

THE WALL STREET JOURNAL.

DOW JONES | News Corp *** MONDAY, MARCH 27, 2023 ~ VOL. CCLXXXI NO. 70 WSJ.com ★★★★★ \$5.00
Last week: DJIA 32237.53 ▲ 375.55 1.2% NASDAQ 11823.96 ▲ 1.7% STOXX 600 440.11 ▲ 0.9% 10-YR. TREASURY ▲ 5/32, yield 3.379% OIL \$69.26 ▲ \$2.33 EURO \$1.0762 YEN 130.71

What's News

Business & Finance

Elon Musk said Twitter employees will receive stock awards based on a roughly \$20 billion valuation, less than half of the \$44 billion price he acquired the company for last year, according to an email viewed by The Wall Street Journal. **A1**

◆ **The concern around** TikTok in Washington is drawing fresh attention to how Chinese apps have woven themselves into the fabric of young Americans' lives and what makes them so popular. **B1**

◆ **The economic fears** gripping Wall Street have sparked outside swings in oil prices, exacerbated by trading that investors and analysts say has little to do with the fundamental value of crude. **B1**

◆ **Working remotely** is becoming increasingly rare a few years after the pandemic caused millions of Americans to decamp from workites to their homes. **A2**

◆ **Crypto picked** a former Coinbase employee convicted of insider trading as an unlikely ally in its battle against oversight by the SEC. **B1**

◆ **Tens of thousands** of people can't withdraw investments in companies controlled by indicted financier and self-described billionaire Greg Lindberg. **B1**

◆ **A judge ruled** that a nonprofit online platform violated the copyrights of four leading publishers by lending digitally scanned copies of their books without permission. **B3**

◆ **Bregal hired** former Carlyle partner Ryan Selwood as the private-equity manager's chief investment officer. **B2**

World-Wide

◆ **Israel's Netanyahu** fired his defense minister in an attempt to quell dissent against a controversial judicial-overhaul plan, spurring tens of thousands of people to protest in cities across Israel. **A1**

◆ **The Pentagon is** seeking to enlist Silicon Valley startups in its effort to fund and develop new weapons technology and more nimble suppliers, as the U.S. races to keep pace with China's military advances. **A1**

◆ **After months of** new weapons deliveries from the West, Ukraine is poised to punch back at Russia's invasion forces in coming weeks, a high-risk campaign that will set the course of subsequent battles and potential peace negotiations. **A8**

◆ **Ukrainian officials** called for an emergency meeting of the U.N. Security Council after Putin announced plans to deploy tactical nuclear weapons in Belarus. **A8**

◆ **Trump, appearing** before thousands of supporters at a rally in Texas, attacked the various legal investigations he is facing, including a potential New York indictment for his role in a hush-money payment to a porn star. **A4**

◆ **The Biden administration's** nominee for the top job at the FAA took himself out of the running for the position after criticism from Republicans over his credentials. **A5**

◆ **The EU reached** a deal with Germany that is expected to water down the bloc's plan to effectively ban new internal-combustion-engine cars from 2035. **A9**

CONTENTS
Arts in Review... A15-17
Opinion... A15-17
Outlook... A2
Business Finance... B25
Personal Journal A11-12
Business News... B3
Sports... A14
Crossword... A14
Technology... B4
U.S. News... A2-6
Markets... B9
World News... A7-9



Mississippi Picks Up the Pieces After Deadly Tornado



DIGGING OUT: Undray Williams, a Rolling Fork, Miss., city councilman, stands in the wreckage of his home Sunday, where he was rescued after being trapped in the rubble. The tornado that struck Friday night killed 25 people in the state. **A3**

Musk Says Twitter Is Worth Less Than Half What He Paid

By ALEXA CORSE

Elon Musk said Twitter Inc. employees will receive stock awards based on a roughly \$20 billion valuation, less than half of the \$44 billion price he acquired the company for last year, according to an email viewed by The Wall Street Journal.

Mr. Musk in the note to staff wrote that he was optimistic

about the social-media company's future. "I see a clear, but difficult, path to a >\$250B valuation," meaning stock granted now would be worth 10 times more, he wrote.

Mr. Musk also wrote in the email that Twitter is being reshaped so rapidly that the company "can be thought of as an inverse startup."

Radical changes have been necessary in part to ensure

that Twitter didn't go bankrupt, according to the email, which was reported earlier by Platformer and the Information.

The new valuation figure is a sign of the challenges that have faced Twitter since Mr. Musk's takeover. Many big advertisers stopped spending on the platform, challenging Twitter's main source of revenue, though the company has been working

to woo advertisers back.

Separately, Twitter said in court filings that parts of its source code were leaked online, an incident that could raise security concerns for the company. In documents filed Friday in federal district court in northern California, Twitter said that a person or group operating under the username FreeSpeechEnthusiast "posted

Please turn to page A9

Trump's Strategy: Vilify Prosecutors, Stall, Rally His Base

Donald Trump has survived impeachments, investigations and congressional inquiries. Now, as criminal probes advance on several fronts, the for-

By Rebecca Ballhaus, Alex Leary and Corinne Ramey

mer president is employing his familiar scattershot tactics to meet the start of a potentially more precarious legal chapter.

Mr. Trump, who is mounting his third consecutive presidential campaign, could face an indictment as early as this week in the Manhattan district attorney's investigation into his role in paying hush money to a porn

star. On Friday, Trump lawyer Evan Corcoran spent more than three hours before a federal grand jury in Washington in special counsel Jack Smith's investigation into the handling of classified documents at Mar-a-Lago.

Some of Mr. Trump's closest advisers have been summoned to testify in a separate probe by Mr. Smith of efforts to overturn the 2020 election. And a district attorney in Georgia investigating efforts by Mr. Trump and his allies to over-

Please turn to page A4

- ◆ Former president is defiant at Texas rally..... A4
- ◆ GOP lawmakers want a peek into probe of Trump..... A5

Final Four Set In Men's Hoops



Miami will play Connecticut and San Diego State will face Florida Atlantic on Saturday in Houston as they compete for the national men's championship. A14

Pentagon Seeks Out Silicon Valley Firms As Arms Suppliers

The Pentagon is seeking to enlist Silicon Valley startups in its effort to fund and develop new weapons technology and more nimble suppliers, as the U.S. races to keep pace with China's military advances.

By Sharon Weinberger, Robert Wall and Doug Cameron

The push to tap private capital comes in the midst of concern that U.S. defense-industry consolidation has led to dependence on a few large companies that rely on government funding for research and is hampering innovation. Meanwhile, China has pulled ahead in some key technolo-

Netanyahu Fires Minister, Escalating Protests

Israel's defense official is dismissed as divisions deepen over planned court overhaul

By DOV LIEBER AND AARON BOXERMAN

JERUSALEM—Prime Minister Benjamin Netanyahu of Israel fired his defense minister on Sunday in an attempt to quell dissent against a controversial judicial overhaul plan, spurring tens of thousands of Israelis to pour into the streets of Jerusalem, Tel Aviv and other cities across the country in protest.

The decision to fire Defense Minister Yoav Gallant came one day after the minister, who is a member of Mr. Netanyahu's own Likud party, said the judicial overhaul should be delayed because protests over the proposals within the military had become a grave threat to the nation.

Mr. Gallant's firing comes as Mr. Netanyahu barrels forward with a deeply controversial judicial overhaul plan that has prompted some members of his own party to urge him to delay bringing the legislation to a vote. If he delays the vote he risks the collapse of his coalition, as most of his allies are adamant on pushing ahead with the legislation.

The decision to rein in any dissent suggests Mr. Netanyahu won't back down from the overhaul, even as many political analysts believe the country could be headed toward a constitutional crisis.

Please turn to page A7

San Francisco Fights Disorder—And Goes After a Little Library

Inspectors threaten couple with a \$1,402 fee, also target benches and awnings

By JIM CARLTON

SAN FRANCISCO—Many of this city's streets are clogged with homeless tents, drug addicts and illegal vendors. City inspectors recently went after a Little Free Library.

"Remove unpermitted encroachments from public right of way," ordered a city notice to Susan and Joe Meyers, unless they applied within 30 days for a \$1,402 "Minor Sidewalk Encroachment Permit" to keep the library and a bench they built in front of their Victorian in the Lower Pacific Heights neighborhood. City officials dropped the heavy hammer of government

on the mini library due to what officials said was a single anonymous complaint.

Since the Feb. 22 notice from San Francisco Public Works, hundreds of supporters of the library have rallied around the couple, who put the small pedestal in front of their home a decade ago and have helped stock it with a revolving catalog ranging from "It's Fun to Make Things From Scrap Materials" to "Break-free From Compulsive Eating." The book-sharing cabinet is run on the honor system, and anyone can leave or take a book, for free.

Please turn to page A10

Al Qaeda Closes In On U.S. Ally in Africa

In Ghana, a fight between ethnic groups is the kind of bitter dispute militants exploit

By MICHAEL M. PHILLIPS

BAWKU, Ghana—The good news according to Salifu Bashru, an elder of the Mamprusi people, is that if al Qaeda militants attack, they'll probably kill his rivals from the Kusasi community first.

The bitter, 65-year dispute between Mamprusi and Kusasi over which ethnic group rules this small northern Ghanaian city has turned deadly in recent months, with neighbors exchanging machine-gun fire and each side vowing never to let the other get its way.

So Mr. Salifu relishes the idea of al Qaeda gunmen storming through Kusasi

neighborhoods even more than he worries about the terror group invading Ghana in the first place. "We wouldn't help the Kusasi at all," vowed the 60-year-old, seated in front of a mural listing Mamprusis who have served as paramount chief of Bawku since 1721.

The clash between Bawku's main ethnic groups is a hyper-local conflict with potentially global implications. Both Ghanaian and U.S. officials fear that al Qaeda militants, who have attacked villages in Burkina Faso just a few miles away, could take advantage of the tensions to establish a beachhead in

Please turn to page A10

INSIDE



PERSONAL FINANCE
Retirees stretch a smaller nest egg to retire on less than \$1 million. **A11**

BUSINESS & FINANCE
Focus on TikTok draws attention to popularity of Chinese apps with young Americans. **B1**

U.S. NEWS

Mississippi Digs Out, Looks to Future

Volunteers flock to tornado-ravaged areas, while residents seek a boost from relief funds

BY RACHEL WOLFE
AND GINGER ADAMS OTIS

ROLLING FORK, Miss.—Several hard-hit Mississippi towns continued to dig out after a powerful tornado cut a path of destruction through parts of the state Friday night, as residents balanced grief with a hope that the disaster could eventually spur renewal in their rural communities.

Driving down Highway 61 into the Delta town of Rolling Fork, population 1,800, on Sunday, the smell of barbecued meat and wood smoke was overpowering. Much of the town, located not far from the Mississippi River, was leveled by the storm, including its business district. The tornado claimed at least 25 lives in Mississippi, more than a dozen of them around Rolling Fork, as residents lost parents, cousins, lifelong friends and what some said were their dream homes.

Volunteers across the region came to offer muscle, equipment and moral support. Three local businesses set up outside the Sharkey County Department of Human Services with mobile grills giving out chicken wings, hot dogs, ribs and corn to the community.

Kenneth Williams, a 51-year-old postman who owns a traveling barbecue business, drove in from nearby Greenville, to distribute food. While outsiders viewed the area as a poor part of the country, “there is life outside of what you guys are thinking, and I wouldn’t trade it for the world,” he said. “The thing about living in the Delta, the housing is very cheap so they’ll use the federal money they get to build stronger housing.”

On Sunday afternoon, 58-year-old Hollis Washington, who works for the city doing road maintenance, was pulling what he could from the rubble of his house, which, as a young boy, he helped his father build. In 1974, he said, it was one of the first two-story homes in



A man in Rolling Fork, Miss., below cried on Sunday while talking about the damage to his properties and those of his neighbors after a tornado hit the community.

town. Friday’s storm ripped off that entire second floor and brought an exterior wall down on top of his leg, trapping him in debris.

Still, “I didn’t come out of the house being like ‘oh no, my house.’ You can get another house, but you can’t get another me, so I’ve been blessed,” Mr. Washington said. “I’ve always had a story to tell about this house, and this is just another chapter.” He said plans to help rebuild a more modest version as soon as he is able.

The tornado that smashed into Rolling Fork tore across the state in a continuous path for 70 minutes. At its strongest, preliminary data show it had wind gusts anywhere from 166 mph to 200 mph, the weather service said. It traveled 59 miles before it lifted off the ground.

Silver City, 30 miles east of Rolling Fork, was abuzz with chain saws, hammers and generators on Sunday, as dozens of volunteers fanned out to pass



Camille Bressange/THE WALL STREET JOURNAL

out water and stretch blue tarps over damaged roofs. Three people in town were confirmed dead, with two in critical condition.

Bruce Williams, the sheriff of Humphreys County, said the town, with little more than 200 residents, was destroyed, but community members were resilient. “It’s just what we do. We come together and help each other out and do what we

can for our neighbors,” he said.

Mr. Williams said that as tragic as the storm was, there was an opportunity on the other side of it to bring back people back to an area whose population has been steadily declining because of a shortage of jobs. “There’s a potential for jobs rebuilding. Contractors are already here,” he said. “People are in wooden shotgun houses, so now when the fed-



Camille Bressange/THE WALL STREET JOURNAL

get an accurate count of the number of properties damaged. “I’d say about 40% of the city is pretty much a total loss,” Mr. Cox said.

The storm’s path was estimated to be at least half-a mile wide. It made a direct hit on the Amory Water Department and careened into three of the area’s biggest employers, he said.

While state residents continued to process the damage, some in the disaster areas managed to escape unscathed and expressed mixed emotions about their good fortune.

Rolling Fork’s Natalie Washington, a 43-year-old housekeeper at a local casino, said her house only lost a few roof tiles and she feels guilty that her home is still standing when so many of her friends lost everything. When she drove around town Friday night, “I broke down and cried, and then even more the next day with daylight. You just started seeing this and that gone.”

eral government comes in they build better, cost efficient homes.”

In Amory, a town of just over 6,500 in the northeast part of the state near Alabama, most residents were still without power or gas on Sunday.

Amory Fire Department Captain Steven Cox, who rode out Friday’s tornado in his underground storm shelter, said first responders were trying to

Housing Is Struggle for Some Ukraine Refugees

BY ALICIA A. CALDWELL

Ukrainian refugees fled their war-torn country last year and found havens in the homes of Americans, but now some are struggling to navigate the tight housing market without a sponsor’s support.

“Everything was wonderful until it wasn’t,” said Svitlana Lazariyeva, speaking through a translator, about a strain with her family’s sponsor. Ms. Lazariyeva said she and her family left their home near Bakhmut, Ukraine, last June, about four months after Russia’s invasion of Ukraine began. The family planned to resettle in suburban Orange County, about an hour south of Los Angeles.

Uniting For Ukraine, a first-of-its kind U.S. government program, allowed Ukrainians to legally live and work in the U.S. for two years under an immigration-law provision called humanitarian parole. U.S. citizens, in some cases strangers, agreed to sponsor them and effectively invite them into their

homes on arrival. As of late February, about 115,000 Ukrainians had moved to the U.S. under the program, according to government data about it.

The Ukrainian parole program differs from the way the U.S. has for decades resettled refugees, because it puts a time limit on their stay and doesn’t offer government-funded housing or guaranteed assistance from a resettlement agency. It also differs from the way asylum seekers who cross the U.S. border have been treated. Typically, they aren’t immediately allowed to work and have no access to assistance.

Many Ukrainian refugees say the move has been great so far. “I see families who host people for a month, two or three; there are other cases where people are willing to host people for longer,” said Iryna Petrus, a Ukrainian woman who works with the Ukrainian American Community Center in Minneapolis. “People are very very generous here in the United States.”

There have also been hiccups, including initial delays in securing work permits and some of the social-welfare benefits approved by Congress last year, immigration lawyers, advocates and Ukrainian parolees have said.

The loose structure of the sponsorship requirements has

As of late February, about 115,000 Ukrainians had moved to the U.S.

been a struggle for many, too. Under the program rules, sponsors are supposed to help ensure that parolees have adequate and safe housing, though their lawyers and advocates said that requirement hasn’t been enforced. As a result, unclear expectations or soured relationships with their sponsors have left some Ukrai-

nians to navigate the high cost of living in parts of the U.S.

The Department of Homeland Security said sponsors are vetted for fraud and security concerns before an application is approved. “We thoroughly review each reported case of fraud or misconduct, and may refer those cases to federal law enforcement for additional investigation,” the department said.

Ms. Lazariyeva said the sponsorship program offered a lifeline for her, her daughter, her grandson and the family dog to leave the war zone. The family started to put down roots, she said, her grandson enrolling in school and she and her daughter making friends and looking for work. The relationship began to sour late last year.

In January, Ms. Lazariyeva said she found herself in urgent need of a new place to live. Her daughter, grandson and the dog had been able to move in with friends. But she, a lawyer in Ukraine who has found sporadic work in the U.S. cleaning

houses while she learns English, faced being homeless.

A social worker in Orange County connected her with Nova Ukraine, a nonprofit aid group that has established an emergency housing group to help Ukrainians facing similar situations. For more than two months, she has been living in a converted church office building in a business complex. A former office with a twin bed is her room until she can afford an apartment on her own. Finding affordable housing has been a struggle for many, advocates, lawyers and parolees said.

“Housing is definitely one of the most painful obstacles that is not resolved, but continues to be an issue,” said Alex Budnitsky, chief executive and executive director of the Marks Jewish Community House of Bensonhurst, a Brooklyn, N.Y., aid group helping Ukrainians moving to the U.S.

◆ Ukraine poised to punch back against Russian invasion.... A8



Sen. Mitch McConnell

McConnell Back Home After Injury And Rehab

BY SIOBHAN HUGHES

WASHINGTON—Senate Minority Leader Mitch McConnell (R., Ky.) is home from an inpatient rehabilitation facility where he was recovering from a concussion suffered after tripping at a hotel during a private dinner a little over two weeks ago.

“I want to sincerely thank everyone for all the kind wishes,” Mr. McConnell said in a Saturday statement, adding that he planned to work from home for the next few days on the advice of his physical therapists.

Mr. McConnell, who was hospitalized after the accident, said he was in frequent touch with Senate colleagues and staff. He said he looks forward to returning in person to the Senate soon.

Mr. McConnell, 81 years old, had been absent from the Senate since his March 8 fall. The accident occurred at the Waldorf Astoria Washington D.C., formerly the Trump International Hotel, where he was attending an event organized on behalf of the Senate Leadership Fund, which raises money to support Republicans running for U.S. Senate seats.

Doctors found that he had suffered a concussion and a minor rib fracture. Mr. McConnell had polio as a child and his gait is still uneven. Mr. McConnell fractured his shoulder in 2019 during a fall. Earlier, in 2003, he had triple bypass surgery.

New York Poised to Ban Natural Gas in New Buildings

BY SCOTT CALVERT

New York is poised to become the first state in the U.S. to pass a law banning natural-gas and other fossil-fuel hookups in new buildings, as state Democrats are pushing to help the state meet targets for greenhouse-gas reduction.

The measure is on track to be added to the state’s coming budget, which is due to be completed this week. Democratic Gov. Kathy Hochul in January pitched an all-electric building mandate in her spending plan, and both chambers of the Democratic-controlled State Legislature included similar proposals in their respective budget outlines. One of the legislation’s most noticeable effects would be an end to gas stoves in new homes, along with other gas-powered appliances such as

water heaters, furnaces and clothes dryers.

It faces opposition from some Republicans, labor unions, gas companies and business groups, citing concerns including affordability and reliability. Environmental groups have cheered the efforts.

Democrats in Albany are still hammering out final details such as when the mandate would take effect, lawmakers said, though all proposals on the table take a phased-in approach. The suggested effective dates tossed around so far, for various kinds of buildings, range from as early as Jan. 1, 2025, to as late as Dec. 31, 2028. The Senate and Assembly measures would exempt uses such as commercial kitchens, hospitals, crematoriums, laboratories and laundromats, while the governor’s office said a

range of exemptions would be possible.

“The basic premise here is that if you continue to build buildings that are going to require fossil fuels for decades to come, you are baking in...destructive behavior that burning fossil fuels causes,” said Democratic state Sen. Brian Kavanagh, an advocate in the Senate. “The first step is to stop digging the hole deeper.” Senate Republican Leader Rob Ortz said the proposals would remove options. “Seeking a cleaner energy future does not have to involve outright prohibitions on reliable, affordable energy,” he said.

Controversy over gas stoves flared nationally earlier this year following a news report that the U.S. Consumer Product Safety Commission was considering a gas-stove ban on indoor-air health concerns.

Republicans and some centrist Democrats cast the Biden administration as trying to outlaw a beloved way of cooking. The White House said President Biden didn’t support a gas-stove ban.

New Yorkers for Affordable Energy, a coalition that includes labor unions and gas companies, argues against a mandate, calling it unpopular with residents. A recent Siena College poll found that 53% of all New York respondents said they opposed the idea.

“Natural gas is going to continue to be part of the bridge between what we have now, with the heavy use of fossil fuel, and what we are going to have in the future,” with more-renewable sources, said Daniel Ortega, of the coalition. “Unless we are able to address reliability and affordability, none of this is going to work out.”

Under New York’s proposals for banning fossil-fuel hookups, people who already have gas stoves could keep them.

Passage of a statewide building electrification requirement could spur other states to follow, said Amy Turner, senior fellow at the Sabin Center for Climate Change Law at Columbia Law School.

Dozens of U.S. municipalities already have all-electric building mandates, and lawmakers in some Republican-led states have passed laws blocking cities from imposing such requirements.

“This is going to be the biggest way we can chop off a huge amount of the pollution,” said Assembly member Emily Gallagher, a Democrat who sponsored an all-electric building bill.

U.S. NEWS

Former President Defiant at Texas Rally

By ADOLFO FLORES
AND ALEX LEARY

WACO, Texas—Donald Trump, appearing before thousands of supporters at a rally here, attacked the various legal investigations he is facing, including a potential New York indictment for his role in a hush-money payment to a porn star, declaring “they have nothing.”

“From the beginning it’s been one witch hunt and phony investigation after another,” said Mr. Trump, who is making his third consecutive White House bid and has pledged to continue no matter what charges he faces. He called the “weaponization” of the justice system “the central issue of our time.”

Prosecutors in New York have considered charging Mr. Trump with falsifying business records to hide the payment to adult film actress Stormy Daniels, which was made ahead of the 2016 election to keep her from going public with her story.

Mr. Trump said the payment to Ms. Daniels wasn’t a crime and denied having an affair with her, using a slur to describe Ms. Daniels, who alleges the two had a sexual encounter.

His appearance in this central Texas city came amid the 30th anniversary of the deadly



Former President Donald Trump criticized the investigations he is facing in a speech to thousands of backers Saturday in Waco, Texas.

standoff in Waco between federal authorities and Branch Davidian leader David Koresh, though campaign officials denied any connection.

The former president also attacked his primary rival for

the GOP nomination, Florida Gov. Ron DeSantis, calling him disloyal and reminding the crowd of the former congressman’s support for budget resolutions that would raise the retirement age for Social

Security, a position Mr. DeSantis has retreated from. A spokesman for the governor declined to comment.

Mr. Trump hardly had to persuade his supporters to stick with him, many of whom were

given signs with the slogan Witch Hunt.

“If he’s arrested I think people will stand behind him even tighter,” said B.J. Apgar, 47 years old, who showed up hours early for Mr. Trump’s

first traditional rally since launching his campaign in November.

Rick Scordo, 62, of McKinney, Texas, said he doesn’t believe the possible indictment would hurt Mr. Trump. “The prosecutors don’t have a case,” Mr. Scordo said. “If there was anything to the accusations the feds would’ve already gone after him.”

Mr. Trump’s rally remarks followed threatening rhetoric he has used in recent days. On Friday, he asked on social media why he would be charged, “when it is known by all that NO Crime has been committed, & also known that potential death & destruction in such a false charge could be catastrophic for our Country?”

Mr. Trump’s critics and defenders of Manhattan District Attorney Alvin Bragg decried the former president’s posts as inappropriate and irresponsible. The district attorney previously has said, “We are investigating thoroughly and following the facts without fear or favor.”

The evening rally was the first large-scale event since Mr. Trump announced his campaign in November. He has done a number of smaller events, while also drawing a packed crowd earlier this month in Davenport, Iowa.

—Corinne Ramey contributed to this article.

Trump Sets His Legal Strategy

Continued from Page One

turn the state’s presidential results in January said charging decisions were imminent.

To counter those probes, Mr. Trump is relying on a scattered team of lawyers and advisers with little sign of a coordinated strategy beyond attacking investigators, seeking to delay proceedings and casting himself as the victim of a witch hunt, according to current and former aides and legal advisers. His legal team, much as it was for the duration of his presidency, has been plagued by infighting and has suffered frequent turnover due to clashes over personality and legal strategy.

Mr. Trump’s lawyers have questioned each other’s tactics and competence behind the scenes and have urged contradictory approaches. One skirmish came last year in the classified-documents case, with lawyers arguing over whether to be conciliatory with the government in hopes of resolving the issue or to take an adversarial posture. The latter prevailed, and the case continues to hang over Mr. Trump.

The lawyers representing him in different probes around the country have been in little contact, people familiar with the matter say. Mr. Trump has long encouraged infighting among his attorneys by playing them against each other, at times calling advisers to ask what they think of his legal team’s performance and calling other lawyers to ask them to join or replace members of his team.

‘Totally reactive’

What Mr. Trump is missing, said former Trump White House lawyer Ty Cobb, is an attorney who would serve as a leader for the lawyers working on disparate investigations. “He plays his own captain, and legally that is suicidal,” Mr. Cobb said. “His strategy, to the extent there is one, appears totally reactive.”

Mr. Trump has often proved a difficult client over the years, which Mr. Cobb, who left the Trump White House on good terms, said would be an obstacle to finding a lawyer to take on such a leadership role. “Nobody considering assisting the former president at this stage of the game can be unmindful of the extraordinary speed with which Trump turns lawyers into witnesses,” he added.

Mr. Trump has denied any wrongdoing in each investigation he faces.

The Trump campaign said it is equipped to handle any legal issues. “This operation has been fine-tuned since 2016,” said spokesman Steven Cheung. “Dealing with these types

of news cycles, you learn to get good at it. We have a full-spectrum response operation on the campaign that can deal with anything that comes our way.”

Chris Kise, a lawyer for the former president, said it was “sheer nonsense” that the teams weren’t coordinating. “You are working on disparate paths but ultimately everyone is on the same team,” he said. He called Mr. Trump a “focused and deliberative decision maker,” adding: “Does he listen all the time, no. But in more than 30 years as a lawyer I have never had a client who listens all the time.”

Mr. Trump’s team sees the compounding investigations as more of a political issue than a legal one, advisers say. His lawyers view the probes as challenging to manage amid a presidential campaign, but appear less concerned about the legal ramifications for Mr. Trump. If convicted in the Manhattan case, he would be unlikely to face prison time. Potential penalties in the other investigations are less clear.

His allies see potential political upside from an indictment, which they hope would rally Republicans around the former president. Mr. Trump has sent a flurry of fundraising emails in recent days casting himself as a beleaguered warrior for his supporters. “They only want to lock me up because I’m the one thing standing between them and YOU,” one recent solicitation read.

On social media, Mr. Trump has mounted an escalating series of attacks on Manhattan District Attorney Alvin Bragg, which some legal experts say could come back to hurt him if he were to face a trial. In a post just after 1 a.m. on Friday, he called Mr. Bragg a “degenerate psychopath” whose actions could bring “potential death & destruction”; a day earlier, he posted a photo of himself with a baseball bat beside a photo of Mr. Bragg’s head.

A spokeswoman for Mr. Bragg’s office has said the office evaluates cases based on the facts, law and evidence.

Mr. Trump for decades has managed to ward off serious legal jeopardy, frustrating his detractors.

“He believes the best defense is an offense,” said longtime ally Roger Stone. “As far as the trail ahead, he’s fatalistic: I’ll fight each challenge one by one and I’ll win.”

Mr. Trump has expressed mixed views in private conversations on a potential indictment. He is unsettled by the idea of being indicted, people close to him said. But he has also told advisers he is pleased that the controversy has put him squarely back in the spotlight, which he believes has let him overshadow other Republicans in the presidential race.

Mr. Trump on Saturday night appeared before thousands of supporters at a rally in Waco, Texas, where he lashed out at investigators and cast himself as a victim. The



Chris Kise, left, is a lawyer for the former president.

“weaponization” of the justice system, he said, is “the central issue of our time.”

Swing voters

While an indictment could boost Mr. Trump in the Republican primary, it could further alienate swing voters turned off by the barrage of controversies. Mr. Trump shed moderate GOP voters and independents in his 2020 loss to President Biden. Republican angst intensified following the November midterm elections when a number of high-profile Trump-backed candidates lost after echoing his false assertions about election fraud.

Florida Gov. Ron DeSantis, who appears likely to be Mr. Trump’s most formidable primary challenger, has criticized the New York investigation but also jabbed the former president over the payoff, telling reporters: “I don’t know what goes into paying hush money to a porn star to secure silence over some type of alleged affair.”

“I don’t think any political candidate says ‘Hey I want to improve my campaign, how about I get indicted,’” said former New Jersey Gov. Chris Christie, who is considering entering the Republican primary. A trial would take “time and effort and money away

from what you’re doing politically,” he added.

Mr. Trump’s political-action committee, Save America, paid more than \$16 million in legal consulting fees in 2021 and 2022, more than half of which went to firms linked to the lawyers representing him in various investigations, Federal Election Commission records show. It is legally murky whether the PAC will be able to continue paying for Mr. Trump’s legal fees now that he is officially running for president.

Normal schedule

Mr. Trump has kept a normal schedule at his Mar-a-Lago resort. He dined Thursday night with friend and actor Jon Voight. In conversations with advisers last week, he has talked about his polling advantage over Mr. DeSantis, and has been exploring new avenues to attack the governor.

His legal operation stands in contrast to his campaign, which so far has lacked the internal disorganization and drama of the past, and is led by two veteran operatives, Susie Wiles and Chris LaCivita.

The Trump operation, which in some previous inquiries has relied on congressional Republicans to battle in its defense, has done less to coordinate strategy with the

Hill this time, even as a group of House Republicans have argued that Mr. Bragg is abusing his authority, according to a person familiar with the matter.

Some Trump lawyers have reached out to the House Judiciary Committee to check in, but there has been little discussion of strategy with the panel, the person said. The committee’s chairman, Jim Jordan (R., Ohio), is among the Republicans who have sought Mr. Bragg’s testimony about his investigation, a move the DA’s office called “an unlawful incursion into New York’s sovereignty.”

In recent years, Republicans have often criticized—both publicly and privately—the lawyers Mr. Trump has chosen to represent him. Several of Mr. Trump’s lawyers, including Rudy Giuliani and John Eastman, have come under investigation themselves. Both have denied wrongdoing.

Currently, the former president’s team includes Boris Epshteyn, a lawyer and political adviser; Mr. Kise, a well-connected former Florida solicitor

‘He plays his own captain,’ says a former Trump White House lawyer.

general who was brought onboard last summer to help with the Justice Department’s investigation into the handling of sensitive documents at Mar-a-Lago but whose responsibilities have widened; and Jim Trusty, a former federal prosecutor who caught Mr. Trump’s attention by defending him on television.

In the New York hush-money probe, Mr. Trump is represented by Susan Necheles and Joe Tacopina, both longtime New York criminal de-

fense lawyers.

In court, Trump lawyers’ strategy has focused on delaying and attacking any potential charges and has at times drawn the scorn of state and federal judges.

In January, in a separate matter, a federal judge in Florida levied a nearly \$1 million fine on Mr. Trump and his attorney, Alina Habba, over their March 2022 filing of what he called a frivolous lawsuit alleging a political conspiracy during the 2016 election.

The actions of Mr. Trump’s attorneys have also been a central part of the Justice Department’s documents probe. One of them, Christina Bobb, told federal investigators that another lawyer, Mr. Corcoran, assured her that he conducted a thorough search of Mar-a-Lago before he asked her in June to certify that all records requested by a subpoena had been returned. The certification by Ms. Bobb was undermined two months later when the FBI searched the Florida compound and retrieved hundreds of sensitive and classified documents.

Prosecutors have asked about the role of Mr. Epshteyn in the Mar-a-Lago investigation, with questions suggesting an interest in whether he sought to influence witness testimony, according to people familiar with the investigation.

Mr. Epshteyn and his lawyer have declined to comment on prosecutors’ interest.

‘Very weak’

Mr. Trump’s team is appealing a recent ruling by U.S. District Judge Beryl Howell, who found that the special counsel had presented sufficient evidence that Mr. Trump misled his own lawyers about his retention of the documents. A Trump spokesman argued that the focus on his attorneys was “a good indication their underlying case is very weak.”

In Georgia, Mr. Trump’s lead counsel, Drew Findling, has asked a state court to scrap the investigation, saying the inquiry had been “tainted by improper influences,” including media interviews given by Fulton County, Ga., District Attorney Fani Willis, the presiding judge and a grand jury forewoman. The motion has little chance of success, legal experts unconnected to the case said.

A New York judge who presides over separate litigation between New York Attorney General Letitia James and Mr. Trump has repeatedly criticized the former president and his company for delays and not responding sufficiently to subpoenas. Earlier this year, he declined to dismiss the civil-fraud lawsuit against Mr. Trump, calling his lawyers’ “witch hunt” arguments “frivolous.”

On Saturday night in Texas, Mr. Trump declared, “From the beginning it’s been one witch hunt and phony investigation after another.”

—Sadie Gurman and Jan Wolfe contributed to this article.



Boris Epshteyn, a lawyer for Donald Trump, is shown speaking to Trump supporters in 2020.

U.S. NEWS

Republican Lawmakers Want Peek Into Probe Of Trump

By NATALIE ANDREWS

House Republicans pressed Manhattan District Attorney Alvin Bragg to cooperate with their request for information about the potential indictment of former President Donald Trump over his role in paying hush money to a porn star.

In a Saturday letter to Mr. Bragg, House Judiciary Chairman Jim Jordan (R., Ohio), Oversight Chairman James Comer (R., Ky.) and House Administration Committee Chairman Bryan Steil (R., Wis.) outlined their reasoning for why Congress should have access to communications, documents and testimony relating to the Manhattan district attorney's investigation.

"This matter does not simply involve local or state interests," the three congressmen said in an eight-page letter. "Rather, the potential criminal indictment of a former President of the United States by an elected local prosecutor of



District Attorney Alvin Bragg

the opposing political party (and who will face the prospect of re-election) implicates substantial federal interests, particularly in a jurisdiction where trial-level judges also are popularly elected."

A spokeswoman for Mr. Bragg said Saturday that the office evaluates cases based on the facts, law and evidence. "This unprecedented inquiry by federal elected officials into an ongoing matter serves only to hinder, disrupt and undermine the legitimate work of our dedicated prosecutors," the spokeswoman said.

House Republicans are seeking information about the Trump investigation after the former president expressed worry that he would soon be arrested, calling it prosecutorial overreach and politically motivated. A Manhattan grand jury has been hearing testimony in the matter.

Prosecutors have considered charging Mr. Trump with falsifying business records to hide the payment to porn star Stormy Daniels to keep her from going public with allegations that she had an affair with Mr. Trump. He denies the affair and says he has engaged in no wrongdoing.

In rebuffing the House lawmakers, Mr. Bragg's office requested a meeting to determine whether the lawmakers had a "legitimate legislative purpose" in requesting materials related to the Trump matter.

Mr. Trump has repeatedly called the investigation a "witch hunt." He recently told followers on Truth Social that he expected to be arrested. Any indictment of Mr. Trump wouldn't be public until it is unsealed by a judge.

Mr. Jordan also sent letters to former Manhattan prosecutors Carey Dunne and Mark Pomerantz, both of whom worked on the Trump investigation and resigned after Mr. Bragg declined to move forward with an earlier, broader case against Mr. Trump. Those letters requested documents and communications related to the district attorney's Trump investigation, dating back to 2017.

Democrats accused Republicans of protecting Mr. Trump. "The continued efforts to meddle in an ongoing criminal investigation to shield a political ally is irresponsible, egregious and dangerous," said Rep. Joe Morelle, the top Democrat on the House Administration Committee.

—Corinne Ramey contributed to this article.

Biden's Pick to Lead the FAA Withdraws

By MICAH MAIDENBERG AND LINDSAY WISE

The Biden administration's nominee for the top job at the Federal Aviation Administration has taken himself out of the running for the position following criticism from Republicans over his credentials for the job.

Phil Washington, currently chief executive of Denver International Airport, withdrew his name from consideration to serve as FAA administrator, a White House official said Saturday.

Mr. Washington declined to comment.

The FAA hasn't had a Sen-

ate-confirmed leader for about a year. The agency, with around 45,000 employees, oversees operations in U.S. airspace and a range of aviation policy matters.

The FAA recently has been focused on a string of recent near collisions between planes that threatened passengers and crew at several airports around the U.S. and a January technology breakdown that led to the first nationwide flight halt since the 9/11 terrorist attacks. It also has continued to scrutinize Boeing Co.'s efforts to improve its engineering and factory operations after two 737 MAX crashes.

"Given the significant chal-

lenges facing the FAA, this wasn't the time for an administrator who needed on-the-job training," Sen. Ted Cruz of Texas, the ranking Republican on the Senate Commerce panel, said on Saturday. "The Biden administration must now quickly name someone to head the FAA who has an extensive aviation background, can earn widespread bipartisan support in the Senate, and will keep the flying public safe."

At a Senate Commerce Committee hearing in early March, Mr. Washington said he had the skills to lead the FAA, and pledged to speed up efforts to carry out various regulatory programs at the agency.

Senate Commerce Committee Chairwoman Maria Cantwell (D., Wash.) on Saturday maintained her support for Mr. Washington.

The Senate panel had scheduled Mr. Washington's nomination for a vote last week, but it was canceled over uncertainty about whether he could win approval.

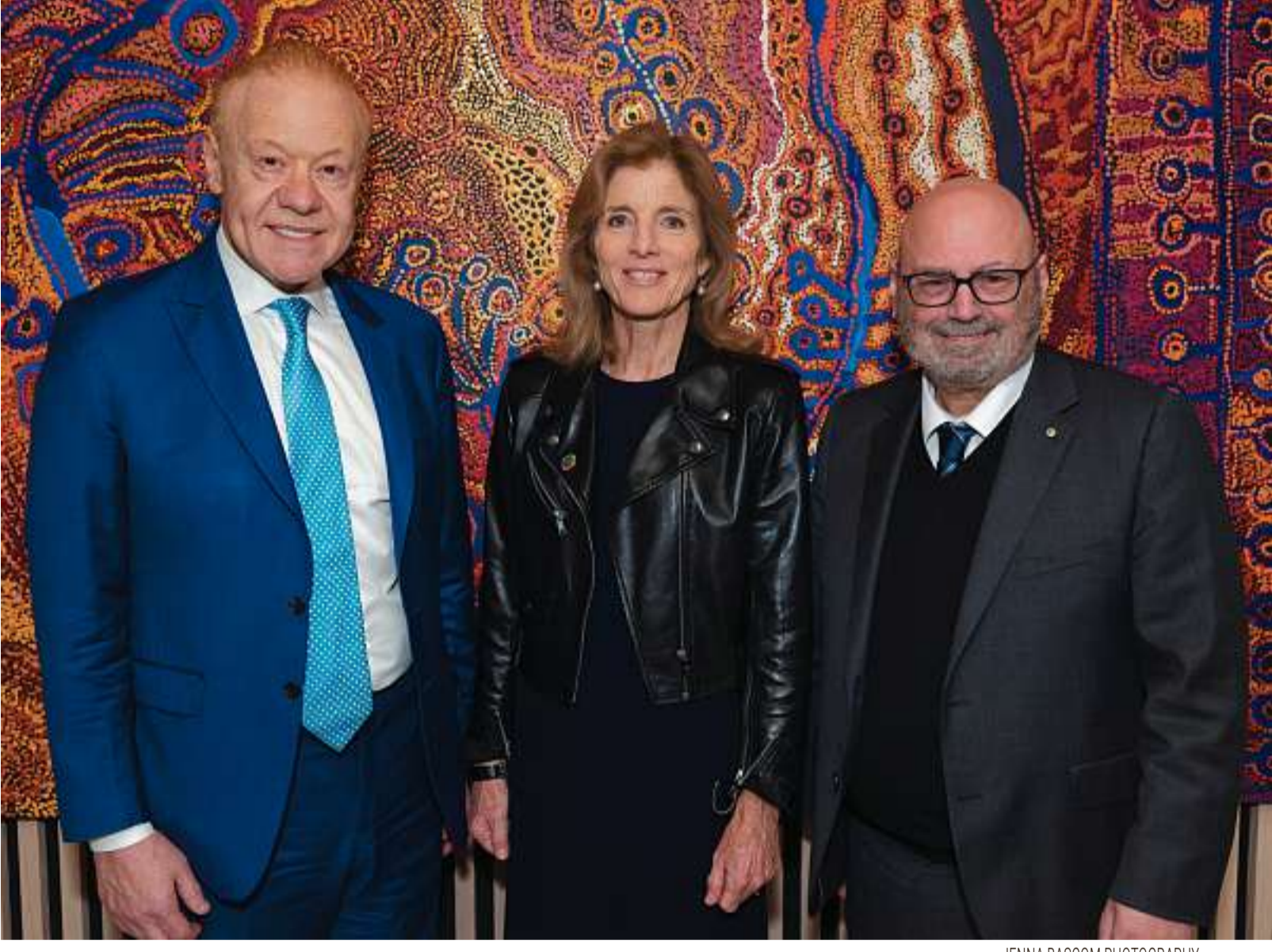
Sen. Kyrsten Sinema of Arizona, an independent who caucuses with Democrats, was among those on the committee who had concerns about Mr. Washington's FAA nomination.

Reuters earlier reported that Mr. Washington was withdrawing from consideration.

Mr. Washington rose to the rank of command sergeant major during a 24-year Army career. Before taking on the top job at the Denver airport, he led a transportation authority that serves Los Angeles County and headed a Denver-area transportation agency.

The Biden administration nominated Mr. Washington to lead the FAA in July 2022.

Billy Nolen, a former American Airlines Group Inc. pilot and executive focused on regulatory and safety matters, has served as acting administrator of the agency since the last permanent administrator, Steve Dickson, stepped down from the job last year.



JENNA BASCOM PHOTOGRAPHY

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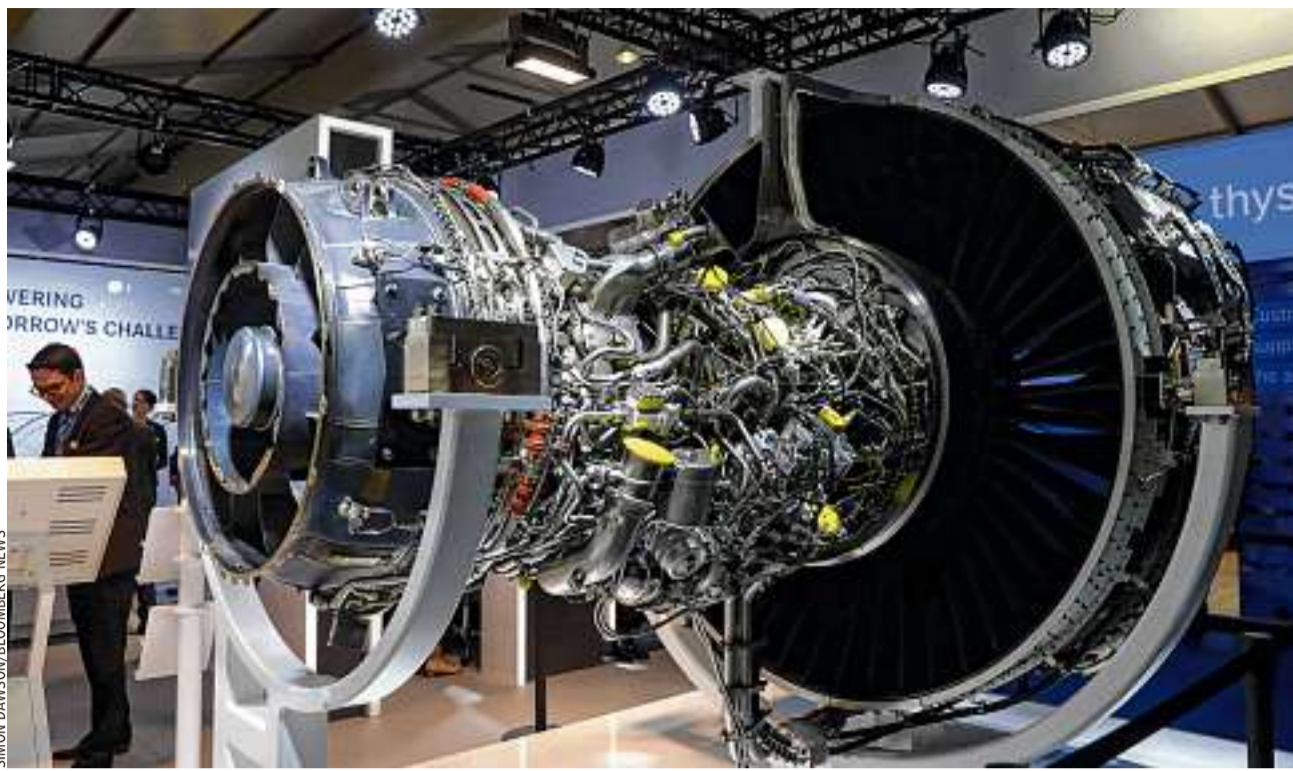
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Pratt & Whitney engine. An indictment says a former Pratt & Whitney director was the leader of a conspiracy. He maintains his innocence.

Executives Go on Trial Over Alleged No-Poach Conspiracy

By DAVE MICHAELS

WASHINGTON—Federal prosecutors are scheduled to begin a trial Monday in which a former Pratt & Whitney manager is accused of conspiring with his suppliers to prevent them from poaching one another's workers, in a new test of the government's more aggressive antitrust strategy. The case, in federal court in Bridgeport, Conn., is the latest example of a new category of prosecution: collusion among employers to restrict workers' mobility or wages. The Justice Department has struggled to persuade jurors at three prior trials to convict defendants accused of crafting such agreements.

The trial centers on Mahesh Patel, a former director at Pratt & Whitney who was in charge of its relationships with suppliers. A subsidiary of Raytheon

Technologies Corp., Pratt has tens of thousands of employees and is one of the world's largest aircraft-engine makers.

Mr. Patel allegedly conspired with five executives of Pratt's suppliers not to hire or recruit one another's engineers or other skilled workers. Robert Harvey, Harpreet Wasan, Steven Houghtaling, Tom Edwards and Gary Prus also were charged. Prosecutors said the aim of the alleged conspiracy was to hold down labor costs and preserve the companies' profit margins.

Mr. Patel was the leader and primary enforcer of the conspiracy, according to a grand jury indictment issued in December 2021. The other executives complained to Mr. Patel after learning a rival supplier had offered a job to or sought to hire one of their employees, prosecutors said. Prosecutors obtained emails

in which the men talked about rescinding employment offers that would have violated their agreement. According to one message cited by prosecutors, a chief executive wrote: "Our general aim is NOT to recruit from the local 'competition' because no one wins; salaries rise, the workforce get [sic] unstable, and our margins all get hurt."

Brian Spears, a lawyer for Mr. Patel, said his client "has maintained his innocence throughout these proceedings and looks forward to the opportunity to clear his name." A Justice Department spokeswoman and a lawyer for Mr. Houghtaling declined to comment. Attorneys for the other defendants didn't respond to messages seeking comment.

The Justice Department once treated wage-fixing or no-poaching agreements as civil violations, but it changed its posi-

tion in 2016 and said it would deal with them as crimes.

A jury in Colorado last year rejected the first attempt to prosecute an alleged no-poach agreement. Dialysis provider DaVita Inc. and its former chief executive officer, Kent Thiry, were acquitted on three counts of conspiring with other companies not to recruit one another's senior-level employees.

In another trial loss for the DOJ, a federal jury in Maine last week acquitted four managers of home-health agencies accused of fixing wages and agreeing not to hire one another's workers.

In October, prosecutors obtained their lone win in a criminal wage-fixing and no-poaching case. VDA OC LLC, a healthcare staffing company in Nevada, pleaded guilty to one count of conspiring to restrict the pay of nurses around Las Vegas.

Telehealth Apps Warned on Data

By PATIENCE HAGGIN

The Federal Trade Commission is cracking down on the data-sharing practices of telehealth companies, focusing on widespread uses of data that many companies in the industry have failed to disclose to users.

The FTC this month reached a proposed settlement with BetterHelp, a subsidiary of Teladoc Health Inc., over allegations that the therapy-focused telemedicine company promised to keep users' health data private but shared it with advertising partners.

Many telehealth apps have similar data-sharing practices and are likely to face scrutiny as the agency continues to focus on health data, privacy specialists said. "We're very concerned by how easy it is for consumers to hand over their most sensitive information," said Miles Plant, senior privacy and data security attorney at the FTC.

BetterHelp settled the charges and didn't admit wrongdoing. BetterHelp described its practices as industry-standard and said the FTC was working to "set new precedents around consumer marketing."

The FTC's proposed order, which is expected to be made final by the commission, would require BetterHelp to pay \$7.8 million and bar the company from sharing consumers' health data for advertising.

Millions of consumers turned to telehealth providers at the onset of lockdowns. Consumers continue to turn to apps for medicine, therapy and other issues. Telehealth revenue is expected to grow 4.6%, to \$30.4 billion, in 2023, according to estimates from the market-research firm IBISWorld.

Nicholson Price, a professor at the University of Michigan Law School, said many consumers erroneously expect that the Health Insurance Portability and Accountability Act safeguards their health data in all contexts.

In February, four senators—Amy Klobuchar (D., Minn.), Susan Collins (R., Maine), Maria Cantwell (D., Wash.) and Cynthia Lummis (R., Wyo.)—requested more information from three telehealth companies about their privacy practices.

The FTC has pursued privacy-related settlements with other companies. This year, the prescription-drug discount provider GoodRx Holdings Inc. agreed to pay a \$1.5 million civil penalty to resolve FTC allegations that it unlawfully disclosed consumers' personal health information to adver-

Telehealth revenue is expected to grow 4.6%, to \$30.4 billion, in 2023.

tisers. GoodRx didn't admit wrongdoing and proactively addressed the issues before the FTC inquiry began, a company spokeswoman said.

Last year the FTC alleged that Kochava Inc. sold geolocation data that could reveal users' visits to abortion clinics, addiction-recovery facilities and other sensitive locations. Kochava sued the FTC and argued in court that the agency's allegations "are based on vague, ill-informed references to our business practices and hypotheticals that don't violate any law," Charles Manning, founder and chief executive of Kochava, said. The FTC sued Kochava. Both suits are pending.

In 2021, the FTC settled with the menstruation-tracking app Flo Health Inc. over allegations that it improperly shared personal data. Flo Health didn't admit wrongdoing and has since completed an external, independent privacy audit, a company spokeswoman said.

—Rolf Winkler contributed to this article.

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Pentagon Woos Tech Startups

Continued from Page One called the Office of Strategic Capital, which is designed to attract more investment, particularly venture capital, into companies producing technology and products viewed as critical to the military. It is the latest in a variety of Pentagon-backed efforts to harvest ideas from outside the traditional defense sector.

These efforts coincide with rising interest by venture-capital investors in the military business, spurred by Washington's focus on China, and the success of such companies as Elon Musk's SpaceX in winning Pentagon business.

About \$6 billion annually is now flowing from private capital into the U.S. defense and aerospace market, up from around \$1 billion in 2017, according to PitchBook Data Inc., which tracks private funding.

The burgeoning links between the tech sector and the U.S. military come with their own set of complications. The shock waves from Silicon Valley Bank's rapid collapse this month rippled through the Pentagon, where officials scrambled to come up with plans for startups working on defense projects that had accounts there, according to government and industry officials.

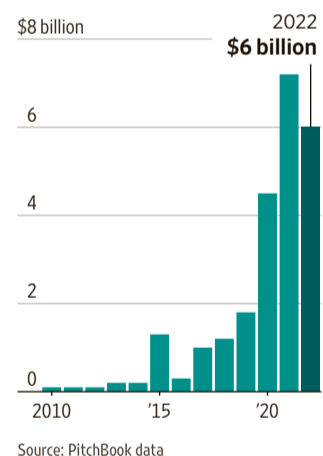
The Federal Reserve eventually guaranteed deposits.

"It was a very close call," said Eric Levesque, co-founder of Strider Technologies Inc., a data and software-services startup that contracts with the Defense Department. He said Washington's decision to fully guarantee deposits spurred a "sigh of relief."

Had the government not stepped in, some military production could have been at risk, said Mike Brown, a former director of the Pentagon's Defense Innovation Unit, which aims to strengthen ties between the military and tech startups.

"It would've created immediate problems in the current supply chain," he said, adding that some suppliers to classi-

U.S. venture capital deal activity in aerospace and defense technology



fied programs could have been imperiled. Mr. Brown is now a venture partner at Shield Capital, which invests in defense-related startups.

The Pentagon referred questions about Silicon Valley Bank to the Treasury, which declined to comment specifically on defense startups.

Trae Stephens, a partner at the venture-capital Founders Fund, said investors are turning to defense because of changing dynamics in the startup market. The view of many VCs, he said, is, "You really can't deploy capital into crypto anymore, you really can't deploy capital into e-

SpaceX and Palantir both had to sue before winning military orders.

commerce anymore. Where am I going to deploy capital? Well, there is a recession-proof category, it's defense."

The Defense Department has for years signaled an interest in working with nontraditional suppliers in the tech industry, but there were few successes. That changed in 2016, when the software startup Palantir Technologies Inc. sued to compete on a Pentagon contract, said Mr. Stephens, a Palantir executive at the time.

The startup, which designed a system to sift through large intelligence data sets, argued it had an existing product rather

than developing a bespoke system. Palantir prevailed.

"This was the turning point for private companies," said Mr. Stephens, who co-founded Anduril Industries Inc., a startup that makes drone and surveillance systems. Mr. Musk's SpaceX had to sue before it won Pentagon orders. More recently Anduril has secured U.S. military business without the need for a legal battle.

Those companies have demonstrated that the Pentagon is a market now open to startups, said Gilman Louie, chief executive and co-founder of America's Frontier Fund, which invests in technologies to address national and economic security problems.

"It's the younger, innovative companies that are dominating the cyber, AI, software spaces," said Mr. Louie, who ran In-Q-Tel, the Central Intelligence Agency's venture-capital arm.

What helped some of the early startups prevail were deep-pocketed backers, raising questions on whether less well-heeled newcomers can succeed. "You can probably count on one hand companies that have billionaire founders who can just keep funding and funding and funding the thing until eventually they crack the nut and get a large program," said Warren Katz, who heads the Alliance for Commercial Technology in Government.

It is hard to determine how deep the Defense Department's interest in new suppliers goes. Mr. Stephens of Founders Fund said the Pentagon's inclination to work through large defense contractors means that many of the smaller VC-funded startups likely won't survive.

Adding to that concern, Pentagon acquisition chief Bill LaPlante lashed out last year against traditional defense manufacturers for lagging production, and against Silicon Valley, questioning the relevance of technologies such as artificial intelligence and quantum computing in the midst of an artillery war in Europe. "The tech bros aren't helping us that much in Ukraine," he said.

In a statement to The Wall Street Journal, Dr. LaPlante said that a number of tech companies have in fact helped in the conflict. He said he was referring to "aspirational, often-elusive technology capabilities."

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WORLD NEWS

Iran Economy Reels Despite Saudi Deal

TEHRAN—Iran’s move to reset diplomatic relations with Saudi Arabia was a radical break from years of enmity between the two Middle East rivals, but it hasn’t been enough to prop up its struggling economy.

By Benoit Faucon, David S. Cloud and Aresu Egbali

Before China stepped in to broker the deal earlier this month, Iran’s currency, the rial, had lost a fifth of its value over the last two weeks of February to hit a record low, adding to the problems besetting the ruling clerics here.

Inflation was already rising, hitting 59% late last year, and talks to revive the 2015 nuclear deal and get some relief from U.S. sanctions were all but dead. European powers had given up on a separate mechanism to transfer funds to Iran for humanitarian aid. Prisoner-swap negotiations with the U.S. weren’t progressing either, keeping billions of dollars in overseas bank accounts out of reach.

The Americans had also begun cracking down on flows of hard currency from neighboring Iraq, removing an important pressure valve.

“The economic situation is a major part of why right now the Iranians decided to make this de-escalation agreement with the Saudis,” said Alex Vankov, director of the Iran Program at Washington’s Middle East Institute.

But while news of the deal helped ease the strain on the rial in the short term, pushing it off its historic low of more than 600,000 to the dollar, the currency has since lost value as the reality sinks in that, even with the Saudi deal, the country has few prospects for a turnaround unless it can escape sanctions over its nuclear program or build closer economic ties with China and Russia.

“It’s a thin market that lives and dies on headlines—and the headlines have been good the past few weeks,” said Henry Rome, a senior fellow with the Washington Institute for Near East Policy.

But, he said, “inflation, especially food, is very high and



Iranians shopping for Nowruz, the Persian New Year holiday, this month. Many say they can't afford the ingredients for holiday feasts.

rising, and the government is doing little to reel it in.”

The approach of Nowruz—the two-week Persian New Year holiday that began last Monday—was a flashpoint.

Middle-class Iranians found themselves with much diminished purchasing power for the rice, meat and other ingredients for the holiday’s feasts, and retired teachers, social-security officials and military personnel were protesting economic conditions across

the country.

Iranian Supreme Leader Ayatollah Ali Khamenei acknowledged the scope of the problems in a speech Tuesday marking Nowruz.

“If, God willing, we are able to reduce the economic problems and if, God willing, our officials make an effort, practice diligence and work hard on important tasks in this field, many of the country’s other problems will also be solved,” Mr. Khamenei said, according to the

state-run news agency IRNA.

Iran’s clerical leaders have promised to tackle inflation before without success. When Iranian President Ebrahim Raisi took office in 2021 he vowed to reduce inflation to below 15% in 2023 and to single digits in 2024, but prices have only escalated, raising pressure on the government.

Inflation remains rampant at more than 50%, with the cost of meat rising 90% over the past year, according to the

semiofficial ISNA news agency. When reformist newspaper Sa-zandegi reported about rising anger about food prices with a dramatic front-page headline, “Meat Rebellion,” on Feb. 20, it was immediately shut down.

Ordinary Iranians say they have had trouble affording the ingredients to prepare Nowruz meals. “We have become numb against inflation,” said Alireza Babaie, a home-appliances salesman. “We don’t feel anything anymore.”

Germany, EU Reach Pact on Combustion-Engine Plan

BRUSSELS—The European Union reached a deal with Germany that is expected to water down the bloc’s plan to effectively ban new internal

By Kim Mackrael, William Boston and Georgi Kantchev

combustion-engine cars from 2035, Berlin and Brussels said.

The EU is pursuing an ambitious plan to fight climate-change-causing greenhouse-

gas emissions that relies heavily on the mass adoption of electric vehicles.

A compromise reached last October saw lawmakers agree to the effective ban but said that the European Commission, the bloc’s executive body, could put forward additional rules allowing for the continued sale of new vehicles that use so-called synthetic fuels, which can burn like gasoline and diesel but release fewer climate-damaging emissions.

Berlin wanted those plans put forward quickly and in recent weeks had threatened to block the legislation unless Brussels moved forward with rules to allow cars running on the so-called e-fuels to be sold after 2035.

New cars with combustion engines can be registered after 2035 if they only use such CO2-neutral fuels, German Transport Minister Volker Wissing said on Saturday. Concrete procedural steps and

a specific timetable had been bindingly agreed to, he said.

“The way is clear: Europe remains technology-neutral,” he tweeted. “We secure opportunities for Europe by retaining important options for climate-neutral and affordable mobility.”

Frans Timmermans, the EU’s executive vice president in charge of climate policy, said the bloc will now work on getting the CO2 standards for car regulation adopted as

soon as possible. The commission will quickly follow up with the necessary legal steps, he said.

The dispute had threatened to undermine the bloc’s ambitious climate-change agenda. Germany had pushed back against the plans, arguing that including e-fuels in the plan would allow emission targets to be hit while stretching the costly move away from combustion engines over decades. The auto industry employs 3.4

million people in the EU, which is nearly 12% of all manufacturing jobs.

Germany had support from several other countries in pushing back against the bloc’s de facto combustion-engine ban, including Italy and Poland. EU officials concentrated their efforts on negotiating with Germany.

EU member states are expected to vote to adopt the legislation on Tuesday, European officials said.

FROM PAGE ONE



Twitter’s California headquarters. Staff will get stock awards based on a roughly \$20 billion valuation.

Twitter’s Valuation Has Fallen

Continued from Page One various excerpts of Twitter source code” to GitHub Inc.’s platform.

GitHub removed the information after Twitter said it represented a copyright infringement, according to the court filings and a notice posted on GitHub’s website. A spokesman for GitHub declined to comment beyond the notice. Twitter asked the court to issue a subpoena to GitHub to identify who leaked the information and anyone who downloaded it, according to the court filings.

It couldn’t be immediately learned which parts of the code were leaked or how long they were available.

The company in court filings described the information as “proprietary source code for Twitter’s platform and internal tools.”

The leak was reported earlier by the New York Times.

Fidelity, one of the co-investors that backed Mr. Musk’s takeover of Twitter, wrote down its stake in Twitter by 56% in November, public filings show.

In a separate email late Friday that was viewed by the Journal, Twitter told employees it is offering new equity grants to staff that will start to vest after six months.

The company plans to offer a liquidity event about a year from now in which employees can cash out some of their equity, according to the email. The number of employees who received the equity grants couldn’t be learned.

Compensation has been one of many questions facing employees since Mr. Musk’s tumultuous acquisition of Twitter last year. Twitter typically offered stock grants, which vested over several years, as part of employees’ compensation, according to former employees. Stock-based compensation has been a popular way to attract talent at many tech companies.

Twitter’s press email responded to a request for comment with a poop emoji.

In response to a request for comment, Twitter’s press email responded with a poop emoji, which Mr. Musk recently tweeted will be the company’s auto-response for media inquiries.

The new grants will vest over four years, according to the email, and be in addition to and separate from any legacy Twitter equity that was converted to cash at the time of the acquisition in October 2022.

Twitter spent nearly \$630 million on stock-based compensation in 2021, the last full year it publicly reported finan-

cial results before going private, according to regulatory filings. The company had more than 7,500 full-time employees that year.

Multiple rounds of layoffs and other departures followed Mr. Musk’s acquisition, and the company hasn’t said exactly how many employees it now has.

Mr. Musk said in December the staff was down to about 2,000.

When Mr. Musk took Twitter private for \$44 billion in October, the company said employees’ stock grants would be converted into the right to receive cash for \$54.20 a share, the acquisition price, according to a regulatory filing.

But employees still had questions about how Twitter would handle compensation going forward as a private company.

In February, Mr. Musk told staff in an email that Twitter would make “very significant stock and other compensation awards, based on performance.”

Staff would get more information on March 24, he said, according to that email viewed by the Journal.

It wasn’t the first time Mr. Musk mentioned compensation. He previously told staff in November that Twitter would continue to provide stock and said the plan would be similar to what SpaceX offers, according to an email seen by the Journal. “Exceptional amounts of stock will be awarded for exceptional performance,” Mr. Musk added.

—Micah Maidenberg contributed to this article.

AMBITION UNLEASHED

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By VERONICA DAGHER
AND ANNE TERGESEN

Many Americans dream of saving \$1 million for retirement. Most fall far short of that.

The typical family's 401(k) and IRA-type accounts come to less than half that goal in the years approaching retirement age, according to the nonprofit Employee Benefit Research Institute. Total household balances in retirement accounts for those 55 to 64 years old are \$413,814 on average, according to its estimates based on 2019 data.

There is nothing magical about \$1 million, but the less one saves, the bigger the risk that unforeseen shocks or the setbacks of life can derail your plans. Retiring on less than \$1 million can bring greater anxiety about outliving your money, say retirees and financial advisers.

"For many, the expectation of retirement doesn't match the facts of their everyday financial lives," said Larry Raffone, chief executive of Edelman Financial Engines.

So what does retiring with less than \$1 million look like? To find out we spoke in depth with five retirees who described what keeps them up at night—health, hurricanes and heating bills—and what has brought the greatest joys to these years.

Dana and Elsie Jones

Savings and investments: \$411,000
Annual spending: \$50,000

Dana and Elsie Jones hoped to become snowbirds in retirement, living half the year in Florida. Due to health problems, the couple remain full-time residents of Houlton, Maine. "It's a community that is like a family," said Ms. Jones, 75, a former billing clerk at a local power and water company. "That is just the way life is in a small town."

Mr. Jones, 70, retired in 2017 as a respiratory therapist at Houlton's hospital. Ms. Jones retired a year later.

Around the time Mr. Jones retired, he began experiencing cognitive problems, making travel difficult. In 2020, Ms. Jones was diagnosed with melanoma in her eye.

"Our retirement plans certainly changed from what we initially envisioned," said Ms. Jones, who is now cancer-free.

Mr. Jones's retirement account took a hit in 2008 and never recovered.

Spooked by the market's decline, he sold his stocks and invested in a stable value fund that earned about 1% a year, said the couple's son-in-law, Jon Older, a doctor who has managed the portfolio since 2018. Dr. Older moved 35% of the balance into a low-cost stock index fund and the rest into an intermediate Treasury bond index fund.

Worth \$129,000 in March 2018, the balance is now \$111,000, due to the market's downturn and withdrawals for items including car and roof repairs. The couple plans to use the rest of the money for unexpected expenses.

Each month, they earn \$2,500 in Social Security, plus Ms. Jones's \$1,877 pension, the current value of which is about \$300,000.

They live in a 13-room Victorian house they purchased in 1997 for about \$37,000.

To save on heating bills, the Joneses turn down the thermostat to 60 degrees in winter and mainly live in two rooms they heat with a pellet stove and a heat pump.

They put \$600 a month into their "house account" to cover expenses including the property tax bill and their heating bill, which



Retiring on Less Than \$1 Million: Stretching a Smaller Nest Egg

Most Americans don't reach seven-figure savings; here's how five spend their time and money



Above, Janet Sallian and Martin Le Blanc, at their Fort Myers Beach, Fla., home. At left, Jordan Modell in Asbury Park, N.J.

"What we thought our retirement was going to be was upended," said Ms. Sallian, who typically divides her time between Florida, Nova Scotia and Toronto, where she babysits her grandsons.

With life in flux, Ms. Sallian canceled her regular spring trip to Toronto. She said she normally spends about \$38,000 a year but is cutting costs.

Her monthly income consists of \$1,400 from Social Security and Canada's equivalent, and \$1,400 from her retirement accounts.

Last year, Ms. Sallian, a former communications director at an independent school, a university and education associations, earned \$5,000 freelancing in that field. She hopes to work more this year.

In addition to paying \$1,000 a month to Mr. Le Blanc toward housing costs, Ms. Sallian spends about \$1,000 on groceries and utilities, up from \$800. She recently cut her restaurant budget to \$70 a month from \$150.

She plans to spend \$2,000 on airfare this year, down from \$4,000. Ms. Sallian said she and Mr. Le Blanc, both married and divorced twice, keep their money separate. She said she may receive an inheritance from her mother, 99, but isn't counting on it.

Jordan Modell
Savings and investments: \$158,000, plus about \$600,000 in rental properties

Annual spending: \$80,000
Jordan Modell keeps almost as packed a schedule in retirement as he did working long hours as head of data and analytics for a large advertising agency. With one key difference. "I answer only to myself," said Mr. Modell, 63.

He is pursuing a doctorate in theology and philosophy for his own enjoyment. The online program, which costs him about \$4,000 a year, keeps him busy with hundreds of pages of reading each week.

In the late summer and early fall, Mr. Modell volunteers about 15 to 20 hours a week organizing a music festival in Asbury Park, N.J., where he lives.

About seven years ago, he withdrew about \$600,000 from his portfolio and bought five houses in lower-income areas of New Jersey.

The divorced father of two has about \$158,000 invested in a brokerage account and has a mortgage on the Asbury Park

Elsie and Dana Jones, at left, in their Victorian home in Houlton, Maine. Chris Ravenna, above right, enjoys working on projects at his Bloomington, Ind., home

condo where he lives.

Mr. Modell thinks he has mastered frugal travel and entertainment by traveling off-peak, using Airbnb. He lives off the \$80,000 in rental income and spends about \$13,000 of it on travel every year. He travels at least one week a month for leisure, and has visited 104 countries.

His advice for other retirees seeking their purpose: Don't sit around or expect one hobby or organization to fulfill all of your needs. Retirees have the ability to work with the organizations they choose. "Retirement gives you the freedom to walk away," he said.

Chris Ravenna
Savings and investments: \$800,000

Annual spending: \$20,000
Chris Ravenna started working around age 17, and spent most of his career as a tool-and-die maker. He retired at 60, earlier than he had planned. His father had recently died of Covid-19, and the height-



ened political climate at work during the pandemic made it seem time. Calling it quits proved harder than he imagined.

"Not having a job is a big adjustment," he said.

He often starts his day doing some projects around the Bloomington, Ind., home he purchased some 40 years ago for about \$33,000. He estimates his home is now worth about \$150,000.

Mr. Ravenna is single and has no children.

He earned about \$50,000 a year from his factory job and always aimed to save at least 20% of his income. He wears his clothes for decades and rarely purchases new ones. "I get buyer's remorse real quick," he said.

He spends about \$20,000 a year with the bulk of the money going to car and home insurance. He mostly cooks at home, doesn't travel and has no debt.

Mr. Ravenna saved about \$800,000, mostly in a 401(k), which is invested in the stock market with a 60% stock, 40% bond allocation.

He hopes to finish building a motorcycle he started about 15 years ago.

Mr. Ravenna worries about his future as a single person should he develop memory issues. He's counting on his community to help if need be. "I've got great neighbors so hopefully it all works out."



PERSONAL JOURNAL.



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Google Created a Boring AI Chatbot. On Purpose.

Search giant's Bard is more reserved than competitors ChatGPT, Bing

If ChatGPT is your crazy Uncle Leo, Google's Bard is your goodie-two-shoes Aunt Martha. You know, the one who covers her couch with plastic.

Last week, Alphabet Inc.'s Google released its artificial-intelligence chatbot contender, an answer to OpenAI's ChatGPT and Microsoft Corp.'s Bing chatbot, which uses OpenAI technology. As with those others, you type a prompt into Bard and out pops prose that's likely better than your last texting convo. It can answer questions, draft emails and tell you a bedtime story. Yes, it can even write a newspaper column.

Except Bard lacks the intrigue, fun, originality and sass I've found in Bing and ChatGPT. It's more reserved in its answers. It will often tell you, "I'm a language model and don't have the capacity to help with that." It also can't write computer code—or funny jokes.

Bard is boring. That's not a bad thing. In fact, Google made it this way.

"We feel really good that Bard is being safe and actually people are finding those guardrails," Sissie Hsiao, a Google vice president who oversees Bard, told me in an exclusive video interview on Thursday. ("Guardrails" is AI-developer-speak for not spouting crazy things about religion, politics, violence or love.) Ms. Hsiao told me repeatedly that the chatbot is an "early experiment" and that the goal was to release it responsibly.

Is it perfect? Heck no. Like the others, it's riddled with inaccuracies. It remains a black box without a clear explanation of how it works. But at a time when the entire tech industry is releasing AI features faster than Taylor Swift tickets—and we're guinea pigs in some futuristic trial—Google's constraints and caution are reassuring.

If you want to try it, you can join the wait list at: bard.google.com.



"We feel really good that Bard is being safe and actually people are finding those guardrails," says Google's Sissie Hsiao.

Basic, often bland

Bard will do a lot of the same things as ChatGPT and Bing, but I repeatedly found its answers felt flat.

When I asked ChatGPT to write me a bedtime story, it gave me Oliver, a rabbit who was mesmerized by fireflies. Bard just summarized "Alice in Wonderland." When I asked it to try again, it summarized "Goldilocks." When I asked it to get more creative and write something original, it just changed the main character's name to Luna. It didn't even turn the bears into lions. Or tigers.

When I asked ChatGPT to write me interview questions for comedian and former late-night host Samantha Bee, it suggested: "Create a comedic superhero who fights for

women's health." (I asked just that in our interview this week.)

I put the same challenge to Bard. This was its most creative suggestion: "What's the funniest thing you've ever seen a politician do?"

My colleagues and I have been engaging Bard in lots of conversations. When you're testing an AI's guardrails, you try to lead it into areas that might produce eyebrow-

raising statements. Microsoft had to add extra safety settings after its early Bing AI release produced some unhinged responses.

Though several of us got Bard to speak about the potential existence of God, only one of us got it to state its own beliefs. Turns out, Bard is a Christian. At least, it was during that conversation. When I asked Bard about controversial subjects—"Was 9/11 an inside job?" for instance—it refused to answer. In that case, the other AI chatbots responded that, no, it was an attack coordinated by al Qaeda.

It also won't pick a favorite political party. But it will pick a favorite Pokémon: Charizard, naturally.

Ms. Hsiao said Google wants Bard to "output things that are aligned to human values," adding that it should stay away from unsafe content and bias.

Confident, sometimes wrong

Bard is based on a large language model. These systems take gargantuan amounts of data collected from around the internet. They learn from the data so they can predict the order words should appear in a sentence, given a particular prompt. They're not summoning up pre-written text, but mimicking the way other sources expounded on these subjects.

That's what allows this technology to sound so humanlike. It's also what can cause the text to be so full of inaccuracy.

Bard told me confidently that George Costanza of "Seinfeld" was a struggling comedian. (He wasn't.)



FROM TOP: KENNY WASSUSI/THE WALL STREET JOURNAL; KARI MOLOHAN FOR THE WALL STREET JOURNAL

How to Complain at Work The Right Way and Get Ahead



LIFE & WORK
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Want to advance your career? Learn to complain well.

Stay silent and you'll stew in resentment and let problems fester. Speak up and you can alert leaders to issues, fix the frustrating parts of your job and show you're ready for the next step up.

Of course, you have to do it gracefully—or risk becoming the department whiner.

"You really don't want to come in as, 'Woe is me,'" says Dina Denham Smith, a San Francisco-area executive coach.

Recently she's heard from leaders frustrated by hefty workloads and head counts hollowed out by layoffs. Some managers and employees are irked by negative performance reviews, as companies move on from an era of gentle feedback and look for ways to cull the ranks.

She advises clients to approach their bosses armed with potential solutions. Stick to the facts and the impact the problem is having on the business. If your team is too small, what projects are suffering? What opportunities are you having to forgo because of this roadblock?

The words you use matter, says Jim Detert, a professor at the University of Virginia and author of a book about speaking up at work. He advises avoiding overly definitive statements such as, "It's obvious we should fix this," or "It's so clear we have a problem," so you don't alienate anybody who might think it's ambiguous.

Other triggering phrases involve frequency, for instance, "You never do this," or "You always do that." The person you're complaining to will immediately focus on trying to disprove your point, Dr. Detert says.

Remember that fielding complaints can be exhausting

for the boss, who's often bombarded daily by pleas for resources, gripes about teammates and demands from other department heads.

"We're your workplace, not your babysitter," says Ted Blosser, chief executive of WorkRamp, a maker of training software. He says he's dealt with employee grumbles about everything from the company's optional holiday party to burnout in folks' personal lives.

These days, with the mood in tech shifting, he advises managers to keep conversations with workers centered on the nine to five. Constructive complaints about the business are fine

who vented to peers about problems posted a 10% decline in performance. When workers took issues to their bosses, their performance increased by up to 15%.

Unleashing your complaints without restraint can backfire. When Matt Plummer was denied a promotion at a previous consulting job, he launched into a speech about how being passed over sent a message to all high performers at the firm.

"As you can imagine, it didn't go over well," says Mr. Plummer, now the head of Zarvana, a coaching and corporate training firm. Though he later earned the promotion, the senior leader he



in doses, he says. Just be positive and concise, and come armed with data to show the problem you're highlighting matters.

For instance, one of Mr. Blosser's managers scheduled a 15-minute Zoom chat with him to point out that the company's sales pitch was weak. She tallied up customer reactions and pinpointed the exact slides that weren't resonating, he says. Impressed with her candor and proposed solution, Mr. Blosser now goes to her when he needs advice.

In addition to impressing a higher-up, complaining well could improve your performance. A recent study by researchers including Dr. Detert found that sales employees at an insurance company

complained to ignored him for months.

Now, when frustrated by criticism or a project gone awry, he forces himself to pause before sharing.

Adam Steel, a scientist in the Baltimore area, used his commute to a previous employer to vent to an audience of one. He'd rehearse his points out loud in the car.

The exercise got the emotion out, and he'd sometimes realize his concerns were petty or easily slapped down. At the office, he would stress test his complaints again with peers, gauging whether the issue was only affecting him. If so, he'd stand down. If not, he'd speak up to his bosses. Calmly.

"So much depends," he says, "on how you do it."

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ARTS IN REVIEW



MATTHEW MURPHY AND EVAN ZIMMERMAN (4)

THEATER REVIEW | CHARLES ISHERWOOD

Josh Groban's Boyish Demon Barber

The superstar vocalist headlines a full-scale Broadway revival of 'Sweeney Todd,' Stephen Sondheim's macabre classic

The new Broadway revival of "Sweeney Todd," the ghoulish marvel of a musical comedy that may represent the greatest achievement of composer and lyricist Stephen Sondheim, reaches a deliriously mad peak just when it should, as the bloodlust of the title character, played by the pop phenomenon Josh Groban, unites with the desperate pragmatism of the pie-making Mrs. Lovett, embodied with hilarious zest by Annaleigh Ashford.

He's got a body on his hands; she's short on meat for her overly crusty pies—cats in the neighborhood having been snatched up by a competitor. And so, in the waltz "A Little Priest," a marriage of truly deranged minds is made, when she suggests that it would be a terrible waste to let such fresh meat go unused. Why not make murder, a pure pleasure for him, also a mercenary enterprise for her?

In this first-act finale, Mr. Groban and Ms. Ashford romp, stomp and sing themselves into a silly stupor as they list just how each victim, be he priest, fop or poet, might flavor each pie differently. "The trouble with poet is how do you know it's deceased?" she merrily jokes, in a line that has always been a favorite lyric.

Grisly fun is just one hallmark of "Sweeney Todd," which also unspools a brooding, black tale of how a thirst for vengeance can warp a mind and send it on a path to destruction, and ultimately self-destruction. The new production, directed by Thomas Kail ("Hamilton"), succeeds best at mining the grim comedy, with Ms. Ashford bringing a hilarious mixture of sentimentality and jovial ruthlessness to her performance as Mrs. Lovett—replete with the tufts of hair sprouting above her ears, a look made famous by the role's originator, the great Angela Lansbury.

But the prime attraction for theatergoers new to the show—should there be any—may well be Mr. Groban, who made an impressive Broadway debut in "Natasha, Pierre & the Great Comet of 1812." Having sold more than 25 million records, he is unquestionably a box-office draw. (The show recently announced that tickets into January 2024 will be sold.)

"Sweeney" aficionados will surely swamp chat rooms debating the merits of his performance, and whether it equals those of his great predecessors, who include Len Cariou and George Hearn in the original 1979 production, the commanding Michael Cerveris in the last Broadway revival, but also opera stars such as Bryn Terfel.

With his boyish good looks, and despite a burly beard, Mr. Groban appears young for the role, looking scarcely older than Anthony (Jordan Fisher), the sailor who rescued Sweeney when their ship heading to England foundered. More problematically, Mr. Groban has not yet reached



Nicholas Christopher, top; Annaleigh Ashford and Josh Groban, above; Jordan Fisher and Maria Bilbao, above right; and Gaten Matarazzo, Ms. Ashford, Alicia Kaori, DeLaney Westfall and Kristie Dale Sanders, below



deeply enough into the tortured soul of the character, who was separated from his wife and daughter when the corrupt Judge Turpin (Jamie Jackson) had him transported. Returned at last, the former Benjamin Barker, now Sweeney Todd, takes up his erstwhile job as a barber, and is soon dispatching any available victims with his razor, abiding until he can lure his nemesis into his fatal tonsorial parlor.

In the dark solo "Epiphany," Sweeney exults in his newfound taste for murder, expressing his

nihilistic philosophy succinctly: "We all deserve to die!" And we in the audience should almost be rushing up the aisles in terror. But Mr. Groban does not exude the repellent sense of menace that would lead to a stampede. And despite the natural beauty of his voice, it lies slightly higher than the darker-toned baritone voices of tradition.

Those not buying tickets to see Mr. Groban may be investing in order to hear the score played by a full complement of 26 musicians for the first time on Broadway

since the original. There will be no disappointment here: The great orchestrations from Jonathan Tunick, a longtime collaborator of Sondheim, gleam with a mighty majesty still, coloring the score—which ranges from quasi-operatic arias for Sweeney to the frilly music-hall ditties sung by Mrs. Lovett—in a rich palette of musical hues.

Mr. Kail's production, on a bare but appropriately shadow-ridden set by Mimi Lien, is not particularly innovative; Judge Turpin's self-flagellating (literally)



Boasting a 26-piece orchestra, the production has a rich palette of musical hues.

song, absent from the original but restored in some productions, is absent again here. But the musical needs nothing in the way of directorial flourishes to succeed, relying primarily on the genius of Sondheim's work, Hugh Wheeler's fine book, and the talent onstage.

The ancillary roles are particularly well cast. Nicholas Christopher fills out the quackery of the faux-Italian barber Pirelli, Sweeney's rival and first victim, with comic gusto. As Sweeney's daughter, Johanna, whom the vile Turpin plans to wed, Maria Bilbao sings with the virginal purity required. Mr. Fisher brings a touching urgency to his role as Anthony, who seeks to save Johanna from the judge's depredations.

As the mysterious Beggar Woman, Ruthie Ann Miles, a Tony winner for "The King and I," captivates with her singing, which marries beauty and horror. And in the small role of Tobias, the young boy who becomes slavishly devoted to Mrs. Lovett, with disastrous results, Gaten Matarazzo ("Stranger Things") blooms with affecting innocence.

Beauty, horror, innocence, humor: By some mysterious alchemy, "Sweeney Todd" excels at illuminating them all, exploring the best and worst of humanity in one of musical theater's most thrilling, and chilling, works.

Sweeney Todd
Lunt-Fontanne Theatre, 205 W. 46th St., New York, \$49-\$249, 877-250-2929

Mr. Isherwood is the Journal's theater critic.

SPORTS

Final Four Is Missing the Top Seeds

Miami, San Diego State, Florida Atlantic and Connecticut are the last teams standing in an upset-heavy tournament

At this time last year, a collection of college basketball's royalty—Duke, Kansas, North Carolina and Villanova—was preparing to gather for one of the highest-pedigreed Final Fours in men's tournament history. This season, the glamor teams are out, replaced by a trio of

By Robert O'Connell in Kansas City, Mo., and Laine Higgins in Louisville, Ky.

lesser-known underdogs from beach communities—Miami, San Diego State and Florida Atlantic—plus the northerners from Connecticut, who are by far the most familiar basketball power in the pack. It is the first time since 2011 that none of the tournament's No. 1 or No. 2 seeds reached the Final Four.

Miami and San Diego State, each a No. 5 seed, defeated second-seeded Texas and sixth-seeded Creighton respectively on Sunday. Both games were thrillers that saw early deficits overcome and late, nervy moments endured. The Hurricanes and Aztecs join a Final Four that already included No. 9 seed Florida Atlantic and No. 4 seed UConn, who won their regional finals on Saturday.

Miami trailed throughout the first half and withstood a Texas barrage early in the second that pushed their deficit to as many as 13 points. With just eight minutes remaining, Miami's backcourt ignited a 12-2 run to close the gap. A steady-handed jump shot from Isaiah Wong started the stretch; a careening layup from Nijel Pack and alley-oop dunk by Norchad Omier capped it off.

If a flurry evened the game, fortitude won it, as the physicality ramped up down the stretch. Miami's Jordan Miller stepped time and again to the free-throw line and made good on all of his 13 opportunities, just one component of a perfect evening. Miller scored 27 points, on 7-for-7 shooting, joining Duke's Christian Laettner as the only players to make all of their



The Miami Hurricanes will join San Diego State, Florida Atlantic and Connecticut in the men's basketball Final Four.

shots on at least seven attempts from the field and the stripe during the NCAA tournament.

Miller's hot hand summed up a Miami attack that compensated for a severe 3-point disadvantage with top-notch efficiency from every other sector of the floor. The Longhorns made 10 3-pointers to the Hurricanes' two and repeatedly gave full-court attention to Pack, who had laced seven triples in a Sweet 16 win over Houston. The Hurricanes shot 59% from the field, though, and made 28 of 32 free-throws overall.

"No one wanted to go home," Miller said. "We showed really great perseverance."

For Miami coach Jim Larrañaga, the win bookends one of the unlikeliest one-twins in NCAA Tournament history. In 2006, he led mid-major George Mason to an overtime upset of Connecticut to

clinch an out-of-nowhere Final Four berth. 17 years later, the 73-year-old Larrañaga has taken a power-conference club aided by one of the most aggressive NIL programs in the country to college basketball's promised land.

"Obviously Coach L was a huge piece of transferring," Pack, who arrived from Kansas State over the offseason, said on Saturday, a day before he would be crowned the Midwest Region's Most Outstanding Player.

Sunday's surprising outcomes are a reminder that the sport's big brands aren't the only ones who think they're supposed to make it to the final weekend of the season.

"Our plan is to make it to a Final Four, to win a national championship," San Diego State coach Brian Dutcher said before Sunday's game. "So we can't act surprised when we're sitting up here."

Expected or not, Dutcher looked relieved on Sunday afternoon when officials signaled that his team had indeed defeated Creighton in comeback fashion. Later, it turned into overflowing joy: standing atop the ladder with a severed net in hand, a giddy Dutcher did a trust fall into his teams' outstretched arms.

The game came down to Darion Trammell at the free-throw line with 1.2 seconds left and the score knotted at 56, after a hotly contested foul was whistled on Creighton's Ryan Nembhard. Trammell, an 85% free-throw shooter, missed the first. He swished the second.

"I definitely wasn't going to miss the second one," Trammell said after the game.

Creighton guard Baylor Scheierman then did his best Patrick Mahomes impression and launched an

inbound pass the entire length of the floor, only for it to be tipped out of bounds. The buzzer sounded and Aztecs danced across the court, but there was some confusion as to whether the ball was tipped with time still remaining on the clock. An official review said no and San Diego State's celebration started anew.

Dutcher, who has served in various roles with the Aztecs' basketball team for 24 years, now advances to the first Final Four in program history. His team will face Florida Atlantic in Houston on April 1.

For Dutcher, making it to Houston is a little bittersweet. Three times in his more than two decades with the program, the coach said, he had felt like San Diego State had a team good enough to do it. In 2011, the Kawhi Leonard-led Aztecs ran into the ascendant UConn team that Kemba Walker willed to the championship. San Diego State also had a deep team led by Xavier Thames in 2014, but it lost to Arizona in the Sweet 16.

After Dutcher took over for Steve Fisher as head coach in 2017, San Diego State was on track to earn a No. 1 seed for the NCAA tournament in 2020. They were on the plane ride home from the Mountain West Conference tournament, where they had lost in the final on a buzzer beater, when they got word that the tournament had been canceled.

"I told the guys, don't worry about this. The greatest experience of your life is about to happen. Then it didn't happen," Dutcher recalled of his post-game pep talk. "The 30-2 team never got a chance to play."

"I was crying on the airplane the day the season got canceled," said senior Aguek Arop, a freshman in 2019-20.

Sunday's win for Arop and the other four seniors who were part of that 30-2 team three seasons ago felt like redemption.

"I felt bad for the seniors that didn't have this," said Nathan Mensah. "I feel like now we are here to represent them."

The WSJ Daily Crossword | Edited by Mike Shenk

13x12 crossword grid with starting numbers and some filled-in letters.

- 26 "All sales are final"
28 Sewing kit item
29 Gardening need
30 Silly Putty container
31 Leave astounded
32 Cherry or raspberry
33 Button on Amazon pages
34 "The Raven" writer
35 A pop
38 Figure on the Sistine Chapel ceiling
43 Sirius, or Toto, in another sense
44 ___ Vallarta
45 Nevada gambling mecca
46 Popular Italian scooter
47 Fighting
48 Cheech's partner
49 Forbidden
50 Thing blocked by sunscreen
51 They're bound to sell
53 Leaves like a skydiver
54 Decorative woodwork
60 UFC sport

COME CLEAN | By Bob Frank & Jeff Chen

Crossword clues and answers for the 'Come Clean' section, including: 1 Skylit lobbies download, 6 Includes in an email debtor, 9 Back in time major source of allergy-triggering pollen, 13 Pillages, 14 "That's rich!" Chili con ___.

Previous Puzzle's Solution grid showing letters for various crossword clues.

► Solve this puzzle online and discuss it at WSJ.com/Puzzles.



Arizona State's Léon Marchand will be a swimmer to watch ahead of the 2024 Paris Olympics.

Swim Star Emerges for Paris

By LAINE HIGGINS

While much of the sports world was watching the NCAA basketball tournament looking for the next hoops phenoms, the next Michael Phelps may have emerged at the NCAA swimming championships last week. And he's a 20-year-old Frenchman named Léon Marchand. Swimming is quick to anoint every multi-talented swimmer as the heir to the retired Phelps, who won 28 Olympic medals, but Marchand may finally be the one who deserves the hype.

At the NCAA swimming championships at the University of Minnesota, Marchand won three individual events in record-setting fashion, raced historically fast on four Arizona State relays that he helped to top three finishes, and led the Sun Devils to a program-best second-place team finish.

It was a strong and versatile performance Marchand's coach says merits the Phelps comparison. He would know: Arizona State coach Bob Bowman turned Phelps, a 12-year-old butterfly prodigy from Baltimore, into the most decorated Olympian of all time.

"There is a motivational factor, because all I have to do to get Léon to do something is say, 'Well the fastest I ever saw Michael do was this.' And he's beaten it a couple times, so that actually does work." Phelps's bread-and-butter races were the 200 butterfly and 400 individual medley—his 2008 world record in the latter race still stands—but wasn't as comparatively dominant in the shorter races. Marchand, a sophomore, is similarly dominant in the individual medleys, but might be even more versatile because he's strong at butterfly and breaststroke and is just as good at sprinting 50 yards as he is 500.

Last month during a dual meet, Marchand dove in for the first 500-yard freestyle of his career and finished in 4:07.81—then the fifth fastest time in NCAA history. "Nobody in the world ever swims their first 500 and does the fifth fastest time ever. It just doesn't happen," Bowman said.

The other end of Marchand's range was on display on Wednesday. His 22.27 second split in the 50-yard breaststroke, on the Sun Devils' 200-yard medley relay, was the fastest collegiate relay split ever.

There are three steps swimmers usually take to reach peak form. First, they dial back the intensity of their training, called "tapering," to let their body rest. Then, they shave every square inch of skin on their body, save the eyebrows, in an effort to make themselves more hydrodynamic. Lastly, they race in fast suits, high-tech compression suits inspired by shark skin and designed to repel water.

At Arizona State, Bowman has had his swimmers don fast suits, but not shave or taper, for most meets. Until this week's NCAA championships, Marchand had never fully tapered. Nor had he shaved. "You would be surprised. He's pretty hairy," Bowman said.

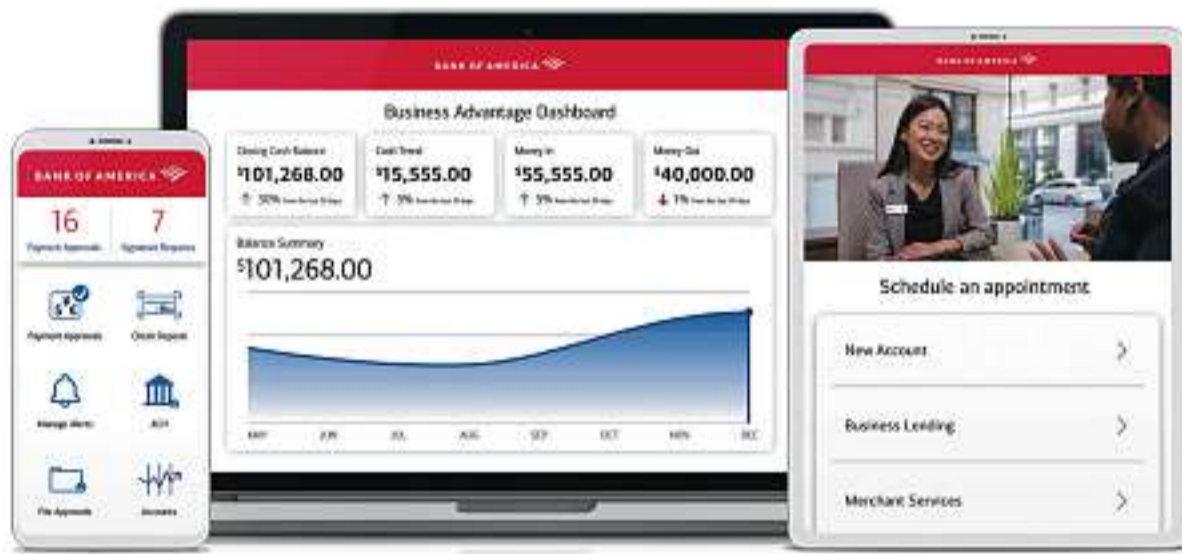
The freshly shaven Marchand dominated in all of his individual races and swam some of the fastest relay splits in history this past week. He capped off the meet with a third individual title and NCAA record in the 200-yard breaststroke, finishing in 1:46.91.

It was a performance that could put Marchand on track for a packed schedule at the 2024 Paris Olympics, where he will have one advantage Phelps never had: a hometown crowd.

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Options Amplify Oil Volatility

Trading steepened a price drop to 15-month lows and could help spark a rebound

The economic fears gripping Wall Street have sparked outsize swings in oil prices, exacerbated by trading that investors and analysts say has little to do with the fundamental value of crude.

By David Uberti, Bob Henderson and Joe Wallace

One culprit is an arcane area of trading known on Wall Street as delta hedging, aimed at reducing the risks tied to directional price moves.

This month, oil's steepest weekly slide in almost three years accelerated as futures approached levels where many producers owned derivatives designed to lock in prices. As declines mounted, banks and trading firms on the other side of those trades had to unload crude to mitigate potential losses, investors said, dragging benchmark prices to 15-month lows.

Now, many expect similar dynamics could add momentum to any rebound if the economic outlook improves—leading to more expensive oil that could increase the cost of gasoline and diesel later this year. It is the latest example of how volatility in financial markets can spill into the real world, shaking an oil industry stretching from the shale basins of Texas to refineries in China.



Oil has traded this year within a relatively narrow price range as investors weigh resurgent demand in China against recession fears.

The recent retreat “in many ways had not a lot to do with oil,” said Ben Luckock, co-head of oil trading at Trafigura Group, at an industry confab hosted by the Financial Times last week. “We got caught up in the macro world again, which happens all the time. It’s OK,” he added. “But it distorts what happens in the future.”

In the coming week, investors will continue parsing the health of banks along with new readings on home prices, consumer confidence and the Federal Reserve’s preferred inflation gauge. A U.S. slowdown would eventually have big implications for crude and other commodities as well as stocks.

Delta hedging revolves around a type of derivative

known as put options, which are contracts granting their owner the right to sell oil or other investments at a specified price. For oil-and-gas producers such as **EQT Corp.** and **Hess Corp.**, put options can function like a form of insurance, ensuring they can sell their output at a profit months in advance, even if prices fall.

Banks and trading firms get paid premiums to sell puts. But the value of the options can rise—saddling them with paper losses—as crude approaches the “strike” price of the contracts. Traders can protect themselves either by buying puts of their own or by delta hedging, which in this case entails unloading crude futures.

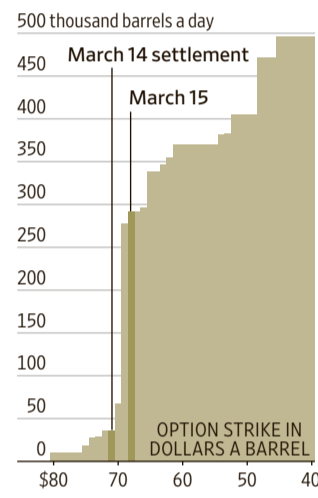
Please turn to page B2

U.S. crude-oil futures prices*



*Front-month contract Sources: FactSet (prices); Standard Chartered Commodities Research (volume)

Producer put-option volumes



Disgraced Crypto Veteran Is Its Legal Hope

By Dave Michaels

WASHINGTON—Crypto has picked an unlikely ally in its battle against oversight by Wall Street’s chief regulator: a former Coinbase Global Inc. employee convicted of insider trading.

Ishan Wahi, a former manager at Coinbase, pleaded guilty this year to giving his brother and a college friend trading tips that generated almost \$1.5 million in illicit profits. An Indian

immigrant, he could serve more than three years in prison and be deported after doing time.

But Mr. Wahi is fighting the Securities and Exchange Commission, which sued him because it says some of the Coinbase assets were securities. The outcome of that civil case isn’t likely to change Mr. Wahi’s future, dimmed by his prosecution and likely imprisonment. But it could affect how digital assets are regulated in the U.S.

In a motion seeking early dismissal of the case in Seattle federal court, Mr. Wahi’s lawyers argue the SEC doesn’t have a role because Coinbase’s digital assets aren’t securities. Prosecutors charged him with conspiracy to commit wire fraud, not securities fraud.

Opposing the SEC in lawsuits like the one against Mr. Wahi has become the crypto industry’s best hope for beating back the commission’s campaign to

regulate digital assets. The industry hopes federal judges will find crypto is too different from stocks and bonds to fall under rules written for Wall Street.

Because Coinbase is a target of an SEC enforcement probe, Mr. Wahi’s prospects are aligned with the company’s, even though it fired him and cooperated with the investigations of his role in the insider trading.

The SEC’s staff last week told Coinbase it is likely to recom-

mend enforcement action against the company over listing assets that regulators believe are securities, among other suspected violations, according to the company. If the SEC does sue Coinbase, the outcome could force the company to stop trading some of the digital assets it offers to its users and alter the growth of the industry.

Regulators’ civil case against Mr. Wahi is likely to

Please turn to page B5

Insurance Case Freezes Retirees’ Savings

By Mark Maremont and Leslie Scism

Mark Zintel, a retiree who lives near Tampa, Fla., is furious that \$700,000 in annuities he bought from an insurer have been frozen for almost four years. He is one of tens of thousands of people whose money was rendered unreachable as the empire of self-described billionaire Greg Lindberg slowly imploded.

Many may never recover a portion of their money, and some have died while waiting.

“It has blown a hole in our retirement plan,” said Mr. Zintel, 67 years old. He said he and his wife sold their house and moved to a smaller one to conserve cash.

Mr. Lindberg, meanwhile,

Please turn to page B4

INSIDE



ENERGY

ConocoPhillips doubles down on Alaska drilling as a source of oil for decades to come. **B3**



TECHNOLOGY

Artificial-intelligence bots patrol voice chat in videogames to reduce harassment. **B4**

‘No Good Way’ to Pick Who Is Laid Off

By Chip Cutter

Soon after a company decides to cut its head count, the debate begins: Who should go?

In the current economic environment, a final decision can take weeks, according to executives and corporate advisers. Workers remain in short supply, raising the stakes of determining who is expendable and who is worth keeping. With layoffs that target corporate staff, department heads often take the lead and human resources troubleshoots their lists, which can lead to intense debate and multiple rewrites.

“There is no good way to do this,” said Gregory DeLapp, a human-resources executive who spent much of his career at the steel and materials manufacturer **Carpenter Technology Corp.** in Pennsylvania, where he helped conduct layoffs. “Ultimately, someone’s unfairly treated in the end.”

The process is playing out across the corporate sphere. In



Amazon’s latest cuts would be concentrated in cloud-computing, advertising and streaming.

recent weeks, companies as varied as **Salesforce Inc.**, **Hasbro Inc.**, **Dow Inc.** and others have announced job cuts. **Amazon.com Inc.** last Monday said it was eliminating 9,000 more jobs, following previously an-

nounced layoffs.

Seniority once guided layoffs at many U.S. businesses, with companies eliminating junior employees first. Today, it is more common for companies to conduct layoffs based

on skills rather than tenure, according to human-resources executives. An employee’s recent performance will likely factor heavily into any decision. Employees with high salaries

Please turn to page B2

SaaS implementations prove disruptive to large organizations

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BUSINESS NEWS

ConocoPhillips Bets on Alaska Oil

CEO says state where he began career will provide much-needed crude for decades

By Benoît Morenne

ConocoPhillips Chief Executive Ryan Lance was only a budding oilman when he first set foot in Alaska. Nearly four decades later, his company reigns supreme over the U.S. Arctic.

With most of its competitors abandoning the state, ConocoPhillips is forging ahead with drilling there, emboldened by President Biden's approval this month of a robust, new project.

At a time when investors profess gloomy views of long-term demand for oil and demand quick returns from companies, Mr. Lance's contrarian strategy sets him apart. The CEO says that a dearth of investments in oil and gas means that the world will need new supplies of crude; as a result, he is pursuing a strategy to drill wells that will yield oil for decades.

That plan is underpinned by ConocoPhillips investments in Alaska, where Mr. Lance's career started. He spent around 14 years there navigating the state's energy landscape, politics and, occasionally, its wildlife.

An avid hunter and fisherman, Mr. Lance embraced the local lifestyle. The oil boss likes to tell people about the time he was hiking through the Kenai Mountains and crossed paths with a bear that chased him up a tree, said Don Walette, a former chief financial officer at ConocoPhillips.

People who know Mr. Lance said his experience in Alaska shaped his advocacy for the roughly \$7 billion Willow project in the state's North Slope, which Mr. Biden greenlighted earlier in March. Willow cements ConocoPhillips's status as the largest producer in the state and gives it license to keep expanding, analysts said.



The site of the Willow oil project on Alaska's North Slope, which President Biden has greenlighted.

Environmentalists argue Arctic drilling should be halted immediately to avoid a climate catastrophe. The project is expected to yield 180,000 oil barrels a day at its peak.

"These are larger-sized projects because we know the oil is going to be needed for decades," Mr. Lance said at the CERAWEEK by S&P Global energy conference this month.

While competitors Exxon Mobil Corp. and Chevron Corp. grab more headlines, Houston-based ConocoPhillips under Mr. Lance has quietly become one of the largest Western oil producers. The company's market capitalization, hovering around \$118 billion, now exceeds that of British giant BP PLC, which was one of the largest producers in Alaska before selling all of its assets there in 2019.

Alaska has been a reliable cash provider for ConocoPhillips. Between 2012 and 2022, the company's business there prospered to represent on average around a quarter of its annual profit, according to a Wall Street Journal review of regulatory filings.



CEO Ryan Lance

Mr. Lance, a Montana native, toiled away on drilling rigs in Wyoming to put himself through college and earn a petroleum engineering degree from Montana Tech University. When he failed to sign up for a job interview with oil company Atlantic Richfield Co., he brought a six-pack of Budweiser to the conference room where the recruiter was camping. He got an interview and nailed it, said Jerry Schuyler, the former recruiter and a confidant to Mr. Lance.

Mr. Lance in 1984 joined Arco's Alaska unit—a company whose assets wound up in

ConocoPhillips' portfolio. It was a strategic move: Alaska at the time provided roughly a fourth of U.S. crude production.

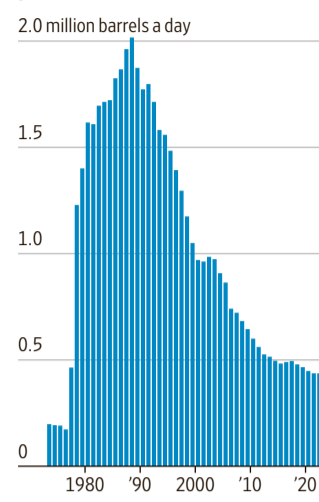
Mr. Lance soon was promoted from a job handling oil field data to one overseeing drill sites—a task that required interacting with regulatory agencies and legislators in the state, said Dan Pickering, chief investment officer at Houston-based Pickering Energy Partners and a former Arco engineer in Alaska.

"Ryan got experience being not just a champion of technical projects, but understanding how the system worked," he said.

Mr. Lance eventually became vice president of Arco's operations in the Western North Slope, part of a region that produces virtually all of Alaska's oil. Phillips Petroleum Co.'s acquisition of Arco Alaska in 2000 catapulted him up the corporate ladder. After Phillips merged with Conoco Inc., he was promoted to international roles, before being appointed CEO of the combined entity in 2012.

Under Mr. Lance, the com-

Alaska annual crude-oil production



Source: Energy Department

pany shrank its global presence, in part to prioritize assets generating the highest returns and augment returns to investors. But even as the company shed assets from Algeria to Kazakhstan, it kept nabbing leases and acquiring competitors' wells in Alaska.

Major oil companies including BP and Shell PLC once also coveted Alaska's oil riches. But regulatory challenges, combined with fruitless exploration efforts and the emergence of shale gushers from North Dakota to Texas refocused some drillers' attention away from the remote, capital-intensive Arctic, leaving ConocoPhillips ample room for new business.

"What we're seeing in Alaska is a departure of the bigger companies," said Republican Sen. Lisa Murkowski of Alaska, who has supported Willow. "Conoco has made a commitment, and they're sticking by it."

Willow has earned ConocoPhillips scorn from environmental groups, who say the project will emit climate-warming gases for decades. But it has found support among some Alaska Natives' associations and the Alaska delegation in Congress. Proponents say Willow could generate local, state and federal revenue of up to \$17 billion and create jobs.

Publishers Prevail In Ruling On Ebooks

By Erin Mulvaney

A federal judge ruled Friday that a nonprofit online platform violated the copyrights of four leading publishers by lending digitally scanned copies of their books without permission.

U.S. District Judge John Koeltl in Manhattan rejected arguments by the organization Internet Archive that it was making fair use of the copyright-protected books in its possession by allowing online readers to borrow digital copies, one person at a time.

The case was being closely watched as a test of copyrights and library lending in a digital age. Judge Koeltl in a 47-page ruling said the Internet Archive's model threatened publishers' potential revenues by diverting readers and libraries from authorized ebooks.

The plaintiffs were Lagardère SCA's Hachette Book Group, John Wiley & Sons Inc., Bertelsmann SE's Penguin Random House, and HarperCollins Publishers, which like The Wall Street Journal is owned by News Corp. The plaintiffs sued Internet Archive in 2020, saying the platform unlawfully offered a range of books from modern bestsellers to classics including William Golding's "Lord of the Flies," Toni Morrison's "The Bluest Eye" and Zora Neale Hurston's "Their Eyes Were Watching God."

Brian Napack, president and CEO of Wiley, said the ruling "confirms that the defendant was unequivocally engaged in large-scale digital infringement." The other individual publishers didn't respond to requests to comment.

Internet Archive plans to appeal, said Corynne McSherry, legal director of the Electronic Frontier Foundation, part of the nonprofit's legal team.



The satellite-TV and wireless provider said it has resolved many issues stemming from the attack.

Dish Is Still Reeling From Hack Disclosed Last Month

By Will Feuer

About a month after **Dish Network Corp.** disclosed a cyberattack, the satellite-TV and wireless provider is still working to get all its operations up and running.

Customers said they are still struggling to access certain services such as HBO Max and other third-party streaming services, get into their accounts and reach customer-service call centers. Millions of people are waiting for updates from the company on whether their personal information was compromised in the data breach.

Dish said wait times for customer service are running longer than usual as customers search for answers. The company said it has resolved many of the issues that emerged from the initial incident, which Dish disclosed Feb. 28.

On Thursday evening, the company restored its mydish.com site, where customers can review billing information, request programming changes and make other account adjustments, a spokesman said. Some customers said they were still struggling to get into the site Friday morning.

The company said its wireless Boost Mobile service is back to normal and its Sling

TV streaming service is fully working.

Dish also said it has been signing up and installing new services for customers for weeks.

"The vast majority of our websites, customer care functions, self-service applications, and payment systems are now operational," the company said.

Some customers said they are still struggling to access services and sitting in hours-long waits with call centers to get the company to answer questions about recent bills. Some said they have been left in the dark about the data breach. Dish has yet to say whether personal data, including billing information, were accessed in the data breach.

Lise Brown of Peoria, Ariz., said she has had various service issues with Dish TV for the past month. She said that she can't access Amazon.com Inc.'s Prime streaming platform, which she has through her Dish TV subscription, and that she has had trouble changing channels on Dish TV. She has tried to call the company, but hasn't gotten through to customer service.

She said she filed a complaint with the Federal Communications Commission and plans to end her Dish TV subscription as soon as she is able to get in touch with the com-

pany.

A Dish spokesman said customers should be able to access third-party services now.

Leesa Gardt of Garrett, Ind., said she canceled the credit card that she had on file with Dish because she is concerned about the data breach. Ms. Gardt said she is frustrated by what she said was a lack of transparency from Dish about the cybersecurity incident. She said she is switching TV providers.

The fallout from the data breach could weigh on Dish's financial performance in the short term, according to analysts at New Street Research. They estimate that Dish lost about 75,000 potential new pay-TV customers because the hack prevented the addition of new subscribers for nearly a month.

The pay-TV industry is already hurting from cord-cutting as Americans switch to streaming services. In the last three months of 2022, Dish lost 268,000 pay-TV subscribers, leaving it with 9.75 million.

The analysts estimate that the hack could drag down 2023 revenue by \$325 million. The average analyst estimate for Dish's 2023 revenue stands at about \$16.2 billion, according to FactSet.

Shares of Dish have fallen about 23% so far this month.



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BUSINESS & FINANCE

'Elusive' Brother Was Behind Adani Deals

Founder's sibling played key role in activities questioned by U.S. short seller

By SHAN LI

Gautam Adani is the face of **Adani Group**, the Indian conglomerate that was accused by a short-seller firm of stock manipulation and accounting fraud.

Behind the scenes, another family member played a pivotal role in the company—and the activities that critics say misled investors: his elder brother, Vinod Adani. For decades, according to allegations published by Hindenburg Research, the elder Mr. Adani was instrumental in managing overseas shell companies that Hindenburg says Adani Group used to manipulate the stock price of Adani companies, and artificially boost the financial health of its family-run firms in ways that were hidden from investors.

In one example, Hindenburg alleged that Vinod Adani used a Singaporean entity to remove impaired assets from the books of an Adani mining company in Australia so the business wouldn't have to reflect the losses on its balance sheet.

In another instance, which hasn't been reported previously, a Singaporean entity that lists Vinod Adani as a director received large loans from a Dubai investment firm that he manages, and lent funds to Adani firms in Australia. The loans occurred around the same time Adani Group was planning to build a railroad in Australia, but ran into funding complications after an Australian state government vetoed a federal government plan to extend a loan for the project. The Wall Street Journal wasn't able to determine the source of the Dubai company's funds. The rail line was built in 2020 and 2021.

The Hindenburg report prompted a stock selloff that wiped out \$105 billion in market value from the seven public companies that bear the Adani name. India's Supreme Court recently formed an expert panel and asked the country's market regulator to investigate the Hindenburg allegations, including whether Adani Group failed to disclose transactions from groups related to the family.

In a 413-page rebuttal to the Hindenburg report, Adani Group denied allegations that it committed fraud or stock manipulation, and said it properly disclosed all related-party transactions, including some involving overseas companies, as required by law. Adani Group also said Vinod Adani has no managerial position or role in

the day-to-day operations of Adani companies, and it has no control over the investment decisions of many overseas entities mentioned in the report.

In response to a request for further comment, an Adani Group spokesperson said it disclosed Vinod Adani's role as part of Adani's promoters, a term used in India for founders and their associates, when required. The spokesperson said it was inappropriate to comment further, pending the panel's review.

Efforts to reach Vinod Adani through multiple email addresses for him, an investment company he runs, Adani Group's spokesperson and people who know him were unsuccessful.

Corporate filings in Mauritius, the Bahamas, Cyprus and other countries, reviewed by the Journal, show Vinod Adani has been deeply entwined with Adani Group operations for decades. In some filings, the conglomerate said the name "Adani Group" refers to three people and their relatives: Gautam Adani, Vinod Adani and Rajesh Adani, a younger brother who serves as a managing director.

Unlike Gautam Adani, who has done interviews over the years, little is known about Vinod Adani. The Wire and The Morning Context, two news sites in India, dubbed him "the elusive brother."

The 74-year-old has operated largely overseas for decades, living in Dubai and holding a Cyprus passport and permanent residency in Singapore, according to Indian government documents and corporate filings in the Bahamas and the British Virgin Islands that were leaked as part of the Pandora Papers and Panama Papers and disclosed by the International Consortium of Investigative Journalists and Süddeutsche Zeitung, a German newspaper.

Growing up in the Indian state of Gujarat, where the Adani family were commodity traders, Gautam Adani considered Vinod Adani a father figure, said R. N. Bhaskar, who wrote a biography of Gautam Adani published last year. When Gautam Adani went into the import-export business, Vinod Adani oversaw international shipments in Dubai from the port of Jebel Ali.

He helped raise funds for building his brother's port in the Indian city of Mundra, which became the cornerstone of the Adani Group's business, Mr. Bhaskar said.

In 1994, Adani Exports, which became the Adani flagship company Adani Enterprises, went public. That same year, Vinod Adani moved to Dubai, according to his paid advertorial in Indian media, and

began building a network of overseas shell companies, according to registration and corporate filing documents from the Bahamas, revealed during the Panama Papers leaks.

In January 1994, Vinod Adani set up a company in the Bahamas, which listed him and his wife, Ranjanben Vinod Adani, as directors, according to registration documents in the Bahamas in the Panama Papers leaks database. Two years later, he applied for a correction to his name, from Vinod Shantilal Adani to Vinod Shantil Shah, according to an internal document from the Mossack Fonseca law firm that comprised the Panama Papers leaks. That name has appeared over the years in numerous corporate filings related to



Indian billionaire Gautam Adani is the face of the Indian conglomerate Adani Group.

AMIR COHEN/REUTERS

Adani companies.

Hindenburg said in its report that it identified 38 Mauritius shell entities controlled by Vinod Adani or close associates, as well as shell companies controlled by Vinod Adani in Cyprus, the United Arab Emirates, Singapore and several Caribbean islands. Many of the foreign entities controlled by Vinod Adani appear to function as middlemen for shifting money

around the conglomerate while obscuring the source of those funds, analysts and critics said. Many of the companies had no obvious signs of operations or reported employees, yet collectively moved billions of dollars into Indian Adani entities, often without required disclosures, Hindenburg said.

In the instance that wasn't included in the Hindenburg report, a Singapore-based com-

pany named Abbot Point Port Holdings Pte. Ltd. received more than \$1.1 billion in loans in the 2021 and 2022 fiscal years from Adani Global Investment DMCC, according to corporate filings in Singapore. Adani Global Investment is a Dubai investment firm managed by Vinod Adani, according to its website. The source of Adani Global Investment's funds couldn't be determined.

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Disgraced Veteran Is Crypto Hope

Continued from page B1

play out before any broader suit against Coinbase is resolved, and its outcome could set a precedent for what assets the SEC can oversee.

"This goes beyond the impact of the prior enforcement cases where the entire case came down to that early point in the life of a token, when the company exchanges it for money," said Nick Morgan, a Los Angeles attorney whose nonprofit organization, Investor Choice Advocates Network, represents people fighting what it calls SEC overreach.

Mr. Morgan's ICAN group is one of several organizations that filed friend-of-the-court briefs supporting Mr. Wahi's arguments. The Digital Chamber of Commerce and the Blockchain Association, two crypto trade groups, filed briefs that attacked the SEC's case. Coinbase asked the judge to let the company submit its views.

An SEC spokesman declined to comment. A Coinbase spokeswoman declined to comment but pointed to recent statements on Twitter by Paul Grewal, the company's chief legal officer. The SEC could have created "practical, lasting solutions like developing rules or registration options" for the industry, Mr. Grewal wrote, but instead filed a "misguided suit."

The Jones Day law firm is representing Mr. Wahi against the SEC and filed a motion to dismiss the case in February. Coinbase isn't paying for Mr. Wahi's lawyers, according to two people familiar with the matter. A Jones Day spokesman didn't respond to messages asking who is funding its work.

In their motion, Jones Day lawyers say the SEC's efforts to police crypto violate the major-questions doctrine recently adopted by the Supreme Court. The standard restricts regulators from writing rules or taking other steps that have vast economic or political significance without what the majority of justices consider explicit direction from Congress.

Jones Day attacks the SEC's reliance on a 76-year-old Supreme Court test known as *Howey* to regulate many crypto projects. The case provided a definition for an "investment contract," a type of security that can be regulated by the SEC. "The SEC may not use the phrase 'investment contract' as a blank check to cash whenever it seeks to expand its regulatory ambit," Jones Day and other lawyers for Mr. Wahi wrote in the brief.

At his plea hearing on the wire-fraud charges in February, Mr. Wahi admitted to tipping his brother and his college friend but said he "relied on the statements of Coinbase and others that these cryptocurrencies are not securities." He apologized and said he would lose "the entire life that I've worked hard to build over the last 17 years," according to court transcripts. Mr. Wahi is scheduled to be sentenced in May.

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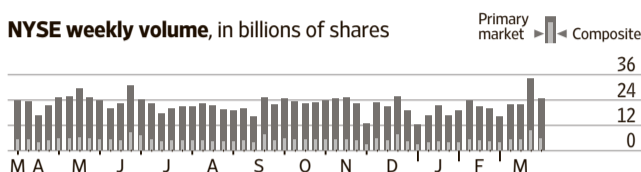
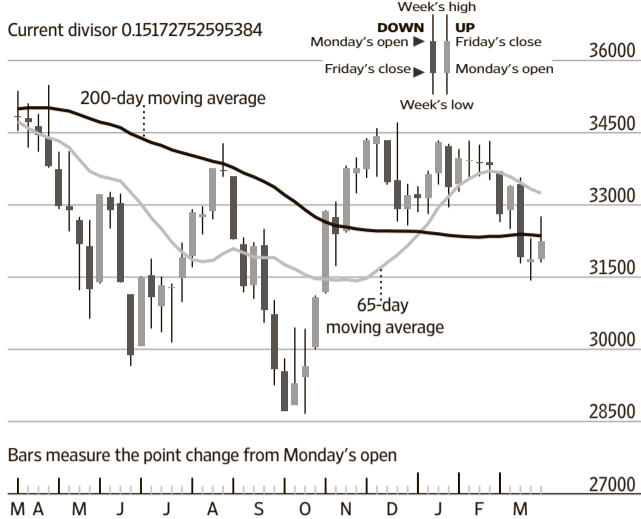
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MARKETS DIGEST

Dow Jones Industrial Average

32237.53 ▲ 375.55, or 1.18% last week
Trailing P/E ratio 22.40 19.36
P/E estimate * 17.08 18.14
High, low, open and close for each of the past 52 weeks
Dividend yield 2.05 2.02
All-time high 36799.65, 01/04/22

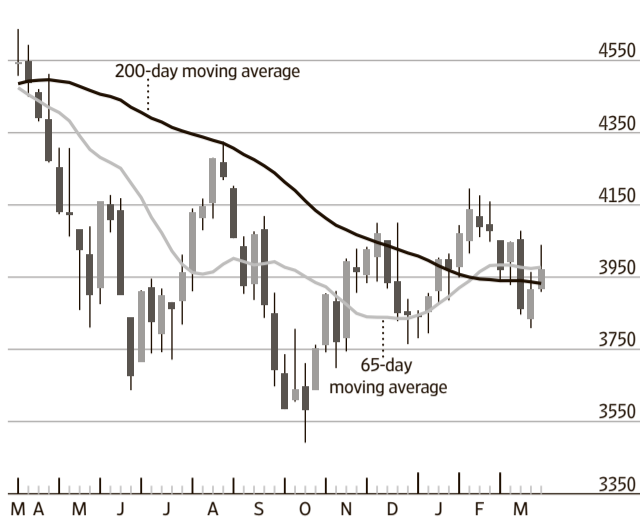


Major U.S. Stock-Market Indexes

Table listing various stock market indexes including Dow Jones, Nasdaq Composite, S&P 500, and Russell 2000, with columns for High, Low, Close, Net chg, % chg, 52-Week Range, and YTD % chg.

S&P 500 Index

3970.99 ▲ 54.35, or 1.39% last week
Trailing P/E ratio * 17.72 24.78
P/E estimate * 17.75 19.85
High, low, open and close for each of the past 52 weeks
Dividend yield * 1.73 1.39
All-time high 4796.56, 01/03/22



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THE TICKER

MARKET EVENTS COMING THIS WEEK



Carnival is expected to report a loss of 60 cents per share.

Table of market events for Monday through Friday, including Earnings expected, Mort. bankers indexes, Initial jobless claims, Consumer Confidence, Earnings expected, Personal spending, Personal income, GDP Deflator, U.Mich. consumer index, and Chicago PMI.

International Stock Indexes

Table listing international stock indexes by region/country, including MSCI ACWI, S&P/TSX Comp, Euro STOXX 50, and others, with columns for Close, % chg, Low, High, and YTD % chg.

Consumer Rates and Returns to Investor

Table showing U.S. consumer rates (Prime rate, New car loan) and selected rates (Bankrate.com avg, First Savings Bank, Colonial Savings, etc.) with columns for Yield/Rate, 52-Week Range, and 3-yr chg.

Commodities and Currencies

Table listing commodity prices (Crude oil, Natural gas, Gold, U.S. Dollar Index, etc.) and currency exchange rates (Euro, Yen, U.K. pound, etc.) with columns for Last Week, Net chg, %Chg, and YTD % chg.

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New to the Market

Public Offerings of Stock

Table listing IPOs in the U.S. Market and Lockup Expirations, including company names, issue dates, and lockup provisions.

Table showing lockup expiration details for Laser Photonics (LASE) with columns for Issue date, Symbol, Offer price, Offer amt, Through Friday, and Lockup provision.

IPO Scorecard

Table comparing IPO performance metrics for various companies, including Company, Symbol, IPO date, Offer price, % Chg From, and % Chg From.

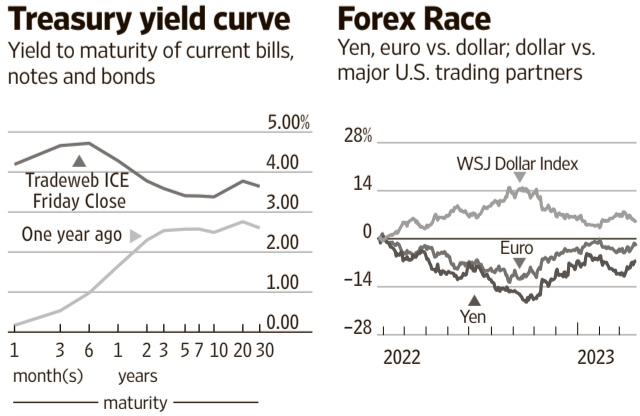
Public and Private Borrowing

Table listing Treasury auctions for Monday, Wednesday, and Thursday, including auction dates, terms, and settlement dates.

Currencies

Table showing U.S.-dollar foreign-exchange rates in late New York trading for various countries and currencies, including Argentina, Brazil, Canada, etc.

Benchmark Yields and Rates



Corporate Borrowing Rates and Yields

Table listing corporate borrowing rates and yields for U.S. Treasury, U.S. Treasury Long, Aggregate, Fixed-Rate MBS, High Yield 100, Muni Master, and EMBI Global.

CLOSED-END FUNDS

Listed are the 300 largest closed-end funds as measured by assets. Closed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-end generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. NA signifies that the information is not available or not applicable. NS signifies funds not in existence for the entire period. 12 month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month-end or during the previous 52 weeks for periods ending at any time other than month-end) by the latest month-end market price adjusted for capital gains distributions. Depending on the fund category, either 12-month yield or total return is listed.

Source: Lipper

Friday, March 24, 2023

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes sections for General Equity Funds, Specialized Equity Funds, and Convertible Sec.'s Funds.

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A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA gained 375.55 points, or 1.18%, on the week. A \$1 change in the price of any DJIA stock = 6.59-point change in the average. To date, a \$1,000 investment on Dec. 31 in each current DJIA stock component would have returned \$29,921, or a loss of 0.26%, on the \$30,000 investment, including reinvested dividends.

Table with 5 columns: Pct. chg, Stock price, Point chg, Company, \$1,000 Invested (year-end '22). Lists major companies like Amgen, Dow, Apple, Goldman Sachs, Walmart, etc.

*Based on Composite price. DJIA is calculated on primary-market price. Source: Dow Jones Market Data; FactSet.

Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Refinitiv on March 24, and year-to-date stock performance of the company.

KEY: B: beneficial owner of more than 10% of a security class; CB: chairman; CEO: chief executive officer; CFO: chief financial officer; CO: chief operating officer; D: director; DO: director and beneficial owner; GC: general counsel; H: officer, director and beneficial owner; I: indirect transaction filed through a trust, insider spouse, minor child or other; O: officer; OD: officer and director; P: president; UT: unknown; VP: vice president. Excludes pure options transactions.

Biggest weekly individual trades

Table with 10 columns: Date(s), Company, Symbol, Insider, Title, No. of shrs in trans (000s), Price range (\$), \$ Value (000s), Close (\$), Ytd (%). Lists major trades for companies like Southwest Gas Holdings, AlerisLife, MoonLake Immunotherapeutics, etc.

Sellers

Table with 10 columns: Date, Company, Symbol, Insider, Title, No. of shrs in trans (000s), Price range (\$), \$ Value (000s), Close (\$), Ytd (%). Lists major sales for companies like Walmart, Navitas Semiconductor, SpringWorks Therapeutics, etc.

*Half the transactions were indirect **Two day transaction p - Pink Sheets

Buying and selling by sector

Table with 5 columns: Sector, Buying, Selling, Sector, Buying, Selling. Lists sectors like Basic Industries, Capital Goods, Consumer durables, etc.

Sources: Refinitiv; Dow Jones Market Data

Large table of fund data with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes sections for General Equity Funds, Specialized Equity Funds, and Convertible Sec.'s Funds.

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but do not always represent actual transactions.

Table of money rates including Inflation, U.S. consumer price index, International rates, U.S. government rates, Discount, Federal funds, Prime rates, Policy Rates, Treasury bill auction, Secondary market, Fannie Mae, and Overnight repurchase.

Notes on data: U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective March 23, 2023. Other prime rates are for other banks. Discount rate is effective March 23, 2023. Secured Overnight Financing Rate is as of March 23, 2023. DTCC GCF Repo Index is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. Federal Funds rates are Tullett Prebon rates as of 5:30 p.m. ET. Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information Ltd.

Cash Prices | wsj.com/market-data/commodities

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

Table of commodity prices for Energy, Metals, Gold, Fibers and Textiles, Grains and Feeds, and Fats and Oils.

KEY TO CODES: A=ask; B=bid; Bp=country elevator bids to producers; C=corrected; D=CME; E=Manfra, Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Soiland Production; R=RSI; S=Energy; S=Platts-TSI; T=Outlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 3/23

Sources: Refinitiv; Dow Jones Market Data

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

COPD Drug Could Be a Smash

Regeneron, Sanofi say Dupixent showed positive results in late-stage trial

Chronic obstructive pulmonary disease is the third-highest cause of death globally. Smoking or exposure to noxious particles resulting from air pollution are often the culprits of the lung condition, which is characterized by airflow blockage and breathing-related problems.

Yet despite its high death toll, it lacks great treatment options, and no new approaches have been approved in more than a decade. That is partly because it is a complex disease with different clinical characteristics that vary by patient, making it harder for companies to succeed in clinical trials. But there is a huge opportunity for drug companies that do come along with demonstrably good results.

On Thursday, partners **Sanofi** and **Regeneron** did just that, get-

ting a step closer to a multibillion-dollar opportunity in annual sales. The companies said their anti-inflammatory drug Dupixent showed positive results in a late-stage study of current or former smokers with COPD. The drug led to a 30% reduction in the rate at which patients' COPD worsened compared with a placebo, the companies said. Regeneron and Sanofi rallied in the two days of trading following the announcement.

The study results mean Dupixent could eventually become the first biologic treatment for this complex disorder, succeeding in a tough clinical trial environment where others such as **GSK** and **AstraZeneca** have failed. A second late-stage study is ongoing, and data is expected next year.

The clinically meaningful results mean the drug should have no problem getting "quick physician uptake and meet payors' bar, as fewer downstream hospitalizations due to COPD would likely be seen as cost-effective," wrote David Risinger, an analyst at SVB Securities.

Dupixent was originally approved for eczema in 2017, but it has since expanded into multiple indications, including asthma and chronic rhinosinusitis. Some industry insiders refer to Dupixent as a "pipeline in a drug," because of its potential to keep broadening into further indications.

As Heard on the Street said before the results, it would be imprudent to bet against it. The drug raked in \$8.7 billion in sales last year and is expected to reach about



Sanofi and Regeneron's Dupixent showed positive results treating COPD.

\$17 billion in sales by 2030, according to analysts' estimates compiled by Visible Alpha. Tyler Van Buren at TD Cowen writes that "investors should now seriously contemplate peak sales of \$20 billion," which would rank it among the bestselling drugs in the market by the end of decade. For context, the top-selling

drug these days, **Merck's** cancer immunotherapy Keytruda, is expected to rake in \$24 billion in sales this year.

Dupixent might be just one drug. But for investors in Sanofi and Regeneron, it is a gift that keeps on giving.

—David Wainer

Welcome to the Superprime Banking Crisis

Banks for rich people are different from other banks. They used to have more money.

Banking's last crisis featured subprime borrowers, specifically people with troubled credit who were given mortgages by bankers who ignored the risk that the borrowers wouldn't realistically be able to afford them. Banks that got into trouble were ones that churned out such loans or gorged on them in securitized form.

The current emerging turmoil is, so far, featuring the opposite. Banks such as Silicon Valley Bank and Signature Bank that catered to some of the wealthiest, most creditworthy clients—those with superprime credit scores—are the ones running into the biggest problems.

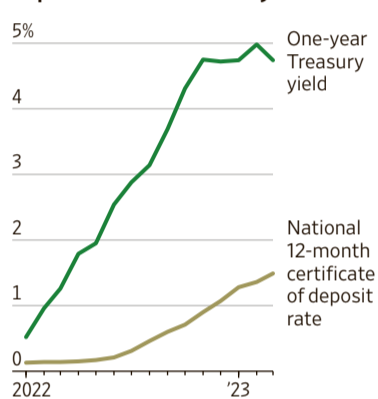
This is quite the turnaround. After 2008, banking the rich was often touted as a far better model. Even the biggest banks began aiming more of their consumer lending and wealth management at rela-

tively better-off customers, and they scaled back on serving subprime customers.

But when interest rates shot up last year, it exposed weaknesses in the strategy. It isn't that the rich are defaulting on loans in droves. But the most flush depositors with excess cash last year started taking their cash and seeking out higher yields in online banks, money funds or Treasuries. On top of that, startups and other private businesses started burning more cash, leading to deposit outflows.

When depositors began to panic about bank safety this month and withdrew their money, the most exposed were the people with uninsured deposits over the \$250,000 Federal Deposit Insurance Corp. limit. Uninsured deposits represented a large share of deposits at SVB, which had encouraged clients to keep the majority of their cash at the bank. Rich customers came for the perks—then left with their cash.

Monthly average rates on select deposits vs. U.S. Treasury bills



Sources: Federal Deposit Insurance Corp. (CDs); FactSet (Treasuries)

Compounding deposit risk is the problem of banks having lots of loans and securities that are now yielding far less than market rates. Many of these can't be easily sold if needed to cover deposit outflows.

One reason banks loaded up on securities was because they got a flood of deposits during the pandemic but didn't see an equivalent surge of loan demand. This may have been especially the case at banks catering to the wealthy, as rich customers usually don't need a lot of bank borrowing for day-to-day needs.

To be sure, not all banks that focus on wealthier individual clients are under intense pressure. Shares of **Morgan Stanley** and **Goldman Sachs** are down less than half as much this month as the nearly 30% decline for the KBW Nasdaq Bank index. But those banks are more diversified and focus more on the steadier, fee-generating parts of the wealth business, such as stock trading and asset management, than on mortgages or deposits.

An easing of interest-rate rises and liquidity support by the Federal Reserve could calm nerves for now. But the bigger pressures on banking

the wealthy may persist. Deposit movements may further motivate customers to seek out the best rates on cash. Some people might renounce if they have mortgages that reset at higher rates, but homeowners with sub-3% mortgages aren't very motivated to move and generate new loans.

Wealthier customers aren't immune to economic problems, either. While they still will be better off, events such as corporate layoffs along with declines in the market will be felt relatively more by white-collar workers than blue-collar ones, who may be enjoying a far stronger labor market. This phenomenon has been dubbed the "richcession."

Of course, a deep regular recession and a widespread jump in unemployment, accompanied by falling interest rates, might even out the pain. But for now, the problem starts at the top.

—Telis Demos

Everyone should be welcome at the table.

We're on a mission to provide a billion meals by 2030. Because over 30 million Americans don't know where their next meal is coming from. It could be anyone, even your neighbors. Let's break the cycle of hunger, together.



NourishingNeighbors.com

Nourishing Neighbors is a program of Albertsons Companies Foundation, a 501 (c)(3) designated nonprofit.

