and complicated. But it can be divided into two halves: the Florentine period until 1534, and the Roman period after. His early work established his fame. The second part of his career saw the mature artist—he was nearly 60 when he moved to Rome—grapple with themes that were both erotic and spiritual. While in the first half of his career Michelangelo developed his fascination with the human body, in the second he expanded his interest in complex figural groups, mythological themes, and more ambitious architecture. And through it all his drawing practice was the connecting thread.

A new exhibition at the British Museum, “Michelangelo: The Last Decades,” curated by Sarah Vowles and Grant Lewis, considers the artist’s career from 1534 to his death in 1564, primarily through the lens of his drawings. The immediate occasion for the show is the completion of the restoration of the “Epifania” (c. 1550-53), one of only two of Michelangelo’s surviving cartoons, or large-scale preparatory drawings. Although he never finished the painting for which it was intended, his friend and biographer Ascanio Condivi did, and the works are displayed here together for the first time since the Renaissance.

The last decades of Michelangelo’s life encompass the “Last Judgment” (1536-41) and two important friendships—with Tommaso de’ Cavalieri (c. 1512-1587), a young Roman nobleman, and Vittoria Colonna (1492-1547), an aging poet—that generated some of the most important and subtle, inventive drawings of his career. Each pushed Michelangelo in distinct directions, which the show presents chronologically through 50 of his works on paper as well as paintings, prints, medals and archival documents. Michelangelo drew in-

cessantly throughout his career, but the latter half of his life saw a distinctive approach: layer upon layer of overlay, more studies of figure groups rather than individual figures, and the advent of a new category, the drawing as gift. In his drawings Michelangelo most often depicted bodies in isolation—stretching, straining or twisting on their own. But the “Last Judgment,” necessitating a clear distinction between the kingdom of Christ and that of hell

below, forced him to come up with a new compositional method. In earlier interpretations of the subject, the judgment has occurred and the viewer simply gazes upon the blessed and the damned in their respective realms. In Michelangelo’s, we are witnessing an action scene: Christ raises his hand to condemn the wretched to eternal damnation, sending them hurtling down to hell.

Several sheets show Michelangelo in the process of envisioning




the movement of the figures in clumps. They are fascinating because what at first appears to be a hazy morass on such sheets as the British Museum’s “Studies for the Last Judgment” (c. 1534-36) is actually a closely knit group of fully articulated, muscular bodies. One drawing on loan from The Royal Collection Trust shows groups of two or three figures locked in com-



The Renaissance polymath’s black chalk drawing ‘Tityus’ (c. 1532), created for Tommaso de’ Cavalieri.

FROM TOP: TRUSTEES OF THE BRITISH MUSEUM (3); ROYAL COLLECTION TRUST/HIS MAJESTY KING CHARLES III

SPORTS

 He was basketball's superstar survivor. Jerry West, who died Wednesday morning at age 86, is unquestionably one of the greatest NBA players ever, a 14-time All-Star in 14 seasons, an Olympic gold medal winner and champion, with performances that still strike awe today. (Averaging 40.6 points in the 1965 playoffs—*how?*) He excelled so much as an executive that the game is about to induct him again into the Hall of Fame, his third installation. (He was also elected as a player and an Olympian.) West's drive is so indelible it is immortalized in the NBA logo—that's a silhouette of the 6-foot-3 West blazing to the basket, a sinewy figure blasting between the blue and red. The Logo, worshipers called him.

Before that, West was Mr. Outside, for the way he redefined perimeter scoring as his Los Angeles Laker teammate and friend Elgin Baylor (Mr. Inside) locked down the paint. He also became Mr. Clutch, for all those late heroics in close games, buzzer beaters in smoky arenas as a nascent league built momentum. Before that, of course, West was tagged as "Zeke from Cabin Creek," a joking nod to his thick West Virginia accent and humble coal town childhood, the bleak cruelty of which he did not reveal until later.

He won often, but his losses were far more epic. West's Lakers had the misfortune of sharing an era with Bill Russell and Red Auerbach; six times West and Los Angeles lost a title to the Green. West remains the only player to ever win a Finals MVP in a losing effort, doing so in 1969 against Boston. He endured brutal defeats and repeated injuries—a rough count of nine broken noses, his face taped like H.G. Wells's Invisible Man. He played through the pain, because everyone did, even the stars raking in a robust five figures.

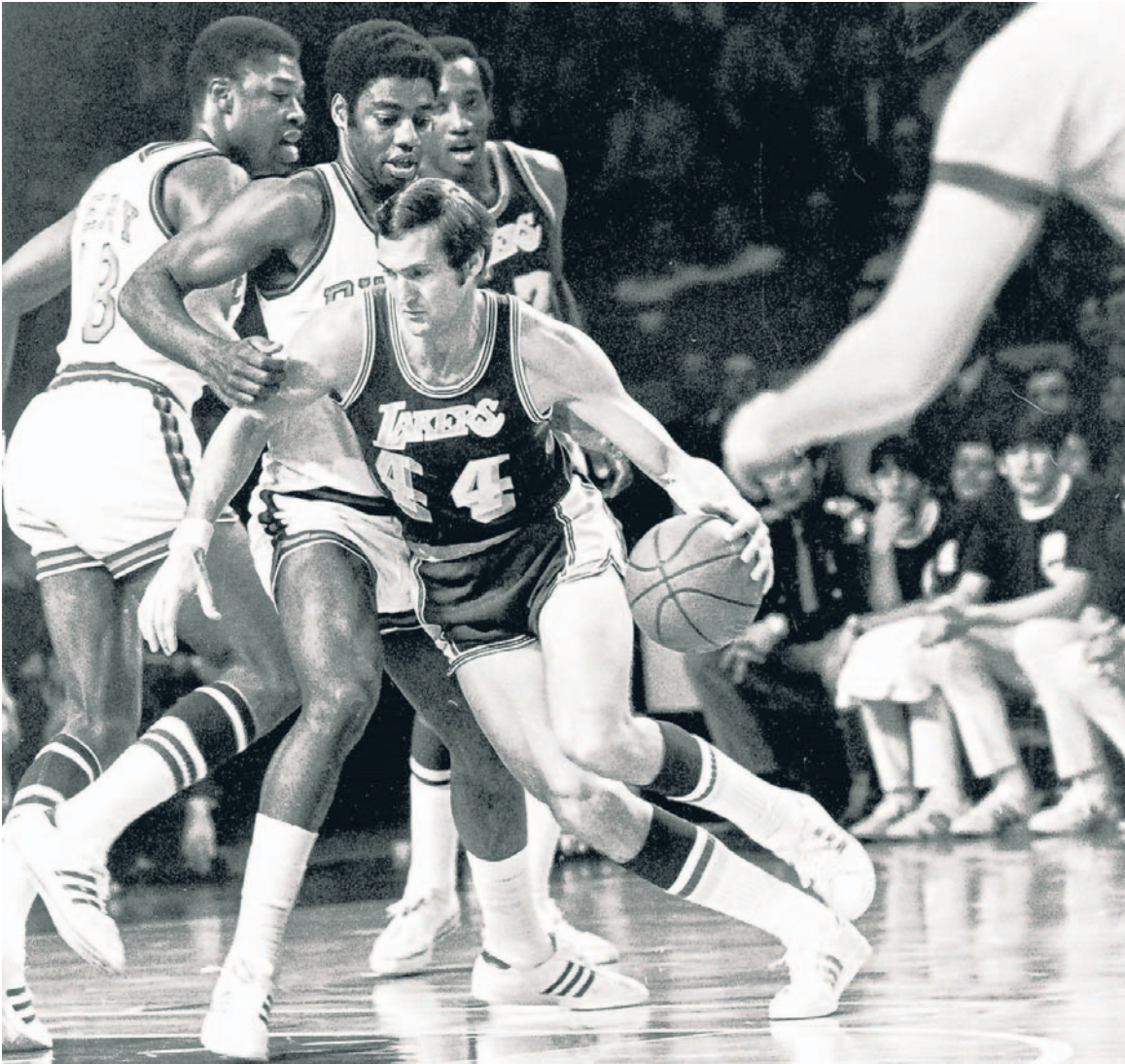
West knew pain. He would confide this deep into adulthood, after his legend was secure, his playing career giving way to one of the greatest front office runs ever. West became the architect of the Showtime Lakers, a team which lifted the league to new heights and avenged some of those crushing Boston losses, and then rose anew with Shaq and Kobe.

In 2011 West released a memoir entitled "West by West: My

JASON GAY

Farewell to Jerry West, A Star Survivor of the NBA

A basketball legend wrestled with epic losses and a complicated life



Basketball legend Jerry West, who died at the age of 86, is one of the greatest NBA players ever.

Charmed, Tormented Life" in which he detailed a chronic depression, a harsh upbringing and a father so abusive that young Jerry slept with a shotgun under his bed. West had an older brother, David, killed in the Korean War, and his death also haunted Jerry as his basketball profile rose, from high school to a stirring career at his home state West Virginia, where he led the Moun-

taineers to the 1959 national title game—but fell by one point. An air of sadness clung to his brilliance. An introvert among extroverts, West was known to be moody and temperamental (though not as moody and temperamental as depicted in an HBO series, he claimed). He would move on from the Lakers to front office stints in Memphis, Golden State and the Los

Angeles Clippers, and though the Lakers would honor him with a statue, the relationship between the franchise and the logo became stubbornly fractured. This bothered him, too. Late in life, West grew admirably candid about his shortcomings and disappointments, articulating the complicated melancholy it took him decades to confront. This may be his legacy, truly.

West is an icon of NBA history—the statistical case is massive; his fingerprints are all over the league's global ascension and even its current style of play. When you see a contemporary star who must be patrolled as soon as he crosses half court, who is a shooting menace within a mile of the basket, that's what West was. (And he did it all without the boost of a 3-point line.) Like his younger contemporary, Bill Walton, who died a little more than two weeks ago at 71, West belongs to a very shortlist of essential NBA players. Those lucky enough to



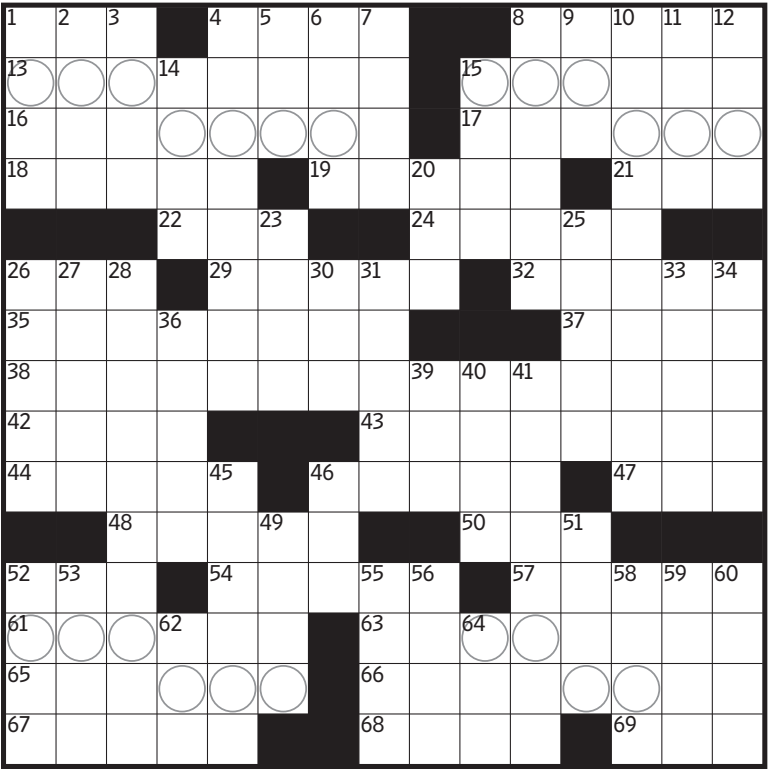
West's drive is so indelible it is immortalized in the NBA logo.

have watched him have never forgotten him.

And yet West's signature accomplishment may be his inner journey. He was a poor kid dealt a horrible hand, somehow blessed with outrageous talent and competitiveness to escape—and yet he was rarely fulfilled by the results. Riddled by torment, he kept searching for something to chase the sadness away, and it wasn't until later in life he began to appreciate all he had. Entering his 70s, Jerry West described himself as "the luckiest person in the world." His liberation offered hope to the struggling.

That sort of honesty takes courage, and changes lives. His basketball contributions are stunning—but in the life of Jerry West, the survivor proved to be as important as the superstar.

The WSJ Daily Crossword | Edited by Mike Shenk



FIRECRACKERS | By John Andrew Agpalo

- Across**
- 32 "Lorna ____"
 - 1 Letters on some foundations
 - 4 Farmers' market bag
 - 8 Wind turbine part
 - 13 Completely shocks
 - 15 Follower of yes or no
 - 16 Person unlikely to be a buzzkill?
 - 17 Eponym of a certain strip
 - 18 "I beg to differ"
 - 19 Rule to live by
 - 21 Many a time
 - 22 Stat for a starter
 - 24 Saloon array
 - 26 Marathon runner's ID
 - 29 Start of a "Willy Wonka & the Chocolate Factory" song
 - 31 Small house, in the Southwest
 - 35 Witness
 - 37 Some, in San Salvador
 - 38 2012 John Green novel with "The," and a hint to the circled letters
 - 42 Skedaddled
 - 43 Folded dish
 - 44 Elizabeth of "Doctor Strange in the Multiverse of Madness"
 - 46 Legally responsible
 - 47 Sighs of relief
 - 48 Tootsie Pop mascot
 - 50 Brief moment
 - 52 Monkey in Disney's "Aladdin"
 - 54 Oboist's stock
 - 57 Magic show volunteer, sometimes
 - 61 Small house, in the Southwest
 - 63 Like the consonants n and t
 - 65 Person who may make a long story short
 - 66 Legitimate target
 - 67 Scout's job
 - 68 "Jabberwocky" start
 - 69 Kinsey study
 - 9 Sphere
 - 10 Many a Corelli composition
 - 11 What un poulet lays
 - 12 Vacation plan
 - 14 Alleviate
 - 15 Hook's helper
 - 20 Rockets shoot in it: Abbr.
 - 23 Electronica DJ Steve
 - 25 Way to go
 - 26 Sensational, in showbiz slang
 - 27 Considering everything
- Down**
- 1 Reach across
 - 2 Cops, in slang
 - 3 Move like moths
 - 4 Poi source
 - 5 Commercial start for Clean
 - 6 Crammer's concern
 - 7 Sunrise direction, in Costa del Sol
 - 8 Ran amok

- 28 Muddy Waters specialty
- 30 All Major League Baseball players, so far
- 31 Bit of geometry homework
- 33 Heading up?
- 34 Snaky shapes
- 36 Like Gen X, vis-à-vis Gen Z
- 39 Thurman of "Pulp Fiction"
- 40 Govt. rules
- 41 Surprise successes
- 45 Antivirus software brand
- 46 Cheer for a matador
- 49 Put on
- 51 Target of a snake, perhaps
- 52 Taiwanese computer giant
- 53 Commanded
- 55 Laughable
- 56 Picnic side dish
- 58 "Sad to say..."
- 59 Dog tag info
- 60 The Field Museum's Sue, e.g.
- 62 Skater Midori
- 64 Word on Italian street signs

Previous Puzzle's Solution

A	B	C	D	S	A	T	E	D	A	K	I	N
C	O	R	E	K	R	E	M	E	L	I	M	E
T	O	O	T	H	Y	F	A	I	R	A	P	P
S	T	O	R	E	S	G	E	T	P	U	T	
A	S	N	E	R	P	O	R	K	Y	B	E	L
S	U	E	M	A	N	E	P	A	R	S	E	
P	R	I	M	A	T	E	S	E	N	S	E	S
C	A	S	E	S	T	U	D					
H	A	B	I	T	S	E	L	A	P	S	E	S
A	L	O	N	E	P	A	I	R	M	E	L	
S	T	A	G	I	P	A	R	T	N	E	A	T
H	O	T	S	I	R	T	U	R	N	I	N	
T	O	I	L	P	L	U	M	Y	B	R	A	N
A	N	N	E	P	O	S	E	R	O	T	T	O
G	A	G	S	A	R	E	N	A	L	E	O	N

The Vegas Casino Executive Who Hit the Jackpot With Mavs

By ROBERT O'CONNELL
AND KATHERINE SAYRE

Dallas

WHEN THE DALLAS Mavericks won the game that got them into the NBA Finals last month, it was time for the league to present the Western Conference championship trophy to the team's owner.

To the surprise of viewers across America, that person wasn't Mark Cuban. Cuban—one of the most boisterous, combative and iconic owners in sports during his two-plus decades in control of the Mavericks—was standing at the side of the podium. Instead, someone that basketball fans were a lot less familiar with stepped up, uttered a few brief words, and walked off with the prize.

That was Patrick Dumont, who took over as the Mavericks' governor, the owner who represents the franchise within the league, when Cuban sold the team last December. To some of the NBA's most ardent followers, Dumont—the son-in-law of Miriam Adelson, the widow of Las Vegas Sands casino mogul Sheldon Adelson—was a complete unknown. Their first glimpse of him was on that stage.

What they have learned since is that Dumont isn't likely to yell at referees as often as the iconoclastic Cuban did. But in the world of casinos, he is a giant—and in the NBA, he's the latest example of the immense wealth currently flowing through the sport.

Dumont has ascended the ranks of a casino empire after marrying Sivan Ochshorn, the daughter of Miriam Adelson from a previous marriage, in 2009. Dumont joined Sands the following year, and in the time since, his standing in the company—and his importance to the gambling industry on the whole—have grown. Cuban describes his gift as being an "active listener," gifted at driving



Patrick Dumont, left, chats with Mark Cuban.

straight to the point and making quick decisions. Today, Dumont helps oversee the company's mega-casinos in Singapore and the gambling enclave of Macau, negotiating with the governments of those territories over their plans for multibillion-dollar properties. As chief operating officer, Dumont is viewed as the likely successor to Rob Goldstein, a longtime Sands executive who is currently CEO.

When the family of Miriam Adelson bought a controlling stake in the Mavericks this season, selling \$2 billion in Las Vegas Sands stock to finance the deal, Dumont made for an obvious pick to head the franchise. He also created an interesting odd-couple pairing with Cuban, who has retained a share of the team and has offered Dumont his advice. Where Cuban shouted and fist-pumped through games and routinely racked up six-figure fines for criticizing officials, Dumont has been a calmer presence. While Cuban was known to practice free-throws at the Mavericks' arena, Dumont describes his play on the Brooklyn courts of his childhood as "terrible."

In many ways, Cuban and Dumont reflect the stunning growth of pro sports in recent decades. Cuban, under whose leadership the Mavericks won the 2011 champion-

ship, bought his majority stake in the team back in 2000 for \$280 million. As franchise valuations rise, that price now seems unfathomably low.

"There are only so many individuals literally in the world who can cut those sort of checks to invest in the majority of capital required to purchase these teams," NBA commissioner Adam Silver said last week.

But Miriam Adelson and her family, with a net worth of about \$30 billion according to Forbes, are just those individuals. Sheldon Adelson, who died in 2021, became one of the world's richest men after developing casinos in Macau, as well as resorts in Singapore and Las Vegas. Sands has since sold its Las Vegas Strip casinos.

Las Vegas Sands has targeted Texas for a new casino development, a resort that could include the home of the Mavericks and other entertainment offerings. The company poured money into lobbying Texas lawmakers on legalizing casinos, but support for gambling legislation last year fell short.

"We think by bringing destination resorts, we can create a new industry, one where we create the infrastructure for business tourism and for large-scale leisure tourism that Texas doesn't have today," Dumont said.

OPINION

New York’s Congestion-Tax Revolt



WONDER LAND
By Daniel Henninger

The most compelling political issue of our era is voters’ belief that they are being poorly governed. The social contract—we convey authority to public officials, and they run government with something resembling competence—is fraying. This, as much as anything, is the “sour mood” issue. Joe Biden may be its national poster boy, but a more particular case study in the demise of governance is occurring in New York City.

You may believe the biggest issue in New York the past year was the influx of illegal migrants. Not even close. It is—or was—congestion pricing.

The word “gridlock” was invented for New York. In the Manhattan borough, most streets are laid out in a grid—parallel avenues bisected with side streets across the island. Much of the time traffic chokes the grid and barely moves.

Our subject, though, isn’t New York’s grisly traffic. It is money. Money is the lifeblood of the public sector, and in many jurisdictions governed by the Democratic Party they are finally running out of it. The federal government, as a printer of money, anesthetizes the public against the reality of revenue shortages. But in New York City, the effects of fiscal misgovernance have become tangible.

New York’s Metropolitan

Transit Authority says it needs some \$15 billion *every year* to repair the city’s deteriorating subway and public-transportation system. It came up with the idea of congestion pricing—charging cars or trucks between \$15 and \$36 anytime they enter Manhattan below 60th Street. After an arduous hearing process and despite lawsuits against the plan filed on behalf of commuters by New Jersey’s Democratic Gov. Phil Murphy, the plan was supposed to start this month. Tolling cameras were installed above the streets. Despite grumbling, all systems were go.

Last week, New York Gov. Kathy Hochul pulled the plug on congestion pricing, announcing it was indefinitely suspended. Let’s set aside for a discussion over drinks why commuters (aka voters) drive daily into Manhattan streets reduced to single lanes by construction, bike lanes, bus-only lanes, scaffolding, restaurant sheds, Amazon delivering the mountains of boxes New Yorkers order, long red lights and pedestrians oblivious to everything.

Gov. Hochul’s unexpected shutdown of the proposed solution to this gridlock defaulted immediately to one question: Where will the MTA come up with the \$15 billion it says it needs annually to rebuild the city’s public transportation system, admittedly crucial to a functioning New York? The current answer from officialdom is no Plan B exists for producing the billions in revenue that, for instance, would repair subway stations where water pours

through ceilings and down walls and steps during heavy rain.

Tellingly, when Gov. Hochul floated a payroll-tax increase to compensate for the loss of congestion pricing, the Democrat-controlled state legislature shot it down. This could be a long-overdue reality check on the taxing impulse.

Manhattan tolls were supposed to be the answer. Those paying the price disagreed.

Democratic cities like New York, Chicago, Boston, Baltimore, St. Louis and Washington all have insufficient revenue to rebuild their aging infrastructure. This is the real gridlock: After 60 years of commitments to social spending and expensive public union contracts, blue cities are at the limits of extracting more taxes from individuals, property owners and businesses. The defeat of congestion pricing was a tax revolt.

For most of the 20th century, New York City got its revenue from sales and property taxes. In 1965 a Democratic Congress passed Lyndon B. Johnson’s Great Society legislation, including Medicare, Medicaid and an array of urban-renewal programs. Just two years later, New York City enacted its first taxes on personal and business incomes.

In the 1980s, some members of the Journal’s editorial page had lunch annually with New York Mayor Ed Koch, al-

ways entertaining. But Koch also delivered a warning: The ever-rising costs of paying for Medicaid were a threat to the city’s finances.

ObamaCare, passed in 2010, expanded Medicaid coverage further, including the carrot of a matching federal payment. That extended the six-decade history of Uncle Sam serving as the cities’ sugar daddy. The conceit of blue cities such as New York has been that they could get away with their ever-expanding social-welfare commitments and outsize spending on union contracts because the federal government would bail them out when infrastructure crises arise, as now with the MTA.

This is behind-the-curve governance, and it has turned into a guarantee of steadily degrading city services. Last summer, a 127-year-old water main collapsed beneath Times Square. The city has no real plan to replace its ancient water pipes. It fixes things when they break, absorbing enormous labor costs. It’s the same patchwork governance now being applied in many cities to housing shortages and the homeless mentally ill.

Some argue that the MTA’s congestion pricing was a rational solution to the long-term capital needs of the city’s transportation system. Maybe, but it was a big, new tax. Gov. Hochul may have suspended the plan out of political self-interest, but her fellow Democrats should come to grips with the fact that a significant tax rebellion just took place in the overripe Big Apple.

Write henninger@wsj.com.

No Summer Vacation From Election 2024

By Karl Rove

A presidential campaign never stops, but there are lulls. We’re entering one: the period between the Donald Trump and Hunter Biden verdicts and the first debate, two weeks from now. If you need a rest from politics, take advantage because when that debate starts, from then on it’s going to be a break-neck pace.

Gallup’s May 23 survey—it’s last poll on how the candidates are viewed before Mr. Trump’s conviction—found that 46% of Americans view each candidate favorably. Mr. Trump led Mr. Biden 25% to 20% in highly favorable views, but also in highly unfavorable, 40% to Mr. Biden’s 35%. This likely reflects what we already know: Mr. Trump’s base is more enthusiastic about him than Democrats are about Mr. Biden, whose supporters are motivated more by their dislike of the GOP candidate.

If this persists, the election will become a contest between voters’ lack of passion for Mr. Biden and their hostility toward Mr. Trump. In a race this tight, how each candidate comports himself in critical moments could tip it one way or the other. There are at least six such inflection points to watch in the next three months.

We’ve already reached the first—how each campaign handles the guilty verdicts. Team Trump says Hunter’s trial was “a distraction from the real crimes” of the Biden

family, allegedly enriching itself through Hunter’s foreign dealings. Team Biden projects the image of a caring father supporting his wayward son while castigating Mr. Trump for his conviction for falsifying business records over hush money to a porn star. Both camps must be careful about their rhetoric. Being over the top could turn away swing voters.

Six major inflection points are coming between now and the autumnal equinox.

The second important moment comes later this month. Mr. Trump could use the June 27 debate to put Mr. Biden in a deep hole by pressing the case on inflation, uncontrolled immigration, global instability and cultural concerns. Just as important are Mr. Trump’s temperament and deportment, and they’re problems.

Mr. Biden could steal the night if he goads Mr. Trump into repeating his 2020 first debate performance, when the latter’s shouting, interrupting and incoherence came off as unhinged. Shortsightedly, Team Trump has been lowering expectations for Mr. Biden’s performance, jeering that he’ll be senile on stage. If a lucid Mr. Biden shows up—a real possibility—that could be a blow to Mr. Trump.

Key point No. 3 will be Mr. Trump’s July 11 sentencing. If he’s sent to prison, some of his supporters could be violent. But many legal observers believe prison time is a remote possibility, and because of appeals Mr. Trump likely wouldn’t be incarcerated before the election anyway.

The more enraged Mr. Trump is in public about his sentence, the more undecided voters may conclude he got what was coming to him. On the other hand, showing a steely confidence about winning on appeal could convince undecided voters to give Mr. Trump the benefit of doubt. For Team Biden’s part, the more the campaign trash-talks the Republican, the more the verdict will look like politicized lawfare, a sure turnoff to swing voters.

The GOP convention, which starts July 15, is key moment No. 4. By then, Mr. Trump will have settled on a running mate. A strong choice will reassure voters about Mr. Trump’s judgment. This is also Mr. Trump’s last, best chance to unify the party. The GOP is more fractured than it should be at this point in the campaign.

Inflection point No. 5 comes a month later, on Aug. 19, when the Democratic convention in Chicago begins. There’s widespread concern about Mr. Biden’s mental acuity, given his age and behavior. Many Democrats will be holding their breath during his acceptance speech. There’s also

the danger of violence by pro-Hamas demonstrators. At least when protesters disrupted the 1968 Democratic convention, the Chicago mayor backed the police. This time, the mayor is with the demonstrators, refusing to rule out encampments in nearby parks. Hamas advocates used similar camps with great effect in shutting down universities.

After that come two weeks around Labor Day, which are particularly critical given that both candidates are running for their second terms. It’s just about the last opportunity an incumbent has to establish what he did in office, preview his next act, and contrast himself with his opponent. In this race, that means nonstop campaigning for Messrs. Trump and Biden in the half-dozen battleground states before the second debate on Sept. 10. Early voting begins soon after.

In the midst of all this, there could be an international incident or a measurable change in the economy. Either could deeply affect the election’s direction.

Still, you’re probably safe to dial back on politics for the next week. You’ll need the breather. After that, our collective hiatus will be over and it’s pedal to the metal.

Mr. Rove helped organize the political-action committee American Crossroads and is author of “The Triumph of William McKinley” (Simon & Schuster, 2015).

My Youthful Lessons on Leadership

By Fay Vincent

I have liked remembering almost as much as I have living,” William Maxwell wrote in a 1997 New York Times Magazine essay titled “Nearing 90.” At 86, I too find myself spending time with fond memories.

What I needed in my youth was the confidence to trust myself. The challenge of life is to foster confidence in one’s own judgment. What creates success isn’t merely being offered the chance to lead but having the courage to accept a challenge when it is presented.

The process of learning to lead may begin in small ways. I remember the freshman football coach at Williams College who, as our first game approached, appointed me captain of his team. After an undefeated season, I realized my experience on that team was my first, albeit

small, leadership success.

I never expressed my thanks to Coach Frank Navarro for his confidence in me, though I often thanked him for his skillful guidance of our little team. The significance of his early encouragement has become clear as I look back. He widened my ambitions by affording me success.

I have fond memories of learning how to develop confidence in my own judgment.

Later at Williams, I was elected president of my fraternity. As I approached that duty, I began to ponder what could go wrong during my tenure. We had one vital employee, a fine chef in his 50s who with his wife ran the kitchen. I wanted to be sure

he remained on the job, so I approached him with the idea of setting up a pension plan for him to provide some retirement security. I followed through and he was effusively appreciative. Some years later he died, and I never learned how his retirement played out. But I hope his family benefited.

Years later I helped initiate a pension plan at my Washington law firm and again argued for the benefit of planning for financial security. Some of my partners who initially questioned the pension idea later thanked me for my old-fashioned financial instincts and perseverance.

Sometimes leadership means overcoming early stresses and doubts. When Herbert Allen stunned me and Wall Street by picking me to become CEO at Columbia Pictures Industries, I generated such poor Wall Street confidence that within a few weeks

of my arrival, Columbia stock fell from \$22 a share to \$15. Herbert stayed supportive, and a few years later we sold the company to Coca Cola at about \$73 a share.

My earliest lesson on leadership came from my second-grade teacher, Helen Callahan. She stopped our recess kickball game to chew me out for misconduct. She told me she expected more of me, since I was one of the boys the others would follow. Her firm reminder taught me someone was always watching and making judgments on my behavior.

Remembering, as Maxwell wrote, is the joyful reliving of the past. There too, lies the road “less traveled by,” as the Robert Frost poem warns. There too is the joy of having chosen.

Mr. Vincent was commissioner of Major League Baseball, 1989-92.

BOOKSHELF | By Walter R. Borneman

Looking for Help From Above

Patton’s Prayer

By Alex Kershaw
Dutton, 368 pages, \$32

The war was supposed to be over. After a surprise landing in Normandy and a heady rush across France, there was widespread talk that the troops would be home by Christmas. From cockpits in the skies above and outposts along a quiet front, the end appeared in sight. Nowhere was this optimism more prevalent than in a backwater sector of the Ardennes Forest, along the border between Belgium and Luxembourg. But as fall wore on, home-by-Christmas optimism dimmed and then evaporated under an onslaught of wintry weather.

In the eerie lull, those paying close attention grew wary. Something was not quite right. Then, on the morning of Dec. 16, 1944, a vanguard of panzer tanks led several dozen German divisions into the Ardennes along a 60-mile-wide front. It was Hitler’s final gamble, a surprise attack intended to crush the Allied lines and splinter them and drive westward to the port of Antwerp.

South of this line of German attack, the U.S. Third Army, led by Gen. George S. Patton, was bogged down by the diversion of gasoline supplies to commands farther north and by incessant rain that had turned most roads into quagmires. For a reputed genius of lightning armored warfare, it was depressing. But as German radio communications went silent on the eve of the attack, Patton ordered his command to halt its effort eastward toward the Rhine and prepare to pivot north to counter any threat. It was a “formidable challenge,” writes Alex Kershaw in “Patton’s Prayer,” “to turn nine divisions ninety degrees during a battle, using a poor road network in icy and wet conditions” and to make sure they were adequately supplied.

There is no shortage of literature on the Battle of the Bulge—as the ferocious confrontation in the Ardennes came to be called—including John S.D. Eisenhower’s “The Bitter Woods” and Charles MacDonald’s “A Time for Trumpets,” as well as Mr. Kershaw’s own “The Longest Winter” (2004), about a highly decorated combat platoon. There is also no dearth of books on George Patton, among them: “Patton: A Genius for War” by Carlo D’Este and “Patton: Ordeal and Triumph” by Ladislav Farago.

But Mr. Kershaw has a way of digging out gripping individual stories in the context of larger drama and bringing pace and suspense to the telling. Even though we know the outcome, we nonetheless feel the angst of Brig. Gen. Anthony McAuliffe, temporarily commanding the “Screaming Eagles” of the 101st Airborne Division, who famously mutters “Nuts!” in reply to a German surrender demand.

There is suspense as hard-charging Lt. Col. Creighton Abrams leads his tanks from the Fourth Armored Division along snow-packed roads in a desperate drive to punch a lifeline to the besieged Belgian town of Bastogne. One of Abrams’s tankers remembered: “We were going through fast, all guns firing, straight up the road to bust through before they had time to get set.” Abrams, who would later command in Vietnam and serve as Army chief of staff, was adamant: “We’re going in to those people now. Let ‘er roll.”

“Obsessiveness with speed permeated our lives,” recalled tank commander Nat Frankel with the Fourth Armored. “No one even had to tell us; there were no orders from Patton to move faster. It was understood, it was a given.” Patton himself was seemingly everywhere, urging his units forward with doses of profanity, bravado and praise. “Destiny,” Patton wrote to his wife, “sent for me in a hurry when things got tight.”

‘There were no orders from Patton to move faster,’ one soldier remembered. ‘It was understood, it was a given.’

With the Germans’ farthest advance to the west (the “bulge”) finally pushed back by February 1945, and Patton’s legacy ensured, “Patton’s Prayer” becomes the general’s individual story. On March 7, 1945, having sprinted more than 50 miles in less than two days, his spearhead reached the Rhine. Two weeks later, he was across with two divisions. Another 50 miles ahead, American prisoners of war languished in a camp near Hammelburg. Weeks earlier, Gen. Douglas MacArthur had received “glowing publicity” with rescues of POWs in the Philippines, and Patton determined to outdo him. Only later was it revealed that Patton knew his own son-in-law to be among the prisoners.

Abrams volunteered to lead the rescue mission. He argued for an attack in full strength, but Patton insisted on a smaller, supposedly more nimble force. The attack was ultimately led by someone other than Abrams, and the raid ended in disaster. Remnants of the rescuers barely made it back to American lines. “The decision to send such a small force,” Mr. Kershaw writes, “was indeed a serious error, an enduring major stain on Patton’s reputation.”

And what of the prayer of the title? This is the prayer for good fighting weather that Patton asked Third Army chief chaplain James H. O’Neill to craft in December 1944, when all of Europe was socked in and Allied aircraft grounded while German panzers ran rampant. O’Neill beseeched a higher power to “restrain these immoderate rains” and “grant us fair weather for Battle.” Patton was so taken with O’Neill’s words that he ordered them printed on 250,000 cards (with his signed Christmas greeting on the reverse side) and distributed to every man in the Third Army.

It took almost two weeks, but a dawn finally brought what one soldier recalled as “the war’s most beautiful sunrise.” Those who believed in divine intervention saw the blue skies as a clear sign. “Patton never doubted,” Mr. Kershaw concludes, “that God was on his side.” And among the rank and file, the men of Patton’s Third Army—many with the prayer cards tucked in a pocket or helmet liner—believed that God had answered Patton’s prayer. The broader message might be that when all is at stake—whether around a command table or in a frozen frontline foxhole—one’s best ally is unquestioning faith.

Mr. Borneman’s books include “The Admirals: Nimitz, Halsey, Leahy, and King” and “MacArthur at War.”

OPINION

REVIEW & OUTLOOK

Jerome Powell Is a Happy Fed Chief

There’s nothing like a good consumer-price reading to make a Federal Reserve Chairman smile. The price index for May came in flat on Wednesday morning, which made for a confident Chairman Jerome Powell in the afternoon as he explained the latest Federal Open Market Committee decision after its two-day meeting this week.

The May CPI came as a relief after three months in row in which inflation had rebounded after last year’s declines. That rebound clearly made an impression on the FOMC, whose members stood pat on their fed-funds interest rate target of 5.25% to 5.5%. They also signaled that they expect to stick with the current level of interest rates for longer.

In their famous “dot plot” estimates of future economic conditions, the Fed governors and regional bank presidents lifted their projections for “core” inflation this year to 2.8%, up from 2.6% in March and 2.4% in December. They also downshifted their expected cut in rates to a single 0.25 point reduction through the rest of this year, down from three in March. Some in the financial markets not too many months ago were pricing in multiple quarter-point rate cuts in 2024.

Does the May CPI contradict the more hawkish FOMC projections? The Fed press corps tried to poke at this point at Mr. Powell’s press conference but came up mostly empty. It’s only one month, he explained, and after the first quarter’s inflation surge he and his mates want more evidence that inflation is on a path to being vanquished.

It isn’t dead yet, as consumer prices remain 3.3% above what they were 12 months

earlier, even after May’s good news. Service prices (excluding energy) are up 5.3% in the last 12 months, and “core” CPI (less food and energy) is up 3.4%. The Fed’s target is 2%.

The May figures vindicate the FOMC’s decision at the last several meetings to reject the calls on Wall Street and Washington to cut rates early and often. Democrats and their media friends are aching for rate cuts before the election. They want bond yields and mortgage rates to fall to alleviate the public’s continued unhappiness with the worst burst of inflation in 40 years on President Biden’s watch. The Fed is hardly oblivious to politics, but Mr. Powell is right to avoid the pressure for easier money.

All the more so because it isn’t clear that Fed policy is as “restrictive” as Mr. Powell says. He repeated that more than once on Wednesday, but we have a hard time finding that in the financial or economic data.

The job market has slowed somewhat but remains strong, consumer spending has slowed but continues to be solid, and financial conditions are far from tight. Equities keep hitting new heights, Bitcoin and gold are investor favorites, and commodity prices remain high. If there’s evidence of a looming recession, we don’t see it—and that’s despite the Biden-made obstacle of an unprecedented blitz of new anti-business regulation.

It’s true that economic sentiment can change quickly, and perhaps the old saw that monetary policy works with long and variable lags will arrive with a jolt. In which case the Fed will have to adjust. But for now it’s right to stick to an anti-inflation course.

He thinks the Fed’s policy is working, though is it really ‘restrictive’?

Celebrating the Nova Massacre

If you think this spring’s antisemitic campus protests were a temporary delusion, pay attention to what’s happening in New York City. On Monday anti-Israel protesters wouldn’t even let a tribute to Israelis murdered at the Nova Music Festival on Oct. 7 be held in peace.

Hamas massacred some 260 people, mostly young, at that festival. Women were raped and their bodies mutilated before they were killed. The butchery and sadism were the point, inflicted out of hatred merely because the victims were Jews.

The protesters in New York didn’t kill anyone, at least not yet. But the hatred for Jews was on ugly display. The protest was part of a “Citywide Day of Rage” that targeted New York’s museums. The group Within Our Lifetime, which organized the protests, says cultural institutions are “drenched in the blood of Palestine’s martyrs.” They seem to mean the museums’ Jewish donors.

“Long live Intifada,” the crowd cheered, waving flares outside the exhibit commemorating the hundreds who were massacred at the Nova festival. “Israel, go to hell.” Young American adults waved Hamas and Hezbollah flags and chanted, “Resistance is justified, where people are occupied.” Signs declared “Abolish the settler state.” They mean abolish Israel. The New York Post reports that one

protester was captured on video declaring that he wished “Hitler was still here.”

New York Mayor Eric Adams called the spectacle “pure antisemitism,” and he’s right. Public threats and intimidation are also rising. Antisemites boarded a New York subway car and repeatedly shouted, “Raise your hand if you’re a Zionist. This

is your chance to get out.”

A White House spokesman issued a statement that the events outside the Nova exhibit were “outrageous and heartbreaking” and that “profane banners of terrorist organizations should not be flown anywhere, especially not on American streets.” But President Biden’s waffling on the moral justification of Israel’s war to destroy Hamas has emboldened the pro-Hamas left in the U.S.

On Tuesday night, protesters vandalized the homes of Brooklyn Museum Jewish board members and the co-op building of museum director Anne Pasternak. The vandals marked the doors of their homes with upside down red triangles, a symbol used by the al-Qassam brigades, the military arm of Hamas, to identify targets. These families now need protection from the New York Police Department.

America has an antisemitism problem that is growing in its extremism, and these days it is mainly on the political left. Don’t be surprised if it soon breaks out into violence.

Anti-Israel protesters desecrate a memorial to Hamas’s victims.

The FTC Brings Back the 1930s

Dinosaurs roam the earth again, and not merely in the movies. They’ve been spotted at the Federal Trade Commission, which is excavating ancient bones like the long out of favor 1936 Robinson-Patman Act to harass business as an inflation scapegoat.

Our sources say the FTC is preparing to file a complaint against Southern Glazer’s Wine and Spirits, the nation’s largest alcohol distributor, for giving big retailers discounts on volume purchases. Robinson-Patman says suppliers cannot “discriminate in price between different purchasers of commodities of like grade and quality.”

Congress in that era wanted to protect small grocers from larger competitors, but the law has rarely been enforced in the past four decades because of its unintended harms. A 1977 Justice Department report documented how Robinson-Patman resulted in higher prices and price-fixing among competitors, while inhibiting small-retail cooperatives from negotiating discounts with suppliers.

Progressives are nonetheless urging the FTC to revive this legal velociraptor. “Dominant retailers can extract more favorable prices and terms from suppliers,” which “make up their losses by charging higher prices to independent, smaller grocery stores,” 16 Members of Congress wrote FTC Chair Lina Khan this spring.

Manufacturers often set different prices for customers based on purchase volumes, among other reasons. But there’s little evidence that these select discounts increase food or any other prices. Food prices roughly tracked overall inflation during the 1960s and ’70s, yet they rose more slowly than the consumer-price index in the 40 years before the pandemic.

One reason is that competition from big-box stores has helped keep prices down. Yet the Biden-era inflation has given Americans sticker

shock in the grocery aisle. Since the start of the pandemic, food prices have increased at the fastest rate since World War II as energy, labor, commodity and material costs have surged.

Progressives want to scapegoat big business, and they have found unexpected allies among some conservatives. Last month a bipartisan House letter led by Reps. Zoe Lofgren (D., Calif.) and Tom Tiffany (R., Wis.) asked the chamber’s appropriators to designate \$10 million of the FTC’s budget for Robinson-Patman enforcement.

“As Congress and federal antitrust authorities continue to expend time and resources scrutinizing the tech industry, we should not do so at the expense of kitchen table issues and the health of competition on Main Street,” they wrote. They say workers at mom-and-pop businesses have been harmed by the FTC’s failure to enforce Robinson-Patman.

Show us the evidence. Liquor and convenience stores have added roughly 26,000 jobs—about a 7.8% increase—since the start of the pandemic. Big-box stores have expanded, but Americans shop around.

In addition to Southern Glazer’s, the FTC has launched an investigation into Coca-Cola Co. and PepsiCo. Robinson-Patman is a blunt tool that lets the government fix prices, and it is so malleable that virtually all supplier discounts could be deemed illegal no matter if they benefit consumers.

Nostalgia for the 1930s is a Biden trend. The Federal Communications Commission recently invoked the Communications Act of 1934 to regulate broadband providers as common carriers under the pretext of protecting “net neutrality.” Now the FTC wants to use another New Deal law to mandate price neutrality. Bernie Sanders may have lost the 2020 Democratic primaries, but he has persuaded the Biden Administration that 2024 is really 1936.

The agency may sue an alcohol distributor for sale-volume discounts.

LETTERS TO THE EDITOR

Readers Reply on President Biden’s Stumbles

Regarding “Biden Meetings Fuel Age Concerns” (Page One, June 6): What some see as a sign of weakness is actually a sign of incredible strength and courage. President Biden has struggled throughout his life with the challenge of stuttering. His detractors portray this as a sign of intellectual inferiority. How many people would claim that someone who has become a lawyer, senator, vice president and president is intellectually inferior?

Imagine attempting to accomplish even one of those goals, which require many public-speaking engagements, while struggling not to stutter. Only someone with determination, exceptional intelligence and courage wouldn’t be deterred. Those who seek to further degrade the president point to his age. How many of his detractors could maintain even half the daily schedule that Mr. Biden has kept for the past four years and continues to keep? His detractors choose to focus on these issues because they know that an honest look at Mr. Biden’s character and accomplishments would overshadow those of his competitors.

RONALD KOTKIN
Laguna Beach, Calif.

In an era when there was more collegiality, it wasn’t unusual for younger surgeons and anesthesiolo-

gists to gently pull the older guys aside when their decreasing skills became noticeable. It was a noble and practical way to nudge their older colleagues to the sideline in a way that was respectful and necessary, allowing for a graceful exit before something bad happened.

While this certainly happens in other walks of life as well, it seems that this art is mostly lost in the higher echelons of government.

RICHARD SKUROW
Cincinnati

For all the emphasis on Mr. Biden’s alleged age-related diminishment in mental acuity and vigor, the president performed his official duties on his recently completed state visit to France robustly and quite competently. Further, unlike his Republican opponent, who has been consumed by his legal travails, to the point of his often appearing unhinged, Mr. Biden was able to conduct himself during the entirety of his trip, which coincided with his son’s trial, in a manner that was focused and strong.

At least at present, Mr. Biden is proving his naysayers wrong when it comes to their concerns that he isn’t up to the rigors of the presidency. He is doing so even while he is faced with a crisis that hits very close to home.

MARK GODES
Chelsea, Mass.

Unions, Free Speech and Political Demagogues

Your editorial “Hang the Oil and Gas CEOs” (June 1) speaks to a larger anti-free-speech pattern in the Biden administration. The National Labor Relations Board recently ruled that Amazon CEO Andy Jassy violated labor law for expressing his views on unionization in public interviews. The NLRB baselessly accused Mr. Jassy of “threatening” employees by saying that workers are “better off having direct connections with their managers,” an objectively nonthreatening opinion that Mr. Jassy has a First Amendment right to express.

At the same time, the NLRB ruled that union strikers’ “profane, vulgar, racist, and otherwise insulting language” is protected union activity so long as the speech stops short of threatening violence.

The message is clear: If you are a political ally of President Biden, you can have all the speech you want. If you represent a company or industry that Mr. Biden scapegoats for political gain, you can’t express your views in the public square without the government accusing you of breaking the law.

TOM HEBERT
Americans for Tax Reform
Washington

Can You Place Elon Musk in a Political Party?

Joe Cunningham argues that “Elon Musk Should Be a Democrat” (op-ed, May 31). I agree: Mr. Musk’s green credentials are exaggerated and hypocritical, like those of most Washington Democrats.

“Tesla recently reported that its electric-vehicle and energy-storage products prevented the emission of about 13.4 million metric tons of CO2 in 2022,” according to Mr. Cunningham. Compared with the estimated 37 billion tons of carbon dioxide produced by humans in 2022, Tesla’s reduction is far less than a rounding error. It will have no measurable effect on global warming. Additionally, each SpaceX Starship

launch produces around 76,000 metric tons of carbon. The virtue signaling involved in EV mandates has become farcical.

JEFFREY FEGAN
Denver

Mr. Musk’s not fitting into a defined political category appears to disturb the political class, intolerant as it is of free thinkers. Message to politicians: You can’t attach a label to everybody. The only thing Elon Musk should be is Elon Musk, with a mind of his own.

MARC BORNSTEIN
New York

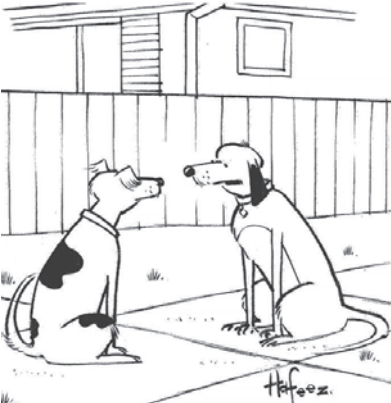
The New Church Intolerance

In “We Are Starting to Enjoy Hatred” (Declarations, June 1), Peggy Noonan cites Bill Maher: “That’s where we are now: Other parts of the country are seen as no-go zones.” She goes on to say, “It’s shocking that that’s true, but it is.” Sadly, it is true even in church today. I can still worship with my once-tolerant and inclusive congregation, but I must be careful how and to whom I express my now-unwelcome conservative theological and political views.

WAYNE MIDDLETON
Bartlesville, Okla.

Pepper ... And Salt

THE WALL STREET JOURNAL



“I believe in unconditional love, except for the mailman.”

How Far America Has Come

Regarding your editorial “A Guilty Verdict and Its Consequences” (May 31): If President Biden were asked what kind of government we have, he could reply honestly: A banana republic—if you can keep it.

DAVID GAY
Alamo Heights, Texas

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OPINION

How Black Voters Become Swing Voters

By **Robert L. Woodson Sr.**

As the presidential election approaches, low-income blacks are waking up and realizing that their allegiance to the Democratic Party is fatal to their future.

In his recent speech at Philadelphia's Girard College, a black preparatory school, President Biden's message was the same one he has preached for decades: Any and all problems facing black America can be traced to unfairness or mistreatment by white America. Until whites are compelled to treat blacks better, he claimed, black Americans can hope for little improvement in their lives.

Democrats have left a leadership vacuum, but Republicans need to make the case for themselves.

When people are led to believe that their destiny is determined by others, it robs them of the ability to become agents of their own uplift. Mr. Biden's approach to winning the black vote is racial patronizing and fear mongering. He tells black Americans that Donald Trump will suppress their right to vote. Yet the greatest cause of diminished political involvement among low-income blacks is apathy, brought on by hopelessness and disillusionment with the candidates.

In declining cities dominated by the Democratic Party for the past five decades or longer, voter turnout in local elections in many high-crime areas is low. The residents of these communities are concerned about the cost of food and gasoline, failing schools and the prospect of the violent death of their children. They are told by the Democratic Party that what should concern them is so-called racial fairness, which never addresses the real problems low-income blacks face daily.

Since the 1960s, the Democratic Party has been committed to having black faces in important places. That allows do-gooders to feel pleased with themselves, but it does little to improve conditions for low-income blacks. As long as there is a vacuum of real political leadership, these communities will suffer the indignity of being represented by politicians who don't address actual problems—or, worse, institute programs that do harm.

After displacing a local youth track club from a recreation center in the Roxbury section of Boston, the Biden administration outfitted it as a refugee center and moved illegal migrants there. In Chicago last year, housing vouchers were given to migrants, which enabled them to pay above-market rents. As a result, landlords are displacing low-income blacks. A migrant in New York City was recently charged with shooting and wounding two police officers, while other migrants who were arrested for beating up two officers were released without penalty.



Biden speaks at Girard College in Philadelphia, May 29.

For too long Republicans have thrown up their hands and conceded the black vote to the Democrats. As I once heard a conservative leader put it, “when Democrats look at blacks and poor people, they see a sea of victims. Republicans see a sea of aliens.” Both views are destructive. No political party should own the political affiliation of any group in America. It's in the best interest of blacks, and the nation, for the Republican Party to be competitive, with blacks becoming swing voters.

How might Republicans make their case today? There are two examples from recent history when a Republican broke through the race wall and was elected to office.

In 1993 Richard Riordan became the first Republican to be elected

mayor of Los Angeles in 32 years. When he ran for re-election four years later, he won 61% of the vote. How did he do it?

Two years before announcing his campaign, Riordan met with local leaders, inquired about their needs, and invested resources in largely black South Central Los Angeles. When he announced his candidacy, local leaders campaigned for him.

This shows that if Republicans sow the seeds of support in low-income communities, they can reap a political harvest. The most important lesson, which is easily overlooked, is that you can't plant and harvest in the same year.

Mayor Steve Goldsmith of Indianapolis had the same experience. After being elected in 1991, he privatized many services and helped turn

an alley into a park with the help of a local black church and other private organizations. Safety was improved, and maintenance was exceptional. Small businesses were organized into a mini-Chamber of Commerce. The mayor provided city contracts to this collaborative. He encouraged the local store owners to contract with them as well. Mr. Goldsmith's popularity soared, and he coasted to re-election in 1995.

One would think that fellow Republicans would be rushing to learn from these examples. Republicans wonder why they are accused of being indifferent to the poor and minority interests. They should reflect on the cost of ignoring low-income Americans. The least among us, black and white, aren't aliens. They often live out the conservative dictum, understood first by Alexis de Tocqueville, that families, churches and other mediating institutions, not the state, are the root of our polity.

Imagine what could happen if even a fraction of the obscene amounts of money spent on presidential campaigns were invested in neighborhood leaders who could move the needle on real problems in their communities. Instead of ubiquitous negative political advertising, you would see crime go down, educational achievement rise, and economic innovation renew distressed neighborhoods.

Mr. Woodson is founder and president of the Woodson Center and author of “Lessons From the Least of These: The Woodson Principles.”

Harvard Goes Only Halfway Toward Institutional Neutrality

By **Daniel Diermeier**

Nashville, Tenn.

Harvard University announced last week that it will no longer “issue official statements about public matters that do not directly affect the university's core function” as an academic institution. This is welcome news for all of us who have long been concerned about politicization of universities and the resulting erosion of free expression in academia.

Carrying out a university's purpose—to provide transformative education for students and conduct pathbreaking research—depends on a campus environment where free speech and open inquiry flourish. Creating that environment requires an abundance of open forums for discussion and debate; a culture of respectful, fact-based discourse; and a policy of institutional neutrality.

The principle of institutional neutrality applies only to universities and their leaders, including those in charge of official academic units like schools, departments and research centers. It doesn't prevent individual students or faculty members from taking positions. On the contrary, its purpose is to provide students and faculty with the greatest possible freedom.

In explaining institutional neutral-

ity and why it's important, most proponents point to the 1967 Kalven Report from the University of Chicago. At the report's heart is the assertion that neutrality is necessary for maintaining conditions conducive to a university's purpose. The report points out that universities and their leaders risk stifling debate when they stake out official positions. Moreover, when a university or its administrative units take a political stance, it invites lobbying and competitive advocacy by various campus constituencies, which turns the university into a political battlefield and erodes its unique purpose—promoting the pursuit of knowledge and truth.

Taking official positions also erodes the university's commitment to expertise. Recognizing and rewarding deep knowledge, and making sharp distinctions between experts and nonexperts, is part of a university's reason for being. When university leaders make declarations on issues they know little about, often in haste, they compromise that reverence for expertise. Even in the rare case where leaders are domain experts, they should avoid making official statements to keep from chilling debate.

Oddly, the two co-chairs of the Harvard faculty working group that recommended the new policy wrote in a recent op-ed piece that “the

principle behind our policy isn't neutrality.” Instead, they seek to further “values that drive the intellectual pursuit of truth: open inquiry, reasoned debate, divergent viewpoints and expertise.” There is little to distinguish those values from those of the Kalven Report.

It won't make public statements, but reserves the right to do so with its investment decisions.

Sorting out these semantics can be left to future historians of academia. The important thing is that Harvard agrees the duty of the university is to be a forceful advocate only when it comes to its core functions—and to be silent on other matters.

Other universities have also moved toward institutional neutrality in response to campus unrest. Northwestern set up a committee to explore the issue this year. Stanford's Faculty Senate approved a policy advising university administrators to avoid expressing opinions on political and social controversies “unless these matters directly affect the mission of the university or implicate its legal obligations.” Syra-

cuse, Williams and Holy Cross have all made announcements committing to neutrality.

One may ask why it took nationwide campus crises for some schools to commit to “principled neutrality” when the idea has been known for almost six decades. The phrase reminds us that neutrality isn't a cop-out or an evasive response to pressure, but a core principle that requires courage and conviction when internal and external constituencies pressure university leaders to take sides.

Yet although Harvard's change of heart is encouraging news for higher education, its new policy makes a crucial omission that is at the core of the current controversy on campuses.

Students at universities nationwide have called on their institutions to join the boycott, divestment and sanctions movement against Israel. According to the Harvard working group co-chairs, it didn't “address, much less solve, the hard problem of when the university should or shouldn't divest its endowment funds from a given portfolio.” Its members classified divestment “as an action rather than a statement” and thus treated the question as “outside our mandate.”

This is a distinction without a difference. Whether you call it an action or a statement, politically or so-

cially motivated divestment plainly violates institutional neutrality because it requires a university to choose a side in a debate unrelated to its core function, thus signaling that there is only one acceptable way to think about the issue.

When a university's portfolio manager makes the considered and consequential decision to divest from a company because its stock seems overvalued, this is legitimate fiduciary oversight. But divesting because an entity does business with the Israeli government is a clear violation of institutional neutrality. A university's investment goal should be to maximize the rate of return, which means more funding for faculty research and student aid.

Institutional neutrality firmly supports a university's purpose. So after an era when universities have been quick to issue position statements on the political controversies of the day, it is good that they are getting out of that game. It is a university's job to encourage debates, not settle them. But for any university policy prohibiting political statement-making to be comprehensive and effective, it must address and discourage politically driven divestment.

Mr. Diermeier is chancellor of Vanderbilt University.

Democrats May Regret Their Legal War on Trump

By **Matthew Hennessey**

Justice is supposed to be blind. The legal jihad against anyone who ever did political business with Donald Trump has many wondering whether that's still true. The list of Trump associates targeted by Justice Department special counsel investigations and Democratic prosecutors around the country is astonishingly long. It's total lawfare.

The Robert Mueller investigation was supposed to uncover evidence of collusion between the 2016 Trump campaign and Russia. It found no such thing, but it did result in indictments against a roster of Trump allies and campaign officials on charges ranging from financial fraud to obstruction of justice and lying to the Federal Bureau of Investigation. Among those caught in Mr. Mueller's web: Roger Stone, Paul Manafort, Rick Gates and Michael Flynn.

Never prosecuted? Anyone at the FBI who actually did meddle in the 2016 election.

Jack Smith's dual mandate is to investigate Mr. Trump's role in the Jan. 6, 2021, Capitol riot and his alleged mishandling of classified documents. In addition to three dozen felony counts against Mr. Trump, Mr. Smith has also obtained indictments against Walt Nauta, an assistant to Mr. Trump, and Carlos De Oliveira, the property manager at Mar-a-Lago. The message is clear: Even the small fish in Mr. Trump's pond should expect to get fried.

Never indicted? Anyone associated with Secretary of State Hillary Clinton's infamous home-brew email setup or her campaign's cover up of its payment for the Steele dossier by falsely characterizing it as a legal fee—which, unlike Mr. Trump's payments to Stormy Daniels, earned a civil fine from the Federal Election Commission.

In Atlanta, District Attorney Fani Willis persuaded a grand jury to indict Mr. Trump and 18 co-defendants for allegedly participating in a criminal conspiracy to alter the outcome

of the 2020 election. Those charged include Trump lawyers Rudy Giuliani, John Eastman, Ray Smith III, Kenneth Chesebro and Jenna Ellis as well as Mark Meadows, a former White House chief of staff. Messrs. Giuliani and Meadows have also pleaded not guilty to similar charges brought by Kris Mayes, the Democratic attorney general of Arizona.

Michael Cohen is a hero to the left now, but in a past life federal prosecutors brought the hammer down for his work on behalf of Mr. Trump. In 2019 Mr. Cohen received a three-year prison sentence for what the judge in his case described as a “veritable smorgasbord of fraudulent conduct.” Allen Weisselberg was once chief financial officer of the Trump Organization. He is serving a five-month sentence at Rikers Island for lying under oath at the civil fraud trial brought against Mr. Trump by Democratic New York Attorney General Letitia James.

Peter Navarro, who directed the White House National Trade Council

for Mr. Trump, is serving a four-month sentence in federal prison in Miami for refusal to comply with a subpoena from the Jan. 6 congressional committee. Trump whisperer Steve Bannon is headed to prison next month for the same reason.

The unprecedented targeting of the former president and his allies invites partisan retaliation.

Recall that during the Obama administration, Internal Revenue Service official Lois Lerner managed to avoid the slammer for contempt of Congress. I guess some people can't help being lucky.

You can read the lamentably long list of Trump-world legal woes as evidence that no one is above the law, which is the view of most Democrats. Or you can read it the way half of

Americans and 83% of Republicans do—as clear evidence that a politicized justice system went after Mr. Trump and his associates because of who they are. Democratic prosecutors are contorting the law beyond recognition to punish their opponents for their politics. That isn't the American way.

Mr. Bragg campaigned on an explicit promise to prosecute Mr. Trump. His goal was to become a progressive folk hero. Ms. Willis, Ms. James and Ms. Mayes are probably hoping for the same. That alone is a problem for blind justice. But a bigger problem lurks at the heart of Mr. Bragg's case: the idea that normal political calculations can, through prosecutorial abracadabra, become unlawful election interference.

Democrats worry about a vengeful President Trump sicing the Justice Department on his political foes in January 2025. They should perhaps be more worried about ambitious partisan prosecutors in red states going after political enemies for the novel “crime” of trying to win elections. What's to stop a district attorney in Texas from indicting President Biden's inner circle for conspiring to hide the commander in chief's mental decline from the American people? Why couldn't some ambitious Republican take a shot at prosecuting White House press secretary Karine Jean-Pierre for her daily testaments to Mr. Biden's sprightliness? Turn-about is fair play. That actually is the American way.

If Republicans fed up with Democratic lawfare start pursuing those kinds of cases, the American legal landscape will be an ugly scene indeed. Lady Justice may wish she'd kept her blindfold on.

Mr. Hennessey is the Journal's deputy editorial features editor.

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Telephone 1-800-DOWJONES

WORLD NEWS

G-7 Faces Fractured Political Landscape

At global summit in Italy, leaders cope with the rise of far-right factions

By Ken Thomas and Marcus Walker

FASANO, Italy—President Biden has been a coalition-builder on the world stage. But as he seeks re-election, he is facing the re-emergence of the far right—and the specter of the strongman—both at home and abroad.

Biden’s ability to hold together a Western alliance, central to the defense of Ukraine in its war against Russia, is at the forefront as he attends the Group of Seven industrialized nations summit in Italy.

The meetings fall at a tough time for Biden’s campaign and his efforts to promote democracy and alliances abroad. Former President Donald Trump’s inward-looking model, emphasizing high barriers to trade and immigration, and a transactional approach to international relations, is serving as a challenge to Biden’s approach at home and in Europe, where some far-right parties made gains in the European Union elections.

“It has a feeling, to me, of last chance to do something big before things may change

significantly,” said Josh Lipsky, senior director with the GeoEconomics Center at the Atlantic Council, a Washington-based think tank.

The G-7 nations—the U.S., Canada, France, Germany, Italy, Japan and the U.K.—have formed a bulwark of support for Ukraine in its battle against Russia, providing Kyiv with billions of dollars in military and humanitarian aid.

Ahead of the summit, the Biden administration announced a new set of sanctions and export controls targeting Russia’s ability to access foreign technology, equipment, software and information technology, and ratcheted up the risk of financial institutions supporting Russia’s war effort.

Future assistance for Ukraine hinges on G-7 nations remaining united in that cause, however, and recent elections, along with Biden’s November contest, could put that support to the test. The leaders of all seven nations, Biden included, are posting low approval ratings.

In much of Europe, sluggish growth, the high cost of living, immigration and the war in Ukraine are fueling political anxiety and frustration with political incumbents.

French President Emmanuel Macron called snap national elections Sunday after his centrist party was trounced by the far-right op-



President Biden arrives in Italy for the Group of Seven summit.

position National Rally in elections for the European Parliament. German Chancellor Olaf Scholz fared little better in the European elections.

Biden is scheduled to meet Thursday with Ukrainian President Volodymyr Zelensky on the sidelines of the G-7 and hold a joint news conference, said John Kirby, a spokesman for the National Security Council.

The prospects of Trump’s return to the world stage will loom over the event. Polls have shown Biden and Trump, the presumptive Republican nominee, engaged in a tight contest.

Trump has embraced far-right leaders around the world, many of whom echo his strict border policies and tough rhetoric about immi-

grants. He has praised Marine Le Pen, the leader of France’s National Rally, and formed a close friendship with Hungarian Prime Minister Viktor Orban, who has pushed back on European support for Ukraine.

Biden has sought to draw a contrast with his Republican rival. He traveled to France last week to commemorate the 80th anniversary of the Normandy landings, events he used to make the case for democratic principles and sustained Western commitment to Ukraine.

“We will not walk away because if we do, Ukraine will be subjugated,” Biden said in Normandy.

Biden is expected to deliver that message at the G-7 and next month when he convenes the annual NATO summit in

Washington to mark the 75th anniversary of the alliance.

Trump has long sparked concern over the future of the NATO alliance with threats that the U.S. won’t respect the military bloc’s collective-defense pact if a member country that hasn’t met the alliance’s military-spending quota comes under attack. Nations who are members of the alliance pledge to spend 2% of their gross domestic product on defense.

Biden frequently points to the current moment as a crucial one for democracies to show they can deliver for their citizens. In fundraisers, he has recalled attending his first G-7 as president and telling Macron in the meeting that “America is back. [Macron] looked at me and said, ‘For how long, Joe?’ ”

Ukraine will figure prominently in the discussions in Italy. G-7 leaders hope to reach agreement on a financing plan that would provide Ukraine with as much as \$50 billion in aid based on the investment returns generated by roughly \$300 billion in frozen Russian assets. The sovereign assets were frozen by the U.S. and Europe after Russia’s 2022 invasion of Ukraine. The Biden administration is hoping to create a financial instrument to deliver years worth of expected profits on Russian assets, mostly interest payments, to Kyiv in the short term.

Ukraine, China, Israel Top Issues

In addition to coordinating aid to Ukraine at the Group of Seven industrialized nations summit, the U.S. must persuade European allies to confront China for its support of Moscow with exports that have enabled Russia to rebuild its military amid unprecedented Western sanctions.

President Biden also is facing cracks with European leaders over his staunch support for Israel as it pursues its offensive against Hamas in the Gaza Strip.

Some European nations have said they would recognize an independent Palestinian state, reflecting their deepening frustration with Israel and the rising civilian casualties.

Donald Trump’s appearances at G-7 summits during his tenure as president rattled Western allies. Among other things, he refused in 2018 to sign a joint statement along with allies.

Italy’s Far-Right Prime Minister Slips Into Mainstream

By Marcus Walker

A few days ago, Italy’s right-wing prime minister, Giorgia Meloni, was campaigning for votes as a scrappy underdog, presenting herself as “that bitch Meloni.”

Now she is preparing to ascend the pinnacle of the global elite: Hosting President Biden and other leaders of Group of Seven major advanced economies at a summit in Italy.

Meloni’s strong performance in Sunday’s elections for the European Parliament has confirmed her as one of Europe’s rising power brokers, and as that rarest of phenomena in Rome: the head of a stable government.

“I’m proud that this nation will present itself at the G-7 and in Europe with the strongest government of all,” Meloni told supporters of her Brothers of Italy party on Sunday, noting the novelty. Italians are used to their governments collapsing every other year.

Her rise owes much to her ability to please her party’s far-right base on identity issues such as Muslim immigration and same-sex parents, while reassuring center-right voters that she is a safe pair of hands, including in managing Italy’s fragile finances. Her hybrid of right-wing culture war and establishment-friendly foreign and economic policies could become a model for other far-right parties in Europe that are looking to gain power and broader acceptance.

The G-7 summit, which starts Thursday, gives Meloni three

days in the global spotlight to project the smoother side of her political persona: That of a respectable stateswoman negotiating with allies about global trade and geopolitics.

The continent’s political right performed strongly in the European Parliament elections, but it is rife with divisions—especially between moderate pro-business conservatives and nativists with authoritarian leanings. Few politicians have yet managed Meloni’s trick of straddling both voter groups.

“She has quite cleverly positioned herself as the respectable radical right, and as someone that Europe and the U.S. can do business with,” said Daniele Albertazzi, a political scientist at the U.K.’s Surrey University.

Meloni has broken with the European far-right’s traditional admiration for Russian President Vladimir Putin, becoming an advocate of sanctions against Moscow and Western aid for Ukraine. While other right-wing populists rail against the European Union and its currency, the euro, Meloni has embraced EU institutions and sought to change policies from within, including on immigration.

During the European election campaign she displayed the pugnacious style that fires up her base. Meeting a center-left opponent who once described her as a *stronza*, equivalent of “bitch,” she introduced herself by adopting the epithet: “I’m that bitch Meloni. How are you?” The video went viral.

“Her message is ‘I’m still



Giorgia Meloni’s strong performance in European Parliament elections has confirmed her as one of Europe’s rising power brokers.

Giorgia, I’m just one of you.’ She speaks like a woman in the local supermarket. It’s traditional populist rhetoric,” said Albertazzi.

Many of the other G-7 leaders are struggling at home. U.K. Prime Minister Rishi Sunak is expected to be trounced in British elections in July. French President Emmanuel Macron and German Chancellor Olaf Scholz suffered setbacks in the European elections. President Biden is facing a tight election race against Donald Trump.

Voters are penalizing political incumbents in most of Europe, but not in Italy, Meloni noted in an interview with Italian state broadcaster RAI

on Monday. “Italy can be an anchor in the chaos and uncertainty,” she said.

Brothers of Italy won 29% of the vote Sunday, its best-ever result in a nationwide ballot, and Meloni’s overall center-right alliance reached 47%. Both were an improvement on national elections in 2022 when Meloni won office. In Italy’s previous national elections in 2018, Brothers of Italy was still a fringe player, winning just over 4%.

Meloni’s coalition has benefited from being relatively united compared with Italy’s divided center-left opposition. Italy has been led by the center-right for most of its history

since World War II, often in brittle coalition governments held together mainly by shared opposition to communism. But since the era of Silvio Berlusconi, who dominated politics for much of the 1990s and 2000s, the Italian right has lacked a leader who could assemble a broad-enough coalition to govern.

Meloni has followed broadly similar policies to Berlusconi, centered on trimming income taxes and welfare benefits, without pushing ambitious economic overhauls to boost Italy’s chronically low growth. Ironically, her support remains solid even though voters think she has performed poorly on her signature issue: controlling

immigration. She promised to stop migrants from crossing the Mediterranean from North Africa, but has found there is no easy way to do it.

Much of Europe’s political establishment still views Meloni with suspicion because of her ideological roots. She was a youth activist in the Italian Social Movement, or MSI, a party founded by former members of Mussolini’s fascist regime. She rose through the ranks of MSI’s successor parties, eventually founding Brothers of Italy, which has kept the MSI’s symbol of a flame in Italy’s national colors. Meloni says fascism is history and her party is democratic.

WORLD WATCH



FREEDOM: K-pop boy-band BTS member Jin, center, was discharged Wednesday from his mandatory South Korean military service. Fellow BTS members Jimin, left, and RM joined him.

CUBA
Russian Warships Arrive for Drills
A fleet of Russian warships reached Cuban waters on Wednesday ahead of planned military exercises in the Caribbean that some see as a projection of strength as tensions grow over Western support for Ukraine.

The fleet, made up of a frigate, a nuclear-powered submarine, an oil tanker and a rescue tug, crossed into Havana Bay after drills in the Atlantic Ocean. A senior U.S. administration official said the intelligence community has determined no vessel is carrying nuclear weapons. The official, who spoke on condition of anonymity to provide details that weren’t announced publicly, said Russia’s deployments “pose no direct threat to the United States.”

U.S. officials expect the ships to remain in the region through the summer.

—Associated Press

YEMEN
Rebels Target Ship Using Boat Bomb
Yemen’s Houthi rebels launched a boat-borne bomb attack against a commercial ship in the Red Sea on Wednesday, authorities said, the latest escalation despite a U.S.-led campaign trying to protect the vital waterway.

Yemen’s military spokesman, Brig. Gen. Yahya Saree, claimed responsibility for the attack, identifying the vessel targeted as the Liberian-flagged, Greek-owned bulk carrier Tutor.

The Houthis have launched more than 50 attacks on shipping, killed three sailors, seized one vessel and sunk another since November, according to the U.S. Maritime Administration. A U.S.-led airstrike campaign has targeted the Houthis since January, with a series of strikes May 30 killing at least 16 people and wounding 42 others, the rebels say.

—Associated Press

ARGENTINA
Senate Vote Gives Milei Initial Win
Argentina’s Senate approved key state overhaul and tax packages proposed by President Javier Milei, delivering an initial legislative victory to the libertarian leader.

Senators voted 37-36 late Wednesday to give their overall approval to the state overhaul bill after 11 hours of heated debate. But the lawmakers still needed to approve individual measures in an article-by-article vote expected to last throughout the night.

If the Senate approves the bills with modifications, the lower house still has to OK them before Milei can officially pass his first law since entering office last December.

Earlier, protesters urging senators to reject Milei’s program hurled sticks, stones and Molotov cocktails at police, who fired water cannons and tear gas to disperse the crowds.

—Associated Press

Oil Glut Forecast by End of 2020s

International energy watchdog expects supplies to surge, demand to weaken

By **GIULIA PETRONI**

Global oil markets are headed toward a major glut this decade, a global energy watchdog forecast, citing surging supplies and slowing demand growth for crude thanks to lower-emissions energy sources.

The International Energy Agency, whose members include the world’s biggest oil

consumers, predicted in its closely watched medium-term oil-market report that spare capacity—the amount of pumping capacity left unused because of adequate supply—could surge in coming years to levels only seen during the Covid-19 pandemic.

Oil-demand growth is set to peak by 2029 and start to contract the next year, reaching 105.4 million barrels a day in 2030 as the rollout of clean-energy technologies accelerates, according to the Paris-based organization.

Meanwhile, oil-production capacity is set to increase to nearly 113.8 million barrels a

day, driven by producers in the U.S. and the Americas.

“This would result in levels of spare capacity never seen before other than at the height of the Covid-19 lockdowns in 2020,” the IEA said on Wednesday. “Such a massive oil production buffer could usher in a lower oil price environment, posing tough challenges for producers in the U.S. shale patch and the OPEC+ bloc.”

Despite the slowdown, global oil demand in 2030 is still forecast to rise by 3.2 million barrels a day from 2023, the agency said. The increase will be driven by

strong demand from economies in Asia, particularly in India and China. But rising electric-car sales, fuel-efficiency improvements and the use of renewables for electricity generation will increasingly offset gains.

In advanced economies, demand is forecast to fall from around 45.7 million barrels a day in 2023 to 42.7 million barrels a day in 2030. Excluding the pandemic, the last time that oil demand was that low was in 1991, according to the IEA.

Meanwhile, global production capacity growth will be led by producers outside of

the OPEC+ alliance—particularly the U.S., Brazil, Canada, Argentina and Guyana—which are forecast to account for three quarters of the expected increase to 2030.

OPEC+ oil-production capacity is forecast to grow by 1.4 million barrels a day from 2023 through 2030, led by Saudi Arabia, the United Arab Emirates and Iraq. According to the IEA, the group’s total oil-market share dropped to 48.5% this year—the lowest since the alliance was formed in 2016—due to its voluntary output curbs.

The IEA cited various risks

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Musk Says Early Tesla Pay Vote Shows Him Winning

By **CHRISTINA ROGERS**

Tesla Chief Executive **Elon Musk** said late Wednesday on X that preliminary voting results show shareholders backing proposals to ratify his pay package and reincorporate the company in Texas by “wide margins.”

In the post, he included line graphs showing the cumulative “for” votes on both resolutions above the line needed for approval. The post came ahead of the company’s annual shareholders meeting Thursday, at which the final results are expected to be announced.

The results provided by Musk are preliminary, and voters can change their votes until the polls close at the meeting on Thursday.

He added in the post: “Thanks for your support!!”

The results had been unclear earlier Wednesday as

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Startup Aims to Tame Energy-Price Swings

By **ALEXANDER OSIPOVICH**

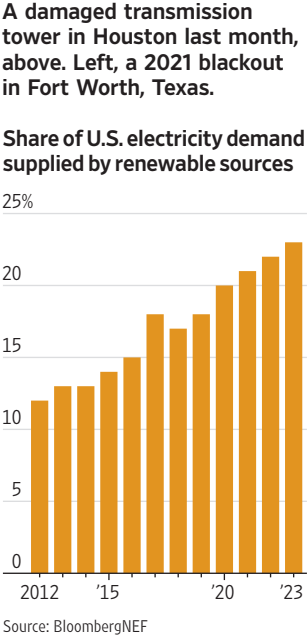
A startup is aiming to build a marketplace where companies can shield themselves from the wild price volatility associated with intermittent wind and solar power, along with extreme weather events such as the recent Texas heat waves.

ElectronX has raised a \$15 million seed round from investors led by former Google CEO Eric Schmidt’s venture-capital firm, Innovation Endeavors. The startup announced the funding round Wednesday, after it was first reported by The Wall Street Journal.

Based in Chicago, ElectronX is applying for a license from the Commodity Futures Trading Commission to run a futures exchange. If approved, ElectronX would be taking on two large incumbents that already operate electricity futures markets: Intercontinental Exchange, or ICE, and Germany’s Deutsche Börse, which offers U.S. electricity futures through its Nodal Exchange unit.



FROM TOP: REGINALD MATHALONE/NURPHOTO/ZUMA PRESS; COOPER NEILL/REUTERS



Crypto Firm to Pay \$4.5 Billion Penalty To SEC

By **ALEXANDER OSIPOVICH** AND **DAVE MICHAELS**

Fallen crypto tycoon Do Kwon’s company, **Terraform Labs**, agreed Wednesday to one of the largest penalties ever to settle a civil securities-fraud lawsuit, consenting to pay the Securities and Exchange Commission just under \$4.5 billion and wind down its operations.

Kwon himself agreed to pay \$204 million as part of the deal. The former chief executive of Terraform Labs was arrested last year in the Balkan country of Montenegro, where he remains in immigration detention. Both the U.S. and South Korea are seeking his extradition.

A court still needs to approve the deal between Terraform Labs and the SEC. If approved, the settlement would

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Nicotine-Pouch Shortage Spurs Philip Morris Production Rush

By **JENNIFER MALONEY** AND **JOSEPH PISANI**

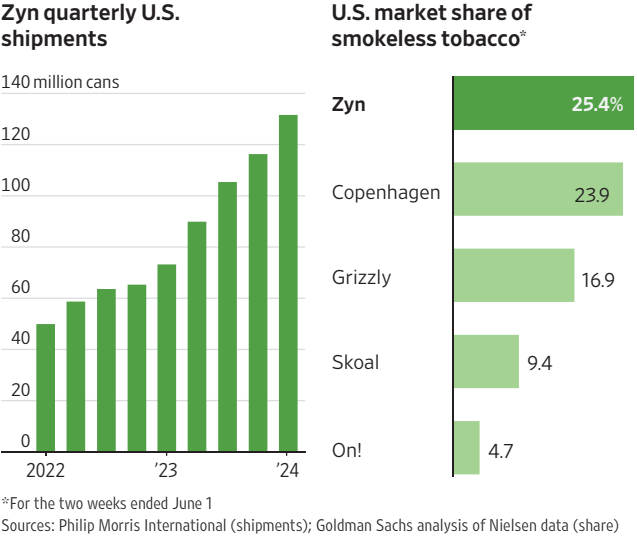
America’s favorite nicotine pouch has become so popular that its factory can’t churn out the product fast enough.

Zyn’s U.S. sales growth has slowed and its market share has slipped in recent weeks as a nationwide shortage of the product has led to some stores being out of stock. Many products on the brand’s website this week were listed as back-ordered.

On social media, users who can’t find the pouches have jokingly labeled the shortage the “Zyndemic” or “The Great Zynpression,” and have posted photos of signs in stores saying they are out of Zyn.

Zyn has been available in the U.S. since 2014 but its sales have skyrocketed over the past year and a half, propelled by a wave of unofficial “Zynfluencers” promoting the brand on social media.

The pouches—an alternative to cigarettes—look like little tea bags, and come in flavors such as mint, cinna-



mon, coffee and citrus. They tuck discreetly into the cheek and don’t require users to spit. The pouches are comparable in risk to pharmaceutical products such as nicotine gums or patches, public-health experts say.

Zyn’s manufacturer, tobacco giant **Philip Morris International**, is working to add production capacity at the brand’s sole U.S. factory in

Owensboro, Ky., but the problem won’t be fully resolved until the end of the year, said Philip Morris spokesman Travis Parman. The company has already made process adjustments to increase production at that factory, he said. Next year, the company plans to open an additional U.S. production facility for Zyn.

“The actions that we’ve

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Sony Pictures acquires the Alamo Drafthouse Cinema theater chain. **B4**

Chewing-Gum Mainstay Tries to Regain Its Mojo

By **KATIE DEIGHTON**

Mars Wrigley is spending millions of dollars in a bid to restore chewing gum to its former glory with consumers, starting with an international ad campaign that jettisons typical category promises such as fresh breath or great taste.

Mars is instead promoting its Orbit and Extra gum brands through the lens of mindfulness, purporting that mastication can silence anxious thoughts, improve focus or boost confidence. “Quiet your mind mouth with Extra Gum,” one ad concludes.

The investment represents a new commitment to gum, which in recent years has been chewed up by the pandemic and spat out by big player **Mondelez**. Gum sales have been looking soft for years, with blame cast everywhere from younger consumers’ desire for natural ingredients to the drop in store visits during the Covid-19 lockdowns.

Global gum sales fell to \$16.1 billion in 2020 from \$19.5 billion the year prior and only crept back up to \$18.6 billion in 2023, according

to market-research firm Euromonitor, which is forecasting sales of \$19.7 billion this year. The industry’s peak to date came back in 2011, when nearly \$25 billion of gum was sold in today’s currency.

The U.S. gum market last year rebounded to \$3.39 billion in sales, just beating its 2019 revenue of \$3.15 billion and thereby erasing its own pandemic plunge, according to data from Circana. But the U.S. total masks a 27% decline in unit sales since 2019, while prices per unit rose nearly 50%. U.S. gum sales peaked in 2010, according to Euromonitor.

Brands across the category have tried to use marketing to reposition the benefits of gum, cycling through the classics of fresh breath and long-lasting taste to claims like greater confidence in romantic situations.

Mars says the time is right to invest in its gum portfolio as sales naturally pick back up after the pandemic. The company also wants to get more people to buy gum online, so it is working on ways to create purchase opportunities at e-commerce checkouts and

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Crypto Firm to Pay \$4.5 Billion

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be one of the biggest achievements to date by authorities around the world seeking accountability over the collapse of Kwon's TerraUSD and Luna cryptocurrencies in May 2022.

Still, the SEC may only end up receiving a fraction, if any, of the penalty. Terraform Labs is in bankruptcy proceedings and says it has less than half a billion dollars in assets.

The 2022 crash erased some \$40 billion in value from the digital-currency markets and wiped out the savings of thousands of investors worldwide. Kwon had heavily hyped TerraUSD and Luna before the crash. He mocked his critics on social media as “idiots” and told one: “I don't debate the poor on Twitter.”

A New York jury in April found Kwon and Terraform Labs liable for securities fraud after a two-week civil trial. The SEC brought the enforcement action as part of a yearslong effort to rein in crypto's Wild West actors.

The SEC said in a letter to U.S. District Judge Jed Rakoff on Wednesday that the multi-billion-dollar penalty was a fair punishment for “one of the largest securities frauds in U.S. history.”

“If approved, the proposed judgment will send an unmistakable deterrent message to not only those who engage in

brazen misconduct, but also to all those who seek to evade the requirements of the federal securities laws by crafting new standards of behavior for crypto assets that fall under the purview of the federal securities laws,” the SEC said.

Terraform filed for bankruptcy in January, saying it could be forced out of business if it lost its coming fraud trial. In an April 30 court filing, Terraform said it had \$430.1 million in assets, against \$450.9 million in liabilities.

Even if the Terraform bankruptcy estate finds the money to pay the SEC, the agency would need to wait in line behind other creditors. The penalty would count as a general unsecured claim in Terraform's bankruptcy case, meaning that higher-priority creditors, such as lenders, would get paid first before any money goes to the SEC.

The proposed deal is effectively a capitulation by Terraform. After losing its trial, the crypto firm argued that it should pay a minimal penalty of just \$1 million. The SEC sought \$5.3 billion, the bulk of which was disgorged profits from Terraform's sales of TerraUSD and Luna before the 2022 crash. Terraform also agreed to waive its right to appeal the judgment.

A spokesman for Terraform declined to comment.

Under the proposed deal with Kwon, the fallen tycoon would transfer the \$204 million directly to the Terraform bankruptcy estate for distribution to harmed investors.

In a parallel case, federal prosecutors in New York have charged Kwon with eight criminal counts of fraud. Kwon has denied committing fraud.

cess. To try to overcome the judge's objections, Tesla put the package up for a fresh vote.

The pay package at issue gave Musk the opportunity to receive options on about 303 million shares (adjusted for subsequent stock splits) if Tesla's market value and measures of sales and profit hit a series of targets.

When the package was initially approved, the targets appeared ambitious for a company then bleeding cash. By last year—after leading the electric-vehicle boom—the company had hit all the marks. The awards had vested, becoming fully Musk's property, but he has yet to exercise the options, which are now worth tens of billions of dollars.

BUSINESS & FINANCE

Nike Loses to Puma in EU Trademark Dispute



WOLFRAM STENBERG/DPA/REUTERS

Nike suffered a setback in its bid to trademark the capitalized version of the word “footware” for technology-related products after a European Union court upheld a complaint from German rival Puma.

The General Court of the European Union, the bloc's second-highest, effectively dismissed Nike's trademark application and ordered the world's biggest shoemaker to pay legal costs in Puma's favor.

Nike may appeal the decision from the General Court

to the EU's highest court, the European Court of Justice. The company didn't respond to a request for comment.

A Puma spokeswoman said the company welcomed the ruling since Puma has long argued that at least some consumers would misread the term “footware” as “footwear” and “therefore will only see the sign ‘footware’ as descriptive information,” a product category that can't be trademarked.

Oregon-based Nike sought to use “footware,” a play on words between “foot” and

“software” or “hardware,” for a range of tech-related products.

The court's decision follows a series of legal tussles with rival sportswear manufacturers after Nike filed trademark applications for the term in the U.S., the U.K. and Europe in 2019.

In mid-2021, Nike won out against Puma after the U.K. High Court granted the trademark, despite the latter's complaint that “footware” could mislead some consumers. The German sportswear manufacturer argued that the label

would be seen by the public as a misspelling of “footwear,” rather than a product name in its own right.

Earlier this year, the Trademark Trial and Appeal Board halted Nike's attempt at a trademark in the U.S.

The decision came after a complaint from San Antonio Shoemakers, an American sneaker manufacturer, which argued the term was merely descriptive, as the words “footware” and “footwear” were often used interchangeably to refer to shoes.

—Enes Morina

Startup Eyes Energy Prices

Continued from page B1

mix in the U.S., and it's caused a lot of intermittent stability issues,” said Sam Tegel, chief executive of ElectronX.

Meanwhile, extreme weather events—which scientists expect to grow more frequent with climate change—also are roiling energy markets. A freak winter storm that left millions of Texas residents without electricity in February 2021 cost power companies more than \$10 billion, according to S&P Global Market Intelligence. On the evening of May 8, wholesale electricity prices in the Dallas

area skyrocketed to just under \$5,000 per megawatt-hour from about \$142 in two hours amid a heat wave and power-plant outages, according to data provider GridStatus.io.

ElectronX's first futures contracts will be tied to electricity prices in Texas, and it will eventually list contracts tied to power prices at locations nationwide, Tegel said.

Unlike its larger rivals, ElectronX plans to offer contracts tied to the hourly price of electricity. The startup says its hourly contracts will allow customers to have a more finetuned hedging tool than they can find at ICE or Nodal Exchange, whose electricity futures are generally based on the average price of power over a full day or month.

ElectronX says its target customers include generators of wind and solar power, operators of large-scale batteries, and data centers whose hunger



PHILIP MORRIS INTERNATIONAL

Sales of the product have been fueled by online ‘Zynfluencers.’

Nicotine Pouches Are In Shortage

Continued from page B1

taken have already started to ease the squeeze,” Parman said. Zyn's website is listing products as back-ordered because the company is giving priority to other, larger retail outlets to ensure broader availability, he added.

Hayley Richards, a 29-year-old insurance adjuster in Boston, learned of the shortage last week, when the place where she usually buys Zyn was sold out. She couldn't find any while visiting family in Rhode Island either.

“I went to three stores,” she said. “Then I just kind of gave up.”

Richards, who started using Zyn about three years ago when she gave up vaping, managed to find 15 pouches by searching her car and home for forgotten cans. She placed an order from the Zyn website, but it isn't scheduled

to arrive for two more weeks.

Because many Zyn users are addicted to nicotine and consume the pouches daily, they can't wait for Zyn to return to store shelves. Competing brands On!, Rogue and Velo have picked up market share while Zyn's has fallen. Zyn accounted for 25.4% of U.S. smokeless-tobacco sales in the two weeks ended June 1, compared with 26.8% in the two weeks ended April 6, according to a Goldman Sachs analysis of Nielsen data.

“It is clear that this very strong growth is creating some tension on availability,” Emmanuel Babeau, Philip Morris's finance chief, said last week. He said the company expects to ship 560 million Zyn cans in the U.S. this year, up from 385 million last year.

Philip Morris, which sells Marlboros and other cigarettes outside the U.S., acquired Zyn in its \$16 billion takeover of smokeless-tobacco maker Swedish Match in 2022 and has expanded distribution of the nicotine pouches.

Cans with 15 Zyn pouches cost on average about \$5.50 apiece.

Musk Says Vote on Pay Is Winning

Continued from page B1

Tesla waited on the opinions of its biggest outside investors Vanguard and BlackRock, according to people familiar with the tallies.

Musk's pay package initially passed in 2018, with 73% of voted shares supporting it. But a Delaware judge this year ordered the package rescinded, saying the board's process was “deeply flawed” and Musk had too much influence over the approval pro-

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BUSINESS NEWS

Amazon to Invest Billions in Taiwan For Data Centers

By Sherry Qin

Amazon.com will invest billions of dollars in Taiwan over the next 15 years to build data centers, the latest global technology company to expand its footprint in Asia to meet the region's growing demand for cloud services.

Amazon Web Services, the Seattle-based tech giant's cloud-computing arm, said late Tuesday that it will launch an AWS infrastructure region in Taiwan by early 2025 and invest billions of dollars "as part of its long-term commitment."

The new infrastructure will enable customers to store data securely and run workloads with low latency from data centers located in Taiwan, it said.

AWS, which provides computing, storage and other services from data centers around the world, has been accelerating cloud-infrastructure spending globally, as Amazon Chief Executive Andy Jassy has reoriented the company to focus on artificial-intelligence innovations and to catch up with Microsoft, Google and others in the space.

AWS is Amazon's most profitable unit, with first-quarter results showing the segment's bottom line rose 17% from a year earlier to \$25 billion. Amazon said the quarter's capital expenditure of \$14 billion would be the low point for the year as it ramps up spending on AWS infrastructure and generative AI investment.

Taiwan has positioned itself as the center of the global AI race, with Taiwan Semiconductor Manufacturing Co. making advanced chips to run AI software.

Since the start of 2024, AWS has disclosed plans to spend \$9 billion to expand its cloud services in Singapore, \$15 billion to build cloud capacity in Japan and more than \$5 billion each in Mexico and Saudi Arabia in the coming years. Last year, AWS said it planned to spend almost \$13 billion by 2030 to expand its data-center infrastructure in India, the world's most populous nation.

Meanwhile, Microsoft in May disclosed investment plans for Southeast Asia, while Google plans to invest \$2 billion to establish its first data center in Malaysia to power cloud services.

FedEx to Cut Up to 2,000 Employees in Europe



FedEx wants to reduce its head count in Europe by as many as 2,000 people as the parcel-delivery giant continues its cost-cutting efforts.

The Memphis, Tenn.-based delivery company said it would remove between 1,700 and 2,000 positions on European back-office and commercial teams, according to a Wednesday securities filing. Operations will be consolidated in countries that are best aligned with its needs and existing real-estate footprint, the company said.

The latest round of layoffs at FedEx comes amid a persistent shipping slowdown weighing on the industry. FedEx's efforts to reduce billions of dollars in operating expenses have included station and office closures, restructuring its Ground and Express operations and reducing its payroll across the globe.

FedEx anticipates that its latest round of layoffs will cost between \$250 million and \$375 million through fiscal 2026. Savings from the plan are expected to be between \$125 million and \$175 million annually starting in fiscal 2027.

FedEx's workforce included 328,000 full-time workers, 201,000 part-time workers and nearly 7,000 contractors as of May 31, 2023, according to an annual regulatory filing. Last year, the company said it would reduce its management roles by 10%.

FedEx is scheduled to report fourth-quarter results June 25.

—Denny Jacob

Fisker Issues Voluntary Recalls Over Problems With Software



Affected vehicles are set to receive updated software.

By Dean Seal

Fisker has issued two voluntary recalls of its Ocean SUVs in North America and Europe over software-related problems, adding to the carmaker's mounting woes.

The electric-vehicle company said Wednesday that it has issued a safety recall for 11,201 Fisker Oceans in the U.S., Canada and Europe. The affected vehicles have motor-control unit and vehicle-control unit software that could cause them to enter a safe-state protection mode and potentially experience a loss of motor power.

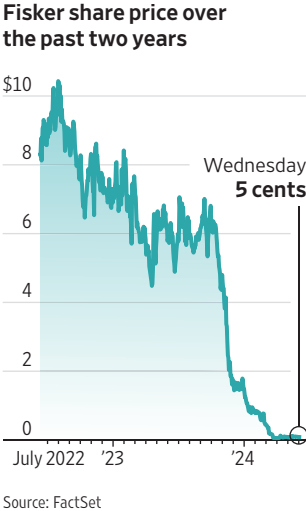
Fisker also has issued a non-compliance recall for 6,864 Ocean SUVs in the U.S., along with 281 in Canada, that don't comply with certain federal regulations covering gauges and warning indicators on their cluster displays.

All affected vehicles from both recalls are set to receive updated software via an over-the-air process. Fisker informed dealers of the recall actions last

month and will notify owners of affected vehicles by the end of this month.

The recalls are just the latest setback for the EV maker, which has been winding down operations after burning through most of its cash and defaulting on a debt agreement that has saddled it with \$180 million to repay.

The company's stock, which was trading at around \$10 two years ago, has plummeted and is currently changing hands at about 5 cents.



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UnitedHealth Group Can Notify Victims of Massive Data Breach

By Catherine Stupp

Federal regulators said **UnitedHealth Group** will be allowed to notify people whose data was exposed during a ransomware attack on its Change Healthcare unit in February. That means UnitedHealth can notify victims of the many U.S. hospitals and healthcare providers whose patients were affected by the hack, sparing providers from time-consuming and expensive work.

For months, hospitals and other care providers have urged the U.S. Department of Health and Human Services to shift the notification burden to UnitedHealth and Change, saying they lack the money and information to properly inform patients about the breach. HHS on May 31 agreed, making an exception to the federal Health Insurance Portability and Accountability Act, which generally mandates the provider notify victims.

“This should be on Change Healthcare to do this because this is a breach that happened on their watch, on their systems and because of problems that happened at their end,” said Dr. Jerome Cohen, a gastroenterologist and president of the Medical Society of the State of New York.

A spokesman for UnitedHealth said the HHS decision “reiterates our stated preference to ease the reporting obligations of our customers.” The company had previously offered to notify victims on behalf of healthcare providers.

The cyberattack on Change, which operates the largest U.S. clearinghouse medical claims, compromised the personal and health data of potentially one-third of the U.S. population, UnitedHealth Chief Executive Andrew Witty said in a congressional hearing May 1.

The company said in re-



UnitedHealth CEO Andrew Witty told a congressional hearing in May that the cyberattack on Change compromised the personal and health data of potentially one-third of the U.S. population.

sponse to questions from the Senate Finance Committee Monday that it is still conducting an investigation into what data was breached by hackers, and warned it could contain sensitive information such as names, addresses, medical codes and insurance numbers. UHG hasn’t provided a firm timeline for when it expects to complete its investigation.

The costs of disclosing a data breach vary, but they can grow quickly. Companies need to identify the people affected, find their addresses and print and mail letters or hire a company to do it. Breached businesses often set up a separate customer service line for people to call with questions. Some states require companies to offer free credit-monitoring to help victims prevent identity theft. Even when not required, com-

panies often do it anyway. Companies also frequently hire outside counsel, forensic experts to investigate the breach and public relations firms, said Melissa Krasnow, a partner at VLP Law Group.

Cyber insurance often covers notification expenses, Krasnow said. In his congressional testimony, Witty said UnitedHealth didn’t have outside cyber insurance and opted instead to self-insure.

Having UnitedHealth notify victims will benefit patients, said Anahi Santiago, chief information security officer at ChristianaCare, a hospital system based in Delaware. A patient who undergoes surgery, for example, might have data collected by various sources including a hospital, a visiting surgeon, a pharmacy and home-health aides, and it could be difficult for United-

Health to figure out which party it received the patient’s data from in the first place, she said.

With one company handling notification, patients will be spared from receiving multiple letters from different places, she said.

“It not only saves a lot of time and effort for organizations with that notification obligation but a lot of angst and confusion for the many, many patients,” Santiago said.

Plus, hospitals and doctors don’t know what personal data was compromised or which patients were affected, so they wouldn’t be able to answer follow-up questions about the breach, said Errol Weiss, chief security officer at the Health Information Sharing and Analysis Center, a nonprofit that helps healthcare groups exchange information about cyber threats. Only UnitedHealth can identify who was affected and what the risks are to those people, he said.

“They really need to take responsibility for the data leak,” he said.

Sony Pictures Buys Alamo Drafthouse

By Victoria Albert
And Robbie Whelan

Sony Pictures Entertainment has acquired the eclectic dine-in theater chain **Alamo Drafthouse Cinema**, a bet on the future of moviegoing.

The deal, an unusual example of a studio owner buying a theater chain, gives Sony control over a popular date-night destination that bills itself as a magnet for cinephiles. Most Alamo locations are in big U.S. cities like New York; Los Angeles; Austin, Texas; and Boston.

It comes amid a summer box-office slump and as Hollywood grapples with how to convince audiences to leave their couch to go to the movies.

Alamo, which offers a blend of mainstream and lesser-known films, is North America’s seventh-largest theater chain, with locations in 25 metro areas and more than 10 million visitors annually, Sony said.

At Alamo theaters, moviegoers can order food and drinks, including movie-themed alcoholic beverages, which are served seat-side. Movie theaters are increasingly offering creative menus and new attractions to make trips to the theater more exciting.

Alamo will continue to operate the more than 30 cinemas it owns, Sony said. Sony de-

clined to comment on the terms of the deal.

The deal marks Sony’s first foray into live events, with the establishment of a new division known as Sony Pictures Experiences. It will be led by Alamo Drafthouse CEO Michael Kustermann, who will keep his position as head of the theater chain.

For now, the new division will focus on the moviegoing experience. More than half of Alamo’s revenue comes from concession sales, and perks including food and drink have helped the brand develop a loyal fan base, Sony said.

Alamo, founded in 1997 by Tim and Karrie League, started out as a single-screen theater converted from a parking garage in Austin, Texas. It opened its first venue outside the state in 2009. The company’s headquarters will remain in Austin, Sony said. Alamo will remain independent, Sony said, and pictures produced by Sony’s movie studios won’t be given preferential treatment.

Sony acquired Alamo from owners Altamont Capital Partners, Fortress Investment Group and Tim League. That group bought the company after Alamo filed for chapter 11 bankruptcy in 2021, as theater chains were affected by prolonged closures due to the Covid-19 pandemic.



Alamo Drafthouse Cinema operates theaters in major cities.

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BUSINESS NEWS

AI Strengthens Link Between CIOs, CEOs

By Belle Lin

Artificial intelligence is pushing chief information officers closer to the corner office than ever before.

More CIOs are reporting directly to their chief executives, rather than chief financial officers, a reflection of the role's increased importance in helping set corporate AI strategies to keep up with competitors.

CIOs have traditionally managed information-technology systems like data centers, cloud computing and business software, but must also now modernize IT and data systems to take advantage of generative AI—or even set the AI game plan. That is giving them a bigger share of responsibility for business leadership.

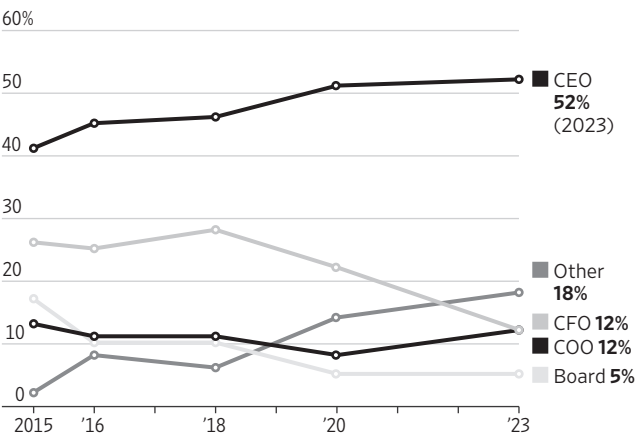
“They’re putting more and more on the shoulders of that human being,” said Rob Zelinka, CIO of financial technology firm **Jack Henry & Associates**. “That person is probably responsible for their data strategy, their AI strategy, the technology strategy.”

About 63% of U.S.-based technology leaders surveyed by consulting firm Deloitte in February say they report directly to their chief executives. That reporting relationship has been on the rise for U.S. CIOs in recent years, growing from 41% in 2015 to 52% in 2023.

At the same time, fewer CIOs are reporting to chief financial officers: 12% in 2023, versus 26% in 2015, Deloitte found.

The change is significant, analysts and CIOs say, because

Who CIOs say they report to



Source: Deloitte Global Tech Leader Surveys

it signals recognition of technology's strategic importance. In reporting structures where CIOs report to CFOs or chief operating officers, IT is typi-

cally viewed as a cost and support function, not a profit driver.

It also underscores how generative AI is being led

from the very top. Unlike prior waves of innovation that were funded by IT departments' internal budgets, some CEOs and boards are earmarking funds just for AI.

“Interest in generative AI at the commercial leadership level has never been higher around technology,” said Lou DiLorenzo Jr., principal and national U.S. CIO program leader at Deloitte. “Being at the table allows the tech executive or CIO to basically shape that narrative.”

Corporate interest in generative AI has been surging since late 2022, when OpenAI publicly released its ChatGPT chatbot. While most enterprises are still figuring out how to apply and govern the technology, plus which vendors to work with, CIOs now have an opportunity to guide

their organizations, DiLorenzo Jr. added.

The enterprises and CEOs that haven't been investing in data management and new technologies are most likely to ask their CIOs to set up an AI strategy, giving them full control over a critical piece of the business, said Martha Heller, CEO of IT executive recruiting firm Heller Search Associates.

And while technology shifts like mobile, cloud computing and software-as-a-service have similarly created opportunities for CIOs to add value, “the modern organization is heavily reliant upon all things data,” said Manu Narayan, the vice president of IT, data and operations at data-processing firm Confluent who oversees the organization's internal data team.

GPB Capital Founder's Criminal Trial Opens

By Ted Bunker

The trial of GPB Capital Holdings founder David Gentile and Jeffrey Schneider, who led its marketing efforts, opened Wednesday in the biggest fraud case involving a private-equity firm since the collapse of Abraaj Group six years ago.

Both men pleaded not guilty to criminal fraud and conspiracy charges in the federal district court in Brooklyn, N.Y. Prosecutors allege they used new investors' cash to cover returns owed to earlier investors in what has been described as a Ponzi-like scheme.

A third defendant in the case, Jeffrey Lash, pleaded guilty last year to one count of wire fraud, and court papers list him as a prosecution witness.

The trial is the latest criminal proceeding involving a business operating in the U.S. private markets, where regulation is scarce and investor risk

abounds.

Several other recent cases revolve around firms that touted investment funds to back private companies ahead of expected initial public offerings, including StraightPath Venture Partners and a successor firm, Legend Venture Partners. Both firms are now in receivership.

Last week, the Justice Department unsealed indictments against three men who allegedly defrauded hundreds of investors through “boiler room” sales operations that hawked pre-IPO shares. Steven Lacaj, Mario Gogliormella and Karim Ibrahim started L & G Capital to sell investments in funds set up by StraightPath and Legend, prosecutors said.

All three pleaded not guilty

to the charges, court records show.

As in other private-markets cases involving fraud allegations, the L & G Capital defendants are accused of using some investor money “to fund lavish lifestyles and make many luxury purchases,” including Rolex and Audemars Piguet watches, Bentley and Rolls-Royce cars, trips on private jets and luxury homes, the Securities and Exchange Commission said in a related civil complaint.

In the GPB Capital case, some investor money went to buy a 2015 Ferrari FF for Gentile to drive, according to a complaint from New York state regulators. The car was later sold to a GPB Capital-backed dealer at a loss.

GPB funds also were used

to set up an entity Gentile owned to operate private aircraft, Volaire Management, and pay it more than \$2.5 million, according to the New York complaint. The firm also hired a flight attendant at \$90,000 a year, the complaint alleges.

New York State Attorney General Letitia James described GPB Capital's operation as a “Ponzi-like scheme.” Actions against the firm by New York and several other states have been suspended pending the outcome of the federal criminal case against Gentile and Schneider.

U.S. prosecutors alleged that Gentile, Lash and Schneider used new money invested in the New York-based firm's private-equity funds to cover promised 8% returns for earlier investors. Schneider, the chief executive of Ascendant Capital, was GPB Capital's chief fund marketer.

The trial begins more than three years after Gentile, Lash

and Schneider were indicted and six years after state and federal authorities began raising questions about GPB Capital's operations. The firm remains in business under a court-appointed monitor, although it hasn't taken in new investor cash since 2018 and has been selling off fund assets. Most recently, the firm reported more than \$1.15 billion in regulatory assets under management, excluding the value of businesses it still holds in its funds.

Investors in GPB Capital funds haven't received distributions since 2018 and have been unable to retrieve their money. The firm took in roughly \$1.7 billion from more than 17,000 investors between 2013 and 2018.

The SEC, in a separate civil fraud case, convinced a federal judge to put GPB Capital into receivership, but the order has been stayed pending an appeal pursued by Gentile and Schneider.

Peltz Wagers On Terminix's U.K. Parent

By Chelsey Dulaney

Nelson Peltz is moving on from his **Walt Disney** defeat with a new bet on pest control.

His firm, **Trihan Partners**, said it took a “significant” stake in U.K. company **Rentokil Initial**, which owns Terminix in the U.S. Trihan is now one of Rentokil's 10 largest shareholders, the fund said. Bloomberg was first to report the investment.

Rentokil shares jumped 14% in London trading Wednesday.

Trihan said it reached out to the company to discuss “ideas and initiatives to improve shareholder value.”

Citi analysts believe one of those ideas could include moving the company's listing to the U.S. from London.

“We consider and welcome input from all of our shareholders,” a Rentokil representative said.

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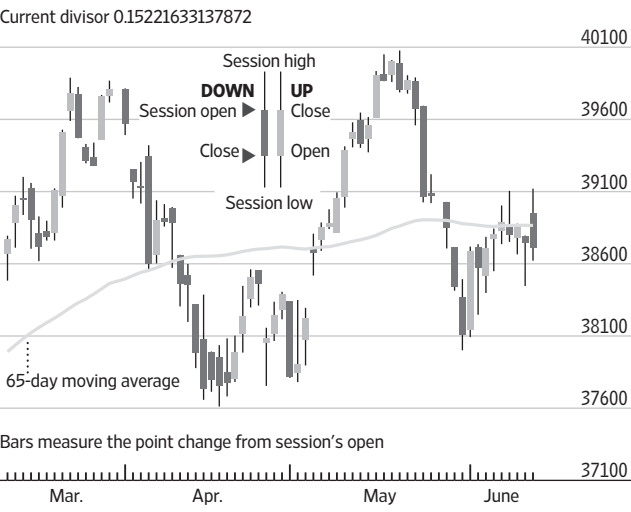
MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

38712.21 ▼35.21, or 0.09%
High, low, open and close for each trading day of the past three months.

Last	26.87	Year ago	22.63
Trailing P/E ratio	18.85		17.97
P/E estimate *	2.17		2.09
Dividend yield	40003.59,	05/17/24	
All-time high			



*Weekly P/E data based on as-reported earnings from Birlinyi Associates Inc.; *Based on Nasdaq-100 Index

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	High	52-Week Low	% chg	YTD	% chg 3-yr. ann.
Dow Jones										
Industrial Average	39120.26	38621.45	38712.21	-35.21	-0.09	40003.59	32417.59	13.9	2.7	3.9
Transportation Avg	15344.60	15107.52	15130.03	107.76	0.72	16695.32	13556.07	3.3	-4.8	-0.4
Utility Average	931.54	913.28	915.26	-4.60	-0.50	955.01	783.08	0.4	3.8	0.1
Total Stock Market	53902.54	53496.91	53610.25	492.23	0.93	53610.25	40847.04	22.8	12.2	6.5
Barron's 400	1150.11	1125.70	1138.84	13.14	1.17	1166.53	907.97	18.5	6.2	4.0

Nasdaq Stock Market										
Nasdaq Composite	17725.39	17490.64	17608.44	264.89	1.53	17608.44	12595.61	29.2	17.3	7.8
Nasdaq-100	19556.90	19347.28	19465.18	255.00	1.33	19465.18	14109.57	29.7	15.7	11.6

S&P										
500 Index	5447.25	5409.13	5421.03	45.71	0.85	5421.03	4117.37	24.0	13.7	8.5
MidCap 400	2986.43	2943.79	2951.97	38.10	1.31	3046.36	2326.82	15.0	6.1	2.4
SmallCap 600	1326.31	1302.99	1306.19	21.18	1.65	1345.71	1068.80	8.9	-0.9	-2.2

Other Indexes										
Russell 2000	2088.53	2052.17	2057.10	32.75	1.62	2124.55	1636.94	9.8	1.5	-4.1
NYSE Composite	18144.67	17919.11	18005.95	86.83	0.48	18388.26	14675.78	15.1	6.8	2.6
Value Line	598.00	585.70	591.19	5.49	0.94	615.81	498.09	4.9	-0.5	-4.8
NYSE Arca Biotech	5332.80	5253.49	5285.77	32.28	0.61	5511.46	4544.40	-2.2	-2.5	-4.1
NYSE Arca Pharma	1065.73	1055.16	1057.53	-1.15	-0.11	1063.61	837.32	22.9	16.2	12.4
KBW Bank	102.70	101.06	101.49	1.39	1.39	107.64	71.71	25.3	5.7	-7.8
PHLX ^S Gold/Silver	140.79	137.10	137.67	0.96	0.70	151.36	102.94	11.7	9.5	-4.9
PHLX ^S Oil Service	84.50	83.36	83.40	0.45	0.54	98.76	74.52	9.4	-0.6	7.5
PHLX ^S Semiconductor	5543.58	5452.85	5520.87	155.49	2.90	5520.87	3185.18	47.6	32.2	19.8
Cboe Volatility	13.15	11.94	12.04	-0.81	-6.30	21.71	11.86	-13.3	-3.3	-8.4

^SNasdaq PHLX Sources: FactSet; Dow Jones Market Data

International Stock Indexes

Region/Country	Index	Close	Net chg	Latest % chg	YTD % chg
World					
	MSCI ACWI	801.60	7.67	0.97	10.3
	MSCI ACWI ex-USA	333.26	3.73	1.13	5.3
	MSCI World	3516.30	36.36	1.04	11.0
	MSCI Emerging Markets	1068.55	2.85	0.27	4.4
Americas					
	MSCI AC Americas	2035.73	16.87	0.84	12.2
Canada	S&P/TSX Comp	21961.55	74.21	0.34	4.8
Latin Amer.	MSCI EM Latin America	2163.27	-53.79	-2.43	-18.8
Brazil	Ibovespa	119936.02	-1699.04	-1.40	-10.6
Chile	S&P IPSA	3543.01	-3.36	-0.09	2.2
Mexico	S&P/BMV IPC	52975.89	-158.17	-0.30	-7.7

EMEA					
	STOXX Europe 600	522.89	5.60	1.08	9.2
Eurozone	Euro STOXX	518.12	6.37	1.24	9.3
Belgium	Bel-20	3906.79	48.81	1.27	5.4
Denmark	OMX Copenhagen 20	2892.62	21.12	0.74	26.7
France	CAC 40	7864.70	75.49	0.97	4.3
Germany	DAX	18630.86	260.92	1.42	11.2
Israel	Tel Aviv	1978.63	...	Closed	6.1
Italy	FTSE MIB	34358.83	484.35	1.43	13.2
Netherlands	AEX	931.79	10.54	1.14	18.4
Norway	Oslo Bors All-Share	1638.35	8.01	0.49	7.8
South Africa	FTSE/JSE All-Share	77050.80	973.50	1.28	0.2
Spain	IBEX 35	11245.40	69.90	0.63	11.3
Sweden	OMX Stockholm	1000.42	17.56	1.79	10.8
Switzerland	Swiss Market	12167.59	94.67	0.78	9.2
Turkey	BIST 100	10165.52	114.15	1.14	36.1
U.K.	FTSE 100	8215.48	67.67	0.83	6.2
U.K.	FTSE 250	20497.40	230.55	1.14	4.1

Asia-Pacific					
	MSCI AC Asia Pacific	179.79	0.67	0.37	6.1
Australia	S&P/ASX 200	7715.50	-39.88	-0.51	1.6
China	Shanghai Composite	3037.47	9.42	0.31	2.1
Hong Kong	Hang Seng	17937.84	-238.50	-1.31	5.2
India	BSE Sensex	76606.57	149.97	0.20	6.0
Japan	NIKKEI 225	38876.71	-258.08	-0.66	16.2
Singapore	Straits Times	3307.44	-1.77	-0.05	2.1
South Korea	KOSPI	2728.17	22.85	0.84	2.7
Taiwan	TAIEX	22048.96	256.84	1.18	23.0
Thailand	SET	1316.69	0.59	0.04	-7.0

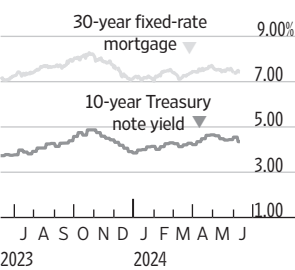
Sources: FactSet; Dow Jones Market Data

CREDIT MARKETS

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Interest rate	Yield/Rate (%) Last (●) Week ago	52-Week Range (%) Low 0 2 4 6 8 High	3-yr chg (pct pts)
Federal-funds rate target			
Prime rate*	5.25-5.50	5.25-5.50	5.00
SOFR	8.50	8.50	8.25
Money market, annual yield	5.32	5.33	5.05
Five-year CD, annual yield	0.51	0.51	0.46
30-year mortgage, fixed*	2.84	2.87	2.77
15-year mortgage, fixed*	7.43	7.40	7.01
Jumbo mortgages, \$766,550-plus*	6.86	6.87	6.34
Five-year adj mortgage (ARM)*	7.52	7.47	7.07
New-car loan, 48-month	6.65	6.69	6.08
	7.94	7.90	7.26

Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks. † Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

S&P 500 Index

5421.03 ▲45.71, or 0.85%
High, low, open and close for each trading day of the past three months.

Last	23.37	Year ago	19.14
Trailing P/E ratio *	21.72		19.52
P/E estimate *	1.36		1.62
Dividend yield *	5421.03,	06/12/24	
All-time high			



*Weekly P/E data based on as-reported earnings from Birlinyi Associates Inc.; *Based on Nasdaq-100 Index

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
NVIDIA	NVDA	11,576.9	126.05	0.85	0.68	896.97	120.45
SPDR S&P 500 ETF Trust	SPY	11,309.7	542.04	0.68	0.12	542.56	541.04
Intel	INTC	5,431.7	30.66	-0.11	-0.34	31.01	30.55
ProSh UltraPro Shrt QQQ	SQQQ	5,283.1	8.58	-0.10	-1.15	8.72	8.53
Apple	AAPL	5,161.3	213.65	0.58	0.27	216.33	202.04
Dynatrace	DT	5,041.1	46.50	-0.54	-1.15	47.04	46.00
GameStop Cl A	GME	4,326.5	26.08	0.62	2.43	26.45	24.80
Monster Beverage	MNST	3,819.3	49.77	...	unch.	50.38	49.61

Percentage gainers...

Broadcom	AVGO	1,134.2	1678.50	182.99	12.24	1697.00	1490.11
Dyne Therapeutics	DYN	54.5	34.40	1.39	4.21	34.40	33.01
Mersana Therapeutics	MRSN	71.5	2.35	0.08	3.30	2.35	2.21
MicroSectors FANG+ 3X	FNGU	56.7	421.50	13.29	3.26	425.02	406.40
Bank of Montreal	BMO	66.5	87.50	2.60	3.06	87.50	84.27
...And losers							
Dave & Buster's	PLAY	1,264.2	45.66	-4.69	-9.31	50.65	42.37
Vornado Realty Trust	VNO	86.7	23.50	-1.17	-4.74	24.68	23.50
Cytokinetics	CYTK	101.3	52.00	-2.04	-3.77	54.27	52.00
MicroSect FANG+ 3X Invr	FNGD	85.8	26.30	-0.97	-3.56	27.39	26.12
ResMed	RMD	109.4	203.48	-7.41	-3.51	210.89	203.48

Percentage Gainers...

Company	Symbol	Close	Net chg	% chg	High	52-Week Low	% chg
Direct Digital	DRCT	5.14	1.99	63.17	35.88	1.96	58.6
Telesis Bio	TBIO	4.34	1.19	37.78	39.24	3.03	-87.3
Avidity Biosciences	RNA	38.36	9.44	32.64	39.25	4.83	214.7
Linkage Global	LGCB	3.54	0.83	30.63	4.30	1.28	...
ProKidney	PROK	2.99	0.57	23.55	13.51	1.12	-73.4
Fitell	FTEL	18.43	3.18	20.85	34.06	0.88	...
CCSC Tech Intl	CCTG	2.60	0.43	19.82	30.00	2.10	...
NeoVolta	NEOV	3.02	0.48	18.90	4.40	0.63	-1.6
Beamr Imaging	BMR	5.23	0.83	18.86	34.94	0.91	74.9
Shineco	SISI	3.89	0.61	18.60	6.93	0.61	-4.0

GCT Semiconductor Holding	GCTS	4.66	0.72	18.27	56.00	3.04	-55.1
Mill City Ventures III	MCVT	3.01	0.45	17.58	3.77	2.03	27.5
vTv Therapeutics Cl A	VTVT	21.28	3.11	17.12	34.00	7.38	-27.2
Casey's General Stores	CASY	381.13	54.60	16.72	389.44	216.95	73.0
Molecular Partners ADR	MOLN	5.80	0.81	16.23	6.80	3.32	-13.9

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
NVIDIA	NVDA	296,033	-37.7	125.20	3.55	126.88	39.23
Apple	AAPL	194,669	211.3	213.07	2.86	220.20	164.08
ProSh UltraPro Shrt QQQ	SQQQ	181,323	38.6	8.68	-3.88	23.34	8.54
Golden Heaven Group Hldgs	GDHG	178,779	7479.6	0.21	14.53	24.99	0.17
Cyngn	CYN	166,525	629.5	0.10	7.89	1.25	0.07
GameStop Cl A	GME	144,237	269.0	25.46	-16.50	64.83	9.95
DDC Enterprise	DDC	103,555	364602.1	1.54	198.10	8.50	0.50
Crown Electrokinetics	CRKN	98,969	-33.1	0.09	1.07	10.86	0.04
Tesla	TSLA	89,923	0.0	177.29	3.88	299.29	138.80
Nikola	NKLA	80,168	-10.8	0.50	2.84	3.71	0.45

Futures Contracts

Metal & Petroleum Futures						
	Open	Contract High	Low	Settle	Chg	Open interest
Copper-High (CMX) -25,000 lbs.; \$ per lb.						
June	4.5265	4.5875	4.5235	4.5815	0.0585	1,939
Sept	4.5035	4.6020	4.4900	4.5595	0.0655	109,980
Gold (CMX) -100 troy oz.; \$ per troy oz.						
June	2314.90	2338.70	2310.30	2336.00	28.50	851
July	2321.70	2346.40	2315.70	2342.70	28.10	2,474
Aug	2334.00	2358.80	2327.20	2354.80	28.20	357,221
Oct	2353.50	2381.10	2350.30	2377.50	28.40	19,518
Dec	2378.70	2403.60	2372.40	2400.00	28.40	42,660
Feb'25	2398.70	2425.20	2395.20	2422.20	28.20	6,754
Palladium (NYM) -50 troy oz.; \$ per troy oz.						
June	878.00	900.00	878.00	899.80	22.90	4
Sept	895.00	937.00	887.50	911.30	20.90	26,001
Platinum (NYM) -50 troy oz.; \$ per troy oz.						
June	1028.00	1030.50	1028.00	968.20	12.60	25
July	960.80	978.30	952.40	971.00	12.10	59,217
Silver (CMX) -5,000 troy oz.; \$ per troy oz.						
June	29.825	29.860	29.750	30.176	1.043	147
July	29.185	30.355	29.280	30.267	1.036	102,752
Crude Oil, Light Sweet (NYM) -1,000 bbls.; \$ per bbl.						
July	78.22	79.32	77.88	78.50	0.60	208,528
Aug	77.80	78.94	77.56	78.15	0.60	294,287
Sept	77.30	78.44	77.12	77.68	0.60	224,333
Oct	76.75	77.86	76.58	77.13	0.59	128,436
Dec	75.65	76.75	75.50	76.04	0.55	190,504
Dec'25	71.44	72.33	71.38	71.70	0.31	107,603
NY Harbor ULSD (NYM) -42,000 gal.; \$ per gal.						
June	2.4342	2.4713	2.4230	2.4408	-0.195	80,337
Aug	2.4479	2.4842	2.4377	2.4553	-0.185	65,053
Gasoline-NY RB08 (NYM) -42,000 gal.; \$ per gal.						
July	2.4272	2.4517	2.3883	2.3944	-0.145	89,834
Aug	2.4089	2.4376	2.3772	2.3833	-0.124	100,573
Natural Gas (NYM) -10,000 MMBtu.; \$ per MMBtu.						
July	3.130	3.132	2.995	3.045	-0.084	181,007
Aug	3.194	3.194	3.073	3.122	-0.071	122,141
Sept	3.158	3.167	3.051	3.094	-0.073	196,104
Oct	3.228	3.229	3.126	3.167	-0.059	148,684
Nov	3.537	3.538	3.447	3.490	-0.041	111,378
March'25	3.612	3.615	3.537	3.573	-0.026	95,557

Agriculture Futures						
Corn (CBT) -5,000 bu.; cents per bu.						
July	449.00	455.00	448.50	454.25	4.75	492,869
Dec	464.50	469.25	462.25	468.60	3.50	481,447
Oats (CBT) -5,000 bu.; cents per bu.						
July	334.00	337.25	330.00	330.60	-3.25	1,585
Dec	357.75	361.25	349.50	350.00	-6.50	1,491
Soybeans (CBT) -5,000 bu.; cents per bu.						
July	1177.25	1186.50	1171.00	1177.25	-7.75	248,806
Nov	1150.00	1156.00	1141.00	1147.25	-4.25	280,198
Soybean Meal (CBT) -100 tons; \$ per ton.						
July	358.60	365.00	358.00	360.20	.90	139,575
Dec	353.50	355.00	350.30	352.20	-1.90	155,086
Soybean Oil (CBT) -60,000 lbs.; cents per lb.						
July	43.69	44.17	43.47	43.79	.12	166,914
Dec	44.02	44.44	43.77	44.05	.06	166,856
Rough Rice (CBT) -2,000 cwt.; \$ per cwt.						
July	17.56	18.39	17.56	18.18	.68	2,684
Sept	15.44	15.46	15.30	15.31	-.10	5,286
Wheat (CBT) -5,000 bu.; cents per bu.						
July	626.00	627.75	610.50	617.00	-9.50	129,137
Sept	645.50	647.50	630.50	636.00	-10.75	112,897
Wheat (K0) -5,000 bu.; cents per bu.						
July	653.00	654.00	634.00	637.25	-17.75	68,606
Sept	663.50	665.00	646.75	650.25	-15.75	80,943
Cattle-Feeder (CME) -50,000 lbs.; cents per lb.						
Aug	258.400	259.150	256.850	257.575	-.075	22,432
Oct	259.775	260.550	258.250	258.850	-.375	7,751
Cattle-Live (CME) -40,000 lbs.; cents per lb.						
June	184.125	184.250	183.200	183.650	-.100	9,973
Aug	179.175	179.625	177.900	178.325	-.600	124,042
Hogs-Lean (CME) -40,000 lbs.; cents per lb.						
June	91.950	92.500	91.925	92.025	.075	12,424
Aug	89.675	90.925	89.075	89.950	.850	77,192
Lumber (CME) -27,500 bd. ft. \$ per 1,000 bd. ft.						
July	494.00	501.50	489.00	498.00	2.50	8,122
Sept	507.00	511.50	503.00	507.50	...	3,315
Milk (CME) -200,000 lbs.; cents per lb.						
June	19.81	19.91	19.75	19.77	-.01	4,000
July	20.48	20.70	20.34	20.60	.07	5,015
Cocoa (ICE-US) -10 metric tons; \$ per ton.						
July	10,088	10,640	9,950	10,539	629	16,489

Macro & Market Economics

Watching the Gauges: U.S. Supply and Demand

Inventories, imports and demand for the week ended June 7. Current figures are in thousands of barrels or thousands of gallons per day, except natural-gas figures, which are in billions of cubic feet. Natural-gas import and demand data are available monthly only.

Inventories, 000s barrels						
	Current	Expected change	Previous week	Year ago	4-week avg	5-year avg
Crude oil and petroleum prod						
Crude oil	1,288,101	...	1,277	1,268	1,270	1,295
excluding SPR	459,652	-1,200	456	467	457	470
Gasoline	233,512	...	231	221	230	234
Finished gasoline	17,042	unch.	15	19	16	21
Reformulated	22	...	0	0	0	0
Conventional	17,020	...	15	19	16	21
Blend. components	216,469	...	216	202	214	213
Natural gas (bcf)						
	2,893	...	3	3	3	3
Kerosene-type						
jet fuel	42,003	...	43	42	43	41
Distillates	123,366	900	122	114	120	132
Heating oil	6,784	...	7	8	7	9
Diesel	116,582	...	115	106	113	62
Residual fuel oil	28,740	...	29	32	29	33
Other oils	307,799	...	304	294	300	297
Net crude, petroleum products, incl. SPR						
	1,658,627	...	1,647	1,620	1,639	1,851

Weekly Demand, 000s barrels per day						
	Current	Expected change	Previous week	Year ago	4-week avg	5-year avg
Total petroleum product						
	19,219	...	20,510	20,408	19,786	20,162
Finished						
motor gasoline	9,040	...	8,946	9,193	9,112	9,079
Kerosene-type						
jet fuel	1,696	...	1,731	1,543	1,732	1,567
Distillates	3,649	...	3,367	3,574	3,674	3,844
Residual fuel oil	99	...	370	139	202	305
Propane/propylene	865	...	694	570	706	...
Other oils	3,872	...	5,403	5,389	4,360	...

Note: Expected changes are provided by Dow Jones Newswires' survey of analysts. Previous and average inventory data are in millions. Sources: FactSet; Dow Jones Market Data; U.S. Energy Information Administration; Dow Jones Newswires

Exchange-Traded Portfolios | wsj.com/market-data/mutualfunds-etfs

Largest 100 exchange-traded funds. Preliminary close data as of 4:30 p.m. ET				
Wednesday, June 12, 2024				
ETF	Symbol	Closing Price	Chg (%)	YTD (%)
CommSvsSPDR	XLC	84.59	-0.21	16.4
CnsmrDisclSec	XLX	179.61	1.04	0.4
DimenUSCoreEq2	DFAC	32.29	0.97	10.5
EnlSelSectorSPDR	XLE	89.52	-1.07	6.8
FinSelSectorSPDR	XLF	40.81	-1.00	8.5
GrayscaleBitcoin	GBTC	59.95	0.12	73.2
HealthCrSelSect	XLV	146.05	-0.21	7.1
InvSelSectorSPDR	XLI	123.17	0.95	8.1
InvsNasd100	QQQM	195.09	1.29	15.8
InvsQQQ	QQQ	474.15	1.31	15.8
InvsS&P500EW	RSP	165.20	0.54	4.7
ISHBitcoin	IBIT	38.45	0.05	...
ISHCoreDivGrowth	DEFA	74.24	0.25	6.4
ISHCoreMSCIEAFE	IHERO	57.08	1.27	5.3
ISHCoreMSCIEM	IEMG	53.05	0.95	4.9
ISHCoreMSCITotInt	IXUS	68.18	1.05	5.0
ISHCoreS&P500	IIV	542.53	0.83	13.6
ISHCoreS&P MC	IVV	58.89	1.34	6.2
ISHCoreS&P SC	UR	107.31	1.57	-0.9
ISHCoreS&PTotUS	ITOT	118.06	1.95	12.2
ISHCoreS&PUSGrw	IUSG	126.17	1.52	21.2
ISHCoreTotUSDBld	IUSB	45.32	0.44	-1.6
ISHCoreUSAggBd	AGG	97.33	0.47	6.1
ISHEdgeMSCMiniUSA	USMW	82.82	-0.11	-1.9
ISHEdgeMSCiUSAQual	QUAL	170.40	0.67	15.8
ISHGoldTr	IAU	43.88	0.25	12.4
ISHBoxS&IGCpBd	LQD	107.86	0.62	-2.5
ISHMBS	MBB	92.09	0.60	-2.1
ISHMSCIAEAFE	ACWI	112.22	0.96	10.3
ISHMSCIEAFE	EFA	79.84	1.18	6.0
ISHMSCIEM	EEM	42.28	1.00	5.1
ETF	Symbol	Closing Price	Chg (%)	YTD (%)
IShNatlMuniBd	MUB	106.66	0.47	-1.6
ISh1-5YIGCpBd	IGSB	51.20	0.23	-0.1
ISh1-3YTreabD	SHY	81.47	0.14	-0.7
IShRussMC	IWR	81.66	1.04	5.1
IShRuss1000	IWB	295.52	0.84	12.7
IShRuss1000Grw	IWF	360.10	1.31	18.8
IShRuss1000Val	IWD	174.35	0.17	5.5
IShRuss2000	IWM	203.72	1.54	15
IShS&P500Grw	IIVW	91.44	1.53	21.8
IShS&P500Value	IVE	181.40	-0.13	4.3
IShSelectDiv	DIV	120.23	0.01	2.6
ISh7-10YTreabD	IEF	93.76	0.56	-2.7
IShShortTreabD	SHV	110.22	0.04	0.1
IShTIPSBond	TIP	106.35	0.15	-1.1
ISh20+YTreabD	TLT	92.52	0.75	-6.4
IShUSTreasuryBd	GOVT	22.58	4.00	-2.0
ISh0-3MTTreabD	SEOV	100.47	0.02	0.2
JPMiEqPrem	JEP1	56.41	-0.16	2.6
JPMUSShlncm	JPST	50.37	0.06	0.3
PacerUSCashCows	COMZ	54.82	...	5.4

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are consolidated from trades reported by various market centers, including securities exchanges, Finra, electronic communications networks and other broker-dealers. The list comprises the 1,000 largest companies based on market capitalization.

Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.

Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was \$2 or higher.

Footnotes:
F-New 52-week high; f-New 52-week low; dd-Indicates loss in the most recent four quarters.

Stock tables reflect composite regular trading as of 4 p.m. ET and changes in the official closing prices from 4 p.m. ET the previous day.

Wednesday, June 12, 2024			Net
Stock	Sym	Close	Chg
A B C			
AECOM	ACM	87.93	1.90
AES	AES	19.66	-0.17
Aflac	AFL	88.19	0.62
AGCO	AGCO	103.77	1.93
Ansys	ANSS	326.39	3.26
APA	APA	29.33	-0.36
ASE Tech	ASX	11.43	0.32
ASML	ASML	1068.86	32.85
AT&T	T	17.61	-0.25
ATI	ATI	58.39	0.30
Abbott Labs	ABT	104.38	-1.43
AbbVie	ABBV	166.09	-1.61
Abercrombie&Fitch	AB	192.34	6.55
Accenture	ACN	283.73	-8.49
Acuity Brands	AYI	256.97	6.21
Adobe	ADBE	459.87	-2.82
AdvDrainageSys	WMS	169.97	7.10
AdvPerformance	AMM	160.24	1.28
Aegion	AEG	6.33	0.11
AerCap	AEC	91.00	0.87
Affirm	AFRM	35.75	1.95
AffinityTechs	A	133.16	0.05
AgrioEaglefarms	AEM	65.64	0.90
Air Products	APD	283.05	2.24
Airbnb	ABNB	149.32	1.57
Akamai	AKAM	88.40	-1.31
Albermarle	ALB	112.65	-1.32
Albersons	ALC	20.01	-0.11
Alcon	ALC	92.26	1.63
AlexandriaREIT	ARE	115.73	2.17
Alibaba	BABA	78.04	0.14
AlignTech	ALGN	266.13	12.85
Allegation	ALLE	119.99	2.68
AlliantEnergy	LNT	49.85	-0.34
Allstate	ALL	160.63	-0.97
AllyFinancial	ALLY	39.94	1.37
AllylumpPharm	ALLYM	159.04	2.61
Alphabet C	GOOG	176.96	1.37
Alphabet A	GAAA	177.79	1.17
AltairEngg	ALT	97.17	2.00
Altria	MO	45.87	-0.53
Amazon.com	AMZN	186.98	-0.34
Ambev	ABEV	2.08	-0.05
Amcor	AMCR	10.05	0.07
Amdocs	DOX	76.40	-0.16
AmerSports	AS	14.41	0.01
Ameren	AEE	70.14	-0.66
AmericaMowl	AMM	16.81	-0.18
AmerAirlines	AAV	11.50	0.22
AEP	AEP	87.96	-0.45
AmerExpress	AXP	224.04	-0.49
AmericanFint	AFG	125.41	0.02
AmericanRes	AMR	35.28	-0.27
AIG	AIG	74.68	0.47
AmerTowerREIT	AMT	193.82	0.55
AmerWaterWorks	AWK	128.13	0.21
AmericaREIT	COLD	25.58	-0.66
Ameriprise	AMP	428.31	6.29
Ametek	AME	137.31	1.18
Amgen	AMGN	301.08	0.38
AmkorTech	AMKR	35.62	1.56
Amphenol	APH	68.69	1.47
AnalogDevices	ADI	238.44	2.41
AngloGoldAsh	ASH	23.30	0.91
An InBev	BUD	61.47	0.41
Ann Bancorp	NLY	19.88	0.43
AnterResources	AR	34.86	-0.51
Aon	AON	294.98	1.28
API Group	APG	38.63	1.26
ApollGblMgmt	APM	118.38	1.67
AppFolio	APF	240.07	5.89
Apple	AAPL	213.07	5.92
AppliedIntTechs	AIT	190.49	3.42
AppliedMaterials	AMAT	237.65	7.68
AppLovin	APP	76.54	-0.81
Apprivo	APR	145.83	0.33
Activ	APTV	75.27	-1.01
Armark	ARMK	33.86	0.96
ArcoelMittal	MT	24.22	-0.25
ArchCapital	ACGL	99.16	-0.42
ADM	ADM	60.47	-1.02
AresMgmt	ARES	137.49	1.71
argenx	ARGX	382.50	5.71
AristaNetworks	ANET	311.33	6.56
Arm	ARM	155.99	11.67
AscendisPharma	ASND	131.27	-0.66
AspenTech	AZPN	204.56	3.82
Assurant	AIG	168.96	-0.54
Asteralabs	ALAB	64.57	-0.56
AstraZeneca	AZN	80.07	0.84
Atlassian	TEAM	267.83	-0.33
AtmosEnergy	ATO	116.18	0.43
Autodesk	ADSK	223.02	11.52
Autoliv	ALV	113.89	0.37
ADP	ADP	246.13	-0.45
AutoZone	AZ	281.93	6.90
Avalonbay	AVB	198.76	1.56
Avangrid	AVR	35.25	-0.12
Avantor	AVTR	22.14	-0.21
AveryDennison	AVY	228.21	2.98
AxiataGblMgmt	AXTA	36.12	-0.01
AxonEnterprise	AXON	295.84	8.83
BCE	BCE	34.29	0.23
BHP Group	BHP	57.39	-0.59
Bj'sWholesale	BJ	87.89	-0.57
BP	BP	35.56	-0.11
BWV Tech	BWXT	89.51	1.02
Baidu	BIDU	94.38	0.44
BakerHughes	BKR	32.24	...
Ball	BALL	67.14	-0.72
BVBA	BVBA	10.13	-0.15
BancoBradesco	BBD0	2.17	...
BancodeChile	BCH	23.26	-0.06
BancSantChile	BSB	4.97	-0.09
BancoSantBrasil	BSBR	18.88	0.35
BancoSantander	SAN	4.93	0.01
BancoColombia	CIB	33.36	-0.63
BankofAmerica	BAC	39.41	0.55
BankMellon	BMO	84.90	1.38
BankNY Mellon	BK	58.61	-0.15
BankNovaScotia	BNS	47.34	1.02
Barclays	BCS	10.77	0.04
BarrickGold	GOLD	16.40	0.22
Bath&BodyWks	BWWI	43.47	-1.00
BaxterIntl	BAX	33.31	0.44
BectonDickinsn	BDX	233.99	-0.95
Beigence	BEG	168.11	9.52
BellRing	BRBR	57.37	0.50
BentleySystems	BS	51.38	0.68
Berkley	WRB	78.17	-0.29
BerkHathway	BKRK	408.77	0.27
BerkHathway	A BRKA	1159.91	177.17
BestBuy	BBY	86.38	0.73
Bio-Techne	TECH	77.45	0.56

Stock	Sym	Close	Net Chg	Stock	Sym	Close	Net Chg	Stock	Sym	Close	Net Chg
GameStop	GME	25.46	-5.03	KE Holdings	BEKE	15.97	0.30	Moody's	MCO	412.06	8.74
Gaming&Leisure	GLPI	43.76	0.33	KKR	KKR	111.49	1.28	MorganStanley	MS	95.65	0.22
Gap	GPS	26.45	-0.37	KLA	KLAC	827.81	29.65	Morningstar	MORN	290.00	2.84
Garmin	GRMN	164.19	2.67	Kanzhun	BZ	19.95	-0.54	Mosaic	MOS	28.08	-0.21
Gartner	IT	435.76	1.91	Kaspisk	KSPI	129.20	3.13	PureStorage	PSTG	66.89	0.33
GenDigital	GEN	24.89	0.53	Kellanova	K	58.76	-0.95	Qiagen	QGEN	44.23	0.27
Generac	GNRC	142.70	3.41	Kenvue	KVUE	17.96	-0.51	Qorvo	QROV	108.72	4.65
GeneralDynamics	GD	294.34	1.69	KeyightDrPepper	KDP	33.61	-0.22	Qualcomm	QCOM	215.39	6.87
GeneralMills	GIS	65.29	-1.69	KeyCorp	KEY	13.73	0.31	QuantaServices	PXW	276.79	5.23
GeneralMotors	GM	48.86	0.65	KeyightTech	KEYS	138.11	1.92	QuestDiag	QDIX	138.83	-1.93
Genmab	GMAB	26.77	-0.55	KimberlyClark	KIMB	135.19	-0.46				
Gentex	GNTX	34.50	0.69	KimcoRealty	KIM	18.53	0.23				
GenuineParts	GPC	142.79	0.75	KinderMorgan	KMI	19.88	0.09				
GileadSciences	GILD	64.34	-0.55	KinrossGold	KGC	7.48	-0.02				
GlobalFoundries	GFS	95.44	-1.24	KinsaleCapital	KNSL	386.62	1.85				
GlobalPayments	GPN	49.30	0.88	Knight-Swift	KNS	48.81	-0.12				
GlobeLife	GL	81.11	0.48	Phlips	PHG	26.28	0.11				
GlobeMed	GLED	66.20	0.06	KoreaElecPwr	KEP	7.27	-0.02				
GoDaddy	GDDY	138.07	-2.03	KraftHeinz	KHC	32.92	-0.73				
GoldFields	GFI	15.84	0.15	Kroger	K	50.17	-1.20				
GoldmanSachs	GS	448.70	4.43	LKQ	LQK	41.70	-0.09				
Graco	GRAB	3.65	0.03	LPL Financial	LPL	278.99	-0.15				
Grab	GGS	81.07	1.52	L3HLS	LHX	48.81	-1.25				
Grainger	GWV	914.90	14.61	Laborcorp	LC	196.36	-1.06				
GraphicPkg	GPK	18.10	0.25	LamResearch	LRX	1037.63	37.88				
GpoAerospurTus	PAC	160.67	-1.78	LamarAd	LAMR	117.35	0.24				
GpoAerospurSur	ASR	30.50	-4.11	LandWeston	LW	86.44	-0.48				
Guidewire	GWRE	135.25	-0.75	LasVegasSands	LVS	44.24	0.12				
HCA Healthcare	HCA	340.81	4.50	LatticeSemi	LSC	63.06	2.12				
HDFC Bank	HDB	60.32	1.27	Leidos	LEGN	45.75	1.50				
HF Sinclair	DINO	52.06	-1.39	Leidos	NOS	144.58	0.80				
HSBC	HSPC	36.30	0.26	Lennar A	LEN	155.00	2.77				
HSBC	HSPC	43.87	0.55	Lennar B	LENB	14.70	3.67				
H World	HLTH	34.49	0.35	LennoxIntl	LI	533.16	27.81				
Haleon	HLLN	8.32	...	LeviStrauss	LEVI	23.71	0.01				
Halliburton	HAL	34.56	0.08	Li Auto	LI	18.97	-0.11				
HartfordFinl	HIG	99.40	-0.03	LibertyBroadband	LBROK	51.18	-0.25				
Hasbro	HAS	58.31	-0.08	LibertyBroadband	LBRK	51.35	-0.12				
HealthEquity	HQY	83.07	-3.84	LibertyLiveC	LYVX	35.98	-0.11				
HealthPeakPro	DOC	19.40	0.21	LibertyLiveA	LYVX	34.74	0.09				
Heico	HEI	225.50	1.77	LibertyFormOne	LYVX	71.53	-0.20				
Heico A	HEIA	178.45	1.39	LibertyFormOne A	LYVX	64.77	-0.36				
HenryShein	HSIC	66.41	-0.10	LibertySirius A	LSXMA	21.22	0.37				
Hershey	HSY	187.22	-0.39	LibertySirius	LSXMK	21.12	0.37				
Hess	HES	145.89	-2.11	LibertySirius B	LSXMB	21.00	-0.35				
HessMidstream	HESM	50.04	0.18	Light&Wonder	LWN	93.81	-1.93				
HewlettPackard	HPE	20.91	0.35	Lihtly	LLY	867.30	1.48				
Hilton	HLT	210.71	4.83	LincolnElectric	LECO	189.58	4.51				
Hologic	HOLX	72.48	-0.42	Linde	LIN	434.17	-1.31				
HomeDepot	HD	344.14	8.42	LiveNationEnt	LVE	89.88	0.10				
HondaMotor	HMC	32.71	0.40	LloydsBanking	LVB	2.76	0.07				
Honeywell	HON	208.50	-0.98	LocheedMaring	LMT	459.11	-3.69				
HomeFoods	HRL	30.50	-0.15	Loews	L	74.66	0.49				
Hor Horton	DHI	143.73	4.17	LogitechIntl	LOGI	101.85	1.72				
Houlihan	HST	18.33	0.36	Lowe's	L	150	22.05	0.67			
HoulihanLokey	HLI	129.44	2.15	Lumina	LULU	309.81	-8.23				
HuhtelAerospac	HWM	83.43	0.25	LyondellBasell	LYB	95.91	-0.42				

J K L											
				Microsoft	MSFT	141.03	6.38	Philip Morris	PM	102.65	-1.17
				MicroStrategy	MSTR	160.67	8.18	Phillips66	PSX	136.01	-2.28
JdCom	JD	29.56	-0.15	MidAmApd	MAA	137.34	0.37	Pilgrim'sPrde	PNC	35.01	-0.01
JPMorganChan	JPM	191.53	-2.83	MissubishiUFJ	MUFJ	103.36	0.04	PinnacleWest	PWW	76.66	0.08
Jabil	JBL	120.63	2.88	MizuhoFin	MFG	0.01	0.02	Pinterest	PINS	43.90	0.11
JackHenry	JKHY	160.21	1.32	Moheylee	MBLY	29.34	-0.07	PlainsAllmPpe	PA	16.74	-0.16
JacobsSolns	J	139.82	0.33	Moderna	MRNA	147.72	-0.67	PlainsGP	PAGP	17.73	0.15
JamesHardie	JHX	31.86	1.59	MohawKinds	MHK	115.50	1.72	Pool	POOL	34.73	4.12
JeffriesFin	JEF	43.73	0.49	MolinaHealthcar	MOH	30.44	-7.44	Primerica	PRI	223.33	2.44
J&J	JNJ	145.41	-1.35	MolsonCoorsTB	TAP	50.98	0.02	PrincipalFin	PGF	78.26	0.57
JohnsonControls	JCI	71.17	0.62	monday.com	MDNY	231.55	2.94	ProcterTech	PCOR	67.65	2.52
JonesLang	JLL	254.24	7.97	Mondelez	MDLZ	66.10	-1.48	Procter&Gamble	PG	165.18	-2.30
JuniperNetworks	JNPR	35.54	0.09	MongoDB	MDB	229.25	5.45	Progressive	PGR	204.24	-6.05
KF Financial	KB	57.51	1.12	MonolithPow	MPWR	815.63	31.35	Prologis	PLD	112.81	0.63
KBR	KBR	64.39	0.59	MonsterBer	MNST	49.77	-1.39	PrudentialFin	PRU	114.96	1.26

BANKING & FINANCE

Brands Try To Refresh Gum Sales

Continued from page B1

dreaming up potential gum subscription products.

“The category is vibrant and growing again,” said Rankin Carroll, Mars Wrigley’s chief brand officer.

Rebranding such a familiar product isn’t easy, however, industry observers say.

“No one’s found a way to kind of engage people with gum and make it relevant in the way that it was before,” said Nicholas Fereday, a food and consumer trends analyst at Dutch bank Rabobank. “Often in food, startups will jump on a declining category and reinvent it. With gum, that never happened.”

Theories abound to explain



Mars Wrigley is promoting Extra and Orbit gum as a product that can improve one’s focus.

gum’s shrinking bubble.

Some say it has simply fallen out of fashion, no longer associated with youthful rebellion any more than visible tattoos and pantyhose-less legs. Some cite the declining popularity of cigarettes, undermining gum’s use to disguise the smell of tobacco.

There are other conjec-

tures. “Younger people are concerned more about artificial sweeteners and ingredients that often feature in gum,” said Lynn Dornblaser, director of innovation and insight at market research firm Mintel Group.

The pandemic also curtailed certain consumer behaviors that seemed to call for

breath fresheners, such as in-person dating and social gatherings, Dornblaser said.

Covid-19 also interrupted the behavior of picking up a pack of gum at corner and grocery stores, according to Carroll, the Mars brand chief.

“Fifty percent of gum is purchased on impulse, so when you have a good portion of your

distribution outlets closed, gum really suffers,” he said.

Mars, which isn’t a publicly traded company and declined to share sales figures for its gum business, will spend around \$50 million on the latest campaign and will reach consumers in around 70 countries, with investment particularly concentrated in Europe, Carroll said.

Previous marketing for Orbit and Extra centered on the confidence-boosting properties of gum, particularly after the pandemic, when people were disoriented after spending months apart. The new ads that rolled out to the U.S. last month continue in this vein, but commercials in other countries lean more obviously into the idea of mental wellness with surrealist images of mouths in the middle of people’s foreheads.

“This is probably the biggest shift for us, positioning-wise, in the history of the brand,” Carroll said.

Gum has occasionally been

pitched as a sort of tonic before. Ads from Wrigley, which was acquired by Mars in 2008, first dabbled in the idea that chewing is a stress reliever in the early 1900s, for example, and Trident in February 2020 released a campaign that encouraged people to “chew through” life’s problems.

Trident’s owner at the time, Mondelez International, had been struggling to keep gum sales climbing, especially in developed markets including North America.

By 2022, Mondelez announced it would unload its gum business, including Trident and Bubblicious, to Dutch gum and confectionery maker Perfetti Van Melle for \$1.35 billion.

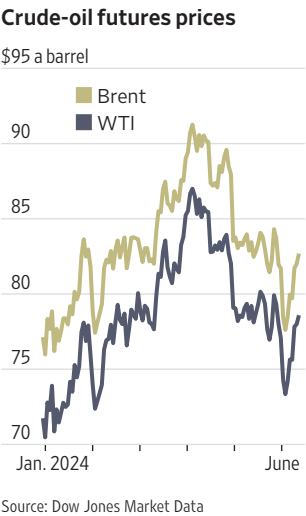
Perfetti Van Melle, a private company that already owned the candy brands Mentos and Chupa Chups, said then that the acquisition would help the company become the global leader in gum. A spokeswoman declined to comment on the potential it sees in the category.

The IEA Predicts an Oil Glut

Continued from page B1

to its demand forecast, including economic-growth estimates, the trajectory of oil prices and the pace of adoption of electric vehicles worldwide.

In the short term, the agency cut its forecast for global oil-demand growth to 960,000 barrels a day this year from previous estimates of 1.1 million barrels a day, as weak deliveries in Organiza-



tion for Economic Cooperation and Development countries pushed global demand in a

narrow contraction in March.

Oil-demand growth for next year is now forecast at one million barrels a day, down from 1.2 million barrels a day previously, on lackluster economic growth, the increasing use of electric vehicles and efficiency gains. Total demand is expected to reach an average of 103.2 million barrels a day in 2024 and 104.2 million barrels a day in 2025.

Wednesday’s reports came as Brent crude trades around \$82 a barrel, while West Texas Intermediate is around \$78 a barrel. Both benchmarks rallied about 3% earlier this week as traders seem to be buying on the back of a dip following an oil selloff sparked by OPEC+’s plan to unwind some of its production

cuts.

Prices are supported by expectations that summer fuel demand and output curbs from OPEC+ will lead to a sizable deficit in the third quarter. Bearish sentiment continues to dominate the market, with prospects of higher-for-longer interest rates in the U.S. damping the commodity’s demand outlook.

The agency’s projections remain well below OPEC’s. The cartel forecasts global oil-demand growth of 2.2 million barrels a day this year and 1.8 million barrels a day in 2025.

Total oil supply is now expected to be higher, reaching an average of 102.9 million barrels a day this year and

104.7 million barrels a day the next from previous expectations of 102.7 million barrels a day and 104.5 million barrels a day, respectively, the IEA said. Non-OPEC+ countries are still set to lead global supply, the agency said, with production expected to grow by 1.4 million barrels a day in 2024 and 1.5 million barrels a day in 2025.

OPEC+ production is forecast to fall 740,000 barrels a day this year if the group keeps its voluntary output cuts in place and to flip to a growth of 320,000 barrels a day the next.

The cartel and its allies agreed to extend voluntary curbs of 2.2 million barrels a

day to the end of September and said they aim to gradually unwind them from October 2024 to September 2025, contingent on market conditions.

Meanwhile, Russian crude exports rose by 100,000 barrels a day in May to 7.7 million barrels a day, while export revenue fell 0.6% compared with the previous month to \$16.8 billion, the IEA said. Russia’s oil production is expected to decrease by 260,000 barrels a day this year to 10.7 million barrels a day as the country carries out deeper OPEC+ production cuts, but supply is forecast to remain broadly steady through 2030 supported by the Vostok Oil project in the Arctic.

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CLASS ACTION

LEGAL NOTICE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CHRISTOPHER SPEAKES, Individually and on Behalf of All Others Similarly Situated, Plaintiff, vs.
TARO PHARMACEUTICAL INDUSTRIES, LTD., MICHAEL KALB, AND KALYANASUNDARAM SUBRAMANIAN, Defendants.

Case No. 16-cv-08318-ALC-OTW
Hon. Andrew L. Carter Jr., U.S.D.J.
Hon. Ona T. Wang, U.S.M.J.

SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION AND MOTION FOR ATTORNEYS’ FEES AND EXPENSES

To: All persons who purchased Taro common stock on the open market on a United States stock exchange from July 2, 2014 through November 3, 2016, both dates inclusive, and who were damaged thereby (the “Class”).

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY A PENDING CLASS ACTION LAWSUIT.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York, that Lead Plaintiff City of Atlanta Firefighters’ Pension Fund (“Lead Plaintiff” or “Atlanta Firefighters”), on behalf of itself and all members of the Class, and Taro Pharmaceutical Industries Ltd. (“Taro” or the “Company”), Michael Kalb, and Kalyanasundaram Subramanian (collectively, “Individual Defendants,” and, together with Taro, “Defendants,” and, together with both Taro and Lead Plaintiff, the “Parties”), have reached a proposed settlement of the claims in the above-captioned class action (the “Action”) and related claims in the amount of \$36,000,000 (the “Settlement”).

A hearing will be held before the Honorable Andrew L. Carter Jr., either in person or remotely in the Court’s discretion, on August 23, 2024, at 11 a.m. in Courtroom 1306 of the Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007 (the “Settlement Hearing”) to determine: (i) whether the Court should approve the proposed Settlement as fair, reasonable, and adequate; (ii) whether the Action should be dismissed with prejudice as against Defendants, and the releases specified in the Stipulation and Agreement of Settlement, dated April 10, 2024 (and in the Notice), should be granted; and (iii) whether Lead Counsel’s Fee and Expense Application should be approved. The Court may change the date of the Settlement Hearing, or hold it remotely, without providing another notice. You do NOT need to attend the Settlement Hearing to receive a distribution from the Net Settlement Fund.

IF YOU ARE A MEMBER OF THE CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT AND YOU MAY BE ENTITLED TO

www.TaroSecuritiesLitigation.com (855) 208-4121

A MONETARY PAYMENT. If you have not yet received a full Notice and Claim Form, you may obtain copies of these documents by visiting the website for the Settlement, www.TaroSecuritiesLitigation.com, or by contacting the Claims Administrator at:

Taro Pharmaceutical Industries Ltd. Securities Litigation
c/o JND Legal Administration
P.O. Box 91388
Seattle, WA 98111
www.TaroSecuritiesLitigation.com
(855) 208-4121

Inquiries, other than requests for information about the status of a claim, may also be made to Lead Counsel:

BERNSTEIN LIEBHARD LLP
Michael S. Bigin, Esq.
10 East 40th Street
New York, NY 10006
www.bernlie.com
212-779-1414

If you are a Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must submit a Claim Form *postmarked or submitted online no later than August 16, 2024*. If you are a Class Member and do not timely submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by all judgments or orders entered by the Court, whether favorable or unfavorable.

If you are a Class Member and wish to exclude yourself from the Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice so that it is *received no later than August 2, 2024*. If you properly exclude yourself from the Class, you will not be bound by any judgments or orders entered by the Court, whether favorable or unfavorable, and you will not be eligible to share in the distribution of the Net Settlement Fund.

Any objections to the proposed Settlement, Lead Counsel’s Fee and Expense Application, and/or the proposed Plan of Allocation must be filed with the Court, either by mail or in person, and be mailed to counsel for the Parties in accordance with the instructions in the Notice, such that they are *received no later than August 2, 2024*.

PLEASE DO NOT CONTACT THE COURT, DEFENDANTS, OR DEFENDANTS’ COUNSEL REGARDING THIS NOTICE. ALL QUESTIONS ABOUT THE PROPOSED SETTLEMENT OR YOUR ELIGIBILITY TO PARTICIPATE IN THE SETTLEMENT SHOULD BE DIRECTED TO LEAD COUNSEL OR THE CLAIMS ADMINISTRATOR USING THE CONTACT INFORMATION ABOVE.

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

BANKRUPTCIES

ATTENTION DIRECT AND INDIRECT HOLDERS OF, AND PROSPECTIVE HOLDERS OF, STOCK ISSUED BY PROSONMUS, INC.

Upon the motion (the “Motion”) of ProSonmus, Inc. (“ProSonmus”), and its affiliated debtors (collectively, the “Debtors”), on May 9, 2024, the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”), having jurisdiction over the chapter 11 cases of the Debtors, captioned as *In re ProSonmus, Inc., et al.*, Case No. 24-10972 (JTD) (the “Chapter 11 Cases”), entered an order establishing procedures (the “Procedures”) with respect to direct and indirect transfers of, and claiming a worthless stock deduction with respect to, common and preferred stock of ProSonmus (collectively, “ProSonmus Stock”), including options to acquire ProSonmus Stock, and scheduling a hearing on a final order with respect to such Procedures.

In certain circumstances, the Procedures restrict (i) transactions involving, and require notices of the holdings of and proposed transactions by, any person that is or as a result of such a transaction, would become a Substantial Stockholder of the ProSonmus Stock and (ii) claims by any 50-percent Shareholder of a worthless stock deduction under section 165(g) of the Internal Revenue Code with respect to the ProSonmus Stock (a “Worthless Stock Deduction”). For purposes of the Procedures, a “Substantial Stockholder” is any Person that Beneficially Owns, at any time on or after the Petition Date, (a) 782,911 shares of ProSonmus Common Stock (representing 4.5 percent of all issued and outstanding shares of ProSonmus Common Stock) or (b) ProSonmus Preferred Stock equal to or greater than 4.5 percent of all issued and outstanding shares of ProSonmus Stock by value, and a “50-Percent Shareholder” is any person or entity that at any time during the three-year period ending on the Petition Date has had Beneficial Ownership (as defined in the Procedures) of at least 50 percent or more of ProSonmus Stock or is otherwise considered a 50-percent Shareholder of ProSonmus, Inc., within the meaning of section 382(g)(4)(D) of Title 26 of the United States Code. *Any prohibited acquisition or other transfer of, or claim of a Worthless Stock Deduction with respect to, ProSonmus Stock (including options to*

acquire ProSonmus Stock) will be null and void ab initio and may lead to contempt, compensatory damages, punitive damages, or sanctions being imposed by the Bankruptcy Court.

The Procedures, as approved on an interim basis and as requested on a final basis, are available on the website of Kurtzman Carson Consultants LLC, the Debtors’ Court-approved claims agent, located at www.kccllc.net/prosasmus, and on the docket of the Chapter 11 Cases, Docket No. 24-10972 (JTD), which can be accessed via PACER at https://www.pacer.gov.

A direct or indirect holder of, or prospective holder of, ProSonmus Stock that may be or become a Substantial Stockholder or a 50-percent Shareholder should consult the Procedures.

The final hearing on the Motion shall be held on June 24, 2024, at 1:00 p.m. (prevailing Eastern Time), and any objections or responses to the Motion shall be in writing, filed with the Court, and served upon (i) the Debtors, c/o ProSonmus, Inc., 5675 Gibraltar Rd., Pleasanton, California 94588; (ii) counsel to the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Shanti M. Katanya (skatana@polsinelli.com); and Katherine M. Devaney (kdevaney@polsinelli.com); (iii) counsel to the Sponsoring Noteholders and DIP Lenders, Kilpatrick Townsend & Stockton LLP, 1114 Avenue of the Americas, New York, New York 10036, Attn: David M. Posner (dposner@ktslaw.com) and Gianfranco Finizio (gfinizio@ktslaw.com); and (iv) counsel to the Prepetition Agencies, Pryor Cashman LLP, 7 Times Square, 40th Floor, New York, New York 10036, Attn: Seth H. Lieberman (slieberman@pryorcashman.com); (v) counsel to the DIP Agent, Seward & Kissel LLP, One Battery Park Plaza, New York, NY 10004, Attn: Gregg Bateman (gbateman@sewkis.com); and (vi) the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Jon Lipschiz (jon.lipschiz@usdoj.gov), in each case so as to be received no later than 4:00 p.m. (prevailing Eastern Time) on June 17, 2024.

PUBLIC NOTICES

ADVERTISEMENT IN THE MATTER OF THE COMPANIES ACT 1981 OF BERMUDA and IN THE MATTER OF BW LPG LIMITED (the “Company”)

NOTICE IS HEREBY GIVEN pursuant to Section 1326(2) (d) of the Companies Act 1981 that the Company intends to discontinue under the laws of Bermuda and continue in Singapore as if the Company had been incorporated under the laws of Singapore.

Dated: 13 June 2024 at Hamilton, Bermuda.

BW LPG LIMITED

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Oil-demand growth is set to peak by 2029 and start to contract the next year, the IEA says.

New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. * **CHG**-Daily percentage change from the previous trading session.

Wednesday, June 12, 2024											
Stock	Sym	52-Wk % Hi/Lo Chg	Stock	Sym	52-Wk % Hi/Lo Chg	Stock	Sym	52-Wk % Hi/Lo Chg	Stock	Sym	52-Wk % Hi/Lo Chg
Highs											
ADT	ADT	7.61 1.2	DT Midstream	DTM	69.90 0.5	Microsoft	MSFT	443.40 1.9	UWM	UWMK	7.79 2.2
ASML	ASML	1077.22 3.2	DutchBros	BROS	40.75 1.0	MonolithicPower	MPWR	822.48 4.0	UltraClean	UCTT	50.51 3.8
ASTS	ASTS	10.10 -1.1	EastmanChem	EMN	105.98 0.4	MonteoryCapA	MCAC	11.34 0.2	Unilever	UL	56.46 0.8
AddusHomeCare	ADUS	119.98 0.4	ElancoAnimal	ELAN	18.80 -2.6	MotorolaSol	MSI	113.42 0.2	UnivDisplay	OLED	205.99 4.4
AeroVironment	AVAV	219.74 2.9	ElementSolns	ESI	20.17 13.6	MurphyUSA	MUSA	488.62 5.5	UnivStamps	UNSP	1.00 0.1
AffiliatedNts64	MGRE	26.00 0.5	EquitransMdstm	ETRN	14.64 -0.6	Napco Security	NSSC	52.78 3.9	VSE	VSEC	87.83 0.1
Affirmed	AFMD	8.95 5.1	EssentialProp	ESPT	28.18 0.5	NXP Semicon	NXPI	286.87 0.1	ValleyNatPfdA	VLVPY	23.32 0.2
AimeilHlthTech	AFJK	10.47 1.4	EssexXp	ESSX	273.66 2.2	Natera	NTRA	117.23 0.1	VeevaConstr	VECO	46.28 4.0
Alcon	ALC	92.65 1.8	FTAI Aviation	FTAI	88.03 4.1	NetApp	NTAP	127.97 0.2	VeriskAnalytics	VRSK	265.15 -0.4
Alkermes	ALK	18.00 0.8	FirstSolar	FSLR	306.77 2.1	NewProvidence	NPABU	18.20 4.5	Verx	VERX	35.67 1.9
Alphabet C	GOOG	182.08 0.8	Fluor	FLR	45.60 1.5	NewProvidence A	NPAB	13.95 3.8	Vivac	VIRC	17.35 2.8
Alphabet A	GOOGL	180.41 0.7	Gaia	GAIA	4.78 -0.6	NewYorkMtgrPfdE	NYMTM	23.95 -0.3	VistaOutdoor	VSTO	37.05 0.1
AltairEngg	ALTR	98.03 2.9	Gallagher	AJG	259.55 1.1	NewparkResources	NR	8.64 0.9	Vivakor	VIVK	1.91 3.2
AmerHlthREIT	AHR	15.34 -0.3	Gannett	GCI	4.50 3.8	NewtekNts2029	NEWTG	25.20 0.2	Waystar	WAY	23.09 -4.5
AmerSupercond	AMSC	24.26 7.2	GeneralMotors	GM	49.35 1.3	Nextracker	NXT	62.27 2.3	WesternDigital	WDC	79.84 3.5
AmeaPharm	AMRX	7.25 1.1	Geron	GERN	5.34 -1.1	Nova	NVMI	235.00 4.5	Wingstop	WIING	412.26 3.5
ApotncmREIT	AIRC	38.86 0.3	GladstoneCap	GLAD	22.96 1.1	NovaNordisk	NVO	144.50 1.0	Lows		
ApollonHlthMgmt	APPO	119.69 1.4	GladstonePfdG	GOOD0	20.54 0.5	NVIDIA	NVDA	126.88 3.5	Adtixt	ADTX	1.88 1.0
ApollonHlthPfdA	APOPa	66.47 1.5	Glaucus	GLKS	116.25 0.3	OndysseMarine	OMEX	5.57 6.2	AltamiraTherap	CYTO	1.26 -1.5
Apple	AAPL	220.20 2.9	GlobalStarA	GLST	12.17 0.7	OnHoldng	ONON	44.30 -0.4	Altoingred	ALTO	1.36 -4.2
ApplMaterials	AMAT	238.40 3.3	GlobalinkInvRt	GLIR	0.50 3.5	Oracle	ORCL	140.96 13.3	Ambev	ABEV	2.07 -2.3
Aramark	ARMK	34.23 2.9	GlobalinkInvnt	GLIU	15.98 18.2	OverseasShip	OSG	8.47 -0.1	AmerBatteryTech	ABT	1.19 -0.8
Ashland	ASH	102.50 -1.0	GolarLNG	GLNG	28.77 0.6	PennabPipeline	PBA	37.67 0.5	AmericaRSCA	AREC	1.00 -9.9
Avalonbay	AVB	201.14 0.8	GranTerraEner	GTE	10.07 -0.5	PennantPark	PWNT	7.77 0.8	AppliedDNA	APDN	0.49 -4.7
AvidityBio	RNA	39.25 32.6	GreatElmNts29	GECCI	25.35 0.3	PepGen	PEPG	18.38 -1.2	AshfordHosp	AHT	1.03 -4.6
AxaltaCoating	AXTA	36.98 -1.1	Guidewire	GWRE	138.15 -0.6	PerceptivCap	PCSC	10.12 0.5	AspiralWomenHth	AWH	1.74 -6.1
BeiteBio	BLTE	50.00 2.4	HCA Healthcare	HCA	343.53 1.3	PrimoWater	PRMW	23.35 0.2	AtlasLithium	ATLH	9.67 -19.5
Bioventus	BVS	7.04 3.8	HashiCorp	HCN	34.05 1.1	ProgenityGuru	PGRU	5.21 1.8	Australianoilseeds	AUO	0.76 -2.8
Birkenstock	BIRK	60.40 -0.6	Hawkins	HPW	90.71 -0.6	PratagonyTech	PTGX	35.96 0.1	Avinger	AVGR	1.59 -16.4
Bluebird	BLBD	59.40 2.9	HealthEquity	HEQ	87.72 -4.4	PyrophyllaAcqnc	PHYT	11.54 0.4	Avanir	AVAN	10.27 -2.7
BootBarn	BOOT	130.23 0.9	HeronTherap	HRTX	3.93 0.5	Qomolangma	QOMOU	11.65 0.5	AvanirRNA	PRC	2.81 -18.8
BostonSci	BSX	77.64 0.3	HewlettPackard	HPE	21.17 1.7	RBL Global	RBA	81.28 1.5	BancoBradescoP	BBD	2.35 -2.1
Brink's	BCO	104.74 -0.5	HimsHersHogan	HMS	24.35 7.4	RELX	RELX	45.28 2.6	BancoBradesco	BBDO	2.11 -1.1
Broadcom	AVGO	1505.80 2.4	Honeywell	HON	141.63 -0.5	RadNet	RDN	64.06 1.0	BancSanBrasil	BSBR	4.92 -1.8
BrookfieldNts2084	BIPJ	25.18 0.1	Immersion	IMMR	11.66 -3.8	RayonierAdmtr	RYAM	5.87 0.9	BancSanBrasil	BSEB	6.28 -25.9
CHS PfdB	CHSCO	27.73 0.1	InfInTAcqncA	IFIN	11.66 -1.3	RedViolet	RDVT	23.30 0.2	BinahCapital	BNCX	0.65 -7.1
CSW Industrials	CSWI	270.81 3.9	Innodata	INOD	16.45 6.1	RedWoodPfdA	RWTpA	25.25 0.2	Bionomics	BOG	7.65 1.7
Camtek	CAMT	116.89 3.0	Insmed	INSM	62.23 -0.4	RegenPharm	REGN	1030.00 1.3	BoundlessBio	BOLD	7.21 -16.3
Cango	CANG	1.96 6.9	Intelliseek	IDN	4.46 -3.9	Rhinoshod	HOOD	24.28 2.1	CCSC Tech Intl	CCGT	2.10 19.8
CardioTherap	CRDL	3.12 3.8	IntuitiveSurgical	ISRG	428.86 2.2	RobinetCos	RIK	15.81 2.3	Capri	CPRI	32.59 -0.7
CarGurus	CARG	26.90 2.1	InvestcorpIndia	IVCAU	13.00 3.5	Rollins	ROL	48.03 1.2	CentraalEIBrasPfr	EBR	7.17 -4.0
CaseysGenStores	CASY	389.44 16.7	InvestcorpIndiaA	IVCA	11.41 -0.1	RoyalCaribbean	RCL	157.58 2.8	CenturionAcqn	ALFUV	9.99 -0.2
CatchalvntA	CLH	1048.00 -1.1	IrisEnergy	IREN	13.69 9.7	RushStreetint	RSI	9.30 1.8	Chegg	CHGG	2.02 -4.7
CedarFairRec	FUN	47.40 5.6	IronMountain	IRM	89.91 -1.1	SCE IV Pfd	SCePj	24.38 0.1	CherMetTherap	CJET	0.22 -24.3
CelebrityDlWt	CLBTW	3.04 6.3	JJill	JILL	40.61 2.5	SITE Centres	SITC	14.84 2.4	CoeptsTherapWt	COEW	1.09 -0.9
CelebrityDl	CLBT	28.54 0.7	JumaTech	JMKR	10.03 9.4	SLGreenRealty	SLRG	56.54 5.6	COPEL	ELPC	5.98 -1.6
Centuri	CTRI	12.45 -0.7	KKR	KKJ	113.91 1.2	SLR Invnt	SLR	16.77 0.8	Costmark	LODE	0.19 -1.8
CirrusLogic	CRUS	124.86 3.3	KLA	KLAC	831.54 3.7	ScorpioTankersNts	SBBA	25.39 0.1	Cosan	CSAN	9.07 -4.5
CleanHarbors	CLH	225.53 2.7	Karooone	KARO	37.11 13.5	SEA	SE	74.57 0.8	Coursera	COUR	6.95 -2.4
CocaColaCon	COKE	104.00 -1.1	KinderMorgan	KMI	20.07 0.5	Seagate	STX	105.28 1.2	DermaTechTher	DRMA	3.00 -3.8
Coherent	COHR	70.83 5.3	LM Funding	LMFA	5.85 12.7	SenniaTech	AHNS	1.09 23.6	DesktopMetal	DM	4.03 -5.2
CorbusPharm	CRBX	55.41 1.9	LM Research	LRXC	1040.90 3.8	SensientTech	STC	78.77 0.7	dLocal	DLO	7.65 -3.2
CoreScientific	CORZ	9.75 20.9	LexatoMergentl	LEGT	10.47 -0.1	SixFlags	SIX	29.44 7.1	ESSTechWt	EWL	1.04 -1.5
CoreScientificWt	CORZW	4.55 20.4	LennoxIntl	LI	537.18 0.5	SkechersUSA	SXA	75.09 0.9	EdibleGarden	EDBL	1.57 -3.5
CoreScientificWt	CORZZ	8.90 17.8	Limbach	LMB	60.48 4.7	StepStone	STEP	46.82 1.2	EdibleGarden	EDBL	1.57 -3.5
Corning	GLW	38.31 1.8	Loar	LOAR	65.00 5.8	StokeTherap	STOK	17.45 8.5	ESSTechWt	EWL	1.04 -1.5
Costco	COST	855.74 -0.2	LouisianaPacific	LPX	95.80 -1.7	Sylvamo	SLVM	72.48 0.3	ESSTechWt	EWL	1.04 -1.5
CreativeRealities	CREX	4.85 5.1	M&T BK Pfd J	MTBPJ	25.80 -1.0	SynosoFinPde	SYSP	25.32 0.1	ESSTechWt	EWL	1.04 -1.5
Crescent	CRSC	158.80 1.9	MKS Inc	MSKI	138.69 4.7	TaiwanSem	TSN	176.06 4.4	ESSTechWt	EWL	1.04 -1.5
CrowdStrike	CRWD	390.71 0.7	Mama'sCreatons	MAMA	7.57 -5.0	TargResources	TARG	122.24 0.3	ESSTechWt	EWL	1.04 -1.5
MarketElec	HEPS	2.25 6.7	ManiTech	MU	14.11 0.2	TatTechnologies	TATT	16.24 0.4	ESSTechWt	EWL	1.04 -1.5

MARKETS

S&P, Nasdaq Notch Records As Inflation Gauge Declines

Market gets lift as Fed officials project one interest-rate cut for this year

By Caitlin Ostroff

The S&P 500 and Nasdaq Composite climbed to records after easing inflation data prompted traders to bolster bets that the Federal Reserve will cut rates this year.

The S&P 500 rose 0.9% to a record 5421.03, bringing its gains to 14% for the year, while the tech-heavy Nasdaq

Composite gained 1.5% to a record 17608.44. The Dow Jones Industrial Average edged 0.1% lower, shedding 35 points. The yield on the 10-year Treasury note, a benchmark for borrowing costs, slid.

Data released Wednesday morning ahead of the Federal Reserve's policy decision showed inflation cooling in May and that the slowdown in price pressures was broad based. The consumer-price in-



Building-products stocks rallied on hopes lower borrowing costs will spur the sector.

dex rose 3.3% from a year ago, down slightly from April's reading and lower than the 3.4% economists expected.

"It really couldn't be any better," said Gina Bolvin, president of Bolvin Wealth Management Group. "It's exactly what the Fed wants to see."

Later in the afternoon, Fed officials noted in their June

policy statement that there had been modest progress in recent months toward meeting the central bank's goal of 2% inflation. The Fed held interest rates steady as expected and penciled in one rate cut for this year.

Traders, meanwhile, were still betting on two cuts in 2024 after the Fed's projections were released. Traders priced in a roughly 61% chance the central bank would cut rates at least twice this year, up from 52% a day earlier.

"Having that acknowledgment by the committee that inflation is coming down, moving in the right direction and toward the Fed's 2% target is important," said Quincy Krosby, chief global strategist for LPL Financial. The prospect of lower rates boosted shares of smaller companies, which tend to direct more of their operating profits toward paying down debt than larger ones. The Russell 2000 index gained 1.6%.

Building-products stocks also rallied, with investors betting that lower borrowing costs will lead to more home construction and sales.

Gains in the S&P 500 were led by the index's information-technology sector. **Apple** shares climbed 2.9%

Oracle shares jumped 13%. The company announced new AI deals with Microsoft, Alphabet and OpenAI late Tuesday.

In bond markets, the yield on the 10-year Treasury note fell to 4.294% from 4.403% Tuesday. The dollar weakened, with the WSJ Dollar Index showing the greenback falling against a basket of currencies.

Overseas, the Stoxx Europe 600 rose 1.1%. Early Thursday, Japan's Nikkei 225 was down 0.1% and Hong Kong's Hang Seng Index was up 0.6%. S&P 500 futures were up 0.2%.

AUCTION RESULTS

Here are the results of Wednesday's Treasury auction. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

17-WEEK BILLS	
Applications	\$176,519,908,000
Accepted bids	\$60,251,685,100
" noncompetitively	\$667,620,300
" foreign noncompetitively	\$0
Auction price (rate)	98.274500 (5.220%)
Coupon equivalent	5.385%
Bids at clearing yield accepted	17.91%
Cusip number	9127971L72
The bills, dated June 18, 2024, mature on Oct. 15, 2024.	

Evergrande EV Unit's Stock Dives

By Jiahui Huang

China Evergrande New Energy Vehicle's shares fell sharply after Chinese authorities ordered the company to repay government subsidies due to its failure to meet contractual obligations, adding to its woes.

Shares of the electric-vehicle unit of property developer China Evergrande Group slid 21% to 34 Hong Kong cents, or about 4 U.S. cents, on Wednesday, logging their largest one-day loss in almost a year.

The selloff came after the company, also known as Evergrande Auto, said late Tuesday that a local Chinese authority asked it to repay about 1.9 billion yuan, or \$262.2 million, of subsidies and incentives it previously received from local governments, within 15 days after the company received the official notice.

The Guangzhou-based company said it intends to apply for an administrative review of the decision.

If implemented, the company may face compulsory repossession of the land of some plants, buildings and equipment, which could put further pressure on the company's finances, Evergrande

Auto said.

Evergrande Auto had entered into a series of investment partnerships with local Chinese authorities since April 2019, which helped the company to obtain a few billion yuan worth of incentives and subsidies between 2019 and 2021.

Furthermore, the company said in the filing on Tuesday that another Chinese authority asked its Tianjin unit to stop producing and selling electric vehicles and related products.

The company's Tianjin factory ceased production at the beginning of the year, and has yet to resume production.

In late May, Evergrande Auto said a potential unnamed buyer could buy a 29% stake in the company. The buyer also would have the option to purchase an additional 29.5% stake.

Evergrande Auto boasted a market capitalization of more than \$80 billion at its peak in April 2021. Evergrande Auto reported a net loss of 12.24 billion yuan for 2023.

Parent company **Evergrande Group** was ordered to liquidate in late January by a Hong Kong court after the property developer failed to reach a restructuring plan with creditors.



A local Chinese authority asked the unit to repay subsidies.

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HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Property’s Big Short Isn’t a Big Win

Bets against lender Arbor Realty Trust, the most heavily shorted U.S. real-estate stock, haven’t paid off

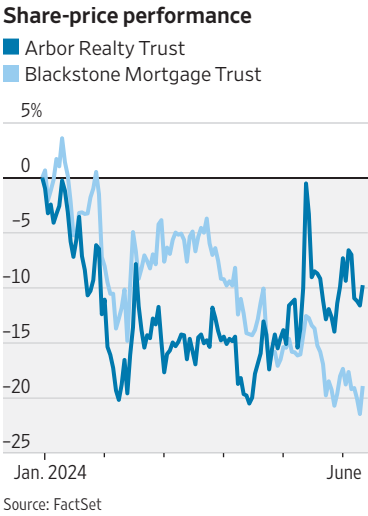
It looked like an ideal way to bet on the downfall of gung-ho property investors who poured billions of dollars into overpriced buildings during the pandemic.

Instead, short sellers in real-estate lender **Arbor Realty Trust** appear stuck in a particularly expensive trade, having underestimated Arbor’s determination to “extend and pretend” its problem loans.

Property flippers, including some who raised cash from mom-and-pop investors on social media, spent heavily on multifamily apartments between 2020 and 2022. They planned to renovate older buildings, raise rents and quickly sell the properties for profit.

The strategy worked until interest rates went up. The cost of the short-term, floating-rate debt these investors relied on has surged to 8% or 9%, from roughly 3% to 4% when the properties were initially bought.

Many landlords are in trouble. Their buildings aren’t generating enough income to pay higher mortgage costs. The properties also are worth less: Pricier debt has knocked 26% off the value of multifamily apartments since March 2022, according to real-estate analytics company Green Street, wiping out the buyer’s equity in some cases.



New York-listed Arbor wrote the checks for many of these exuberant pandemic-era deals. The mortgage real-estate investment trust has a \$12.25 billion loan portfolio, most of it lent to multifamily landlords. Short sellers have piled into the stock, anticipating a spike in defaults. Around 40% of Arbor’s shares are on loan, a proxy for short interest, making it America’s most heavily shorted property stock, based on MarketWatch data.

Arbor’s defaults picked up earlier this year. In January, the borrowers on the other side of 9% of the lender’s securitized debts were 30 days or more late with payments, according to CRED iQ data. The average debt service coverage ratio on Arbor’s collateralized loan obligations has dipped to around 0.6 times, meaning that landlords aren’t close to covering interest payments from a building’s income.

Arbor has spent the past few months modifying troubled mortgages. The lender agreed to let some borrowers pay accruing interest later and asked customers to inject more cash to make loans less risky. In at least one case, though, Arbor also has agreed to subordinate some of the unpaid interest and fees it is owed, which makes it less likely the cash can be recovered if the loan ultimately goes south, according to documents shared by short seller Viceroy Research.

The negotiations have reduced the delinquency rate on Arbor’s securitized loans to 3.8%, giving it some breathing space. On the flip side, expectations for the Federal Reserve interest-rate cuts that could bring more lasting solutions keep getting pushed out. Investors

think the secured overnight financing rate, which is often used to price real-estate loans, will still be 4.5% this time next year, based on the one-month forward curve. At the end of 2023, cuts to 3.4% were expected by then, data from Derivative Logic shows.

Short sellers are playing their own waiting game. They need Arbor’s delinquencies to rise again, or for borrowers to surrender their properties and trigger foreclosures.

Meanwhile, it is a very costly trade. Borrowing the lender’s shares and selling them in the hope of buying them back more cheaply later puts short sellers on the hook for Arbor’s dividend—at a yield north of 12%. Factor in the price of borrowing the shares and a \$100 million short position on Arbor could cost more than \$13 million a year.

The stock is down only around one-tenth this year, outperforming peers such as Ready Capital and Blackstone Mortgage Trust. It is hardly the result short sellers hoped for, even though they seem to be right about Arbor’s loans. Anyone tempted to bet against the property world needs to remember just how slowly it moves.

—Carol Ryan

Cheap Pizza Helps Convenience Chain Beat Domino’s

Convenience-store chain **Casey’s General Stores** is beating **Domino’s Pizza** at its own game.

The Midwest chain—America’s fifth-largest pizza seller by number of kitchens—said same-store sales of prepared food and dispensed beverages rose 8.8% in its quarter ended April 30 compared with a year earlier. Domino’s saw U.S. same-store sales rise 5.6% in its latest quarter, while **Yum Brands’** Pizza Hut logged a decline of 6%.

Fuel is still a substantial part of Casey’s business, but has lower margins than food and faces a long-term threat from the rise of electric vehicles. Chief Executive Darren Rebelez, a former IHOP executive, has pushed Casey’s to become more restaurant-like, introducing more rigor to its kitchen processes and menu development.

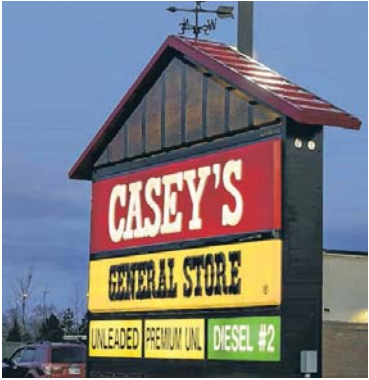
The company reported net income rose 55% from a year earlier, topping the 18% increase analysts expected. Its shares surged 17% on Wednesday and are up 39% year to date. Casey’s stock now trades more like a restaurant at about 27 times forward earnings, recently overtaking the forward multiple of **McDonald’s**. By contrast, convenience store peer and Circle K owner **Alimentation Couche-Tard** trades at 18 times.

On Casey’s earnings call, Rebelez said customers are drawn to the company’s cheaper offerings, compared with restaurant rivals that have pushed up prices. “We try to keep that relative value gap,” he said, noting that even higher-income consumers are trading down from other fast-food chains to Casey’s—especially on its updated sandwich menu. Lower-income consumers, who comprise about one-quarter of Casey’s customer base, are still frequenting the store but looking for more value. For example, they are opting for fountain soft drinks, which are cheaper per ounce than canned drinks, he said.

The company expects earnings before interest, taxes, depreciation and amortization to grow at least 8% this fiscal year, in line with the target it set previously. Worsening consumer health and intensifying promotions from fast-food chains could get in the way of that, but the company is somewhat protected due to its more rural store base with less competition. Furthermore, Casey’s might see more opportunities to snap up small mom-and-pop gas station operators that have been struggling from years of steep inflation and low cigarette sales.

Economic conditions may be merely lukewarm, but Casey’s business is piping hot.

—Jinjo Lee



America’s fifth-largest pizza seller by number of kitchens.



Beijing is looking to export more to developing markets after facing new tariffs in the U.S. and Europe. Electric vehicles for export at Taicang Port.

Can China’s Export Machine Keep Running Without the West?

China’s exports are still going strong. That has created tension with the West and led to a new wave of tariffs on its electric vehicles. But it is also reshaping global trade.

The question for Beijing is whether a pivot to the developing world will be enough to keep its export machine humming.

China’s latest trade data released last week said a lot. Exports in May increased 7.6% from a year earlier in dollar terms, while imports rose 1.8%. The implosion of China’s housing market has dragged down domestic demand, so Beijing has revved up its export engine to drive growth.

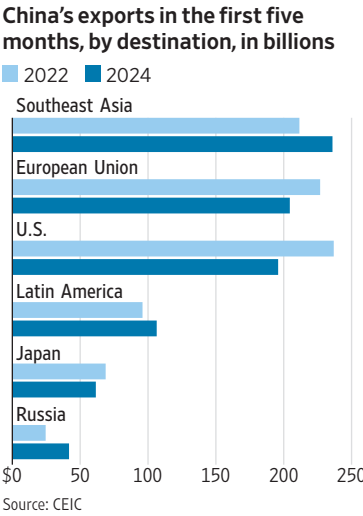
That has, however, caused much unease in Western capitals. The Biden administration has announced new tariffs of 100% on Chinese electric vehicles and a 25% tariff on Chinese EV batteries and parts.

On Wednesday, the European Commission unveiled new duties on Chinese EVs ranging from 17.4% to 38.1% following an antisubsidy investigation.

Some of the recent strong growth could be due to manufacturers trying to front-run potential trade restrictions. China’s exports to the U.S., for example, rose 3.6% year over year in May, contrary to the trend of the past couple of years. But overall, China has been selling less to the West and more to Southeast Asia and Latin America. Exports to Southeast Asia in the first five months of this year rose 12% from the same period two years earlier. Over the same time, China exported 17% less to the U.S.

This could be partly because Chinese companies are rerouting their trades through countries like Vietnam and Mexico, though those countries also have been building up lower-end manufacturing while China moved up the value chain.

China is also finding new markets. Exports to Russia have surged 70% over the past two years as Western sanctions cut the country off from much of its trade with others. But more important, China is



selling different types of products than before. New segments including EVs, batteries, solar panels and mature chips accounted for 8.5% of China’s total exports last year, compared with 4.5% five years earlier, according to Morgan Stanley.

These exports have been met

with a backlash in Europe and the U.S. since they are also trying to build up technologies necessary for the green transition and the rise of artificial intelligence. Chinese goods with affordable prices might, however, be welcomed in many lower-income countries.

Southeast Asia is now a bigger destination for China’s exports than the U.S. or the European Union. Southeast Asia and Latin America together have made up nearly one-quarter of China’s exports so far this year, still smaller than the combined 29% share of the U.S. and the EU, but altogether a sizable market with good growth potential.

Still, while many of the developing countries are more friendly toward China generally, they aren’t immune to domestic political pressures and might still set up barriers to Chinese imports.

China’s export pivot toward developing countries has worked out so far. But in an increasingly protectionist world that playbook will also face limits.

—Jacky Wong

Oracle’s Bright Artificial-Intelligence Future Outweighs Its Present

Like other big cloud software providers, **Oracle**’s present is a bit dark. Its future, however, is much brighter, thanks to some help from generative artificial intelligence.

Oracle’s fiscal fourth-quarter results late Tuesday showed revenue growing only 3% year over year to \$14.3 billion.

That is the weakest growth the company has logged in three years, with revenue from cloud and on-premise licensing falling about 12% short of Wall Street’s projections.

But remaining performance obligations, or RPO, shot up 44% year over year to \$98 billion, which was well above the \$85 bil-

lion expected by analysts for the period, according to consensus estimates from Visible Alpha.

RPO tracks contracted revenue not yet recognized, and thus is a closely watched metric for companies selling subscription-based cloud software services. Oracle’s 44% jump for the quarter ended May contrasted sharply with the disappointing 15% rise recently reported by **Salesforce** for the period ended in April.

Oracle also noted that a big part of those new deals are related to AI training and said it expects revenue to grow by double digits for the new fiscal year—beating the 8.6% growth analysts had been

expecting. Oracle’s stock thus shot up 13.3% Wednesday, hitting a record.

The latest jump puts Oracle’s stock at a year-to-date gain of about 33%. That well exceeds most other large-cap cloud software providers, which have been struggling with a slowdown in major deal signings as corporate software budgets get tightened, with some money being redirected to AI projects.

It also has lifted Oracle’s stock

price to more than 22 times projected earnings, which is cheap compared to many other cloud names but still the highest multiple the shares have fetched in nearly 20 years—and 40% above its five-year average, according to FactSet data.

That premium makes some observers nervous, given Oracle’s still sizable legacy software business that doesn’t offer the same growth potential. Only 54% of analysts rate Oracle as a buy, com-

13.3%
Oracle’s share price climbed this much on Wednesday, putting its 2024 gain at 33%.

pared with 76% for Salesforce and 95% for **Microsoft**, according to FactSet.

“We think Oracle shares have been bid up more on deal-win headlines, total RPO figures, and the AI excitement wave, without a very deep analytical framework,” JPMorgan’s Mark Murphy wrote on Wednesday.

However, John DiFucci of Guggenheim described Oracle as one of “few names out there at this time that will likely accelerate growth during this period” in a note to clients. Oracle will have to make sure its AI cloud packs a big silver lining.

—Dan Gallagher

THE FUTURE OF EVERYTHING

A LOOK AHEAD FROM THE WALL STREET JOURNAL.

■ THE
ENERGY &
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ISSUE

A Billionaire's Power Play

Natural gas made him a fortune. Now he wants to make the fossil fuel clean. **R3**

FLYING SOLAR

Planes powered by the sun are taking off. **R9**

GREEN STEEL Forging A New Technology

Forget blast furnaces. A cooler process could cut CO2. **R8**



Beyond the SUV: A look at what you could be driving in an EV future. **R10**

THE FUTURE OF EVERYTHING | ENERGY & CLIMATE

FOOD CHOICES
FOR A SMALLER
CARBON
FOOTPRINT

Poultry, beans and insects are among environmentally friendly, protein-rich options **By Eric Niiler**

AS FARMERS AND livestock growers face pressure to reduce their carbon footprint to cut costs and satisfy consumer demand, many are looking for foods that don't require as much energy to produce. That means future farms might look a bit different: More truffle plantations, bean fields and insect houses. Fewer cornfields, pigpens and cow pastures.

Growing food creates about a third of the total greenhouse-gas emissions produced by society each year.

Researchers estimate the carbon footprint of foods using a measurement that compares the amount of greenhouse gases emitted in the production of each food. Using this yardstick, cows come out on top by a wide margin, according to a 2018 study by scientists at the University of Michigan and Tulane University, with nearly 33 kilograms of CO2-equivalent per kilogram of beef. That compares with 3.75 kilograms of CO2-equivalent for eggs.

Here are a few protein-rich foods that don't break the bank when it comes to carbon emissions.



CHICKEN AND EGGS

Scrambled eggs are a great source of protein, and fried chicken is a staple of summer picnics.

Fortunately, the carbon footprint of chickens is lower than that of other animal-protein sources, such as beef and pork, because chickens don't require vast amounts of land for feed, says Diego Rose, professor and director of nutrition at Tulane University's School of Public Health

and Tropical Medicine, and an author on the 2018 study.

Poultry raised on pastures with sustainable farming practices can have an even lower carbon footprint—but eggs are the cheapest and most efficient source of protein on a chicken farm.

One hen can lay up to 300 eggs a year. Eggs use less carbon, land and water than other animal proteins, particularly beef, and only slightly more than most plant proteins, according to a 2023 study in the journal Nutrition Bulletin.



MUSHROOMS

Commercially raised mushrooms, another good source of protein, are grown indoors using compost made of crop waste, animal manure or other organic material.

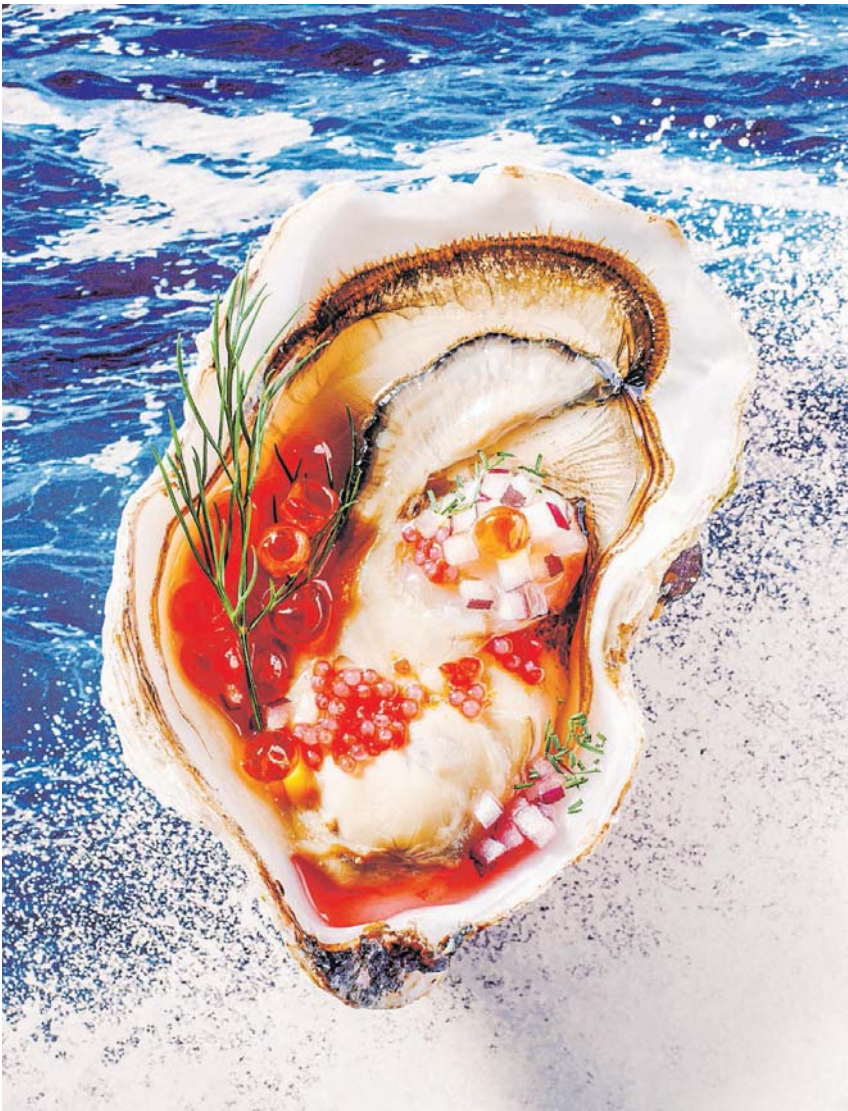
Because they are fertilized with organic waste, don't require much land, and use a fraction of the water compared with fruits or vegetables, their carbon footprint is considered small.

Button mushrooms, for example, have a higher carbon footprint than legumes, but a much lower footprint than animal proteins such as beef,

poultry or lamb.

Prized wild truffles—which live underground in tree roots—may be even better for the planet, according to Paul Thomas, honorary professor of biological and environmental sciences at the University of Stirling. Thomas was part of a research team that last year found that planting truffles and other types of fungi in the roots of trees can capture up to 5.2 metric tons of carbon per acre each year.

The scientists are setting up a plantation of trees that can produce commercial quantities of truffles and other mushrooms on the Isle of Bute, off the coast of Scotland.



OYSTERS

Bivalves such as oysters, mussels and clams don't require any fertilizer or extra food. They clear the water by filtering algae, providing a healthy ecosystem for sea grasses that absorb carbon dioxide from the atmosphere, according to Robert Jones, director of aquatic food systems at the Nature Conservancy, a conservation group based in Arlington, Va.

Even with harvesting and shipping, oysters and other bivalves require fewer carbon inputs than other forms of protein, such as farm-raised fish or other animals.

"They are feeding on the food that's in the water," says Bill Walton, professor of marine science at the Virginia Institute of Marine Science. "That already removes all the carbon costs associated with producing feed, transporting feed and so on."

A 2019 study in the journal Environmental Science and Technology estimated that if 10% of U.S. beef consumption were replaced by oysters, the reduction in greenhouse gases would be equivalent to having 10.8 million fewer cars on the road.



LENTILS, PEANUTS AND BEANS

Lentils, beans, peas and other legumes are packed with protein and could help reduce the need for livestock, according to a January study published in the journal Nutrients.

They can be grown in a variety of climates and soil types, and require less water and fertilizer than other crops, making them a good option for farmers looking to reduce their costs as well as their environmental impact.

Legumes are responsible for fewer greenhouse gases compared with crops that require nitrogen fertilizers for growth. The roots of legumes work with soil microbes to fix, or absorb, atmospheric nitrogen already in the soil, convert it to ammonia and make it available to the plant.

In exchange, the plant provides nourishing carbohydrates to the bacterial colony living in its roots.

INSECTS

Several European firms are hoping to convince consumers to get over the yuck factor and try high-protein insect-based foods.

Switzerland-based Essento is marketing crunchy cricket and mealworm snacks in Thai, paprika, herb and pepper flavors.

Growing insects requires little or no feed or fertilizers made with petroleum-based fuels, according to Essento Chief Executive Christian Bärtsch. In addition, insects can be fed on organic waste streams, reducing waste in landfills. The company uses waste from breweries and agricultural operations to feed their mealworms.

"We are using food waste that is not in competition with humans and not in competition with other animals,"



Bärtsch says.

The European Union has authorized crickets, migratory locusts and two kinds of mealworms for human consumption. The U.S. Food and Drug Administration considers unintentional bugs in food to be contaminants, but the agency doesn't object to intentional bugs, so long as the product is made according to good manufacturing practices.

FROM TOP: THOMAS BROWN, FOOD STYLING: LIAM BAKER, SHUTTERSTOCK AI (CHICKEN)



A NATURAL-GAS BILLIONAIRE BETS ON CLEANER FOSSIL FUEL

NET Power CEO Danny Rice says a new decarbonizing process could open the way for utilities to produce energy from natural gas without the CO2 emissions **By Benoît Morenne**

Danny Rice helped build one of the largest natural-gas producers in the U.S. and became a billionaire. In his newest venture, he's still betting on natural gas—but this time as part of an unusual process that aims to clean up gas-fired power generation.

Traditional gas power plants spit CO2 out of exhaust stacks, contributing to global warming. NET Power, a company that Rice took public in 2023 in a \$1.5 billion SPAC deal, has developed a gas plant with a different process, using the carbon dioxide it produces to spin a turbine and create electricity—a technology it says will eliminate almost all CO2 emissions.

A move toward renewable power sources reinforces the need for natural gas, Rice argues, as wind and solar can't crank out energy around the clock. NET Power, he says, aims to offer utility companies an affordable way to make the grid carbon-free.

"It's a whole lot easier, and a whole lot safer, to try to find ways to decarbonize fossil fuels than it is to move away from them," says Rice, who is NET Power's chief executive.

The 43-year-old, who lives in Dallas, has taken four energy companies public, and sold two of them for a total of \$10 billion, excluding debt. NET Power is backed by heavyweight investors including Houston-based oil giant Occidental Petroleum, which owns about 47% of the company. Rice plans to capitalize on President Biden's signature climate law, which includes billions of dollars in subsidies for capturing and storing CO2 emissions.

NET Power's technology has yet to be proven at scale, and the first plants will be much pricier to construct than traditional gas-fired plants.

Still, utilities warn that ballooning power demand from data centers and other industries will require more gas generation to complement renewables.

"We are going to need to address the emissions from gas," says Dan Bakal, a senior program director at environmental nonprofit Ceres. "If NET Power can deliver a solution that's cost-effective, there will be a market for it."

Sporting a stubble, Rice stands out among often gray-haired oil-and-gas tycoons. He says he enjoys staying at home with his two young daughters and doing jigsaw puzzles with his wife. The couple married in 2007 in Las Vegas, two weeks after they met at a Houston country-music bar.

He's quick to highlight unorthodox achievements, such as winning a hot-dog eating competition hosted by Rice Energy, the gas producer he once ran. But his self-deprecating style belies an ambition to remake the energy world.

"He's a new generation, and he's a new kind of cat," says Maynard Holt, the founder and CEO of energy research and investment firm Veriten,

which isn't invested in NET Power.

Rice's entrepreneurial bent can be traced back to his mother, who ran food businesses near Boston and raised him and two younger brothers after a divorce. After earning a bachelor of science in finance at Bryant University in Rhode Island, Rice worked in Houston as an oil-and-gas analyst, before moving to western Pennsylvania in 2008 to help his two brothers start Rice Energy.

With a \$5 million loan from their father, a BlackRock energy-fund manager, the Rices leased land around Pittsburgh and drilled a first well. They were soon drilling for huge volumes of gas and taking the company public, with 33-year-old Danny Rice as CEO. Rice and his brothers worked grueling hours, blowing off steam by riding electric scooters in their Pittsburgh office.

"I'd be telling him, 'Let's go celebrate and have a drink,' and he'd say, 'No, let's go work on the next piece,'" says his brother Toby Rice, who was the company's chief operating officer at the time.

Eventually, Danny convinced his family—including brother Derek Rice, who served as Rice Energy's executive vice president of exploration—to sell the company. In 2017, they struck a \$6.7 billion stock-and-cash deal for a sale to EQT, an Appalachian rival where Toby now serves as CEO after the Rices won control. Danny Rice served on the board of EQT at the time, and still does.

"We essentially became billionaires overnight," he says.

After a hiatus traveling around the globe with his wife and children, Rice scouted for energy deals. He pitched his brothers on investing in biogas producer Archaea Energy, eventually taking the company public via a \$1.1 billion SPAC deal and selling it in 2022 to British oil giant BP for \$3.3 billion in cash plus debt.

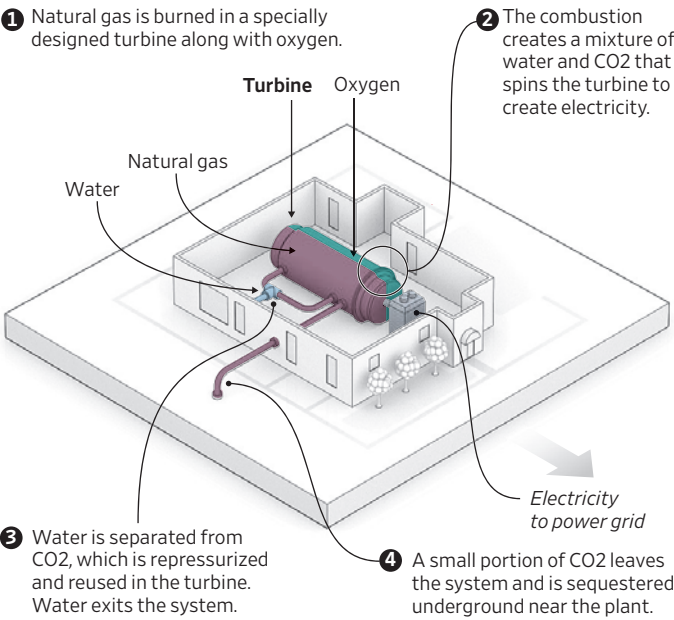
Hunting for their next venture, Rice and his brothers pondered investments in nuclear, hydrogen and geothermal energy. But while they believe these technologies will be helpful in ushering in a net-zero emissions future, they concluded they couldn't grow fast enough to meet climate goals.

Equipment at the NET Power demonstration plant in La Porte, Texas.

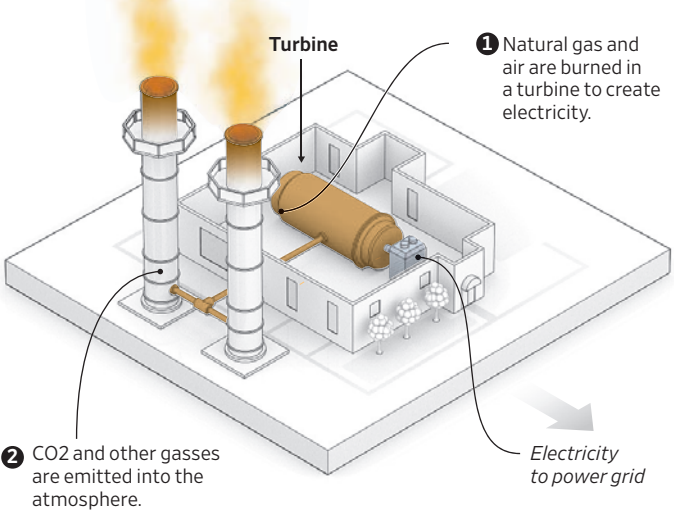
No Stacks

NET Power uses a technology that it says will eliminate almost all CO₂ emissions, in contrast to traditional processes.

NET Power gas-fired power plant



Traditional gas-fired power plant



Source: NET Power

Jemal R. Brinson/THE WALL STREET JOURNAL



Natural gas, on the other hand, is produced in huge, cheap volumes in the U.S. every day, Rice says. If the CO2 emissions associated with burning gas to produce electricity could be economically captured, the grid could become greener quicker, he says. That is why he set his sights on NET Power.

Durham, N.C.-based NET Power's origins date to 2010, when 8 Rivers Capital formed the company to deploy a new technology it invented to clean up gas-fired power generation. Today, natural gas accounts for around 40% of U.S. electricity generation. At the time Rice approached NET Power, Occidental owned about half of the company, and other investors included 8 Rivers and Constellation Energy—all of which are still involved.

NET Power's patented process consists of burning natural gas along with oxygen to create heat and a mixture of pure CO2 and water that spins a turbine and creates power. Some of the CO2 is reused in the system and the rest is sequestered underground—which means that a plant using the technology will emit virtually no CO2, according to the company.

A traditional gas power plant burns air, mostly made of nitrogen and oxygen, along with natural gas—mainly methane—creating a concoction that CO2 can't easily be scrubbed from.

"These guys were pioneering and proving a new way to generate power," says Rice, who owns about 5% of NET Power. But the startup lacked the heft needed to make a big dent in power-plant emissions, he says.

In 2022, he approached NET Power with an offer to go public, and convinced Occidental, its largest investor, to bless the deal. The Rices have invested a total of \$135 million in NET Power via their family office, which includes Danny, Toby, Derek and a half-brother Ryan.

NET Power operates a small demonstration plant in La Porte, Texas, southeast of Houston. It has synchronized to the state's electric grid, and is about to start testing specially designed turbine components. Meanwhile, the firm is building a roughly \$1 billion commercial power plant in West Texas that is expected to enter operations around 2027.

Rice aims to mostly license NET Power plants to utilities, which would build them and pay the company a fee and royalties to use the technology. In the U.S., Rice sees a market for more than 800 plants, based on the number of aging coal, gas and nuclear plants that will need replacement.

NET Power has achieved breakthroughs at its demonstration plant, but it remains to be seen whether the company can operate at a commercial scale, says Thomas Meric, an analyst at financial-services firm Janney Montgomery Scott. Another hurdle: convincing the general public that natural gas can be successfully decarbonized. "Acceptance of natural gas as net-zero [fuel] will be a very serious challenge for NET Power," says Meric.

Price is another unknown. Net-zero electricity might be sold at a premium in certain markets but how substantial that might be is unclear.

The company must also secure land where CO2 can be sequestered and get permits to inject CO2 underground—potentially big-ticket items.

Floods threaten the Marshall Islands. Will experimental new reefs be the answer?
By Doug Cameron

The waves that crashed through doors and windows of buildings on the island of Roi-Namur on the night of Jan. 20 aren't what you want inundating one of the most sensitive military facilities on the planet.

Storm-driven waves washed across the tiny island, damaging U.S. military installations, flooding the runway and forcing the evacuation of three-quarters of the 120 personnel who support the missile test range.

The U.S. Defense Department says around 1,700 of its more than 5,000 worldwide facilities are in coastal areas vulnerable to the effects of climate change. Few are more exposed or as crucial as Roi-Namur, part of the Kwajalein Atoll chain in the Republic of the Marshall Islands, perched halfway between Hawaii and Australia.

The island hosts part of the Ronald Reagan Ballistic Missile Defense Test Site, providing a unique target for testing U.S. missiles and defenses since the early 1950s. It is also a base for equipment to track spy satellites and enable the Global Positioning System.

Roi-Namur is also barely 3 feet above sea level. Keeping its facilities operational in the face of rising water levels and more extreme and erratic storms has become a focal point of the Pentagon's efforts to embed the potential impact of climate change in national security strategy. It is central to the latest National Defense Strategy, released in 2022, which maps out where best to allocate resources.

The defense strategy includes a push to map the vulnerability of military bases and develop solutions ranging from raising new construction higher to more esoteric projects such

This challenge has led to potential solutions inspired by nature, Pentagon officials say.

as breakwaters that use coral or even oysters to dull big waves.

The use of Pacific islands and atolls has become a focus for the Defense Department as it redirects resources to match China's expansion of military facilities in the region.

The Pentagon calls China its "pacing challenge," and U.S. efforts include the reactivation and upgrading of bases across the Pacific—many barely used since World War II—to provide staging posts for its forces.

The Kwajalein Atoll's remoteness and distance from the U.S. mainland also makes it the only current option to test aging Minuteman III missiles. Shorn of their nuclear warheads, they are fired from Vandenberg Space Force Base in California, some 4,200 miles away. Two were launched this month, preprogrammed to land in the deep waters near the Kwajalein test site, without doing damage to the islands.

"It's a unique environment to safely test novel developmental capabilities and fielded systems," the U.S. Army said in a statement. In the late 1950s it took over from the Navy the running of the facilities on Kwajalein, including the Reagan test site. January's floods closed the facility to testing until March and were a wake-up call, the Army said, as the last big "overwash" event there was in 2008. The damage will take months to fully repair.

The Marshall Islands have been subjected to 67 nuclear bomb detonations, the last in 1958. In more recent times, it has served to test nuclear missiles and was used to blast off the first SpaceX rockets. Finding ways to preserve it as a target and launch site have become a key Pentagon priority as it develops new weapons systems.

The new breed of hypersonic missiles and other air-defense systems such as the ship-fired Aegis are also tested on the range. New Sentinel intercontinental missiles are slated to be fired here. Beyond testing, the atoll is also home to crucial assets such as the so-called Space Fence, which tracks orbital debris, and others that scour space communications and monitor Chinese launches.

The U.S. Geological Survey, part of the Interior Department, estimates that rising sea levels and more frequent storms could erase year-round drinking water from Roi-Namur as early as 2035. Half the island could be flooded annually by 2055. "Things that used to happen every 20 or 30 years are now happening every decade," said Curt Storlazzi, a research geologist at the U.S. Geological Survey



The U.S. military tests intercontinental ballistic missiles by launching them across the Pacific Ocean to the Marshall Islands.



in Santa Cruz, Calif., who has studied the Marshall Islands region for more than a decade.

China has tackled the vulnerability to rising sea levels of the military bases it has constructed on artificial islands in the South China Sea by dumping millions of tons of sand, rocks and gravel to raise them higher or create breakwaters. This has come at enormous cost and with no regard to environmental effects, U.S. officials say. The Chinese Embassy in Washington declined to comment on its facilities in the region.

Expense aside, the new Chinese islands were also uninhabited, so this process couldn't be replicated in the Marshall Islands with a population of around 42,000.

Conventional concrete breakwaters are costly to build and maintain, and would have to be constantly adjusted over time because of rising sea levels.

Photos, clockwise from top: U.S. Army Col. Drew Morgan points toward the destruction of the sea wall on Roi-Namur after January's storm; a satellite image of Roi-Namur; University of Miami researchers install concrete blocks off Miami as part of a Pentagon program to create artificial reefs; a Thaad interceptor, used to destroy ballistic missiles, launches at the Reagan test site.



These so-called gray defenses can be bluntly effective for protecting some coastal facilities such as the naval bases around Norfolk, Va. However, they don't prevent seawater running under and through the porous coral reefs that underpin atolls.

This challenge posed by atolls has led to a refocus on potential solutions inspired by nature that are viewed as cheaper in the long term and more sustainable, Pentagon officials say. To help protect facilities such as Kwajalein, the Pentagon brought in the Defense Advanced Research Projects Agency, or Darpa. Working with the Army Corps of Engineers, the USGS and three universities, Darpa is pinning its hopes on a project called Reefense. This would use a selection of natural organisms including coral to provide barriers to mitigate the impact of big waves, reducing the threat of flooding.

In November, the partners plan to build a section of coral-based sea wall off the coast of Hawaii to test its effectiveness in mitigating the power of waves and reducing flooding. Two similar projects are planned this year off the coast of Florida, one using mussels and the other oysters as building blocks.

In the Hawaii project, coral will be grown on a concrete honeycomb base, with its height expanding in line with rising sea levels. Only the top millimeter or two of a coral reef is living, with the remainder setting as hard as rock, making it an ideal natural breakwater. The problem is that coral grows slowly, so part of the project includes studies of efforts to speed this and improve the nutrition of the organisms, said Catherine Campbell, the Darpa pro-

gram manager in charge of Reefense.

The goal is to reduce the impact of waves by 80%. If it works as expected, the most vulnerable facilities, such as Kwajalein, will be the first to have full-scale artificial reefs installed, Pentagon officials say.

The Pentagon is sinking an initial \$71 million into the project, including the three test sea walls and a new study by the USGS to examine how storm impacts on Kwajalein can be extrapolated to other islands and atolls.

Even coral-based reefs only buy time. The most pessimistic projections by the USGS point to a potential 5-foot rise in sea levels that would inundate Roi-Namur later this century. "Ultimately, you have to build higher," said Storlazzi at the USGS.

The Army says it has a robust climate-adaptation plan for Kwajalein that includes shoreline protection and better stormwater drainage systems. "There is no plan to raise the entire installation, but new construction is being raised to account for projected sea level rise impacts," the Army said in a statement.

Keeping the sea at bay goes beyond national security. Thousands of Pacific islands and atolls controlled by the U.S. or in affiliated territories command 200-nautical-mile economic exclusion zones around the land masses. The shrinking or even disappearance of land masses reduces the sovereign territory that surrounds them, including access to fishing and natural resources such as seabed mining.

The Marshall Islands' nuclear tests also provide an unwanted legacy. Radioactive material from past explosions was bulldozed into concrete-lined piles on two islands. Both are threatened by erosion from waves, the USGS says.

CLOCKWISE FROM TOP: MIKE BRANTLEY; MAAR TECHNOLOGIES; CAMERA COPTERS; U.S. DEPARTMENT OF DEFENSE

THE FUTURE OF EVERYTHING | ENERGY & CLIMATE

A NEW WAY TO MAKE GREEN STEEL

To meet demand from automakers and builders, startups are processing iron ore without using fossil fuels
By Amrith Ramkumar

Making steel has long been defined by flying sparks and blast furnaces roaring at temperatures hotter than molten lava. A startup backed by Amazon.com and steel producer Nucor says it has a new process that works at temperatures cooler than freshly brewed coffee.

Colorado-based Electra has begun producing iron plates that can be used to make steel without consuming fuels such as coal, natural gas or hydrogen—an initial step to potentially reducing the industry’s huge carbon footprint. The company dissolves iron ore in a chemical solution, then runs electricity through it to separate pure iron from impurities. The process runs at temperatures around 140 degrees Fahrenheit, a fraction of the 3,000 or so degrees needed for conventional steelmaking.

The breakthrough escalates a potentially lucrative global race to clean up a roughly \$1 trillion industry that serves builders who erect everything from apartment buildings to bridges. The main production method used today generates roughly two tons of carbon emissions for every ton of steel, making the sector account for about 10% of global emissions.

Consumers and governments are pressuring automakers to manufacture electric cars with cleaner steel, a trend that is playing out across every industry. That push is forcing steelmakers to accelerate green investments.

“The market is at an inflection point,” said Sandeep Nijhawan, Electra’s chief executive. “There is more demand than what is available on the supply side for these green products.”

The challenge for Electra and other startups is scaling up enough to make a dent in an industry that churns out about 2 billion metric tons of steel a year globally. After recently opening its pilot plant, Electra hopes to work on its first big factory and produce 1 million tons in the U.S. by the end of the decade.

It is part of a burgeoning category of low-emissions steel methods focused on using renewable electricity and chemistry. Showing the processes can work cost effectively could instill more confidence in the industry—and show that they are worth backing beyond the hundreds of millions of dollars that have already been invested.

Steel is made by treating iron ore that is pulled out of the ground. About 70% of the world’s steel is produced using blast furnaces and a coal product called coke to melt the ore. Oxygen is blown through the molten iron, and other elements are added to get steel.

It is one of the most difficult sectors to decarbonize because handling iron ore typically requires huge amounts of energy to hit temperatures around 3,000 degrees Fahrenheit.

There are three main techniques for making green steel. One of the most promising but early-stage from Electra and others uses electricity and chemistry during production. The other two substitute hydrogen for fossil fuels and trap emissions with carbon capture. These two methods have shown promise but still face significant cost and logistical challenges despite government subsidies.

Electra’s technique for making clean iron begins by dissolving iron ore in an acid-based solution, a step that is similar to putting salt in water. The company runs electricity through the system to separate pure iron from impurities. Another electric current is then used to turn the iron into plates roughly the size of door frames.



reach them. The company runs electricity through a solution containing iron ore at temperatures near 3,000 degrees Fahrenheit to produce pure liquid metal, a process that it believes will be most efficient at large scales.

“The pressure is on us to deliver as soon as we can,” said Tadeu Carneiro, Boston Metal’s chief executive. The company hopes to license its technology to steelmakers starting in 2026.

Green steel techniques are also needed to build on emissions reductions that have already been achieved in the sector. Companies such as Nucor have started decarbonizing by using natural gas or other fuels to strip the oxygen from iron ore to get high-purity pellets, a process known as direct iron reduction. The pellets can then be combined with scrap metal and melted to make steel using a furnace that runs on electricity, known as an electric-arc furnace.

After Electra’s process creates iron plates, they can be fed into electric-arc furnaces to make steel.

Analysts say there is urgency for all green steel techniques, particularly with demand rising in Asia and Africa. Companies such as Nucor have big carbon-capture efforts in the works, while the U.S. government recently

Founded in 2020, Electra says its key advantage is that the lower-temperature requirement minimizes the amount of electricity it needs at any one time. The flexibility lets the company increase or decrease power consumption based on the availability of intermittent wind and solar power, the company says.

“That’s really the differentiator between them and other technologies that are similar,” said Noah Hanners, executive vice president of raw materials at Nucor. Nucor and others have invested more than \$85 million in Electra.

Electra says it can also use much lower grades of iron ore than conventional technologies, an advantage because much of the ore that is extracted currently is too-poor quality to be used in today’s steel industry. Finding uses for those stranded ores could make the sector more efficient and limit the environmental damage and costs of new mining.

The company says its process simultaneously refines other materials such as silica and alumina that can be sold separately. Acid remaining at the end of the process can be used to start it all over again and is contained to minimize contamination risks.



Top, Electra produces iron plates roughly the size of door frames that can be used to make steel. Electra CEO Sandeep Nijhawan, above, says potential customers are willing to pay a premium for the product.

Electra’s approach is somewhat similar to electricity-based technologies being developed by competitors including steel giant Arcelor-Mittal and startup Boston Metal. Founded over a decade ago, Boston Metal counts Microsoft and Saudi Aramco among the investors that recently put in \$282 million. ArcelorMittal is also a Boston Metal investor.

Unlike Electra, Boston Metal still needs high temperatures to produce steel, but it uses electricity instead to

committed \$1 billion to sector giants Cleveland-Cliffs and SSAB for hydrogen substitution in direct iron reduction.

Sweden’s H2 Green Steel, the largest startup in the sector, has seen customers such as BMW and Porsche willing to pay a roughly 25% premium for its product made with hydrogen over conventional steel, Chief Executive Henrik Henriksson said. That allowed the company to recently raise nearly \$5 billion and should show competitors that green investments can pan out, he said.

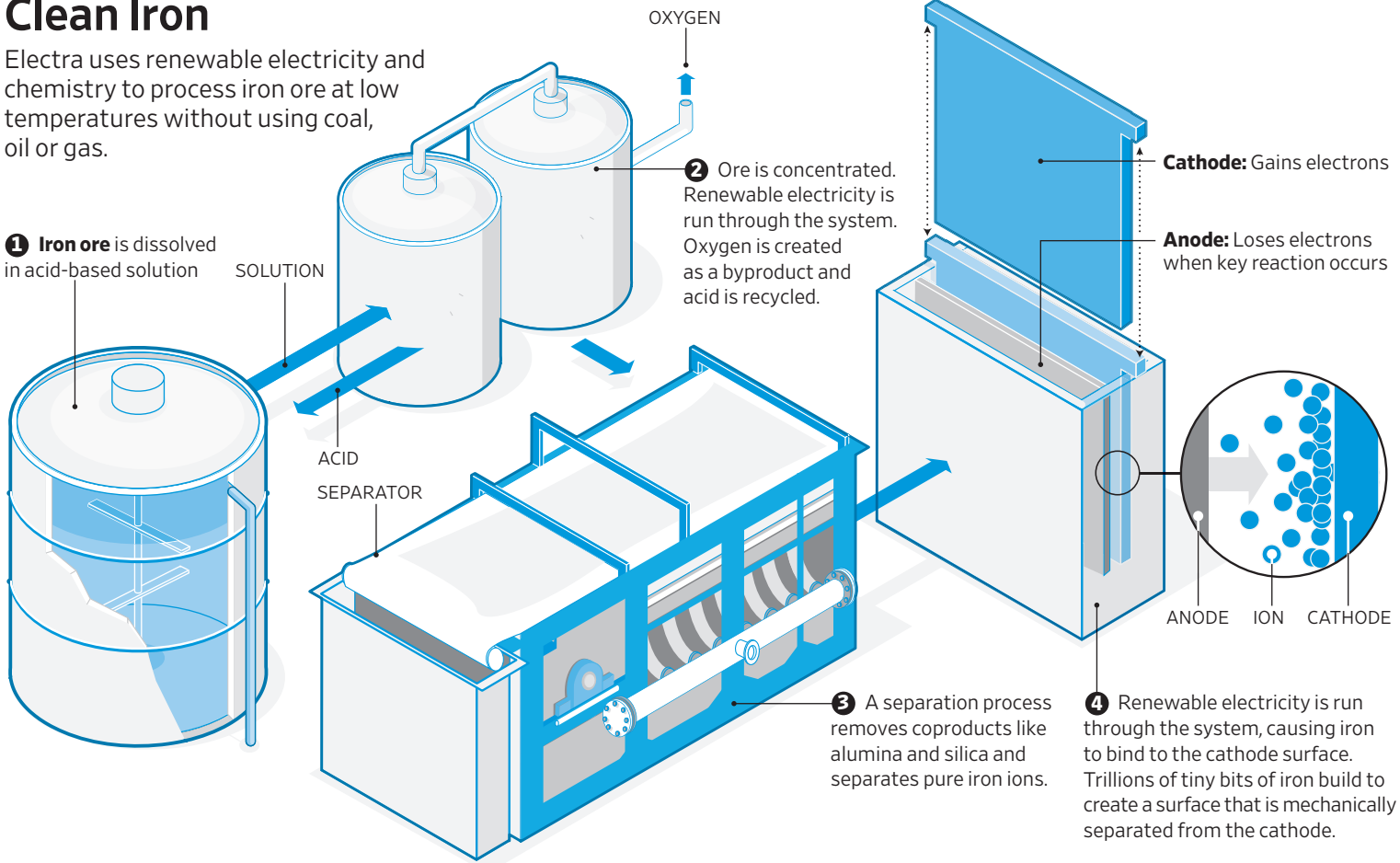
“It can be a transformative force,” Henriksson said. “That gives them an opportunity to bring a business case to the board.”

Electra’s Nijhawan said discussions with customers have also indicated a willingness to pay more for iron without impurities. The company expects to announce its first customers later this year and show the process can be repeated and expanded at larger sizes.

“Once there’s a green product available, everything else is going to be labeled as dirty,” said Hilary Lewis, steel director at nonprofit Industrious Labs, which aims to reduce emissions in heavy industries. “That will have a snowball effect on steelmakers.”

Clean Iron

Electra uses renewable electricity and chemistry to process iron ore at low temperatures without using coal, oil or gas.



Source: Electra

Tonia Cowan/THE WALL STREET JOURNAL

FROM TOP: CHE/STRANGE/BLOOMBERG NEWS, EVA MARIE UZCATEGUI/BLOOMBERG NEWS



Light uncrewed aircraft could provide surveillance and services that balloons and satellites can’t—and stay aloft for months **By Phred Dvorak**

90
the number
of days
developers
are targeting
for the solar-
powered
Skydweller
to stay aloft

Imagine airplanes powered only by energy from the sun, some so light they can be launched from the ground by hand, others gathered in giant “parking lots” in the stratosphere.

Those are the types of aircraft being developed now that are bringing the dream of solar-powered flight closer to reality, with planes that act very differently from the jetliners of today.

Solar-powered planes won’t be flying people to their next vacation spot anytime soon. But these prototypes, most of which operate without humans, could lead to new alternatives for aerial surveillance on high-risk missions and emergency telecommunications in disaster zones, industry executives say. Aviation giants, telecommunication companies, venture investors and military agencies are already spending millions of dollars developing the planes and their technologies.

“It’s like in the early days of aviation” as companies, governments and investors try to figure out what these planes can do and what could be economically viable, says Eric Raymond, a solar-aircraft designer and glider pilot who started experimenting with solar-powered flight in 1979. “The potential is there, I do believe in it after all these years.”

Solar aircraft typically soak up the sun’s energy via panels that cover the

wings—and sometimes the body, sides and tail as well. The advantage of solar power is that it is free and emissionless—much more environmentally friendly than burning jet fuel. A solar plane never needs refueling, and in theory it can stay in the air as long as the sun is shining. That brings perpetual flight within reach, if the solar is paired with batteries that charge during the day and power the aircraft and its payload at night.

Speed of a slow car

Advances in battery technology and cost have finally made it feasible to power a solar plane for longer distances or through the night, solar-aircraft executives say, albeit with much less power than jet fuel, pound for pound. That means today’s solar aircraft are extremely lightweight and slow. Many fly around the speed of a slow car. They have trouble withstanding bad weather. Most can’t carry heavy loads.

“A domestic hair dryer is probably consuming the same amount of power that we’re using during the night to fly the airplane,” says Dave Corfield, who heads a unit of U.K. defense and aerospace contractor BAE Systems that is building a solar-and-battery-powered aircraft called the Phasa-35.

The planes have some advantages over current aircraft used for services like surveillance.

Most of the companies trying to

commercialize solar planes are building aircraft that are lightweight, autonomous and can fly at altitudes and for lengths of time that humans can’t tolerate. Unlike balloons, solar planes are steerable, a big advantage for monitoring a target on the ground or providing telecom coverage without being blown off course. They are also cheaper and closer to Earth than satellites, putting them in a sweet spot for services that can’t currently be offered by either, executives in charge of solar-aircraft projects say.

The planes can capture higher resolution photos or video than satellites, or deliver broadband internet from the air, another thing satellites can’t do. Executives envision programming them to fly to the other side of the globe on surveillance missions that last months, making them a safer and longer-term alternative to monitoring by piloted planes. Solar aircraft could be sent to disaster zones to provide emergency telecommunications, then flown away when they are no longer needed.

A craft to find a warlord

Aerospace engineer and military drone designer Robert Miller says he first became interested in solar-powered airplanes several years ago, when the U.S. Defense Advanced Research Projects Agency, or Darpa, asked him to come up with a surveillance craft that could locate Joseph Kony, an African warlord accused of kidnapping and killing thousands of people in northern Uganda.

To do that, Miller figured he would need an aircraft that could travel long distances to a specified location and hang around for weeks at a time—something satellites in orbit can’t do—carrying a special radar that can track movement under the dense jungle canopy where Kony was believed to be hiding.

At top, a solar plane in development by Japanese telecommunications company SoftBank Corp.; left, Skydweller, which has a contract with the U.S. Navy; below, Airbus’s Zephyr solar aircraft



He landed on the Solar Impulse 2, a Swiss single-seater solar-powered plane with a wingspan as broad as a jumbo jet, which had recently become the first to circumnavigate the globe in 2016.

Miller started a company, bought the Solar Impulse 2 and retrofitted it to fly without humans, snagging a \$5 million contract from the U.S. Navy along the way. The aircraft, renamed Skydweller, is flying test flights out of Mississippi, and the company is building a second that Miller hopes to have ready for delivery next year. It is heavier and can carry more than most of the other solar-plane prototypes, and flies at the same altitude as commercial airplanes.

One of the biggest challenges, Miller says, is ensuring the plane is robust enough to withstand winds and weather while it stays aloft for a targeted 90 days at a time.

Other solar-aircraft designers are trying to sidestep that problem by flying above the weather in the stratosphere, an unregulated and largely empty atmospheric layer that starts several miles above the surface of the Earth but is still much lower than the zone where the closest satellites orbit.

BAE Systems’ Phasa-35, for example, acts “somewhere between a balloon and a paraglider” as it sails to the stratosphere, and then behaves like a “steerable satellite” after, says Corfield.

The plane, which has the wingspan of a narrow-body jet, weighs as much as two business-class seats and travels at a maximum of 35 miles an hour during its nine-hour ascent to cruising altitude.

To help the Phasa-35 get up there safely, the company is developing a five-dimensional weather-forecasting system. It will predict the probability of various atmospheric conditions at different times, locations and altitudes along the aircraft’s launch path. BAE Systems then plans to use artificial intelligence to crunch the data to find the ideal route to the stratosphere. The company hopes to have a commercial craft by the end of 2027, says Corfield.

Telecommunications race

Other prototypes, such as Airbus’s 165-pound Zephyr, weigh less and are more fragile. The Zephyr is so light that it is currently launched by a crew of five people running on the ground. The company is building its first air base in Kenya, where good weather and mild winds increase the chances of navigating safely during the 10 hours it takes to get to the stratosphere and the 16 hours to come down, says Samer Halawi, a telecommunications veteran who heads the Airbus unit developing the aircraft.

A consortium of Japanese companies led by mobile giant NTT Docomo last week announced a commitment to invest \$100 million in the Airbus unit developing the Zephyr. Airbus is planning to test a Zephyr providing 5G service later this year, and hopes to start full commercial services, including telecommunications, in 2026. Rival Japanese telecommunications company SoftBank Corp. is developing its own solar-powered aircraft that it describes as a telecommunications base station in the sky.

Raymond’s Sunseeker Duo is one of the few solar planes that is built to carry people. The experimental two-seater motorized glider, which currently cruises around Europe, can go on trips that last as long as 12 hours.

Raymond says he has designed a six-seater solar plane that could be useful hopping between remote communities with poor roads in sunny climates like Africa.

The challenge is finding deep-pocketed investors willing to fund the manufacture and certification of such aircraft, Raymond says, but “there’s no question in my mind that if we could get something to production that would be very successful.”

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THE AUTO WORLD’S NEXT OBSESSION: WHAT COMES AFTER THE SUV

The prospect of EVs and self-driving vehicles—and plain old changing tastes—have car designers and executives weighing what could replace the sport-utility vehicle **By Brett Berk**

The 1980s minivan replaced the 1960s station wagon. In the 2000s, the sport-utility vehicle spurred the minivan’s retreat. Socioeconomic shifts drove Americans’ move out of gas-guzzling embellished land yachts and into tiny, economical Japanese imports following the oil crises and new tailpipe emissions standards of the early 1970s.

This has automotive designers, executives and analysts focused on a big question: What comes after the SUV?

The SUV has devoured the American car market, now accounting for nearly 60% of new vehicles purchased. But the ever-expanding options, along with higher interest rates, are pricing younger and lower-income consumers out of the market. The average new-car price is now nearly \$50,000. “People just can’t afford the larger vehicles like they did before,” says Jessica Caldwell, head of insights at Edmunds, the automotive-research company.

Stricter vehicle-efficiency standards and governments’ push toward electrification could also challenge the supremacy of the blunt, heavy SUV, says Paul Snyder, an auto designer who now chairs the transportation design department at Detroit’s College for Creative Studies.

And car designers are tired of drawing them. “We all get bored to death because it’s absolutely ubiquitous,” says Michael Simcoe, global design director for General Motors. “We

need a bit more character, a bit more emotion in vehicles.”

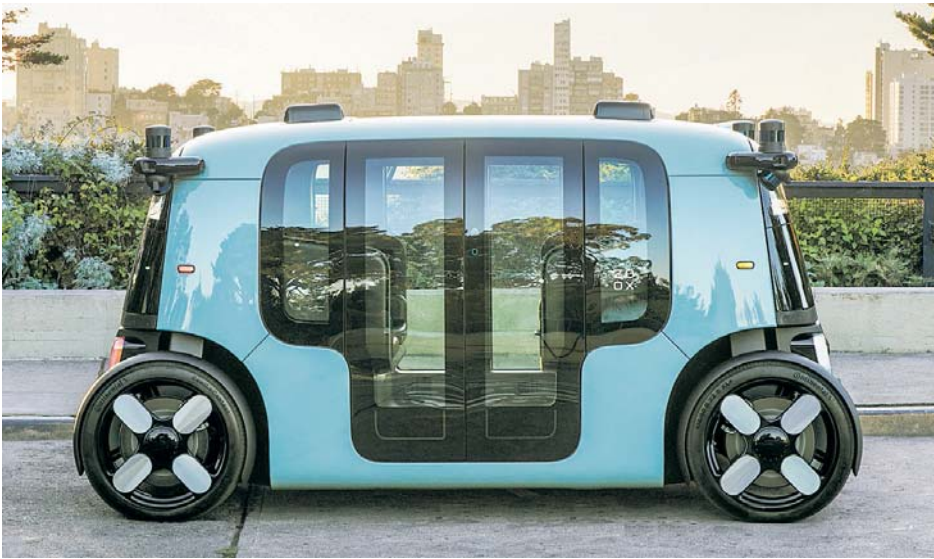
A few ideas are coalescing around what a future generation will be driving. Here’s a look ahead.

The Toaster

Will the boxy SUV be followed by even boxier forms?

Electric vehicles have no need for hoods, as their batteries are typically mounted in the floor, and their motors are near the wheels. With no drivers, autonomous vehicles—should they ever arrive—won’t need dashboards or steering wheels. Some believe that maximizing human and cargo space in such vehicles inevitably results in a rounded box on wheels: a nouveau vanlike form nicknamed “the Toaster.”

Internal GM research has shown that this spacious shape can provide passengers in autonomous vehicles more confidence in surrendering control, Simcoe says. “It’s more distance between you and a potential accident.” The shape, he says, also has a “functional, happy character” that is



The Toaster: Above, the Zoox electric driverless taxi is one vision of a self-driving urban van.

More SUV: Left, the 2025 Toyota Crown takes cues from an SUV in a design for a sedan.

The Car, Remixed: Bottom, Pininfarina’s Teorema concept car is a re-imagining of the grand-touring sports car.

distinct from what some see as the sneering mien of SUVs in their headlight “eyes” and grille “mouth.”

American autonomous EV startups Zoox, Cruise and Canoo have all attempted to sell a vision of a future populated by shared, self-driving, urban Toasters. A similar “one box” form is emerging for individual chauffeured passengers: a van resurgence. The trend comes from China, according to Felix Kilbertus, chief creative officer of Pininfarina, a design house based in Turin, Italy, and famed for its automotive work for Ferrari, Maserati and Cadillac. There, luxury vans such as the Buick GL8, Zeekr 009 and Toyota Alphard provide the utility, flexibility and interior luxury of SUVs, but in a different form, Kilbertus says.

China, the world’s largest car market, often sparks major trends. Now “you can see it even in Europe,” Kilbertus says. “When you go shopping in Mayfair, in Knightsbridge, you don’t see people coming in and out of black sedans as much anymore, or luxury Bentleys or Rolls-Royces. You see people stepping out of black Mercedes V-Class vans.”

Upright electric robotaxi vans could zip around cities, autonomously, at lower speeds where aerodynamics and frontal area don’t impact range and energy consumption significantly, says Snyder of Detroit’s College for Creative Studies. Lower, sleeker electric vans could work at higher speeds over longer distances, where aerodynamics matter more.

These “mono-volume” concepts could blend into a fresh form that is neutral, but interactive, and can be individualized with color-changing skins, or varied drive modes for privacy or sightseeing, Kilbertus suggests. These vanlike vehicles aren’t about exterior flash or logos, they’re about refined functionality, he says. “You need to get places. You need to feel great. You need to look great.”

The Car, Remixed

As in fashion, automotive trends can be revived. “There’s lots of lovely stuff that we can filter, recycle, rein-

vent or sample,” Kilbertus says.

Pininfarina has identified two emergent trends in this area. The first is a renewed interest in sports cars and convertibles, vehicles that, Kilbertus says, convey “emotion and joy, re-connecting to the environment, discovering independence and the art of traveling.”

The second involves pragmatic, inexpensive but still distinctive cars—what Kilbertus describes as “four wheels, a steering wheel and a USB plug.” He cites the low-cost Romanian automaker Dacia as exemplifying this “nonpremium” category, likening it to Volkswagen and Toyota before those brands moved upmarket.

A recent visit to a GM advanced-design studio revealed such potential remixes in some small-EV design concepts—vehicles that designers experiment with to develop forms that might compel future buyers. These included a station wagon, a van and a two-seat pickup—vehicle types that have existed in varying degrees of popularity over the years.

Speaking for a return to cars, federal emissions and fuel-efficiency standards favor streamlined forms. “Up to 45% of efficiency is delivered through aero,” says Simcoe. A lower, sleeker car-based design can thus go much farther with the same battery than a higher, stubbier SUV.

Hybrid work schedules and home delivery of goods might also cause our household fleets to downsize, into smaller—or even fewer—cars per home, Simcoe suggests.

Caldwell of Edmunds sees potential interest in reimagined car-based designs among younger buyers, who are already showing more openness to sedans and hatchbacks over larger, pricier SUVs.

Actually, More SUV

The SUV has become so pervasive and compelling that some say we might have reached a terminus in car design. “The SUV absolutely fulfills drivers’ needs,” says Alexander Edwards, president of the San Diego automotive consulting firm Strategic Vision. “There is nothing that will necessarily come next, at least not in the next decade or two.”

Instead, popular SUV features such as elevated ride height, flared fenders and all-terrain tires might migrate onto other vehicle types.

The current-production Toyota Crown and the Vision Mercedes-Maybach Ultimate Luxury concept car show how such cues could be integrated into a traditional four-door car—a mashup of a formal sedan with an SUV’s bunkered attitude. With enhanced ground clearance, protective underbody cladding and all-wheel-drive, the production-ready Porsche 911 Vision Safari and Lamborghini Huracán Sterrato demonstrate a similar metastasis of SUV trends into sports cars. And Pininfarina’s Enigma GT concept exhibits elements of this trend—giant wheels, all-wheel drive, slightly lifted stance, nods to utilitarian storage—in a futuristic, hydrogen-powered two-door.

The SUV shape and ride height also in some ways lend themselves to EV adaptation. “The easiest way to fit a big battery in is to lift the cabin up, and put the battery in the floor,” Kilbertus says. This is simpler with an SUV than with traditionally lower-slung cars and sports cars.

But to accommodate a need for greater energy efficiency, the SUV would require some changes.

Snyder imagines vehicles that retain a higher seating position but have a lower, sleeker body. Kilbertus calls this concept “a cabin in the air.” He hopes that the SUV form will diversify around it, incorporating such fresh features as “clever doors, a different profile and volume, a more optimistic face.”

Lighter-weight materials and construction—including the use of recyclable plastics for body panels, trim and even windows—could also potentially extend the ponderous SUV’s lifespan, Simcoe says.

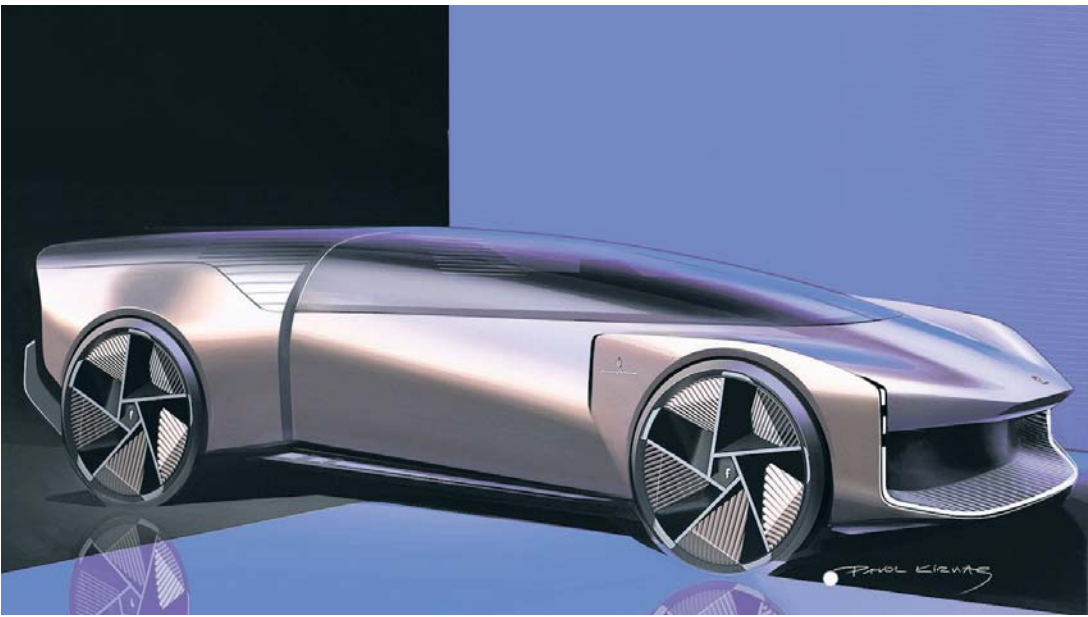
Edwards is unconvinced that any big changes are needed for the SUV to maintain its market dominance. He believes consumers’ rising desire for individuality in their vehicles can be satisfied with ambient interior lighting customized to match a person’s mood, paint that can change colors, or vehicles cross-branded with well-known media properties.

“I mean, we Gen Xers are all still waiting for our flying cars,” he says. “But there’s no need for an additional body style.”



‘We need a bit more character, a bit more emotion in vehicles.’

Michael Simcoe, global design director for General Motors



FROM TOP: ILLUSTRATION BY VIOLET FRANCES; ZOOX; TOYOTA MOTOR NORTH AMERICA; PININFARINA (RENDERING)