

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **Caroline Ellison**, a top deputy of Sam Bankman-Fried, testified the FTX founder ordered her and others to commit criminally fraudulent acts that contributed to the collapse of the exchange last year. **A1**
- ◆ **Deliveries of Boeing 737 MAX** jets to customers fell in September to the lowest level in more than two years and production of the aircraft is running at about half the company's target. **A1**
- ◆ **Opioid maker Mallinckrodt** received court approval for a plan that wipes out more than \$1 billion of payments meant for addicts while handing control of the pharmaceutical company to its lenders. **B1**
- ◆ **Walgreens Boots Alliance** named Tim Wentworth as its new chief executive, picking a healthcare veteran to steer the pharmacy chain as it faces a profit squeeze. **B1**
- ◆ **General Motors Canada** reached a tentative agreement with Canadian auto-workers, ending a strike that lasted 13 hours. **B1**
- ◆ **U.S. stocks rose**, with the S&P 500, Nasdaq and Dow gaining 0.5%, 0.6% and 0.4%, respectively. The 10-year Treasury yield settled at 4.654%, down from 4.783% on Friday. **B13**
- ◆ **LVMH reported** a sharp slowdown in sales growth as it struggled to lure big-spending Chinese consumers back to its boutiques after the end of China's pandemic curbs. **B3**
- ◆ **PepsiCo raised** its full-year earnings outlook as consumers digested higher prices and kept buying the company's snacks and drinks. **B3**

World-Wide

- ◆ **Biden condemned** Hamas's attack on Israel as an "act of sheer evil" that left more than 1,200 civilians dead, including at least 14 U.S. citizens, as his administration weighs how to support the U.S.'s closest ally in the Middle East without being pulled into another regional conflict. **A1, A6-7**
- ◆ **During the year** leading up to the Hamas attack on Israel that group, Palestinian Islamic Jihad and Hezbollah received large amounts of funds through crypto, according to a review of Israeli government seizure orders and blockchain analytics reports. **A1**
- ◆ **European Union** foreign policy chief Josep Borrell said there would be no suspension of aid payments to the Palestinian Authority, walking back EU comments on Monday suggesting there could be. **A7**
- ◆ **Former Trump** Organization finance chief Allen Weisselberg took the witness stand and said under questioning that the company's financial statements inflated the value and size of some assets, including Donald Trump's penthouse in Trump Tower. **A3**
- ◆ **Rep. George Santos** was indicted on additional fraud charges, including for an alleged credit-card scheme that ripped off one of his own political donors. **A3**
- ◆ **Finland and Estonia** said damage to a natural-gas pipeline and communications cable linking the two North Atlantic Treaty Organization members likely resulted from sabotage. **A9**
- ◆ **Died: Hughes Van Ellis**, 102, a survivor of the 1921 Tulsa Race Massacre. **A3**

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Biden Calls Attack on Israel 'Sheer Evil'



Posters of Israeli-Americans missing since the Hamas attacks are shown Tuesday in Tel Aviv as relatives seek news of them.

U.S. weighs best way to support ally amid worries about being pulled into conflict

President Biden condemned Hamas's attack on Israel as an "act of sheer evil" that left more than 1,200 civilians dead, including at least 14 U.S. citizens, as his administration

By Jared Malsin, Ken Thomas and Nancy A. Youssef

weighs how to support the U.S.'s closest ally in the Middle East without being pulled into another regional conflict. The Israeli military massed forces on Tuesday for a ground invasion of Gaza, and Israeli officials warned of a lengthy and destructive war. Biden said the U.S. was providing further military assistance to the country, and the Pentagon is deploying a second aircraft-carrier strike group near the region to deter

- ◆ **Biden faces tough test in** Mideast response..... **A6**
- ◆ **EU won't halt aid to** Palestinian Authority..... **A7**

Militants Boosted Holdings Of Crypto Over the Past Year

By Angus Berwick and Ian Talley

Hamas's lightning strike on Israel last weekend has raised the question of how the group financed the surprise operation. One answer: cryptocurrency. During the year leading up to the attacks, three militant groups—Hamas, Palestinian Islamic Jihad and their Lebanese ally Hezbollah—received large amounts of funds through crypto, according to a review of Israeli government seizure orders and blockchain analytics reports. Digital-currency wallets that Israeli authorities linked to the PIJ received as much as \$93

million in crypto between August 2021 and June this year, analysis by leading crypto researcher Elliptic showed. Wallets connected to Hamas received about \$41 million over a similar time period, according to research by another crypto-analytics and software firm, Tel Aviv-based BitOK. Militants from the PIJ joined Hamas on Saturday in storming into Israel from the Gaza Strip, killing more than 1,200 civilians and abducting at least 100 more. At least 900 Palestinians have died since Israel retaliated, Gaza's health ministry said. Hamas's armed wing, the Izz ad-Din al-Qassam Bri-

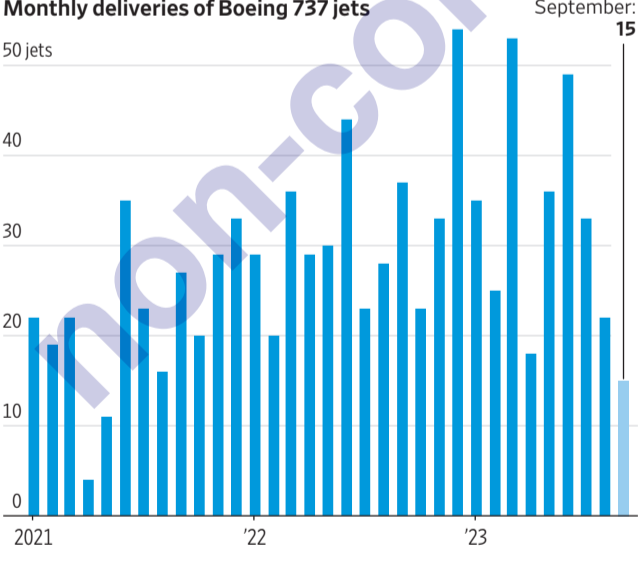
gades, didn't respond to a request for comment on the groups' use of crypto. The PIJ and Hezbollah couldn't be reached for comment. All three militant groups have been designated foreign terrorist organizations by the U.S. government and are subject to sanctions by the Treasury Department, limiting their access to the international banking system. Anyone found transacting with those entities risk criminal prosecution and being targeted with sanctions themselves. The crypto transactions highlight how the U.S. and Israel have struggled to sever

Israelis Shift Tack On Hamas: Crush Instead of Contain

By Dov Lieber

TEL AVIV—For years, Israel's government pursued a policy of containment against Hamas, using a mix of economic incentives and military force to keep the Palestinian militant group that runs Gaza in check and protect Israeli citizens from violence. After last weekend's deadly attacks, which killed hundreds of Israeli civilians, policy makers are adopting a new approach toward a group that the U.S. and Israel have desig-

nated a terrorist organization: eradication. Israel's leaders are preparing a large-scale operation intended to decisively end Hamas's hold on Gaza, a densely populated strip of Palestinian territory, or gut its military capabilities entirely. "What was in Gaza will be no more," Israeli Defense Minister Yoav Gallant said Tuesday. "They will regret [their actions]." Giora Eiland, a former Israeli general and national se-



Boeing Supplier Woes Sink 737 MAX Output

By Sharon Terlep and Andrew Tangel

Deliveries of Boeing's 737 MAX jets to customers fell in September to the lowest level in more than two years, laying bare how one of the U.S.'s largest manufacturers is struggling to churn out enough jets to fill the skies. The company's operations were disrupted this year by a series of snafus at one of its key suppliers. The latest problem, discovered in August, is misdrilled holes on the fuselage of its bestselling 737s. As a result, production of the more than \$100 million jet—which accounts for the bulk of Boeing's output—is running at about half the company's target. Boeing executives have said deliveries would slow but they still expected to meet their targets for the full year. The

company said earlier this year that it was moving to complete an average of 38 new 737s a month. It made 22 in September, according to data from Aero Analysis Partners/AIR, a research firm. The delays disrupted important airline customers, which are trying to increase schedules after a rebound in travel after the Covid-19 pandemic. European carrier Ryanair recently cut its winter schedules, citing Boeing delivery delays. Boeing shares have slumped in recent weeks and are now roughly back to where they started the year, compared with a roughly 13% gain for the S&P 500 index. The shares rose 2.7% to close at \$193.53 on Tuesday. The company reports third-quarter results on Oct. 25. On Tuesday, Boeing said it

Top Deputy Says FTX Founder Ordered Her to Commit Fraud

By James Fanelli and Vicky Ge Huang

NEW YORK—Caroline Ellison, a top deputy of Sam Bankman-Fried, testified that the FTX founder ordered her and others to commit criminally fraudulent acts that contributed to the collapse of the cryptocurrency exchange last year. Ellison, 28 years old, took the witness stand Tuesday just before lunch in the criminal trial of Bankman-Fried, who is

charged with an array of fraud and conspiracy offenses and has pleaded not guilty. Dressed in a gray coat and a dark pink dress, Ellison said that she and Bankman-Fried together defrauded FTX customers, investors and lenders. "He directed me to commit these crimes," she told the federal jury. Ellison, a one-time romantic partner of Bankman-Fried who ran his crypto hedge fund, Alameda Research, is perhaps

the most central witness for prosecutors. They secured her cooperation as part of a guilty plea in December that could result in her receiving leniency when she is sentenced for crimes including fraud and money laundering. Bankman-Fried has accepted

Manhattan Opens a Public Beach With One Catch—No Swimming

New York brought in 1,200 tons of sand to create a riverside haven on the Hudson

By Erin Ailworth

NEW YORK—More than geography separates New York's new beach in Manhattan and Southern California's iconic Manhattan Beach. One has waves, surfing, lifeguard towers, beach volleyball courts, a fishing pier, ocean sunsets, millions of annual visitors and a shout-out in "Surfin' U.S.A." by the Beach Boys. The other is a postage-stamp haven with grand views of the Statue of Liberty, Hudson River and sunsets over New Jersey. The sounds of wind and gentle lapping waters are punctuated by sirens and the whomp of helicopters frequenting a nearby heliport.

Traffic noise thrums from the West Side Highway, which is close enough to land a Frisbee. Signs point out the biggest difference at Manhattan's new beach—no swimming. That hasn't stopped New Yorkers from claiming a spot in the sand and engaging in a favorite local sport—opining—after the opening last week of the Gansevoort Peninsula Sand Bluff, the first public beachfront in Manhattan. "It's going to get crowded," said Pearl Ghaffari, a Kips Bay resident who brought her 20-month-old daughter Luna to play in the sand. "Currently, it's not noisy," said Denise Robert, 64 years

INSIDE



WORLD NEWS
WSJ correspondent Evan Gershkovich loses latest appeal for release in Russia. **A9**



BUSINESS
Birkenstock prices its IPO at \$46 a share in the next big test of the new-issue market. **B1**



U.S. NEWS

High Bond Yields Likely to Extend Fed's Pause

By NICK TIMIRAO

A sustained rise in long-term Treasury yields could be bringing the Federal Reserve's historic rate hiking cycle to an anticlimactic end.

Top central bank officials have signaled in recent days that they could be done raising short-term interest rates if long-term rates remain near their recent highs and inflation continues to cool.

The Fed in July raised its benchmark federal-funds rate to a range between 5.25% and 5.5%, a 22-year high. Officials held rates steady at their meeting last month and indicated they were on track to

lift rates at one of their last two meetings this year.

The rise in long-term Treasury yields started after July's Fed rate increase and gained steam after the September Fed meeting.

The 10-year Treasury yield closed at 4.654% on Tuesday, down from 4.783% on Friday, as investors sought the safety of bonds following Saturday's attack on Israel by Hamas. Still, yields are up from 4.346% on Sept. 20, the day of the Fed's last meeting, and 3.850% on July 26, the day of the last Fed rate increase.

The Fed raises rates to combat inflation by slowing economic activity, and the

main transmission mechanism is through financial markets. Higher borrowing costs lead to weaker investment and spending, a dynamic that is reinforced when higher rates also weigh on stocks and other asset prices.

The upshot: If the run-up in the 10-year Treasury yields to their highest levels since 2007 persists, those increases could substitute for additional rises in the fed-funds rate.

Officials initially chalked up the increase in long-term rates to better economic news. That prompted bond investors to reduce bets that a recession would prompt the Fed to lower interest rates in

the first half of next year.

But the rise in rates increasingly appears to be driven by factors that can't be as easily explained by the economic or Fed policy outlook, with rising government deficits a prime suspect. This suggests the term premium—or extra yield that investors demand for investment in longer-dated assets—is rising.

"If long-term interest rates remain elevated because of higher term premiums, there may be less need to raise the fed-funds rate," Dallas Fed President Lorie Logan said on Monday. Logan's remarks were a notable shift from a Fed official who has been a leading

advocate for higher rates this year.

Term premiums are difficult to measure precisely. Logan outlined three different approaches and concluded that, across all three measures, at least half of the increase in long-dated Treasury yields since the end of July reflects higher term premiums.

Fed Vice Chair Philip Jefferson similarly indicated Monday that officials would "remain cognizant of the tightening in financial conditions through higher bond yields" when determining whether to raise rates again this year.

San Francisco Fed President Mary Daly last week said the

increase in Treasury yields since Fed officials' last meeting is roughly equivalent to a quarter-percentage point rate increase in the Fed's short-term rate.

Together, their comments suggest the Fed is on course to hold rates steady Oct. 31-Nov. 1. Then Fed officials could wait to see how economic and financial developments unfold before deciding whether to raise rates in December.

Officials are unlikely to formally announce any halt in rate rises. They have been repeatedly surprised by the resilience of the economy and would prefer to keep the door open to additional rate rises.

Manhattan Beachgoers Kept Ashore

Continued from Page One old.

"We'll see how long that lasts," replied Raquel Starace, 67.

The two friends, sitting in matching beach chairs, are among the longtime New Yorkers who fully appreciate the new addition to Manhattan's West Side, part of a larger redevelopment along the Hudson.

"I've seen this whole area develop from the time it was broken-down piers. There was nothing here but drugs and hookers and arson," Starace said. "Who would have thought?"

The new beach was built on state land with city money on the southern edge of the 5.5-acre Gansevoort Peninsula, a locale where the Department of Sanitation once burned garbage. New York Gov. Kathy Hochul, who attended the beach ribbon-cutting, called the trash-to-treasure makeover "so New York." Blue Adirondack-style chairs and beach umbrellas are scattered across 1,200 tons of sand from a quarry in Cape May, N.J.

The Gansevoort Peninsula's \$73 million in improvements include a salt marsh, a boardwalk with a pine grove and an



Visitors lounging at the Gansevoort Peninsula Sand Bluff in Manhattan, across from New Jersey on the Hudson River.

underwater area seeded with 20 million juvenile oysters.

"It fits the character of New York City: small, niche, interesting. But just different enough to make you forget where you are for a few seconds," said Solomon Smart, 48, who took a subway from the Bronx.

Manhattan's new beach has been racking up five-star Google reviews, along with the

obligatory quibbles. New York Mayor Eric Adams likes to say there are "8.3 million people, 35 million opinions" in his city.

"A space to walk on the beach sand but it's not a proper beach because you can't bathe," one Google reviewer wrote in Spanish. "It's very cute but quite small."

"Don't call it a beach, because it's very clearly a sand bluff," one person tweeted.

"Heck yeah, it's a beach. It's got the sand, it's got the umbrellas, it's got the view, it's got the salty water," Mark Levine said. He is the borough president of Manhattan, which was the only one of the city's five boroughs without a beach.

Brooklyn has its own Manhattan Beach, which, like the one in Southern California, has swimming, summer lifeguards and summer crowds.

Levine believes some visitors will get a chance to at least dip a toe in the Hudson. "On a very high tide day, the waves will lap the sand," he said, pointing out a potential loophole.

After seeing a post about the new beach on Secret NYC's Instagram page, Bryan Acevedo texted his friend James Sacca and the two biked over last week.

"Living in Hell's Kitchen, going to the beach is such an out-of-the-way situation," said Acevedo, 28. "Being able to grab a Citi Bike and ride down here is very convenient."

Sacca, 34, said, "I don't know how gross the water is, but it'd be nice to go in."

Some beach visitors have already tried. On a recent day, two people were admonished by park staff when they wandered down to wet their feet in the Hudson, which is still polluted but better than it was the 1970s. Signs warn of sewage discharge in wet weather.

The beach has an art installation, "Day's End," a towering framework that outlines the shape of the Pier 52 warehouse that once stood there. Here, too, opinions vary.

"It's a sculpture? I don't understand," said Jose Lopez Fontane, 53, of the city's Upper West Side. That is partly by design. It is described as "a paradoxical riddle that defies logic and encourages enlightenment," according to an essay by Adam D. Weinberg, director of the neighboring Whitney Museum, which donated it.

Cooler fall temperatures finally hit the city this week, allowing for at least one more mixed review.

"It would have been nice if it was before the summer and not before the winter," said Toby Rofksy, 66, seated under one of the beach umbrellas. "But you know, it's New York. At least they got it done."

Boeing 737 Max Output Hits a Low

Continued from Page One delivered 15 new 737 jets to the world's airlines in September, the smallest number since

shipping out 11 in May 2021.

In August, Boeing discovered the manufacturing defect in the rear of 737 fuselages supplied by Spirit AeroSystems. Fixing the issue requires inspecting and correcting misdrilled fastener holes in a key structural part. Last week, Spirit replaced its chief executive officer.

Boeing said there is no immediate flight-safety concern tied to the Spirit defect. But

rooting out and repairing the misdrilled holes is complicated and requires X-ray inspections of the planes, Boeing's finance chief, Brian West, said in September at an investor conference.

"We have to make sure we do this right," West said. "We've got literally armies of people from Boeing and the supplier working on this issue and to drive stability in their factory."

West warned investors last month that deliveries would slow due to the defect issues. The company has projected it would hand over 400 to 450 of the narrow-body jets to customers for all of 2023, and the company stuck with that guidance.

West had said the number would likely be toward the low end of that goal. It has delivered 286 of the jets through September.

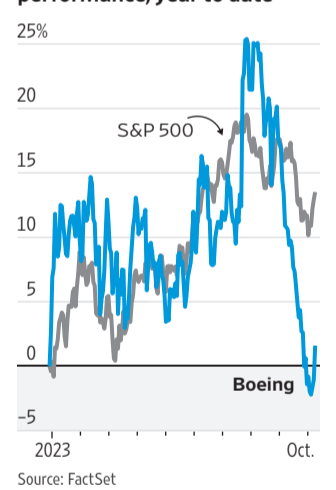
It is the latest hurdle for the aerospace company as it works to recover from the pandemic and the MAX crisis, when two crashes of its 737 MAX in 2018 and 2019 grounded the jets around the world for almost two years. The accidents, which took 346 lives, drew scrutiny from federal regulators and lawmakers, adding another hurdle for Boeing's aircraft deliveries.

U.S. Sen. Tammy Duckworth, an Illinois Democrat who heads a key aviation oversight subcommittee, is pushing the Federal Aviation



Boeing said it delivered 15 737 jets to the world's airlines in September, the smallest number since shipping 11 in May 2021.

Share-price and index performance, year to date



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CORRECTIONS & AMPLIFICATIONS

Professors at the Wharton School of the University of Pennsylvania used GPT-4, a large-language model from OpenAI, to compare Wharton students' ideas to those generated by artificial intelligence. GPT-4 powers certain versions of ChatGPT, but the two terms aren't interchangeable. A Sept. 11 Journal Report article

about artificial intelligence incorrectly referred to GPT-4 as ChatGPT-4 and ChatGPT.

The Medicare Part D program in 2021 spent \$216 billion on prescription medications. An Aug. 30 Page One article about Medicare price negotiations incorrectly gave the figure as \$378 billion.

Readers can alert The Wall Street Journal to any errors in news articles by emailing wsjcontact@wsj.com or by calling 888-410-2667.

U.S. NEWS

Santos Indicted On New Charges Of Fraud

By James Fanelli

Rep. George Santos was indicted Tuesday on additional fraud charges, including for an alleged credit-card scheme that ripped off one of his own political donors.

Federal prosecutors allege in a new indictment that the New York Republican used the credit-card information of the campaign contributor in attempts to make tens of thousands of dollars in unauthorized donations to his campaign and to the campaigns of other political candidates.

Santos, who is accused of fabricating much of his life's story to secure public office, also violated federal election law by falsely attributing some of the unauthorized donations to a family member, according to Tuesday's indictment.

In addition, prosecutors allege that the congressman used the credit-card billing information to transfer \$11,000 to his personal account.

He has previously pleaded not guilty to an earlier indictment. His lawyer declined to comment on the new charges.

The new indictment also alleges that in a separate scheme Santos conspired with his former campaign treasurer, Nancy Marks, to falsely inflate his campaign's fundraising numbers to qualify for a GOP candidate-support program. Santos worked with Marks to submit a filing to the Federal Election Commission during the 2022 election cycle that falsely claimed at least 10 members of their families had made large political donations to his campaign.

The two also falsely stated in a separate filing that Santos had lent his campaign \$500,000 when in reality he had less than \$8,000 in his personal and business bank accounts, prosecutors said.

Marks pleaded guilty in a federal court in Long Island last week to conspiring with Santos to defraud the U.S. She is the first person in Santos's orbit who is known to have pleaded guilty.

Santos, 35 years old, was initially charged in May with embezzling contributions, fraudulently obtaining unemployment benefits and filing false federal disclosure forms. The new indictment adds 10 additional criminal counts against Santos, bringing the total to 23.

Trump Assets Overvalued, Ex-Official Says

By Erin Mulvaney

The Trump Organization's longtime finance chief Allen Weisselberg took the witness stand Tuesday and said under questioning that the real-estate empire's financial statements inflated the value and size of some assets, including Donald Trump's penthouse in Trump Tower.

Weisselberg was called as a witness in the civil case brought by the New York attorney general's office alleging Trump and his business engaged in a decadelong fraud that falsified asset values for financial gain. Weisselberg, who has left the company and served time this year in the Rikers Island jail complex on a tax-fraud conviction, is also a defendant in the case.

Throughout the day's testimony, Weisselberg said he couldn't recall specific details about certain Trump valuations and financial statements. He said he didn't always review individual line items and instead looked at the overall financial picture of the company.

State lawyer Louis Solomon showed Weisselberg property documents signed by Trump, dating back to 1994, that showed the correct square



Ex-finance chief Allen Weisselberg said he couldn't recall specifics on certain Trump valuations.

footage of the Trump penthouse—10,996 square feet—despite later financial statements that listed the apartment as 30,000 square feet.

Weisselberg said he wasn't aware of the incorrect square footage and valuation of the penthouse because it wasn't a substantial portion of the Trump Organization's multibil-

lion-dollar portfolio.

"The triplex is part of the other assets, and they are all lumped together," he said. He continued, "The apartment itself, relatively speaking, when you look at the value of the apartment in the net worth, it wasn't a material change."

Weisselberg testified that he relied on former Trump

Organization executive Jeffrey McConney's valuations in approving financial representations about the company's assets.

The testimony came in the second week of a trial that could run until December. New York Attorney General Letitia James last year sued Trump, the front-runner for the 2024

Republican presidential nomination, accusing him of inflating his annual net worth by as much as \$3.6 billion between 2011 and 2021.

Trump, who attended the opening days of the trial last week, has denied the allegations and repeatedly criticized James, a Democrat, as well as the presiding judge, New York State Supreme Court Justice Arthur Engoron. The attorney general is seeking \$250 million in financial penalties and other sanctions against the Trump business.

Weisselberg on Tuesday denied that Trump and his then-attorney Michael Cohen directed him to alter financial statements related to the company's net worth. He also denied that two of Trump's children, Donald Trump Jr. and Eric Trump, directed him to make any false financial reports.

Solomon, after pressing Weisselberg repeatedly on discrepancies between asset valuations in the financial statements and internal business documents, asked whether the Trump Organization followed accepted accounting principles.

"Did they fulfill their fundamental obligation?" he asked. "No," Weisselberg said.

Survivor of 1921 Tulsa Massacre Filed Lawsuit Seeking Reparations

By Joseph Pisani and Jennifer Calfas

Hughes Van Ellis, one of the three last-known survivors of the Tulsa Race Massacre, has died. He was 102 years old.

He died Monday morning in Denver from complications of cancer, according to his daughter Muriel Ellis Watson.

Ellis was a few months old in 1921 when white mobs burned one of the wealthiest Black communities in the na-

OBITUARY HUGHES VAN ELLIS 1921-2023

tion to the ground, leveling some 35 blocks in Tulsa, Okla.'s Greenwood neighborhood and destroying hundreds of homes and businesses. As many as 300 people were killed. Many of the mobs were deputized and given weapons by city officials.

Two other survivors of the massacre are still living: Ellis's sister, Viola Ford Fletcher; and Lessie Benningfield Randle. Both are over the age of 100. President Biden met privately with Ellis, Fletcher and Randle in 2021, 100 years after the massacre.

The massacre's economic impact has rippled through generations of descendants of those who lost businesses that were never rebuilt.



Hughes Van Ellis

Ellis said his family fled their Tulsa home, leaving them homeless.

"My childhood was hard and we didn't have much," Ellis testified to Congress in 2021. "We worried what little we had would be stolen from us. Just like it was stolen in Tulsa."

Ellis sued the city of Tulsa as part of a yearslong effort to receive reparations for the massacre. The three survivors fled Tulsa in fear and "struggled financially, emotionally, and socially" throughout their lives since the attack, according to a complaint filed last year.

Lawyers for the city of Tulsa and the Tulsa Regional Chamber argued the three survivors failed to show they were "specially injured" compared with others who suffered as a result of the massacre.

A Tulsa County judge dismissed the case in July. Lawyers representing the survivors appealed to the Oklahoma Supreme Court.

"The Tulsa Race Massacre isn't a footnote in a history book for us," Ellis said in his 2021 testimony. "We live with it every day and the thought of what Greenwood was and what it could have been."

"He died waiting on justice," said Ike Howard, Ellis's nephew. Howard, who is president of the Viola Ford Fletcher Foundation, said he seeks to start a medical school scholarship in Ellis's name. Ellis would often say he could have been a doctor if he had the opportunity to go to college, Howard said.

Ellis worked several jobs, doing mechanical work on B-52 planes during the day and janitorial or yard work at night, Howard said.

"He was much more than a client. He was a partner in the quest for justice and reparations," said Damario Solomon-Simmons, a lawyer for Ellis and founder of the Justice For Greenwood Foundation, an organization seeking reparations for survivors of the massacre. "He was a source of inspiration and strength during times of doubt and despair."

Ellis is survived by three sons and two daughters.

Advertisement for Paul Morelli featuring a blue and gold tassel and the text 'PAUL MORELLI ENAMEL MEDITATION BELL'.

Advertisement for flyXO featuring the text 'Choice is the Ultimate Freedom' and 'From a light jet for a getaway to a large cabin for a summit, you have over 2,400 safety-vetted jets worldwide at your fingertips.' Includes the flyXO logo and contact information.

U.S. NEWS

HOUSE REPUBLICANS IN THE SPEAKER FIGHT

FORMER SPEAKER



Kevin McCarthy (Calif.)

THE REBELS: Eight Republicans who joined with Democrats to oust McCarthy



Andy Biggs (Ariz.)



Ken Buck (Colo.)



Eli Crane (Ariz.)



Tim Burchett (Tenn.)

SPEAKER CANDIDATES



Jim Jordan (Ohio)



Steve Scalise (La.)



Matt Gaetz (Fla.)



Bob Good (Va.)



Matt Rosendale (Mont.)



Nancy Mace (S.C.)

In a Chaotic House, the Next Speaker Must Unite These Three Factions

Where candidates Steve Scalise and Jim Jordan could garner support to win the speaker's gavel

By Kara Dapena and Aaron Zitner

Speaker candidates Reps. Steve Scalise of Louisiana and Jim Jordan of Ohio must unite an unruly group of House Republicans with diverse political needs and interests. On the political right, about 40 members belong to the Freedom Caucus, who are among the most fiscally conservative and often refuse to compromise on their views. By contrast, 18 House Republicans represent districts that President Biden won in 2020, and all

but one lean toward the political center.

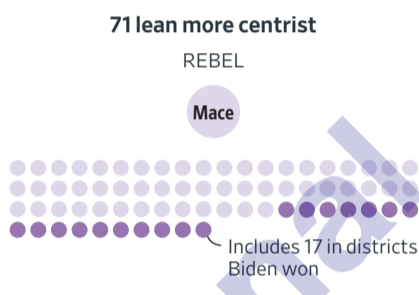
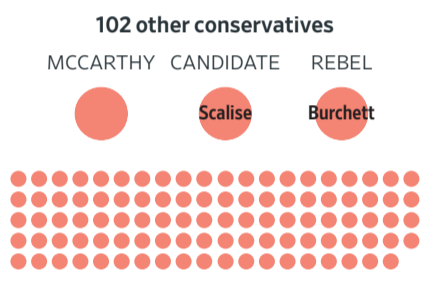
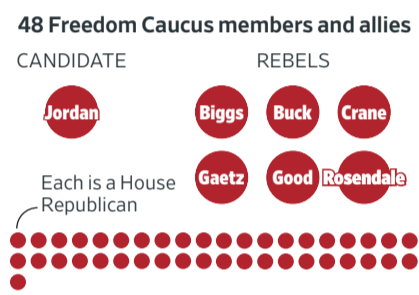
With the House split 221-212, each candidate can lose no more than four votes, assuming all Democrats oppose the GOP speaker nominee.

It took just eight Republicans, most of them ardent conservatives, to strip the speaker's gavel from Rep. Kevin McCarthy (Calif.). The next speaker will have to find a way to bring most of those members on board without losing support from

less-conservative Republicans. On Wednesday, members are expected to attend a GOP conference vote to pick their nominee. A vote of the whole House then would follow, requiring a majority of the chamber to back the new pick.

Here are some of the factions that divide the 221 House Republicans along with how Jordan and Scalise, as well as the eight members who voted to oust McCarthy, compare with their colleagues on important votes.

House Republicans, by faction

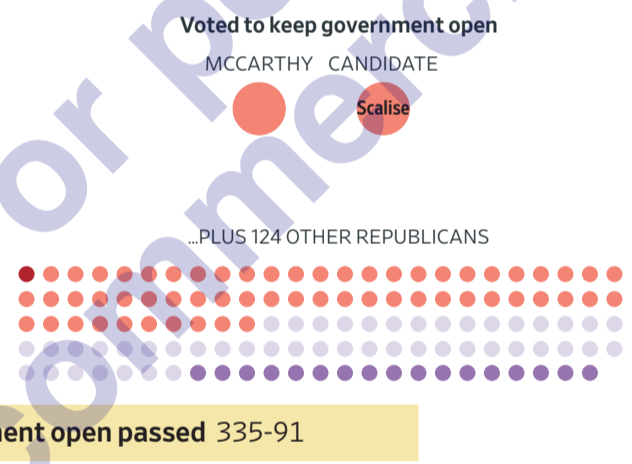
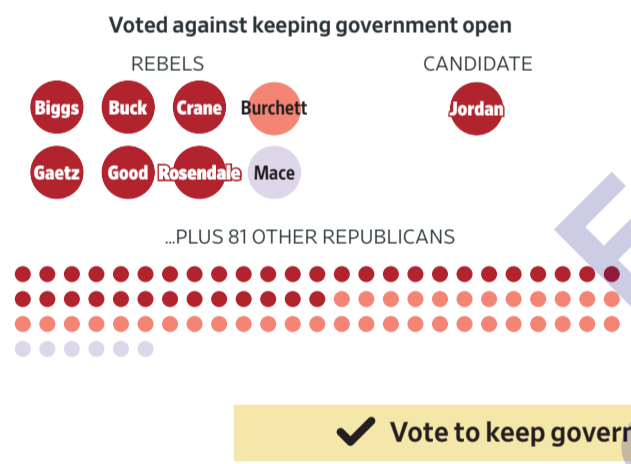


Note: Those who lean more centrist include most Republicans in districts that Biden also carried; members of the Republican Main Street Partnership or the Problem Solvers Caucus; Rep. Mark Amodei of Nevada.

House Republicans, by how they voted on keeping government open

Scalise and Jordan have adopted different policy profiles. Scalise has been in the House leadership since 2014 and mostly voted alongside McCarthy, while Jordan was a founder of the Freedom Caucus and supported conservative hard-line measures.

Those differences appeared late last month during McCarthy's effort to extend government funding and avoid a shutdown. Scalise joined with McCarthy and 124 other Republicans, as well as almost every Democrat, to pass the deal. Jordan joined 89 House Republicans in voting against it.

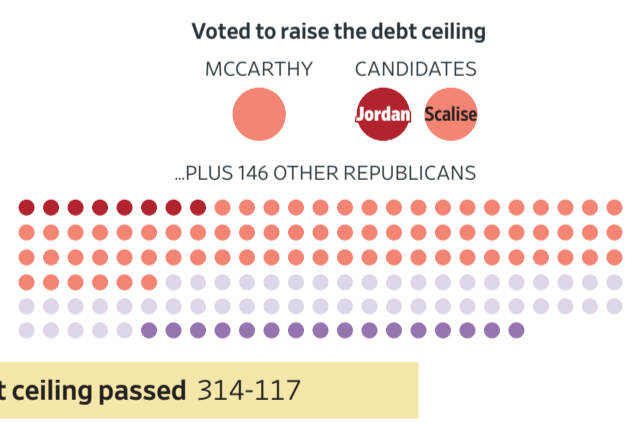
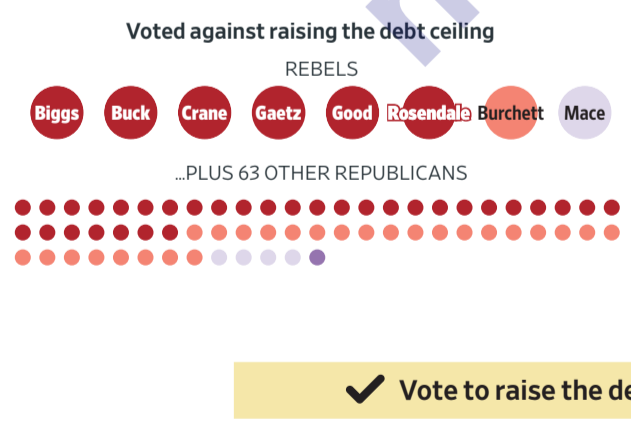


House Republicans, by how they voted on raising the debt ceiling

That wasn't the first bipartisan fiscal deal opposed by the eight dissenters. All eight voted against the deal McCarthy negotiated with Biden to raise the nation's borrowing limit and avert a possible government default, saying the package didn't include sufficient spending cuts. Some signaled they might seek to oust

McCarthy over the concessions he made.

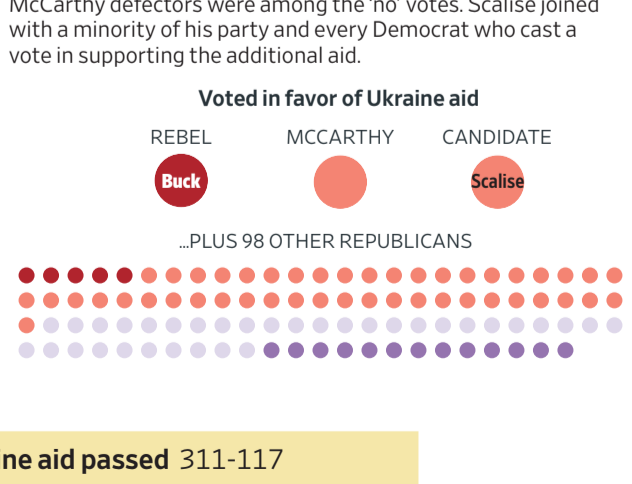
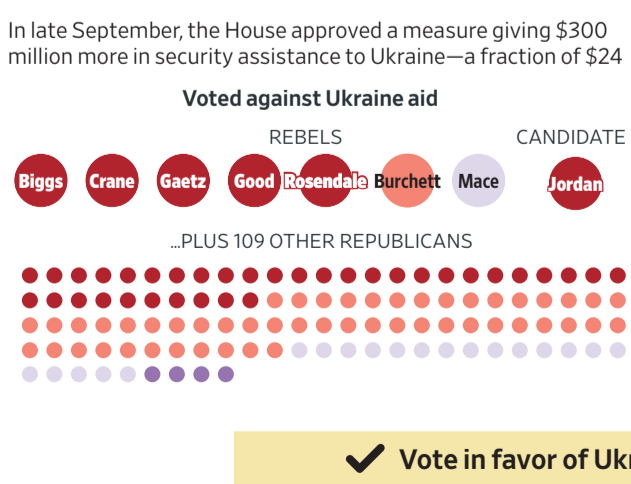
Both speaker candidates, Jordan and Scalise, backed the bipartisan deal. It passed with more Democratic than Republican votes, though a majority of House Republicans supported it.



House Republicans, by how they voted on Ukraine aid

The question of additional aid to Ukraine has divided Republicans, and it is another issue on which Jordan and Scalise differ.

billion that Biden requested in August. More Republicans voted against the bill than for it. Jordan and seven of the eight McCarthy defectors were among the 'no' votes. Scalise joined with a minority of his party and every Democrat who cast a vote in supporting the additional aid.



Note: There were instances of Republicans not voting on measures. Sources: Pew Research Center and staff reports (Freedom Caucus members and allies); UVA Center for Politics (Republicans in Biden districts); the caucuses (Main Street Caucus members, Problem Solvers members); U.S. House of Representatives (votes). Photos: Chip Somodevilla/Getty Images (Biggs); Annabelle Gordon/CNP/Zuma Press (Buck); Bill Clark/CQ Roll Call/Zuma Press (Crane); Jacquelyn Martin/Associated Press (Gaetz); Anna Moneymaker/Getty Images (Good, Scalise); Rod Lamkey/CNP/Zuma Press (Rosendale); Win McNamee/Getty Images (Burchett); Tom Williams/Zuma Press (Mace); Saul Loeb/Agence France-Presse/Getty Images (Jordan, McCarthy)

Jordan, Scalise Make Pitches To Be Speaker

WASHINGTON—Republicans pressed the two candidates vying to serve as House speaker on their visions and strategies for the top job on Tuesday, aiming to coalesce around a single leader ahead of an unpredictable conference vote planned for Wednesday morning.

By *Siobhan Hughes, David Harrison, Lindsay Wise and Kristina Peterson*

Lawmakers want to move quickly to fill the speaker job and avoid a replay of January's standoff, when it took 15 rounds to elect Rep. Kevin McCarthy (R., Calif.) speaker, only for him to be ousted nine months later. A delay in electing a new speaker could leave the House paralyzed, putting Washington on track for a government shutdown and imperiling legislation to support Israel and to provide new money for Ukraine.

House Majority Leader Steve Scalise (R., La.) and Rep. Jim Jordan (R., Ohio), the chairman of the Judiciary Committee, gave their pitches and took questions at a closed-door candidate forum. Coming out of the meeting, lawmakers said that they discussed priorities such as reining in the \$33 trillion national debt, spending

was ousted when eight Republicans joined with Democrats in a dramatic vote last Tuesday. Outside the meeting, McCarthy told reporters he wasn't running and that he had told colleagues not to nominate him.

Republicans have yet to settle some key questions, such as how to ensure that their nominee can get the majority needed to win election in the overall House and whether they plan to push for new spending cuts after a stopgap spending bill expires in mid-November. Heading out of the meeting, rank-and-file Republicans said they hadn't seen the language of a proposed rule change aimed at forcing the winning candidate to have 217 votes from Republicans before a roll call on the House floor.

"We are going to have a serious conversation" about how to reach that level, "and that's what we're going to debate tomorrow," said Rep. Chip Roy (R., Texas).

According to a document viewed by The Wall Street Journal, Roy on Wednesday plans to seek a vote on a rule change that would force House Republicans to vote over and over on whether to support the winning candidate on the floor until the person reaches 217 votes.

Much of the focus on installing a speaker has centered on the eight Republicans who pushed out McCarthy. Jordan's supporters have said that Jordan is best positioned to bring dissidents into the fold. They cite his history as an outsider who

Republicans said that no backup plan was in place if they failed to agree.

But lawmakers also cautioned that they weren't sure that either candidate, even if the pick had the support of most of the GOP, could amass the 217 votes needed to be elected speaker on the House floor. That points to the possibility of another contentious speaker vote, if all Democrats vote for their pick, Minority Leader Hakeem Jeffries (D., N.Y.).

If the GOP successfully elects a nominee, a full House vote for speaker could come as soon as later in the day on Wednesday. The House is split 221-212, giving Republicans little room to maneuver.

"Seems like they're both scrambling and they're both working hard," said Rep. David Valadao (R., Calif.) of the candidates. "So I don't know if anyone is super confident."

"I don't think anybody has 217," said Rep. Marjorie Taylor Greene (R., Ga.).

Republicans said that no backup plan was in place if they failed to agree on a candidate.

One potential short-term fallback option could be to elect Rep. Patrick McHenry (R., N.C.), the acting speaker pro tempore, as a full speaker pro tempore. Without the speakership filled, the House has been unable to vote on any legislation, because an acting speaker pro tempore is widely seen as lacking the power to put bills on the floor, given the rules governing his temporary job.

The candidate forum took place a week after McCarthy

himself rose by bucking the system, in large part through helping found the House Freedom Caucus, a brass-knuckled group that is now the ideological home to many of the dissidents. Jordan has racked up more than 30 public endorsements.

Heading into the meeting, Rep. Tim Burchett (R., Tenn.), one of the eight rebels, said he wasn't making his pick public. He said he was "afraid if I endorsed, it might hurt them" with other lawmakers. South Carolina Rep. Nancy Mace, who also helped oust McCarthy and has backed Jordan, entered the meeting wearing a red "A" on her shirt, a scarlet letter.

Mace said she hoped Republicans would unify behind their candidate. "I hope that, you know, win, lose or draw that we all get behind one person so we can go to the floor in the afternoon," she said.

Rep. Matt Gaetz (R., Fla.), who precipitated the leadership crisis when he brought the motion to vacate to the floor, stood up to say that he would support either Scalise or Jordan, according to one lawmaker. Reps. Andy Biggs (R., Ariz.) and Eli Crane (R., Ariz.), two of the eight Republicans who voted to oust McCarthy, left the meeting without saying how they would vote.

Waiting for a Leader



POWER OUTAGE: The Mace of the House of Representatives, present when the body meets, was removed Tuesday after a brief session. With no speaker, the House is at a standstill.

J. SCOTT APPELWHITE/ASSOCIATED PRESS



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U.S. NEWS

More Civil Cases Are Missing Lawyers

People often forgo legal help, and some rural counties simply lack attorneys

By Shannon Najmabadi

PITTSBURG, Kan.—A court day with no lawyers used to be rare for many Kansas judges, but Judge Lori Bolton Fleming now regularly presides over hearings similar to the divorce case she heard in late September.

A man showed up with no lawyer and no paperwork, when he was supposed to bring a completed divorce decree with him. Bolton Fleming pulled out the necessary form and began filling it out.

“What year were you married?” she asked.

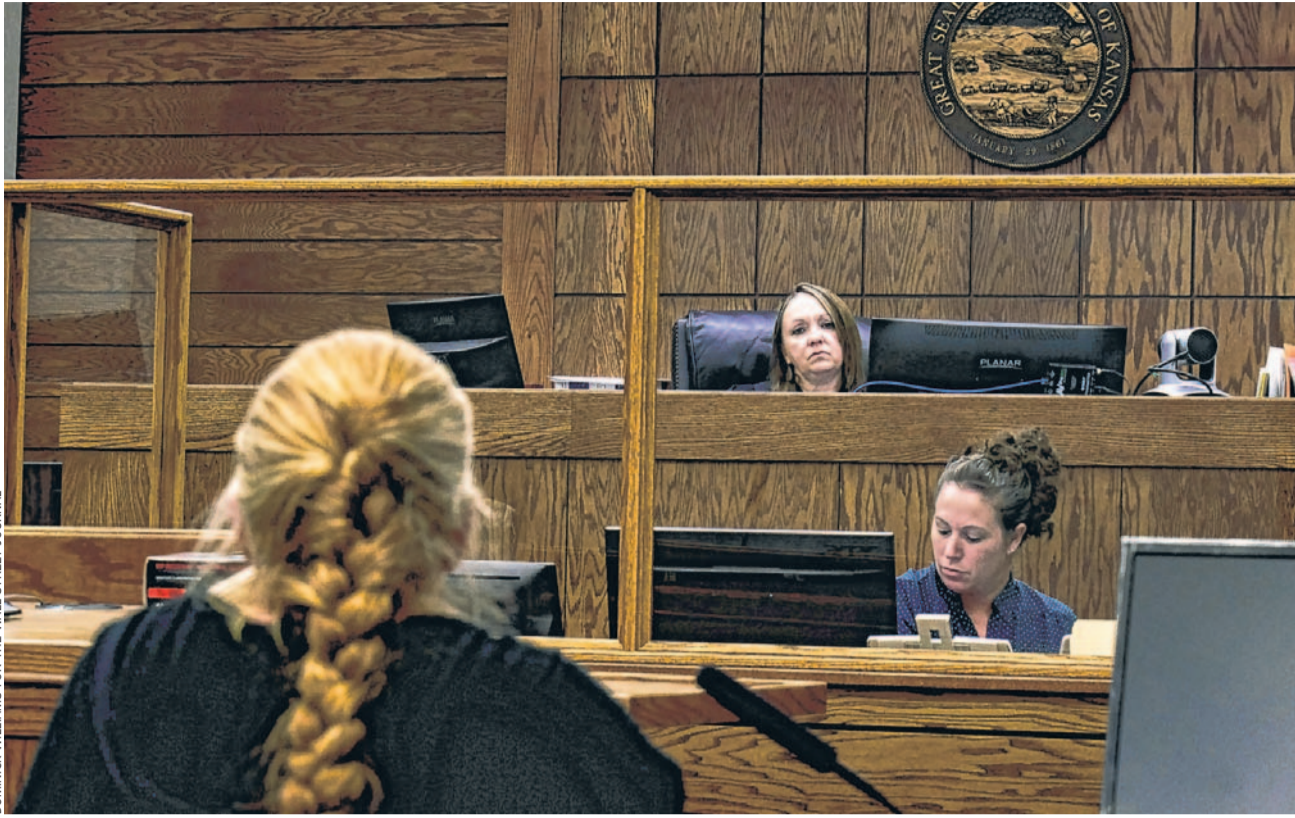
Across the U.S., more people are forgoing lawyers in state civil courts. Some can’t afford an attorney, have had bad experiences with them or prefer to take advantage of advice and tools posted online. Unlike criminal defendants, who have a right to a public defender, people appearing in civil court for cases including housing, debt collection or protections from abuse have no such guarantee.

Some rural areas, such as the counties Bolton Fleming oversees, have an added challenge: Few or no lawyers practice nearby. Those who remain can be choosy; they might, for example, limit their acceptance of domestic cases that can be lengthy and emotionally involved.

“It’s just supply and demand—they will take paying clients,” Bolton Fleming said.

Eighteen of the 105 counties in Kansas have two active attorneys or fewer, according to recent data from a Kansas Supreme Court committee addressing rural lawyer shortages. Two of those counties have no active attorneys.

Organizations such as Kansas Legal Services receive federal funding to represent low-income people in civil matters



Judge Lori Bolton Fleming hears a case in Kansas, where she says many litigants have appeared without attorneys.

but say they are overstretched. The group can help about half the people who seek out their services, according to its executive director Matthew Keenan.

Clifford Lee is one of two Kansas Legal Services lawyers serving nine southeast Kansas counties with a combined population of more than 160,000 people, representing residents in a variety of disputes and on basic legal matters, such as drafting wills.

“I don’t run out of cases,” Lee said.

The large numbers of self-represented litigants can slow down court proceedings and back up busy dockets.

The trend also leaves judges to walk the fine line of helping litigants navigate the complexities of the legal system while maintaining their role as impartial adjudicators.

Some litigants reference documents they have, such as paystubs, but fail to admit them as evidence. Others leave

out key facts. Bolton Fleming says litigants often want to cite cellphone photos as proof without understanding they either have to print out a copy of the media or turn over their phone to be part of the case file.

“I’ve had them come up to the bench and go, ‘Judge, how do I get that in? What do I need to do?’” said Glenn Braun, chief judge of Kansas’ 23rd Judicial District, who said he had seen pro-se cases—in which people represent themselves—increase sharply. “I’m constrained. I can’t help.”

He said he has discussed with other judges what to do when they have pro-se litigants suggest financial arrangements that don’t seem fair—as when divorcing couples propose sharing custody and splitting child-care payments 50-50 even though one makes five times as much as the other.

In some cases, the lack of attorneys means people on two sides of a contentious domestic

dispute are cross-examining each other—a process that can escalate into outbursts or violence, said Bolton Fleming, who is chief judge of Kansas’ 11th Judicial District. She has begun helping pro-se litigants fill out divorce decrees in court in the last five years, even though they are supposed to bring completed copies to hearings.

Recent studies estimate that in civil and family-law cases, more than 70% that go to court have at least one party self-represented, according to the Institute for the Advancement of the American Legal System.

The increased availability of legal forms online, shrinking numbers of lawyers, and a shift to favor business clients have contributed to the number of pro-se filings, legal scholars and judges say.

To adapt to the increased number of self-represented litigants, some legal experts have suggested simplifying legal forms and filing processes, or

moving formulaic proceedings out of court entirely. Kansas courts have set up self-help centers and made legal forms accessible online.

Filing for amicable divorces could be like getting a driver’s license, said Colleen Shanahan, a professor at Columbia University’s law school who has written about how most housing, family and debt-collection courts are now lawyer-less. She and other researchers define lawyer-less courts as those where at least three-quarters of cases have at least one unrepresented party.

Others want to encourage lawyers to move to less-served areas by reducing higher education costs so law-school graduates don’t feel pressure to take high-paying corporate positions. Courts have also experimented with allowing non-lawyers to practice, similar to how some areas let physician assistants and nurses provide medical care typically provided by doctors.

U.S. WATCH

ATLANTIC OCEAN

Debris Recovered From Submersible

The Coast Guard has recovered remaining debris, including presumed human remains, from the Titan submersible that imploded on its way to explore the wreck of the Titanic, killing all five onboard, deep beneath the Atlantic Ocean’s surface, officials said.

The Coast Guard said that the recovery and transfer of remaining parts was completed last Wednesday, and a photo showed the intact aft titanium endcap of the 22-foot vessel. Additional presumed human remains were carefully recovered from within Titan’s debris and transported for analysis by medical professionals, the Coast Guard said.

The salvage mission conducted under an agreement with the U.S. Navy was a follow-up to initial recovery operations on the ocean floor roughly 1,600 feet away from the Titanic, the Coast Guard said.

—Associated Press

ILLINOIS

Days After Skydive, 104-Year-Old Dies

Dorothy Hoffner, a 104-year-old Chicago woman whose recent skydive could see her certified by Guinness World Records as the oldest person to ever jump from a plane, has died.

Hoffner’s close friend, Joe Conant, said she was found dead Monday morning by staff at the Brookdale Lake View senior living community. Conant said Hoffner apparently died in her sleep Sunday night.

On Oct. 1, Hoffner made a tandem skydive that could land her in the record books as the world’s oldest skydiver. She jumped out of a plane from 13,500 feet at Skydive Chicago in Ottawa, Ill.

“Age is just a number,” Hoffner told a cheering crowd moments after landing. It wasn’t her first time jumping from a plane—that happened when she was a spry 100 years old.

—Associated Press

Founder Is Blamed for FTX’s Fall

Continued from Page One
knowledge that there were a string of serious management mistakes at FTX but has said he didn’t commit a crime and didn’t knowingly take FTX customer funds.

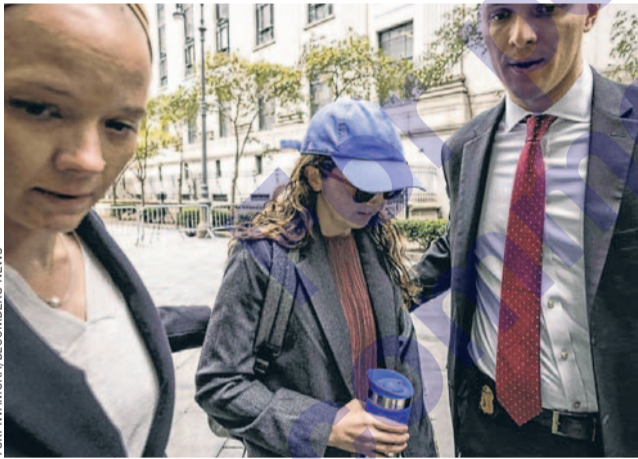
His lawyers have argued that the government is falsely portraying him as a cartoonish villain when in reality he acted in good faith to build his crypto exchange in the emerging cryptocurrency space.

Prosecuting a once-in-a-generation fraud case, the U.S. attorney’s office in Manhattan chose to bring out its big guns right at the beginning of the proceedings. In addition to Ellison, prosecutors already have presented testimony from another top cooperating witness who was a member of Bankman-Fried’s inner circle: former FTX Chief Technology Officer Gary Wang, whose appearance wrapped up Tuesday morning.

Over hours of afternoon testimony, Ellison, soft-spoken but poised, said she and Bankman-Fried knew for months about Alameda’s increasingly precarious financial situation and fretted over how, and whether, they could keep the operation from melting down. Alameda was central to FTX’s downfall, prosecutors alleged, because the sister hedge fund had been secretly and illegally taking billions of dollars from FTX customer deposits.

She and Bankman-Fried analyzed Alameda’s shaky finances together, she said. The hedge fund loaded up on hard-to-sell cryptocurrencies, made risky venture investments and took out loans that could be recalled by lenders anytime, she said. One of her analyses showed that Alameda had a net asset value of negative \$2.7 billion in 2021.

Still, Bankman-Fried wanted to go ahead with the venture investments despite the severe risks they posed to Alameda. Soon after, a pair of cryptocurrencies collapsed, wiping out \$40 billion of mar-



Caroline Ellison, ex-chief executive officer of Alameda Research, testified Sam Bankman-Fried directed her to commit fraud.

ket value and setting off a chain of high-profile company failures. Prices of major digital currencies tanked and several crypto lenders filed for bankruptcy.

“Did things get worse?” asked Assistant U.S. Attorney Danielle Sassoon.

“Yes, they did,” Ellison replied.

Ellison described Bankman-Fried as comfortable with risk. She recalled that Bankman-Fried once posed a coin-flip scenario where if the coin landed on tails, the world would end. But if the coin landed on heads, “the world would be twice as good.” Bankman-Fried said he would take the bet if there were a chance of making the world better, Ellison said.

Her personal and professional relationship with Bankman-Fried overlapped.

“The whole time that we were dating, he was also my boss at work, which created some awkward situations,” she recalled. The two dated on and off for two years.

During one break in their relationship, Bankman-Fried promoted her to co-CEO of Alameda Research. At the time, he said he wanted to distance himself from Alameda because he was running FTX.

The new title didn’t come with a raise, Ellison said, and she continued to make the \$200,000 a year salary that she made as an Alameda trader. In 2021, she took home

a bonus of \$20 million.

A few months after the promotion, the two began dating again, Ellison said, but they continued to struggle as a couple. Ellison said she wanted more from the relationship, but “I felt like he was distant or not paying attention to me.”

Bankman-Fried also still continued to call the shots at Alameda, Ellison testified.

“He was the person I officially reported to,” she said. “He owned the company. And he was the one who set my compensation and had the ability to fire me.”

Ellison will return to the stand Wednesday and is expected to testify all day.

Wang, the former chief technology officer, told jurors that Bankman-Fried lied to customers, assuring them that FTX was in stable financial shape when it wasn’t. He also testified that Alameda had virtually unlimited borrowing privileges on FTX and Bankman-Fried knew for months that the hedge fund was amassing billions of dollars in losses.

The trial, which began last week, is expected to run through mid-November.

Other early witnesses included Adam Yedidia, a college friend of Bankman-Fried who testified that he quit his job at FTX when he learned that Alameda had been using FTX customer deposits to pay back creditors.

Prosecutors brought out their big guns at the beginning of the proceedings.

Advertisement for M.S. Rau Fine Art & Antiques & Jewels. Features a large image of a 'Loving Lilac Untreated Sapphire Necklace' with 31 rose-cut sapphires and white diamonds. Text includes: 'Untreated gems. Vibrant color. Superb craftsmanship. Thirty-one rare rose-cut sapphires, totaling 47.52 carats, display a coveted lilac hue in this timeless necklace. The jewels are certified by C. Dunaigre as all-natural, with no heat treatment to enhance their stunning color. The luminous sapphires are interspersed with glittering white diamonds totaling 6.33 carats and set in platinum. 16” length. #31-7375'. Includes a QR code to view a video of the necklace and contact information: 622 Royal Street, New Orleans, LA • 877-677-2801 • ws@rauantiques.com • msrau.com. Backed by our unprecedented 125% Guarantee, we stand behind each and every piece.

Our friend and colleague, **Evan Gershkovich**, was detained by Russia on March 29 during a reporting trip and accused of espionage. Evan, The Wall Street Journal and the U.S. government vehemently deny the allegation and have called for his immediate release.

Evan's colleagues, friends and family will be sharing stories about him each week.

To show support for Evan, please follow the latest updates at [WSJ.com/Evan](https://www.wsj.com/Evan) and add the hashtag **#IStandWithEvan** across social media.



I met Evan in The Wall Street Journal's London office during the early days of the war in Ukraine.

Evan handled the enormous demands of that crucial time with grace. He cranked out story after story, bringing his knowledge of Russia, thick Rolodex and natural sensitivity to bear.

He infused camaraderie into the newsroom, which was working under the pressure of all the changes in the world. While smiling at the office, Evan was coping with personal upheaval, the life he had made in Moscow was upended.

We worked the phones doggedly, but Russian voices grew more elusive. After Evan overheard me talking to a reluctant source, we discussed how to be empathetic and fair, while getting the real story.

We would run translations by each other, then laugh at how our bilingual brains made us a little unsure in each language. We made promises to finally eat better and exercise once the news cycle cools.

Evan was itching to return to Russia to scope out all the dimensions of these monumental events on the ground. He felt privileged to go there and do his job for readers' benefit, despite great personal risk.

Evan's stories from Russia are breathtaking. The Russian people, those supporting Vladimir Putin and those in a struggle against him, come alive on the page. Evan was doing valuable journalism when he was wrongfully detained.

In my New Year's message to him, I wished Evan to stay safe. I call for his immediate release and urge you to keep Evan in your thoughts.



Yuliya Chernova
WSJ Reporter

#IStandWithEvan

THE WALL STREET JOURNAL.

WORLD NEWS

Russian Court Upholds WSJ Reporter's Detention

By ANN M. SIMMONS

A Russian court upheld the detention of Wall Street Journal reporter Evan Gershkovich on Tuesday, denying his lawyers' latest appeal to free him since he was taken into custody during a March reporting trip in Russia.

Gershkovich, a 31-year-old U.S. citizen who was accredited by Russia's Foreign Ministry to work as a journalist, was detained by agents from the Federal Security Service on March 29. He is being held on an allegation of espionage that he, the Journal and the U.S. government vehemently deny. Washington has said Gershkovich isn't a spy and has never worked for the government.

Dow Jones, the Journal's parent company, condemned the court's decision but said it was expected. "It has now been more than six months

since Evan's unjust arrest, and we are outraged that he continues to be wrongfully detained," a company spokeswoman said. "The accusation against him is categorically false, and we call for his immediate release."

The court has denied previous appeals by Gershkovich's lawyers, at least one of which requested that he be transferred to house arrest, agree to constraints on his movements or be granted bail. A Moscow city court in September declined to consider the latest appeal against his pretrial detention, citing procedural irregularities, and set the hearing for Tuesday.

Gershkovich's initial pretrial detention was scheduled to expire on May 29, but has since been extended until Nov. 30. Gershkovich's lawyers in August appealed that extension of his detention.

The U.S. government has classified Gershkovich, the first American journalist to be charged with espionage in Russia since the end of the Cold War, as wrongfully detained and called for his immediate release. The designation unlocked a broad U.S. government effort to exert pressure on Russia to free him.

Legal experts say it could be months before Gershkovich's case is brought to trial. Russian authorities haven't publicly provided evidence to support the allegation.

Under Russian law, investigators and prosecutors have wide latitude to request further extensions of pretrial detention. Espionage trials are typically conducted in secret, and conviction could carry a prison sentence of 10 to 20 years. It is rare for a court to acquit a defendant.

Tuesday's hearing was at-



Evan Gershkovich, seen in a Moscow courtroom on Tuesday, has been detained since March.

tended by Stephanie Holmes, deputy chief of mission at the U.S. Embassy in Moscow. She didn't make any remarks after the session.

Gershkovich's case has garnered international attention and bipartisan support in the U.S. House, which in June voted unanimously to approve a resolution calling on Russia to free Gershkovich, and demanding that

Moscow provide the reporter unconstrained access to U.S. consular officials.

A bipartisan group of senators in September introduced a resolution pressing Russia to release Gershkovich as he completed six months in detention. Several Russian lawmakers mocked the resolution, describing it as procedural and saying it would fall on deaf ears in Russia.

"The actions of American senators are in no way capable of influencing the decisions that are made in our country in accordance with the legislation and international obligations of the Russian Federation," Dmitry Belik, a member of the foreign-affairs committee at the State Duma, Russia's lower house of parliament, told Russian state news agency RIA Novosti.

Finland, Estonia See Likely Sabotage in Damage to Pipeline

By GEORGI KANTCHEV

Finland and Estonia said damage to a natural-gas pipeline and communications cable linking the two North Atlantic Treaty Organization members likely resulted from sabotage, rekindling concerns about the safety of Europe's critical infrastructure.

The damage was discovered days after the first anniversary of the destruction of the Nord Stream pipelines linking Germany and Russia, an attack that accelerated a reshaping of Europe's energy map and greatly limited Russia's ability to supply energy to the region. Authorities in the region have since said the destruction of those pipelines by powerful explosions was deliberate but haven't officially identified a suspect. U.S. suspicions have increasingly centered on a

group of Ukrainians. Ukraine and Russia have denied having anything to do with the explosions.

The Nord Stream blasts exposed the vulnerability of Europe's infrastructure to physical attacks, spurring governments to protect the pipelines, energy grids and natural-gas terminals that keep Europe's lights on and homes heated.

Over the weekend, authorities shut the undersea Balticconnector between Finland and Estonia after detecting a suspected leak in the 48-mile offshore section of the pipeline. In addition, Finnish authorities found a fault in a communication cable between Finland and Estonia.

Around the same time, a telecommunications cable linking Estonia to Finland, lying about 230 feet below the Baltic Sea, ceased transmit-



Sources: S&P Global Commodity Insights, European Commission (pipelines); European Space Agency (blast sites)

ting data, Estonian Defense Minister Hanno Pevkur added. The cable is one of Estonia's nine such connections to the surrounding countries, and its

rupture won't inflict any noticeable disruption to internet service, he added.

On Tuesday, Finnish President Sauli Niinistö said the

damage to the gas pipeline and the cable was likely the result of "external activity." He said the incident had no impact on the country's security of supply. "The damage to the underwater infrastructure has been taken seriously and its causes have been investigated since Sunday," he said.

Finnish Prime Minister Petteri Orpo said the pipeline damage couldn't have occurred as a result of normal use or pressure fluctuations, Finnish public broadcaster Yle reported.

NATO Secretary-General Jens Stoltenberg said the alliance was sharing information and stands ready to support concerned member states.

A benchmark European gas-futures contract rose 12% on Tuesday, after the outbreak of fighting in Israel and Gaza spurred a jump in energy prices earlier in the week.

An unusual drop in pressure shortly before 2 a.m. Sunday prompted the Finnish and Estonian gas-system operators to shut the pipeline's valves and halt gas transmission. The gas leak caused by the damage to the pipeline has been stopped, according to Gasgrid Finland, the Finnish state-owned transmission-system operator.

There was very little environmental damage to the surrounding Baltic Sea, compared to the Nord Stream attacks, Estonian Climate Minister Kristen Michal told reporters. There was no explosion, Pevkur said.

It isn't yet clear what could have caused the leak. The Finnish-Estonian seismic monitoring system didn't detect any seismological events in the vicinity of the Balticconnector pipeline around that time, said Heidi Soosalu, senior geologist at the Geological Survey of Estonia.

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Tax Revenue Is a Pot of Gold for Ireland

Windfall receipts from U.S. tech, drug companies go toward new rainy-day fund

By PAUL HANNON

Countries like Saudi Arabia, Norway and Chile have long used sovereign-wealth funds to sock away windfall profits from periods of high prices for commodity exports like oil and metals for future years when their own production winds down or international prices plunge. Ireland on Tuesday created its own rainy-day fund thanks to outside profits from an unusual and controversial source of income: U.S. technology and pharmaceutical giants seeking to lower their tax bills. In the past eight years, the country of five million has watched its corporate tax income triple to the tune of 22.6 billion euros last year, equivalent to almost \$24 billion—giving it a budget surplus last year of a comfortable €8 billion when many governments

are suffering from a postpandemic debt hangover. Ireland's government, unable to predict how much income it will make from corporate taxes year to year or for how long the surge will continue, said a new Future Ireland Fund could amass €100 billion by the middle of the next decade. The new fund will help cover increased healthcare bills as its population ages, with the nation facing one of the fastest rates of demographic change in Europe in the coming decades. "These funds are vital to future-proof our economy," Irish Finance Minister Michael McGrath told lawmakers. "We must use windfall receipts wisely." The government said it would transfer 0.8% of annual economic output to the new fund in each year from 2024 through 2035. In 2024, that would amount to €4.3 billion, with an additional €4 billion drawn from an existing savings fund that is being closed. Ireland became a hot spot for U.S. companies by slashing



Meta Platforms, which has offices in Dublin, is one of the biggest of roughly 950 U.S. businesses operating in Ireland.

its corporate tax rate from 40% to 12.5% starting in the late 90s, and offering a well-educated workforce and a tariff-free way into the European Union. By last year, there were 950 U.S. businesses operating in the country, employing just under 10% of all Irish workers, according to the American Chamber of Commerce Ireland. The biggest are Apple, Meta Platforms, Alphabet's Google, Amazon.com and Pfizer. But that role has been super-

charged since 2015, when changes in international tax rules prompted some U.S. businesses to move hundreds of billions of dollars in intellectual property to the country, such as patents and research. That allowed some companies, especially tech giants, to register profits in Ireland even if much of their output or content was made and consumed elsewhere. When the change was introduced, the stampede of U.S. companies to Ireland was

large enough that it inflated Ireland's annual economic output by a quarter that year—even if much of the increase wasn't visible in terms of the real economy. It received a further boost during the pandemic, which led to a surge in sales for the big U.S. digital and pharmaceutical companies operating in the country. "The windfall that is coming to Ireland is a very concrete demonstration of the revenue that the U.S. is losing," said Brad Setser, a senior fellow at the Council on Foreign Relations. Setser estimates between \$10 billion and \$15 billion of the revenue collected by the Irish government last year would have been collected instead by its U.S. counterpart "in a sane system." That is a lot of money for tiny Ireland, but a relatively small amount for the world's largest economy. Still, it could help partly defray Washington's expenses such as U.S. support for Ukraine. The Irish government, meanwhile, has become more reliant on profits from U.S. businesses to fund spending on health, education and other essential services. In 2021, it derived 17% of its tax revenue from levies on corporate profit, up from just over 11% in 2015. By comparison, the U.S. government derived just 5.3% of its revenue from taxes on profit. According to the Irish Fiscal Advisory Council, just three companies paid a third of all corporate tax revenue between 2017 and 2021. IFAC didn't name those companies, but Setser said tax records indicate they were Apple, Microsoft and Pfizer. The companies weren't available for comment. In a recent paper, Navodhya Samarakoon, a doctoral student at the University of Michigan who previously worked on international tax affairs for the Treasury Department, estimates that U.S. businesses funneled \$1.2 trillion to \$1.4 trillion in profit to low-tax jurisdictions via a complicated international loophole from 1998 to 2018. That loophole was closed in 2020, but many of its users continue to avoid paying U.S. taxes, tax experts said.

Australian Plan to Aid Indigenous People Sparks Split

By MIKE CHERNEY

ALICE SPRINGS, Australia—In Australia's vast and sparsely populated Northern Territory, the indigenous communities that make up more than a quarter of the population are divided.

Australia has long wrestled with the legacy of colonialism and how best to improve the lives of indigenous Australians—who are poorer, less healthy and less educated, and more at risk for domestic violence, suicide and incarceration than other groups. Now, the country is set to vote on a proposal to amend the constitution to recognize indigenous people and create a government advisory body, called the Voice, for indigenous issues. But in Outback communities in the Northern Territory, where indigenous Australians make up the highest percentage of people of any Australian state or territory, some residents aren't sure whether the proposals will change much. Greg Abbott is convinced it

will. After a crime wave hit the town of Alice Springs in the past year, the 55-year-old former healthcare worker and other indigenous Australians from a community organization began patrolling the city to deter thieves who were breaking into shops and cars. Authorities restricted alcohol sales to stop the violence, while some officials acknowledged the disproportionate social disadvantages faced by indigenous people were also a factor. "Our issues have been here for years and years, and there's never really no one to listen to us," said Abbott, a patrol leader, as he walked through shopping centers and past tourist shops that sold indigenous art and books. But Rosemary Egan Nampijinpa, who was selling paintings in Alice Springs along the city's main pedestrian mall, said she would be voting against the proposal because she isn't sure what it will do. Nampijinpa, who moved to Alice Springs because there was violence in the remote indige-

nous community where she was living, said arguments have erupted in family groups over the Voice proposal. "It's pretty sad," said Nampijinpa. "Everything's split." Polls show Australians overall are also divided over the Oct. 14 vote, with one measure showing some 59% of voters now against it—a reversal from about a year ago when a majority were in favor. Supporters, including Australia's center-left prime minister, Anthony Albanese, argue that other developed nations, including the U.S., have constitutional recognition of their indigenous peoples. They say that it will pay respect to the indigenous people who have lived in Australia for at least 65,000 years and that the advisory body will lead to legislation that better addresses the challenges fac-

ing indigenous communities. Opponents, including many members of the conservative opposition, argue the proposal will split the country along racial lines. The division, even among indigenous people who make up nearly 4% of Australia's 26 million people, shows the difficulties of finding consensus to address historical wrongs. European settlers massacred thousands of indigenous Australians in hundreds of incidents along the colonial frontier, academics said, and took over their land on the premise that it didn't belong to anyone. For decades, Australian policies allowed for removing indigenous children from their families to assimilate them into white society, and indigenous Australians weren't fully included in pop-

ulation counts until the 1971 census. Unlike other similar nations, including Canada, the U.S. and New Zealand, the Australian state never signed treaties with its indigenous communities. Among those leading the campaign against the Voice is Jacinta Nampijinpa Price, an opposition senator with indigenous heritage who was once deputy mayor of Alice Springs. She has argued that indigenous Australians already have a say in government because she is one of 11 indigenous representatives in Parliament. The "yes" campaign says the idea for the Voice came from indigenous Australians—it was called for at a gathering of indigenous leaders in 2017. The campaign has also pointed to a poll published in April showing that 83% of indigenous Australians supported the constitutional change. Passing the referendum will likely be an uphill battle. A majority of Australians nationwide must vote in favor,

plus a majority in at least four of the six Australian states. The Northern Territory isn't a state, so it isn't included in the state count. In Alice Springs, Connie Shaw said she would like to see improved lighting and upgrades to parks in her neighborhood—one of the many areas around the city where indigenous people live. The co-coordinator of a young women's family-safety group, Shaw would also like to see authorities direct more funding to address domestic-violence issues in the Northern Territory, where family violence rates are elevated. She believes the Voice would make it easier to have the concerns of indigenous people heard and get the help her community needs, and she said it is heartbreaking to see some indigenous politicians backing the "no" side. "The system in Australia was designed to fail us. It was designed for white people, really," Shaw said. She added later: "We need change."

Some in the Outback aren't sure if the proposals will change much.

WORLD WATCH



DELUGE: Residents waded through a flooded road in Bago, about 50 miles northeast of Yangon, Myanmar, on Tuesday. Heavy monsoon rains triggered floods in southern areas, displacing more than 14,000 people and disrupting rail traffic.

U.S. Says Uprising In Niger Was a Coup, Limits Assistance

By MICHAEL M. PHILLIPS AND WILLIAM MAULDIN

The U.S. on Tuesday formally designated this summer's military uprising in Niger a coup d'état, a decision it had delayed for months in the hopes of avoiding another blow to its military strategy to combat al Qaeda and Islamic State in western Africa. The designation triggers U.S. laws restricting assistance to militaries that oust elected leaders. In July, Nigerian officers seized power from civilian President Mohamed Bazoum, a staunch U.S. ally who remains imprisoned in his official residence in Niamey, the country's capital. Bazoum's ouster left the Biden administration in a dilemma: The U.S. seeks to promote democratic rule in Africa, but has relied on Niger's military to help stop the spread of Islamist militants in the Sahel, a semidesert band of nations south of the Sahara. During the past decade, the U.S. has spent some \$500 million building up Niger's military, providing training as well as equipment. U.S. commandos stopped training Nigerian special forces and advising them on counterterrorism operations after Bazoum's ouster. The designation extends that suspension. American drones continue to fly out of a \$110 million, U.S.-built drone base in Agadez in northern Niger, but they no longer provide real-time intelligence to Nigerian troops during combat missions. The U.S. military suspended all drone flights after the

coup, recently restarting them to protect the 1,000 American soldiers stationed in Niger and provide airborne intelligence elsewhere in the region. A senior U.S. official said the administration hasn't decided whether to close the base or move it to another country. "We want to be involved in the counterterrorism efforts in the region for sure," said a U.S. defense official. "How that's going to play out is still to be determined." The Pentagon says it will determine future troop levels based on conditions inside of Niger, as well as the wider regional terrorism threat. Until now, the Biden administration avoided referring to Bazoum's ouster as a coup, hoping that negotiations would lead the junta to lay out a quick path back to democratic government. But diplomatic efforts have come up short. "Any resumption of U.S. assistance will require action by the National Council for Safeguarding the Homeland to usher in democratic governance in a quick and credible time frame," said State Department spokesman Matthew Miller, referring to the official name of the ruling junta. U.S. Secretary of State Antony Blinken spoke to Bazoum this week and, according to the State Department, reiterated American support for a return to democratic rule. Niger army Brig. Gen. Moussa Barmou, a close Pentagon ally turned coup leader, didn't respond to a request for comment on the U.S. decision. —Noemie Bisserbe in Paris contributed to this article.

MEXICO
U.S. Migrant Centers Rejected
Mexico's president said Tuesday that he rejected a U.S. request to set up migrant transit centers in Mexico. Neighboring Guatemala has set up one such center, where migrants can apply for U.S. work and refugee visas. But President Andrés Manuel López Obrador has so far rejected a U.S. request to set up sites in Mexico, noting he would prefer to have such centers in countries that are the sources of migration, despite the fact that a considerable number of migrants enter the U.S. from Mexico. López Obrador said that he would raise the subject in a meeting of Latin American leaders he will host later this month. —Associated Press

UNITED NATIONS
Russia Loses Bid For Rights Body
Russia was defeated in its bid to regain a seat in the U.N.'s premiere human-rights body by a significant majority in Tuesday's election in the General Assembly, which voted last year to suspend Moscow after its invasion of Ukraine. In the secret ballot, Bulgaria got 160 votes, Albania received 123 votes and Russia 83 votes for the two seats on the Human Rights Council representing the East European region. Louis Charbonneau, Human Rights Watch's U.N. director, said: "U.N. member states sent a strong signal to Russia's leadership that a government responsible for countless war crimes and crimes against humanity doesn't belong on the Human Rights Council." —Associated Press

AFGHANISTAN
Another Quake Rocks Region
Another strong earthquake shook part of western Afghanistan on Wednesday morning after an earlier quake killed more than 2,000 and flattened whole villages. The latest, 6.3-magnitude earthquake was about 17 miles outside Herat, the capital of Herat province, and 6 miles deep, according to the U.S. Geological Survey. The epicenter of Saturday's quake was about 25 miles northwest of the provincial capital. Several aftershocks have been strong. Taliban officials said more than 2,000 had died across Herat after the earlier quakes. They subsequently said the quakes killed and injured thousands but didn't give a breakdown of casualties. —Associated Press

JAPAN
Executive Guilty in Olympic Bribe Case
An executive at Japanese publishing house Kadokawa was found guilty Tuesday of bribing a former Tokyo Olympics organizing committee member. Toshiyuki Yoshihara, charged with paying 69 million yen, or about \$465,000, to Haruyuki Takahashi, was given a two-year prison sentence, suspended for four years. That means he avoids prison, as long as he doesn't break the law in the next four years. Tokyo District Court Presiding Judge Yoshihisa Nakao said Yoshihara wanted Kadokawa to have an edge in becoming a sponsor, which he believed would enhance its brand. Kadokawa was chosen as a sponsor and published the Games program and guidebooks. —Associated Press

PERSONAL JOURNAL.



Southwest Airlines expects it will be able to handle an extreme weather event every day.

windows (they will crack) or doors (deicing fluid could seep into the galley). Spraying it wrong could take the plane out of service.

She warned them that fingertips, ears and noses are the first to go numb, and cautioned that glycol, which is mixed with water and sprayed on the plane, will smear glasses or goggles.

If that and the cold aren't tough enough, many workers also pull double shifts during big storms. (That does create an opportunity for the occasional employee potluck.)

Outside, on the tarmac behind Gate C23, the trainees met Iceman 18, one of the airline's deicing trucks. A trainer showed them every nook and cranny on the trucks that power-spray planes with deicing fluids so they can depart in bad weather. Each truck requires a driver and a sprayer. Southwest can dispatch multiple trucks in severe cases.

Power-washing a plane

The trainees got their first time in an Iceman on the tarmac behind Gate C35. Iceman 16, 18 and 20 pulled up alongside a spare Boeing 737 MAX. Doyle stood in the bucket in one of the trucks, trainees in the others.

They took turns carefully spraying the ice-free plane, using water as a stand-in because of how expensive glycol can be. It looked like the plane was getting a power wash.

In another corner of the airport, seasoned Southwest deicers played videogames. Five of the new deicing trucks Southwest added in Denver are computerized and require eight hours of training in a simulator over multiple days. The airline also added five each in Chicago and Nashville. The right foot controls the flow of deicing fluids, the right hand guides the nozzle. The sprayer operates in an enclosed bucket. "Man, they are beastly and they are complicated," Doyle says.

Watterson says the high-tech Vestergaard trucks, already used by third-party contractors for United Airlines and other carriers, have an added bonus. Trucks with an optional forced-air accessory can get a jump-start on deicing by blowing snow and other wintry debris off the planes at the gate.

Due to environmental regulations, Southwest's other trucks have to wait to spray when the plane is on a dedicated deicing pad away from the gate. Southwest has the forced-air option on two of the five new trucks in Denver.

"You can go to gates and shoot off the snow," Watterson says.

Doyle says the final exam in deicing school will happen as soon as Denver's weather turns. They will help spray planes in real time with real elements when flights are on the line.

"Mother Nature, give us all you've got so these guys can see how to spray," she says.

Doubling Down on Deicing

Southwest has bulked up on deicing equipment and training in a bid to avoid last year's delays



CARRY ON
DAWN GILBERTSON

Denver

Southwest Airlines has more than 800 planes in its fleet. Only one cost \$41.99.

The 10-foot inflatable plane from Amazon is a prop in the airline's deicing school. It's the cheapest weapon in Southwest's growing arsenal to avoid a repeat of the costly, messy meltdown that snarled travel and wreaked havoc with two million travelers' plans last holiday season.

The carrier drilled employees this summer with an eye on winning back the trust of its fliers this winter, never mind the bone-dry blue September skies and temperatures still in the 80s.

An internal report blamed

"weak winter infrastructure" as one major factor in the holiday collapse. "Other airlines were able to operate more than we were in that winter storm," Southwest Chief Operating Officer Andrew Watterson says. "So they were more prepared. No hiding from that."

Denver is the carrier's busiest hub and home base to the most Southwest pilots and flight attendants, meaning delays and cancellations there create a ripple effect through the airline's system. Southwest says it didn't have nearly enough deicing equipment and parking spots to quickly clear planes of snow, ice and frost in the Mile High City. In extreme cases, it took an hour to deice a plane.

This season, Watterson says, the airline is bulked up enough to handle an extreme weather event every day. In Denver alone, Southwest has added 15 deicing trucks, for a total of 40. United Airlines, which has 450 daily departures out of Denver to Southwest's 300,

has 61 deicing trucks there.

Southwest also added four deicing pads—the places where planes go to get sprayed—a mobile fuel truck, rescue rigs with compressed natural gas for timely refueling of ground equipment and outdoor heaters so powerful only mechanics can operate them. Combined, they should get passengers on their way more quickly when bad weather pounds the airport.

Southwest has also added hundreds of new ground workers at the airport, telling prospective applicants, "There's snow place like Denver." Not all new hires will deice planes—those roles go to workers with seniority. But Southwest put all of them through its annual deicing training this year to underscore its importance to winter operations.

I sat in on one of the last warm-weather sessions in late September.

Toy-plane training

That blowup plane? It was wedged between the rails of a ramp to the Ice House, the trailer home for deicing dispatchers and supervisors.

Paul Thompson, a Southwest ramp agent, used it and other props to demonstrate spraying patterns before employees tried it on a real plane. He sprayed the plane from nose to tail with water from a portable camping shower slung over his shoulder. A leaf blower simulated wind, a major challenge during deicing.

Ryan Doyle, a 21-year veteran of the air-



Ryan Doyle, above, practices deicing an airplane with water at Denver International Airport. Trainees, left, are given a deicing demonstration on an inflatable airplane.

line who started as a ramp worker in Baltimore, has trained so many employees on deicing, Southwest is rolling out her program across the country. (Even South Carolina flights need a spray some days, and Chicago has already started deicing for real this fall.)

In a classroom under Gate C41, she clicked through a PowerPoint presentation outlining deicing basics and safety measures to a class of six workers, some in their summer uniforms.

Doyle drilled them on proper spraying techniques: Spray downward and avoid directly spraying



Tax Deal Sweetens For EV Car Buyers

By ASHLEA EBELING

The tax break for buying an electric vehicle is about to hit the accelerator.

Starting in January, EV buyers get up to \$7,500 off the purchase right at the dealership, rather than wait months until filing their tax return to get the credit, the Internal Revenue Service said last week. Accelerating the benefits will help boost adoption of the new technology, industry advocates say.

"It's like cash on the hood," said Joel Levin, executive director of Plug In America, a nonprofit that promotes the use of EVs.

Congress made major changes to the federal electric-vehicle tax credit in the 2022 Inflation Reduction Act to encourage car shoppers to shift to greener motors. Though

the tax breaks propelled electric-vehicle sales, buyers had to untangle the confusing rules. The list of eligible vehicles keeps changing, new income limits were imposed this year and further changes are expected.

The IRS's instant \$7,500 tax rebate is 'like cash on the hood.'

Now vs. later

The new rules add yet another wrinkle: Is it better to buy now or wait until the point-of-sale rebate option kicks in? "There are a bunch of factors: Which car are you thinking about? Is it eligible

now? What's your taxable income for '23 or '24? How comfortable are you with leasing?" Levin said.

Consumers who want certain vehicles should buy before year-end. The list of eligible vehicles could shrink in 2024. That is because the IRS has yet to issue expected rules on a provision of the law that ex-



The list of vehicles eligible for the federal electric-vehicle tax credit could shrink in 2024.

"People weren't intending to lease but they do it for the credit," Levin said.

Tax consequences

Taxpayers who choose the point-of-sale rebate program still must report their EV purchase on their tax return. They'll need to provide their Social Security number to the dealer and include the car's vehicle identification number on their 1040. If their income exceeds the limit, they'll have to pay back the credit. Taxpayers can keep the rebate even if they don't owe any taxes, the IRS says.

EV buyers should also take state taxes into account. Nineteen states offer an incentive beyond the federal EV credit ranging from \$1,000 in Alaska and Delaware to \$7,500 in California, Connecticut and Maine, the Tax Foundation says. On the flip side, many states started levying higher registration fees for EVs compared with internal-combustion vehicles.

cludes vehicles with parts from certain countries, possibly China. Rules around the origin of battery manufacturing also get stricter in 2024.

Income limitations

The income limits—\$150,000 for individuals and \$300,000 for married couples filing jointly—could also affect a decision. If your income is go-

ing above the limit in 2023 or 2024, you need to buy this year to get the credit.

The new rules don't apply to leases. If you lease an electric vehicle, the manufacturer or lender can build the federal tax credit into the cost. Check the lease payments to make sure the dealer is passing the credit on to you.

PERSONAL JOURNAL.

BY ALLISON POHLE

The \$300-a-Day Lift Ticket

Ski resorts pressure beginners to commit to more than one day on the mountain

You can subscribe to ski or pay the price. Top ski resorts want even the most infrequent snow bunnies to pay for their passes long before the first flakes fall. It is part of a big push by resorts to nudge skiers into prepaying for passes for multiple days or full seasons.

This dynamic has long existed at ski mountains, but prices are soaring for passes bought the day you ski. A single ticket at A-list resorts Park City, Vail and Beaver Creek will set you back \$299 a person on a peak day this season. A \$949 season pass offers unlimited access to those resorts and dozens of others all winter.

Major ski companies have also introduced a range of lower-tier passes meant to entice even occasional skiers into prepaying. Steep day-of prices strongly discourage casual visitors, especially families, from making last-minute trips, skiers say.

“For somebody who’s just getting into it, it’s a huge barrier to entry,” says Colton Zenni, a 24-year-old beginner skier from the Charlotte, N.C., area who says he paid more than \$350 for two walk-up lift tickets last year because he didn’t know about buying in advance. Zenni purchased a seven-day Epic pass this year for \$479.

A record 11.6 million Americans skied or snowboarded last season, according to the National Ski Areas Association, a trade group. In recent years, season passholders have made up a larger share of the visits to mountains.

The prices for the two most popular megapasses, Epic and Ikon, are set to climb this week. The passes are cheapest in the spring before the prior season ends and rise until they go off the market in late autumn. There are now dozens of pass options, which range from under \$100 to more than \$1,200. Some passes have a range of blackout dates and locations that are ineligible for use, but tempt skiers by providing a better value over multiple uses than the day-of lift tickets.

Skiing subscription

Vail Resorts, the nation’s largest ski-resort operator, created this model when it introduced the Epic pass in 2008. It now gives skiers unlimited access to more than 40 resorts for one set price instead of purchasing individual lift tickets or passes to several mountains.

The Ikon pass, from **Alterra Mountain Co.**, lets skiers choose from 58 resorts around the world.

Megapasses are controversial among skiers. Some appreciate the broad access. Others say they have turned mountains into tourist zones with crowding and long lines, pricing out locals.

Those who purchase passes early and ski often find that it’s never been cheaper to ski, says Stuart Winchester, founder of the Storm Skiing Journal, a newsletter and podcast dedicated to the



Resorts such as Vail’s Park City in Utah, above, are encouraging skiers to buy seasonal or multiday passes.

Pass for those who plan to ski between one and seven days that slashes up to 65% off the cost of lift tickets. The company says the pass is one of its fastest-growing products. A single, unrestricted day pass can cost \$125 on a peak day at a popular resort like Park City, compared with a \$299 lift ticket, according to Vail’s website.

More skiers have also bought the Ikon session pass, which allows people to choose two, three or four days of skiing, since its introduction a few seasons ago, says Erik Forsell, chief marketing officer for Alterra. A two-day Ikon session pass costs \$279, with prices set to increase to \$319 on Friday.

Good deals still exist at local mountains, Winchester says. The Indy Pass gives passhold-

ers two days of skiing each at more than 180 independent resorts worldwide for about \$400.

Some industry executives have acknowledged the model needs revisiting. Alterra President and CEO Jared Smith said on Winchester’s podcast that charging first-timers the most isn’t a sustainable model.

Fernando Ocon, a 24-year-old financial analyst who recently moved to Salt Lake City, hopes to learn to ski. He was surprised to learn day tickets cost more than \$200, but he won’t commit to a season pass before gauging how much he likes the sport.

Ocon bought a \$799 season pass to nearby Snowbasin Resort as part of its learn-to-ski program. He’s fine not skiing as many places as friends with megapasses.

“I’ll get to know that mountain, and I just want to feel comfortable doing it,” he says.

business of skiing. Decades ago, season passes for one resort could cost more than \$1,000, he says. While this can still be the case, megapasses let skiers access dozens of resorts for less than those passes once cost. If you ski 10 days a year, you could pay under \$100 a day.

“If you’re a vacationer and you are not aware of this dynamic, you’re going to be disappointed,” Winchester says of the individual lift-ticket pricing.

Nonrefundable tickets infuse resorts with cash before the season starts, and help ensure customers commit to skiing at their properties. Vail says it is “intentionally working” to get all levels of guests to buy passes.

In exchange for purchasing ahead of the season, skiers also get discounts on rentals and restaur-

ants, Vail Resorts Chief Executive Kirsten Lynch says: “It’s become like a subscription to the season.”

Lower-tier products

Some skiers lament the lack of flexibility the prepay model has created.

Sugarbush in Vermont responded with “TBD tickets” for \$99. Unlike refundable lift tickets, these nonrefundable advance passes include one free ticket that skiers can use later in the season. The Alterra resort’s website cautioned skiers against buying at the window: “Seriously, don’t be that person. You will be sad. Soooooo sad.”

Vail introduced an Epic Day

Some 11.6 million Americans skied or snowboarded last winter. Vail’s Keystone Resort in Colorado, right.



PHOTO TOP: DANNY MOLOSHOK/ASSOCIATED PRESS (2); CHET STRANGE FOR THE WALL STREET JOURNAL

Fake Phishing Emails From Companies Get Creative

BY ANN-MARIE ALCÁNTARA

JuSong Baek remembers the email all too well.

In early September, he opened his work inbox to amazing news: He was officially off the wait list for Taylor Swift’s Eras Tour—he could buy tickets for her Toronto show.

But just before the 26-year-old product designer clicked on the link, he remembered something: He didn’t use his work email to register with Ticketmaster. It was a phishing test from his employer.

What once began with Nigerian princes asking for help in exchange for riches has become far more sophisticated social engineering, and companies are rising to the threat by getting creative in their training. These simulated phishing emails promise bonuses, gift cards and yes, once-in-a-lifetime concert tickets. The practice has left some employees chuckling, and others wary about the lines companies might cross to test someone’s cybersecurity competence.

Baek recognized the Taylor Swift ticket alert as a phishing email because its urgency seemed suspi-

cious. When he clicked a phishing alert button in his email, he learned it was sent by his own company.

“I’ve never felt more personally attacked by an email,” says Baek, who lives in Edmonton, Alberta.

Phishing is a large-scale problem, resulting in more than 300,000 complaints last year to the Federal Bureau of Investigation’s Internet Crime Complaint Center. Americans lost \$10.3 billion to online scammers, including phishing and identity theft, in 2022.

‘Hurting morale’

Companies try to train their employees to recognize these attacks by sending phishing tests. If workers report an email, they pass. If they fail the test and click a link or download a PDF, they might get sent to additional training.

Sarah Fiete regularly received phishing tests and training at her old job. One email from last December, however, tripped her up. It said the company wanted to thank her for her hard work with a gift card and to click a link to claim it. When she clicked it, it said she had failed a phishing test.

The 33-year-old Fiete, now a director of marketing and communications at an arts investment studio in New York, blames her phone. She normally checks for phishing attempts, but because she opened this on her phone, she couldn’t hover over the link to see where it led. And her company used to give gift cards in the past so it wasn’t entirely unusual to receive such an email, she adds.



She didn’t receive a gift card. She also went to work grumpy. “The phishing emails coming from the company itself really felt like they were hurting morale a lot more than they were doing any good,” Fiete says.

‘Under your skin’

The Taylor Swift phishing test was a template created by KnowBe4, a security-awareness company. In the past 30 days, it was sent 17,600 times, with 533 people clicking on it, the company says. It’s in line with KnowBe4’s usual range for its phishing tests.

KnowBe4, founded in 2010 and working with more than 65,000 clients, is part of the security and risk-management industry, which offers businesses compliance training and other tools to safeguard their information. This growing field includes other companies such as

Living Security and Proofpoint, which is used by The Wall Street Journal’s parent company.

KnowBe4 has a creative content team of four people who comb through social trends to come up with these phishing simulations. They craft seasonal emails, such as a notice of Valentine’s Day flowers being delivered. The team has created 20,000 templates for companies to choose from, says Greg Kras, the company’s chief product officer.

KnowBe4 has a “controversial” category, with more heartbreak-skip-ping templates. One email says it’s from a Twitter user alerting people that their information was found on the infidelity website Ashley Madison, which had a data breach in 2015. Any workplace test, such as an email from a company’s human-resources department about updated pay scales, is also considered controversial.

These are used only when a company’s cybersecurity team believes the organization is ready for tougher tests, Kras says. These emails are more alarming and emotional to mimic the behavior of actual attackers, he added.

“That’s what the attackers are doing, they’re trying to get under your skin,” Kras says.

According to a report from KnowBe4, after a year of phishing training and simulations, a company’s likelihood of employees clicking on an email or suspicious link drops to 5.4% from 33.2%.

‘Especially cruel’

With only two more months to go till the end of the year, some companies are beginning to roll out end-of-year bonuses and other perks to employees as thank-you gifts for their hard work.

Except in Becky Robison’s inbox. The 35-year-old corporate communications writer received an email in September, with the subject line “your yearly bonus.pdf Has Been Shared With You.” Having worked at her company for six years, she knew bonuses weren’t a regular occurrence and suspected it had to be a phishing email.

Robison, who lives in Louisville, Ky., didn’t fall for it—and says she hasn’t failed any others her company has sent through the years. But the tone of this one felt different to her. “In a weird economic climate, it seems especially cruel to tempt people with the idea of a bonus, especially people who may not know,” Robison says.

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ARTS IN REVIEW



Christina Clark, center, and NYCB dancers in 'Rubies,' from the three-part ballet 'Jewels'

By ROBERT GRESKOVIC

DANCE REVIEW

New York City Ballet: Back to Balanchine

Celebrating its 75th anniversary, the company honors its co-founder

The first of three seasons celebrating the 75th anniversary of New York City Ballet has been dubbed "The Foundation." Its programs, which conclude on Sunday, are essentially a George Balanchine run (the sole exception is a work by co-founding choreographer Jerome Robbins) and comprise 18 ballets, two in excerpts, by Balanchine (1904-1983), NYCB's founding director alongside arts patron Lincoln Kirstein (1907-1996).

The final curtain call for this season's opening performance of its weeklong run of "Jewels" (1967), Balanchine's three ballets in one—"Emeralds" (to Gabriel Fauré), "Rubies" (to Igor Stravinsky) and "Diamonds" (to Peter Tchaikovsky)—included about 350 former NYCB dancers who joined the current performers on stage. The specially invited throng of men and women, attired in street clothes and some using canes, was met by a cheering audience as foil confetti rained down.

The two seasons that will follow, through June, are designed to explore, respectively, the evolution and the future of the company. With some 425 works to his credit, many of which earned international acclaim, Balanchine left a formidable legacy for NYCB, now overseen by artistic director Jonathan Stafford and associate artistic director Wendy Whelan.

Speaking about the

ballet experience for a 1965 televised dance program, though, Balanchine stated: "Choreographer doesn't exist. He suggests. Ballet belongs to a dancer that is now at this moment in front of you." Thanks to its revival this season, one stirring Balanchine ballet will

Mira Nadon and KJ Takahashi, below, in 'Bourrée Fantasque,' to music by Emmanuel Chabrier



again belong to NYCB's dancers: 1949's "Bourrée Fantasque" (to Emmanuel Chabrier), a fabulously animated and often witty showcase for three principal couples and an ensemble of 24 women and 12 men.

Given the absence of "Bourrée" from the repertory since 1994, all the dancers here, costumed in fairly faithful re-makes of Karinska's stylish, primarily black original confections, were dancing the work for the first time. Prominent among them was statuesque Mira Nadon, playfully working her feet and legs to dominate the opening movement, smilingly supported by KJ Takahashi as her intentionally mismatched partner. Emilie Gerrity and Gilbert Bolden III brought all the requisite mystery to the haunting second movement, while Alexa Maxwell and David Gabriel committed themselves to the daredevil-like, high-flying third movement, its climax as rollicking as a three-ring circus.

Notable debuts in other ballets came from Indiana Woodward, ably supported by Tyler Angle, in "Emeralds"; likewise, Ms. Nadon



Russell Janzen and Sara Mearns, above, in 'Diamonds,' to music by Peter Tchaikovsky

shone in the same role. "Rubies" got sass and flair from the first-time outings of Emma Von Enck opposite Jovani Furlan. As the athletically choreographed secondary soloist—a role often rendered as a leggy showgirl—the lean and cool Christina Clark evoked a sleek Si-

ren, an interpretation all her own. Though Ms. Nadon seemed to be in only intermittent control of the brash, athletic demands of the ballerina leading the fourth movement of 1958's "Stars and Stripes" (to John Philip Sousa, adapted and orchestrated by Hershey Kay), she radiated confidence and lushness with her Terpsichore in 1928's "Apollo" (to Stravinsky).

Elsewhere, opposite Ms. Von Enck, Roman Mejia soared and bounded with insouciance and elasticity through the buoyant momentum of the third movement of 1947's "Symphony in C" (to Georges Bizet).

Two principal women, in debuts, took on the theatrical intricacies of the ballerina role in "Diamonds," which proved a better fit for an eloquent Unity Phelan than for a rather lackluster Isabella LaFreniere. "Diamonds" handily served as a renewed showcase for the incomparable Sara Mearns, whose daring rewardingly mates with her formidable shading and shaping of Balanchine's classical steps and elaborations. It also marked the company's farewell to Russell Janzen, a princely partner and a quietly poetic performer. With any luck, Mr. Janzen's sterling example will be his legacy—one that, on the strength of Mr. Bolden's performing in "Bourrée," and as a side-soloist in the third movement of "Symphony in C," the talented corps de ballet dancer already reflects.

A disappointing part of the run was NYCB's annual fall fashion gala, which this year featured new designs for the female leads in Balanchine's "Who Cares?" (1970, to George Gershwin). The result was more miss than hit, with Wes Gordon for Carolina Herrera unbecomingly pairing fussy, cocktail-dress costumes with toe shoes and bare legs.

One had to feel for the dancers, forced to work through Balanchine's often blithe and breezy choreography while guest singers Patti LuPone, Vanessa Williams and Joshua Henry almost intrusively voiced the numbers Balanchine had used only in orchestrations by Kay. This misguided effort aimed to Broadway-up a ballet in no need of added show-business touches.

Still, for those NYCB dancers who took on new Balanchine parts this season and made their marks, ballet belonged to them. Tonight NYCB will mark the precise anniversary of its first performance with an all-Balanchine bill of "Concerto Barocco" (1941, to Johann Sebastian Bach), "Orpheus" (1948, to Stravinsky) and "Symphony in C."

New York City Ballet

David H. Koch Theater, through Sunday

Mr. Greskovic writes about dance for the Journal.

TELEVISION REVIEW | JOHN ANDERSON

Jamie Foxx's Charismatic Courtroom Flair

Halloween is just around the corner and "The Burial" probably suggests the kind of ghoulish horror show consistent with the season. It is nothing of the sort. And it is probably not the best title. But the film is better couch fare than most of what we will see at any time of year.

Starring Jamie Foxx and Tommy Lee Jones in what turns out to be a Biloxi, Miss., bromance, "The Burial" is based on the real-life legal alliance between funeral-home director Jeremiah O'Keefe (Mr. Jones) and Willie E. Gary (Mr. Foxx), a show-boating Florida-based personal-injury lawyer who takes down big corporations and makes little people rich. Willie is particularly good in front of black juries, which is how he comes to the attention of Jeremiah, who needs to be the sympathetic party at a civil trial in southern Mississippi.

Written by Doug Wright and director Maggie Betts, and based on a New Yorker article by Jonathan Harr (of the immortal "A Civil Action"), "The Burial" makes quick, easy and digestible work of the legal intricacies that existed between Jeremiah and the Loewen Group, a consortium of the Loewen homes based in Canada and run by the cutthroat Ray Loewen (the always reliable Bill Camp). When Jeremiah runs into

trouble with the state insurance board (he also sells burial insurance), Loewen agrees to buy several O'Keefe locations, leaving Jeremiah with most of his small empire and enough money to salvage it. Before long, however, and despite a handshake agreement (a gesture that cements Loewen as evil incarnate) it becomes evident that Loewen is trying to wait Jeremiah out until he has to declare bankruptcy, at which time Loewen will buy his entire business.

All of which is preamble. What makes "The Burial" something in which you want to invest your emotional capital is the delicately calibrated friendship between Jeremiah and Willie, who is adamant at first about not taking the case: "I don't do contract law," he tells Jeremiah and his young lawyer friend, Hal Dockins (Mamoudou Athie, charming in the role). "This is a contract-law case." Hal's argument is the winning one: Loewen not only has a vast business to be taken down, but he has exploited poor communities and people for years. This case, he tells Willie, "could



Tommy Lee Jones and Jamie Foxx in 'The Burial,' director Maggie Betts's film on Prime Video

make you the next William Kunstler. Clarence Darrow. Thurgood Marshall. I'm talking Johnnie . . . Cochran!" The era is the '90s; Cochran! can tell by the music and by the background presence of the O.J. Simpson case: Snippets of dialogue tell

us that no one thinks Simpson is innocent, including the hotshot Mame Downes (Jurnee Smollett), whom Loewen brings in to counteract the Willie effect. But Cochran is their model of jurisprudential courage and prominence, never mind Chutzpah, all of which Mame and Willie will have to display in getting the jurors to think their way. Ms. Smollett is terrific, but Ms.

Betts made a smartly calculated choice in giving generous screen time to Amanda Warren as Willie's wife, Gloria; the couple are like love-struck teenagers, which eliminates from the Willie-Mame equation any romantic implications: The two lawyers are strictly courtroom adversaries, though amicable ones, and it makes "The Burial" far less predictable than it might have been.

So do the two lead performances. Racial tensions run along much of the storyline, but not between the old white Mississippian whose principal grievance is about feeling cheated and the younger black lawyer-hustler who knows exactly how the system works but comes to experience moral outrage, too. Mr. Jones has reached an age at which world-weariness comes naturally, but Mr. Foxx resists making Willie all about bling and pizzazz and delivers one of the more complex and entertaining portrayals of his career. The only things buried in "The Burial," aside from maybe the Loewen Group, are our expectations.

The Burial

Friday, Prime Video

Mr. Anderson is the Journal's TV critic.

PRIME VIDEO

SPORTS

The 38-Year-Old Anchoring Baseball's Most Unlikely Playoff Success Story

The Diamondbacks have a 2-0 NLDS lead, boosted by the veteran presence of Evan Longoria

By JARED DIAMOND

Evan Longoria strongly considered retirement at the end of last season. The \$100 million deal he signed way back in the autumn of 2012 had finally expired. Fifteen seasons with the Tampa Bay Rays and San Francisco Giants had left him with an impressive résumé of achievements that lacked the thing he wanted most: a World Series title.

Then the Arizona Diamondbacks called. They sought a veteran presence to anchor their young roster and could offer Longoria the opportunity to remain at home in Scottsdale with his family, a luxury he valued. Yet the Diamondbacks, mired in a five-year playoff drought, hardly seemed able to deliver the championship Longoria has spent his entire career chasing in vain.

So Longoria took on a homework assignment, diving into research about the team he might join. He saw a couple of strong starting pitchers in Zac Gallen and Merrill Kelly, unheralded sluggers like Christian Walker and Ketel Marte and a budding superstar in rookie outfielder Corbin Carroll. It was enough for him to decide to take a chance on the Diamondbacks.

Months later, his faith is being rewarded in shocking fashion. The Diamondbacks suddenly find themselves on the verge of a massive postseason upset after taking two straight games on the road from the heavily favored Los Angeles Dodgers, including a 4-2 victory on Monday night. This comes after an unexpected sweep of the Milwaukee Brewers in the previous round.

The Diamondbacks—who sneaked into the third wild-card slot with just 84 regular-season wins—are now nine innings away from advancing to the National League Championship Series for the first time since 2007.

A role player during the regu-



Evan Longoria has played in nearly 2,000 major-league games, more than anybody else in the playoffs.

lar season, Longoria has emerged as a fixture this month. After starting just 41 games during the regular season, he has been in the lineup at third base for all four of the Diamondbacks' playoff games. Before the first one last week, Arizona manager Torey Lovullo approached Longoria in the clubhouse and told him the news. Longoria's reaction demonstrated why Lovullo wanted him on the field.

"Most people would be, like, awesome, high-five, shake my hand, give me a hug, whatever," Lovullo said. "He was tying his shoe and didn't even pick up his head and said, 'Gotcha.' That's why I like him."

Longoria has played in nearly

2,000 major-league games, more than anybody else in the playoffs. On Saturday, he celebrated his 38th birthday by ripping a run-scoring double off Clayton Kershaw—who began his major-league career in 2008, the same year as Longoria—in the Diamondbacks' first win over the Dodgers. He went 1-for-3 on Monday.

For much of the early part of his career with the Rays, Longoria ranked among the top players in the sport. He won Rookie of the Year honors in 2008, collected three Gold Gloves for his work at third base and made three All-Star appearances. Now he's easily the most recognizable face—if no longer the most talented player—on a Diamondbacks squad that lacks

many household names.

But a championship ring has proven elusive. In his first season, Longoria helped lead the Rays to the World Series, where they lost to the Philadelphia Phillies. He hasn't advanced past the division series since with the Rays or Giants, the team he played for from 2018 through 2022. That could change when the Diamondbacks return to Phoenix for Game 3 on Wednesday against a vulnerable Dodgers team.

"The experience doesn't get any less fun, it just changes," Longoria said. "As a young player, I'm experiencing the postseason and stuff like that in a different light than 15 years later when I look at the joy in a different way."

Longoria said he is "thankful for the opportunity once again to play postseason baseball, to be a part of a team that's doing it," especially as a member of the starting lineup. (Longoria exited Monday's game in the ninth inning after being hit by a pitch, but Lovullo said X-rays were negative.)

There's very little about the Diamondbacks' performance this season that would indicate that they would be on this stage. Their offense was average. Their pitching was worse than that. They allowed 15 more runs than they scored.

They did a few things well, however, using a style of play tailored to MLB's new rules. The Diamondbacks stole the second-most bases in the majors. They rarely

Longoria's presence is giving his team a calm anchor in difficult situations.

strike out. Their defense is among the league's best. And Carroll developed into a legitimate star, finishing with 25 home runs and 54 steals, making him a shoo-in for Rookie of the Year.

It was just enough for the Diamondbacks to win 84 games and make the playoffs.

They seemed destined to bow out immediately. That's not what happened.

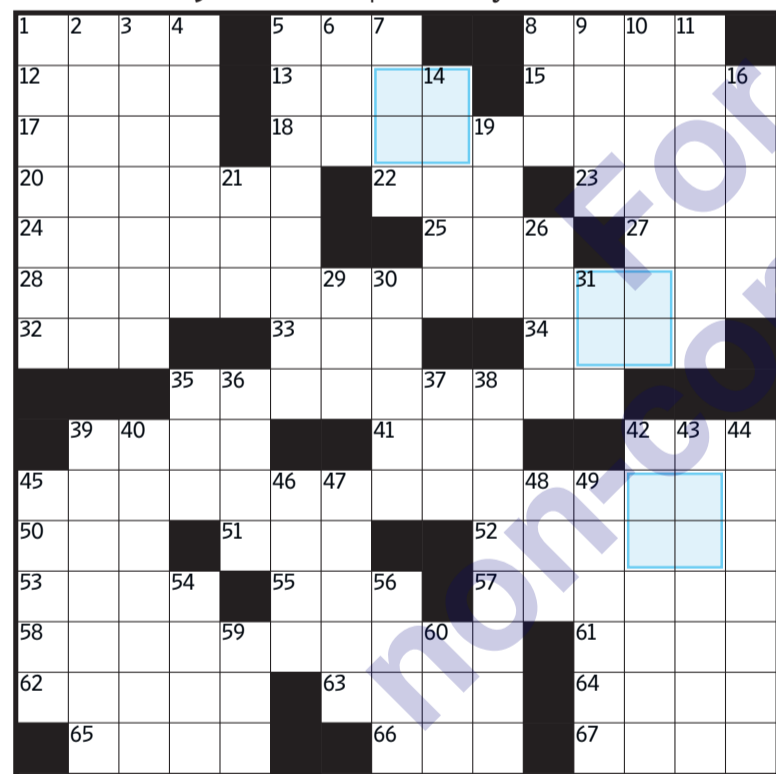
First the Diamondbacks quickly dispatched the 92-win Brewers and now, against all odds, have the 100-win Dodgers fighting for their postseason lives.

Longoria's presence is giving his team a calm anchor in difficult situations.

"When I looked out in Milwaukee and saw Evan Longoria standing at third base, I took a deep sigh and thought, 'That looks comfortable,'" Lovullo said.

In the fifth inning that night, Longoria saved the Diamondbacks by making a tumbling catch on a line drive with the bases loaded and starting a double play to escape what looked like an impossible jam. That Longoria would be such an important contributor at this point is improbable. But, then again, so are the Diamondbacks.

The WSJ Daily Crossword | Edited by Mike Shenk



- 12 Welcome the away team
- 21 March for Lives (student-led activist group)
- 26 Sailing
- 29 Country singer Ritter
- 30 "Buch der Lieder" poet
- 31 Birds do it
- 35 Sound of impact
- 36 Hall of Fame pitcher Nolan
- 37 Mumbai-based hotel chain
- 38 Crime lab procedures
- 39 Island group whose capital is Hamilton
- 40 Finishes
- 42 In keeping with past practice
- 43 Maize mush
- 44 Beg
- 45 Sibling of Cersei on "Game of Thrones"
- 46 Poetry term that is not an example of itself
- 47 Sleep aid brand
- 48 Hostile hound
- 49 Stores with "Blue Light Specials"
- 54 Unleashes (on)
- 56 Center of rotation
- 59 Semicircular letter
- 60 Inventor Whitney

The Las Vegas Aces' Best Passer Has Her Pick of Targets on Court

By ROBERT O'CONNELL

THE LAS VEGAS ACES stay prepared. Midway through their 99-82 win over the New York Liberty in Game 1 of the WNBA Finals, Sunday afternoon in the desert, point guard Chelsea Gray caught a pass at the top of the 3-point arc from Jackie Young. As soon as she touched the ball, Gray rifled it off the floorboards toward the basket.

Young tiptoed behind her defender, gathered the give-and-go and scooped in the layup; she'd read her teammate's instructing glance. The crowd, less literate in the side-eyes and brow-raises that make up Gray's on-court language, oohed and aahed like they'd just witnessed a magic trick.

"Look at Chelsea and catch the ball"—that's what goes on in my head every single time I see her," A'ja Wilson, the Aces' two-time MVP, said earlier this year. "Especially when she's not looking at me, I'm like, 'Let me just get ready.' I don't know where it's going, or where it's coming from, but let me just get ready."

The Aces' season has arrived where it always seemed destined to end up, at a showdown against the Liberty with a title at stake. The defending champions' 34 regular-season wins led the WNBA, but New York, who acquired three All-Stars last winter, has coalesced into a rival, taking three of the five games between the teams before Sunday's.

Wilson and the Liberty's Breanna Stewart, the 2023 MVP, are the Finals' crossover stars, the face lighting up ad campaigns and the feet laced into signature shoes. It is Gray, though, who gives the favored Aces their direction and dazzle, and whom basketball purists will track

when the series resumes Wednesday night—as best they can, anyway.

"Sometimes it's hard to play with a really great passer, because you have to see the play developing as much as she does," Aces coach Becky Hammon, a point guard during her playing days, said. "Otherwise, she's gonna hit you in the head."

Gray has her pick of tar-

point guard's career-best average of 7.3 assists. Last year, Vegas' offense was the most efficient in the league en route to a championship. This year it improved to 111.4 points per 100 possessions, according to Stats Perform—the top mark in WNBA history.

"I never take for granted who I'm passing to," Gray, who added 9 assists (and 20



Chelsea Gray, left, throws a pass against two Sky defenders.

gets. The Aces' attack is fueled by Wilson, a streamlined power forward, and sharpshooters Young and Kelsey Plum. Each member of that 20-something trio came to the franchise via the first overall pick in the WNBA draft, making Gray, who turned 31 the day the Finals began, an outlier. She was selected near the end of the first round by the Connecticut Sun in 2014; Las Vegas is her third stop in nine seasons.

Rosters as talent-rich as the Aces' can force players to fight among themselves for shots, but Gray, whom they wooed away from the Los Angeles Sparks as a free agent in 2021, snaps the club into sync. Wilson, Plum and Young all registered the highest shooting percentages of their careers in 2023, the numbers ticking up alongside their

points) to her ledger in Game 1, said in a recent interview. "There are times when maybe your teammates don't have the best hands, where there are passes you cannot make. I'm fortunate. The players around me can make those types of reads and catch those types of passes."

A high-level point guard sees every angle on a basketball court, but she monitors them without looking, flicking her eyes to coax a defender into one lane before slipping the ball through another.

"She has this incredible knack for misdirection, this flow," Gray's college coach at Duke, Joanne P. McCallie, said, noting that her fellow Blue Devils did indeed get plunked in the skull by the occasional no-look. "Chelsea is the top passing guard in the world, male or female."

AUTOTUNE | By Jake Halperin

- Across**
- 1 Bad thing to give a greedy person
 - 5 Sickly sentiment
 - 8 Rounds at ranges
 - 12 Focus of season three of "Narcos"
 - 13 Belgian bill
 - 15 Pasta complement
 - 17 Target of le coup
 - 18 Singer knighted in 2003
 - 20 They're picked in bluegrass country
 - 22 Prez on a penny
 - 23 Beam with a letter-shaped cross-section
 - 24 Offer to wine and dine
 - 25 Vote of support
 - 27 Palindromic peace activist
 - 28 Singing group whose members met at a fraternity in 1956
 - 32 "___ enough?"
 - 33 Original surname preceder
 - 34 Edmonton's CFL team
 - 35 January 31, 2020, in the United Kingdom
 - 39 It runs past the Flatiron Bldg.
 - 41 Mum's mum
 - 42 Chimp, for one
 - 45 Sometime duettist with Whitney Houston
 - 50 Notre Dame's Parseghian
 - 51 Vote of dissent
 - 52 Confused ruckus
 - 53 Mischievous bunch
 - 55 Overseer of the Metro-North Railroad
 - 57 SAT taker's need
 - 58 Sources of opening tunes, represented by the shaded squares crossed by appropriate individuals
 - 61 Viking letter
 - 62 Draw forth
 - 63 Cheerful tune
 - 64 Informal farewell
 - 65 Church section
 - 66 Pop's daughter
 - 67 Wooden fence piece
 - Down**
 - 1 It gives an athlete cold feet
 - 2 Romanoff, aka Black Widow, who's a member of the Avengers
 - 3 Sounded like a rusty radiator
 - 4 Contract termination?
 - 5 Crown piece
 - 6 Cannes consent
 - 7 Washington's official state marine mammal
 - 8 Words with rule or result
 - 9 Nativity trio
 - 10 Collection of arresting images?
 - 11 Father of the Greek river gods
 - 14 "Roger, out," to a civilian
 - 16 Oversight

Previous Puzzle's Solution



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

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LEGEND OF DIAMONDS

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BUSINESS NEWS

China's Economic Woes Bruise LVMH

Growth slows as luxury-goods retailer struggles to lure buyers back

By Nick Kostov

LVMH Moët Hennessy Louis Vuitton reported a sharp slowdown in sales growth as the world's biggest luxury-goods company struggled to lure big-spending Chinese consumers back to its boutiques after the end of China's pandemic restrictions.

The owner of Louis Vuitton and Dior said sales in its Asia market—which is dominated by China and excludes Japan—rose 11% over a three-month period ended on Sept. 30, stripping out the effects of currency fluctuations. That is down from a 23% rise in the first half of the year.

China's economic woes spell trouble for LVMH and other luxury groups that built their business around the assumption that the country would continue to power the industry's growth.

Economists say worsening structural problems make it unlikely that China can extend the breakneck growth that made it the world's biggest luxury market. Investor concern over Chinese spending has weighed on LVMH shares, which are down almost 20% since mid-July.

LVMH said sales rose 2% in the U.S.—a market that was once its fastest-growing and a key driver of its postpandemic boom. Sales rose 7% in Europe, a slowdown that Chief Financial Officer Jean-Jacques Guiony ascribed to a “notable change” in clientele spending compared with the first half of the year.

China was the world's largest luxury market before Covid-19 hit. Consulting firm Bain & Co. estimated Chinese consumers accounted for between 17% and 19% of global luxury spending last year.



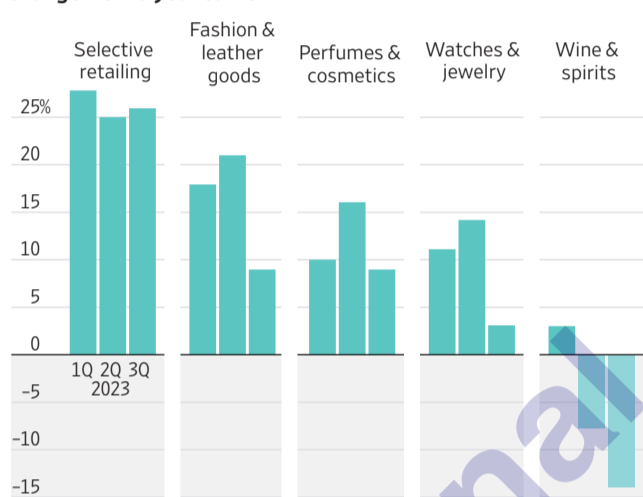
The luxury-goods company's sales rose 7% in Europe. The Louis Vuitton store on the Champs-Élysées in Paris.

They accounted for one-third of global spending on luxury goods in 2019, the consulting firm said.

In January, Beijing relaxed restrictions, sending European luxury shares soaring. The news came as spending by wealthy Western consumers was leveling off after a frenzy of post-Covid buying. Luxury executives expressed optimism that a Chinese rebound would make it a strong year for sales of high-price handbags, luxury jewelry and other expensive items.

But as the of reopening high wore off, underlying problems in China's economy that had been building for years began reasserting themselves. The property boom and government overinvestment that fueled growth for more than a decade have ended. Big debts are crippling households and local governments. Joblessness among young people

LVMH quarterly organic segment revenue, change from a year earlier



ages 16 to 24 hit highs this year before Beijing stopped disclosing the data this summer. Guiony, LVMH's CFO, said the slowdown in sales growth was in part due to tougher year-on-year comparisons. The third quarter of last year—before a wave of Covid-19 infections in China—was LVMH's strongest in the country. He said sales to Chinese consumers from the company's fashion and leather-goods division were up 40% in the third quarter from the same period two years ago, in line with its performance in the first half.

Most recently, Chinese consumers spent and traveled less during October's Golden Week holiday period—typically a tourism and spending bonanza—than the government projected, figures showed.

In recent months, Chinese nationals have begun traveling again. For now, Chinese nationals traveling to Europe tend to be business people and more affluent.

Middle-class Chinese citizens who found the pandemic tougher are taking longer to regain the confidence to spend. High airfare prices

mean that international travel remains out of reach for many.

For most brands that make up LVMH's fashion and leather-goods division, Chinese nationals made about 30% of their purchases outside mainland China this year, twice the percentage of last year, Guiony said.

Still, those figures remain a long way from pre-Covid numbers when two-thirds of Chinese spending took place outside the country.

“That entails some difference in behavior,” Guiony said. “If you're buying in your home country, average [receipts] will tend to be lower than if you do once in your lifetime in a foreign country where you want to buy something.”

Overall, LVMH posted third-quarter sales of €19.96 billion, the equivalent of \$21.16 billion, a 9% rise on an organic basis compared with the year-ago period.

Fashion and leather goods, the company's largest division, booked a 9% rise in quarterly sales to €9.75 billion, well below the 20% growth it posted for the first six months of the year.

Its wine and spirits division was pressured by a decline in sales of cognac in the U.S., with revenue dropping 14%. Revenue growth among the group's watches and jewelry labels slowed to 3% for the period, LVMH said. Perfumes and cosmetics grew 9% from a year earlier.

Traffic in Sephora stores in North America, Europe and the Middle East helped push up sales at the selective retail division, which clocked 26% sales growth in the quarter. The luxury group's DFS travel retail business benefited from the recovery of international travel and, in particular, from the gradual return of travelers to Hong Kong and Macao, the company said.

The figures from LVMH are the first indication of how Europe's big luxury houses have fared in the third quarter.

PepsiCo Raises Outlook After 9% Sales Increase

By Will Feuer

PepsiCo raised its full-year earnings outlook as consumers accepted higher prices and kept splurging on Cheetos, Lay's and Gatorade.

The packaged-foods maker reported fiscal third-quarter revenue of \$23.45 billion, up nearly 9% on an organic basis and above analysts' expectations. Pricing and the mix of products sold lifted revenue 11%, while organic sales volumes slid 2.5%.

He said the pace of the company's price increases will

likely slow over the next year, and that some consumers are feeling the pressure of increased costs from higher interest rates and the resumption of college-loan payments.

“All of these things are certainly stressing those consumers to some degree,” Chief Financial Officer Hugh Johnston said. But for the majority of consumers, “they're still buying our products at a good pace.”

Shoppers also are splurging on higher-price snacks and beverages, he said, but some are turning to more budget-

friendly stores for their shopping.

“A shopper that may be used to shopping at a premium supermarket is now shopping at a mainstream, or a mainstream person may be shopping in a value store,” he said.

PepsiCo's snack-and-beverage sales are up at convenience stores, he said, adding that the channel is often a leading indicator.

For the third quarter, PepsiCo's earnings rose to \$3.09 billion from \$2.70 billion. The company raised its full-year adjusted earnings forecast to

\$7.54 a share from \$7.47 a share.

Shares of PepsiCo rose 1.9% to \$164.40 on Tuesday. The stock has fallen 9% so far this year.

Johnston also addressed how PepsiCo is thinking about the potential effects of Ozempic and other weight-loss drugs on the company's products. Researchers have said the drugs, which suppress patients' appetites, could eventually cut consumers' daily calorie consumption by as much as 30%.

“We don't see any impact in our numbers right now,” he

said. “Our belief is that if there is adoption of these products, that will happen slowly and over a long period of time.”

PepsiCo is prepared to adjust to any meaningful shift in what consumers want, Johnston said. “We've got a good history in shaping our portfolio to where the consumer wants to go,” he said.

For fiscal 2024, PepsiCo expects results to be toward the upper end of its long-term outlook for organic sales to grow by 4% to 6% and adjusted earnings to grow by a high-single-digit percentage.

PepsiCo's quarterly organic revenue, change from a year earlier



Notes: Excludes currency effects, acquisitions and divestitures; fiscal quarter ended Sept. 9. Source: the company

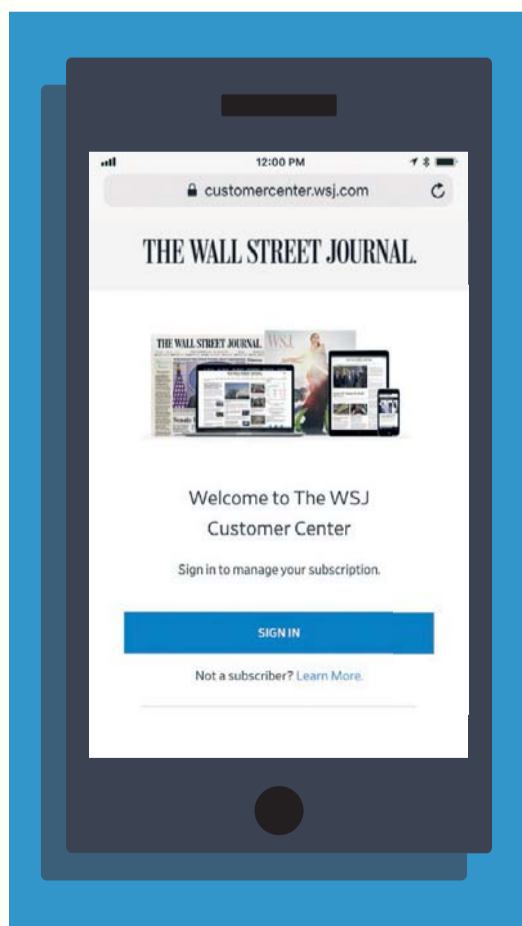
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TECHNOLOGY

New Huawei Products Lift Suppliers' Shares

By JIAHUI HUANG

Robust demand for Huawei products is fueling investor interest in the shares of its suppliers, which have bucked declines in the broader mainland Chinese equities market. Expectations that the Chinese technology company may continue to see strong sales for recently launched products are sending stocks of some of Huawei's suppliers to record highs.

Analysts say the successful launch of the M7 car model by Huawei-backed electric-vehicle brand Aito could see order books continue to swell, based on the response to the launch during a national holiday known as the Golden Week. Shares of Seres Group, an Aito partner, and Ningbo Shenglong Automotive Powertrain System, a car-parts manufacturer, have risen by the 10% daily limit on the

Shanghai Stock Exchange this week since the mainland markets reopened for trading after the holiday. The benchmark Shanghai Composite Index dropped 0.7% in Tuesday trading. Aito's sales have been propelled by the new M7 model, up sharply compared with monthly sales of below 10,000 units as of August, Shengang Securities analyst Xute Cao said in a note.

"Sales in the fourth quarter are expected to improve significantly on month," Cao added. Separately, stocks of Huawei's component suppliers have also gained following the launch of the Mate 60 smartphone model in late September. Ofilm Group advanced 9.9% on the Shenzhen Stock Exchange on Tuesday and has gained 21% so far this week,

while Vanchip (Tianjin) Technology rose as much as 10%, and has added around 8% this week. By contrast, the technology-heavy Shenzhen Stock Exchange closed down 0.4% Tuesday. "We sense that investor interest in [the] smartphone supply chain has increased after iPhone and Mate 60 launch and anticipation of smartphone demand bottoming," Citigroup analyst Kyna Wong

said in a note after the bank's recent meeting with institutional investors about China's tech sector. Huawei's return could have implications on market share and competition in the tech-hardware sector, Wong said. "Component makers could benefit from resuming spec upgrade and operating leverage from volume growth (regardless of market-share shift)," Wong said.

AI Isn't Just About Risk, Says Splunk's Cyber Chief

By CATHERINE STUPP

Jason Lee, chief information security officer at Splunk, joined the cybersecurity company in 2022 from Zoom Video Communications. Cisco Systems struck a \$28 billion deal last month to buy Splunk, and said it hopes to build AI tools that can detect hacking threats more quickly. Splunk uses various forms of AI in its products. Lee discussed the cyber risks and benefits of generative AI and what corporate boards want to know from CISOs.



Jason Lee, right, is chief information security officer of cybersecurity company Splunk.

WSJ: What are the real cyber risks with generative AI? LEE: I think a majority of people are still seeing it as an advantage to the attackers, in the way of being able to exploit the attack surface faster and easier. I do see that there's a smaller group that is starting to experiment with it from a cyber defense side of things, looking to augment automation and the workflow side of things. My personal favorite, I know my team does this, is writing job descriptions. ChatGPT is awesome with that. WSJ: Samsung had its internal data leaked onto ChatGPT. How easily can a company's corporate secrets end up in a competitor's lap if they use generative AI? LEE: When there's a new tech-

nology that comes out, I like to make sure that we're educating the security team. It's having a good threat model around how a generative AI is used within the company and understanding what are the risks and how are we managing the risks of ensuring that it's not going outside the company, acceptable use, don't put corporate secrets in here. Which is actually just kind of a normal thing for CISOs to have those kinds of policies in place. WSJ: Some CISOs say they see benefits for security teams in generative AI, but they can't

trust it yet because it's not accurate enough. What's the most promising application of generative AI for cybersecurity teams and CISOs? LEE: On the automation side, making it easier. I think the state of generative AI right now is where you can leverage it, but you've got to fact-check it and make sure it's correct still. I think it's an additive, and especially in automation processes or to help look at maybe malware analysis, or even risk-scoring to provide some context. But it's not the end-all, be-all. It can't be something that's completely

relied on yet. WSJ: If you're still going through and reviewing the outputs carefully, how much time can generative AI actually save for CISOs in the short to medium term? LEE: I'm a very glass half-full kind of CISO, and I believe that there's a potential for a 60% to 70% [time] savings because of creating that context, being able to put that context together quickly. [For example, in writing a] job description if I get all those basics together, that could take you 30 minutes. In generative AI, that will

take you a couple seconds and then you start going through, proofreading it, adding and correcting it. Same thing with, potentially, malware analysis or even automation. And then, of course, one of the things that we try to automate a lot is response to phishing attacks, working with employees to report a phish.

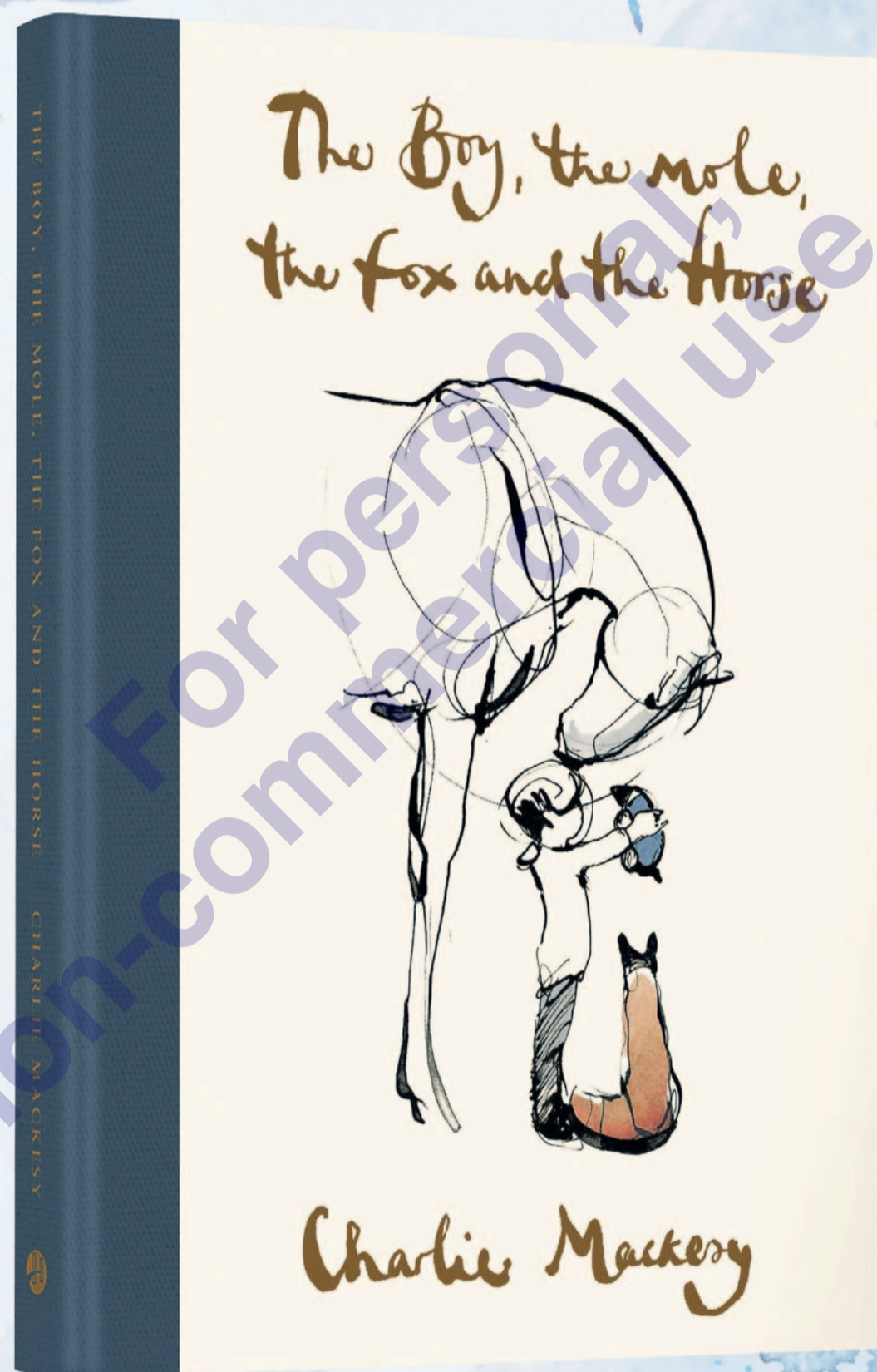
WSJ: In a Splunk study due out Tuesday, the biggest responsibility for 86% of CISOs is to ensure their governing body or board sees value in funding security investments, but only 20% of boards use a metric for return-on-investment of security. How should CISOs get boards to see the value in security investments? LEE: Based on our research, some of the things that we see that the board really wants to focus in on is the regulatory compliance. I keep it nice and simple. I call it foundational security, [to] enable the business and innovation. The second one is really focusing in on that regulatory compliance [and] being able to sell in markets. Getting certifications, if it's U.K. cyber essentials, or a certification in data privacy in Japan or Australia, I see this as enabling the business to be able to sell in these markets. [I also] showcase how I use our products.

When you look at a couple years ago to now, CISOs are speaking a different language to the board and that conversation is different. A few years ago, and I've had this personal experience, I would get 15 minutes once a year to talk everything security. And now a large part of companies have cyber committees, dedicated, and you can get 60 to 90 minutes quarterly. WSJ: What do you think is going to be the biggest challenge for CISOs when it comes to complying with the SEC rules? [The Securities and Exchange Commission has begun to require publicly traded companies to report material cyber events.] LEE: The one that most people are talking about is determining materiality. On the finance side, you have Sarbanes-Oxley, which makes it crystal clear: Here's what makes materiality. On the cyber side, it's a little more qualitative. I really go back to the foundational playbooks of the incident response of how large is it, how many customers, and having a rubric around that. The challenge is in the accounting space, there are generally accepted accounting principles. There aren't really those on the security side yet, but I do see that we will be getting towards that.

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THE PROPERTY REPORT

Times Square Is Staging a Resurgence

New York district has 180th business opening since its pandemic closures

By KATE KING

Times Square has found its groove heading into the crucial holiday season, with new businesses opening, hotel sales picking up and retail rents again on the rise.

The Manhattan entertainment district recently recorded its 180th business opening since the pandemic, surpassing the 179 closures that resulted from Covid-19 turning one of the U.S.'s most heavily trafficked districts into a ghost town.

Restaurants have proliferated. Companies ranging from fast-food joints such as Taco Bell and Raising Cane's to the more upscale Mermaid Oyster Bar and the French-Caribbean fusion lounge S'Aimer have opened Times Square locations since the pandemic.

Jeffrey Bank, chief executive of the **Alicart Restaurant Group** and co-owner of the 15,000-square-foot Mermaid Oyster Bar, said sales are "through the roof," especially Tuesday through Thursday when the restaurant draws both the theater crowd and office workers. In a few weeks, Bank and his partners will open another eatery, Bar Mexicana, next door. "We're obviously very bullish on Times Square," said Bank, who also owns the nearby restaurants Carmine's and Virgil's.

Retail rents in Times Square averaged \$1,342 a square foot in the third quarter, according to real-estate investment firm JLL. That represents a 40% increase from the same period last year.

The return of tourists has invigorated the Times Square and Midtown West hotel market, where occupancy reached a postpandemic high of 88% in September, according to preliminary data from data firm Co-Star. The average daily room rate shot up more than 10% from last year to \$417.

"Times Square is really getting its legs back underneath it since the pandemic," said Adam Spies, who along with Doug Harmon is co-head of capital markets for brokerage Newmark. "There's been a lot of new attractions, you have a pent-up international demand



The return of tourists has invigorated the Times Square hotel market, and restaurants are proliferating in the storied Manhattan neighborhood, too.

from tourists."

Investors are taking notice. Just under one-quarter of the \$1.9 billion in hotel transactions that have closed in Manhattan so far this year were in the area around Times Square, according to data provider MSCI Real Assets.

In the heart of Times Square, the 317-room Renaissance hotel is under contract to sell for about \$165 million, said Spies, who advised the seller, **Sherwood Equities**, in the transaction. Sherwood will continue to own the rest of the property, including the space occupied by Olive Garden.

The buyer is **Newbond Holdings**, a firm co-founded by hotel veteran Neil Luthra, with partner **Apollo Global Management**. It is the second hotel that the partners have acquired in Times Square over roughly the past year.

Crime in Times Square remains below 2019 levels, despite issues involving people suffering from mental illness and drug use, said Tom Harris, president of the Times Square Alli-



ance, a nonprofit that advocates on behalf of the neighborhood and its businesses. "The reality of it is that it's safe, it's vibrant," he said.

The neighborhood's recovery is a work in progress. Retail availability, while lower than last year, is still above prepandemic levels.

Overall foot traffic remains

below prepandemic levels, according to the Alliance. The office-availability rate tops 16%.

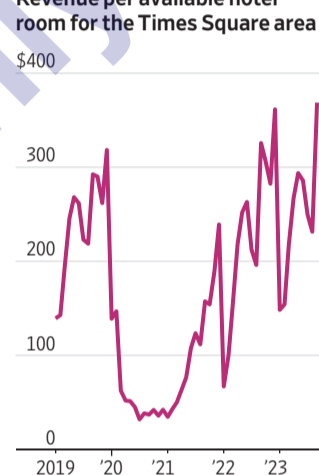
Broadway ticket sales and attendance this year are up from last year, although still lower than in early October of 2019, according to the Broadway League.

Investors and developers are leaning deeper into tourism and

entertainment to draw people back to the district. New York office landlord **SL Green** has joined with casino giant **Caesars Entertainment** and **Roc Nation**, the entertainment company founded by rapper Jay-Z, on a proposal to open a hotel and casino in Times Square.

On a recent afternoon, Lynn and Leslie Jones, in town for

Revenue per available hotel room for the Times Square area



Note: Sept. 2023 is preliminary Source: CoStar

Texas Office Market Struggles

Continued from page B1 much higher vacancy rates than Europe or Asia. Office markets in other booming Sunbelt cities such as Atlanta are also suffering, despite economic growth and job creation.

But the Lone Star State is an extreme case. Cheap land and lax regulation encourage developers to overbuild during boom times, said Thomas La-Salvia, head of commercial real estate economics at Moody's Analytics.

Construction in Texas has slowed from the 1980s, but new office completions as a share of the market still outpaced the rest of the U.S. each year for the past 16 years, said Jeff Eckert, the Dallas-based head of U.S. agency leasing at real-estate brokerage JLL. Older buildings have been losing tenants to the new competition.

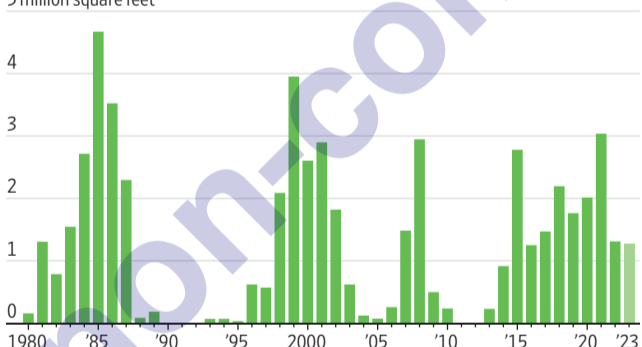
"We like to develop in Texas," he said.

Most of the aging office buildings are in the suburbs around the three big cities. They are increasingly out of favor with a new generation of desk workers who tend to prefer modern buildings in walkable urban neighborhoods.

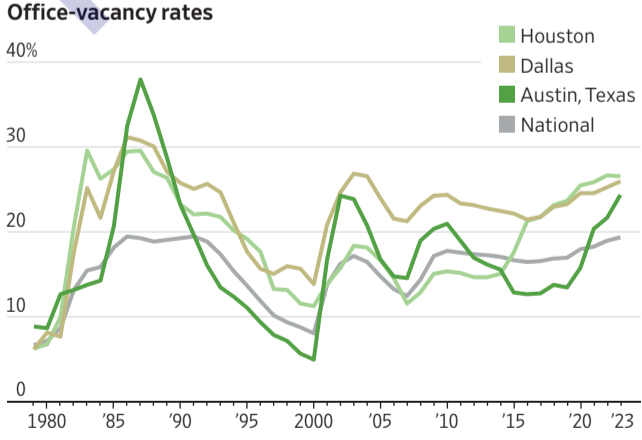
Take Granite 190, a suburban office complex outside Dallas surrounded by fields and sprawling parking lots that was completed in 2001. This summer the property's biggest tenant, United HealthCare Services, gave up most of its space. As of August, the complex was nearly 70% vacant, according to data from Trepp.

The owner defaulted on the loan. The company handling the mortgage on behalf of bondholders recently said it expects to foreclose.

Austin, Texas, annual office-construction completions 5 million square feet



Office-vacancy rates



Note: 2023 as of third quarter

Source: Moody's Analytics

Remote work is hurting Texas landlords, but the impact has been more gradual. Because most companies sign long-term leases, they even to continue paying rent even if they don't actually use their space anymore. As more leases expire, remote work might push vacancies higher. The supply glut, meanwhile, is already hitting the state's office market with full force.

Austin saw a lot of new office construction over the past seven years, as developers rushed to cash in on the city's emergence as a corporate hub. All those new towers are now competing with older buildings built in the 1980s and '90s.

When some construction projects delayed by the pandemic finally opened, developers found that demand was less than they had hoped,

partly because of remote work, said Christopher Rosin, an associate economist at Moody's Analytics. Although Austin's office towers are busier than those in other cities, physical occupancy is more than 40% below prepandemic levels, according to Kastle.

Austin's office-vacancy rate was 24.2% in the third quarter, according to Moody's, up from 12.9% in the third quarter of 2019.

Houston's vacancy rate has surged in recent years, but for different reasons. The city's economy depends on the energy sector. A crash in oil prices in 2014 caused demand for office space to crater, helping push up the vacancy rate from 14.9% in late 2014 to 23.5% in late 2019. Since then, the rate has increased to 26.4%, according to Moody's.

Tiny Homes Are the Next Big Thing for Homeowners

By NICOLE FRIEDMAN

The latest amenity for homeowners is another, smaller home.

These add-ons are known as accessory dwelling units. They can be free-standing miniature homes as small as a studio apartment and tucked away in a backyard. They can reside above a garage or in a basement and extend to more than 2,000 square feet.

ADUs are growing in popularity as states encourage their construction through zoning changes and homeowners seek ways to lower their housing costs by renting out these units. The typical cost to construct one is around \$100,000, according to building-permit data company Bultly.

"It's gone from a small niche in the market to really a much more impactful part of new housing," said Scott Wild, senior vice president of consulting at John Burns Research and Consulting.

Now, more home builders are starting to offer ADUs as amenities. In Alpine Springs, a new-home community in Saratoga Springs, Utah, half of the 16 homes sold include an ADU in the basement at an added price of \$35,000 to \$70,000, said Chris Bley, chief investment officer at investment firm IHP Capital Partners.

A Freddie Mac study in 2020 identified 1.4 million single-family U.S. homes with ADUs, though the actual number could be higher. ADUs are difficult to track on a national basis, in part because they can be described in a variety of ways, such as casita, backyard cottage or garage conversion. Some homeowners also build

them without permits.

The proliferation of ADUs comes as homeowners and renters around the U.S. are grappling with a shortage of housing and high home prices. Adding housing units on existing lots is seen by policy makers as a quick way to increase housing supply. California, Oregon, Maine and other states passed laws in recent years to encourage ADU construction.

About 26,200 ADU permits were finalized, processed or under review in 2022 in eight major West Coast metro areas, according to Bultly.

Home builders are helping propel that growth. In Williams Ranch, a master-planned community near Santa Clarita, Calif., about 20% of home buyers have selected floor plans that include ADUs, at an added cost of between \$80,000 and \$100,000, said Daniel Faina, chief marketing officer at California builder Williams Homes.

Hosting out-of-town visitors or renting to tenants are the top reasons consumers

would consider an ADU, according to a 2022 Freddie Mac survey. But many homeowners also use them for home offices or other personal uses.

Chantell and Jared Dennis bought a three-bedroom home in Williams Ranch in May with a one-bedroom ADU above the garage. They listed the ADU for rent and found a tenant within a day who pays \$2,175 a month, which covers more than one-quarter of their total monthly housing costs.

"We're going on vacation and our renter is watching our dogs right now," Chantell Dennis said. "I think it's genius." ADUs aren't going to solve the housing shortage on their own. They can be too expensive for many individual homeowners to build, and tiny homes aren't a good fit for many renter households. Many homeowners also don't want the headache of being landlords.

"I don't think that it's the cure-all for housing affordability," Bley said. But "there's no question that the consumer likes it."



Chantell and Jared Dennis bought a three-bedroom house in Santa Clarita, Calif., with an ADU above the garage.

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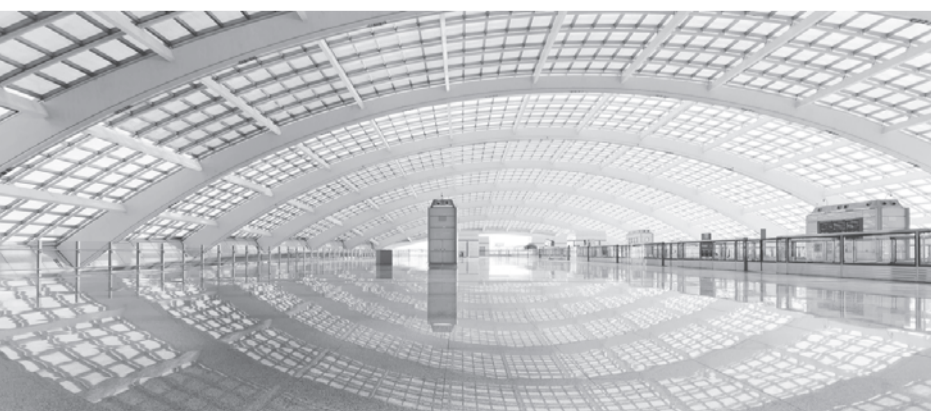
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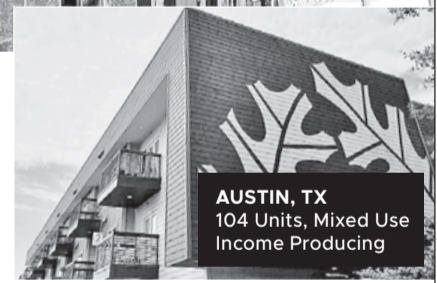
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Table of Agriculture Futures including Corn (CBT), Oats (CBT), Soybeans (CBT), Soybean Meal (CBT), Soybean Oil (CBT), Rough Rice (CBT), and Wheat (CBT).

Table of Energy & Metals Futures including Wheat (KC), Cattle-Feeder (CME), Cattle-Live (CME), Hogs-Lean (CME), Lumber (CME), Milk (CME), Cocoa (ICE-US), Coffee (ICE-US), Sugar-World (ICE-US), and Sugar-Domestic (ICE-US).

Table of Interest Rate Futures including Ultra Treasury Bonds (CBT), Treasury Bonds (CBT), Treasury Notes (CBT), 2 Yr. Treasury Notes (CBT), and 30 Day Federal Funds (CBT).

Table of Currency Futures including Japanese Yen (CME) and Canadian Dollar (CME).

Table of Index Futures including Mini DJ Industrial Average (CBT) and Euro (CME).

Table of Index Futures including Mini DJ Industrial Average (CBT).

Table of Index Futures including Mini S&P 500 (CME), Mini S&P Midcap 400 (CME), Mini Nasdaq 100 (CME), and U.S. Dollar Index (ICE-US).

Bonds | wsj.com/market-data/bonds/benchmarks

Tracking Bond Benchmarks

Return on investment and spreads over Treasuries and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Table of Bond Benchmarks including Broad Market Bloomberg Fixed Income Indices, Mortgage-Backed Bloomberg Fixed Income Indices, U.S. Corporate Indexes, and High Yield Bonds ICE BofA.

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Yields and spreads over or under U.S. Treasuries on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose (▲) or fell (▼) in the latest session

Table of Global Government Bonds showing coupon, maturity, yield, and spread for various countries including U.S., Australia, France, Germany, Italy, Japan, Spain, and U.K.

Source: Tullett Prebon, Tradeweb ICE U.S. Treasury Close

Corporate Debt

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific expectations

Table of Corporate Debt spreads showing issuer, symbol, coupon, yield, maturity, and spread for companies like Citigroup, Royal Bank of Canada, and BNP Paribas.

...And spreads that widened the most

Table of Corporate Debt spreads showing issuer, symbol, coupon, yield, maturity, and spread for companies like Sumitomo Mitsui Financial, UBS, and Verizon Communications.

High-yield issues with the biggest price increases...

Table of High-yield issues showing issuer, symbol, coupon, yield, maturity, and price increase for companies like Transocean, Liberty Interactive, and Dish DBS.

...And with the biggest price decreases

Table of High-yield issues showing issuer, symbol, coupon, yield, maturity, and price decrease for companies like Bath & Body Works and Intesa Sanpaolo.

Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread. Note: Data are for the most active issue of bonds with maturities of two years or more

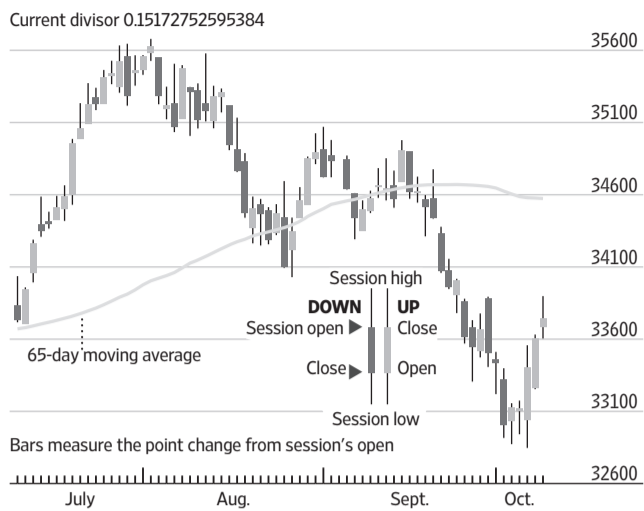
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Dow Jones Industrial Average

33739.30 ▲ 134.65, or 0.40% Last Year ago 24.43 17.23
Trailing P/E ratio 18.01 15.91
P/E estimate * 2.15 2.42
Dividend yield 36799.65, 01/04/22



S&P 500 Index

4358.24 ▲ 22.58, or 0.52% Last Year ago 20.14 18.05
Trailing P/E ratio * 19.17 16.30
P/E estimate * 1.68 1.79
Dividend yield 4796.56, 01/03/22



Nasdaq Composite Index

13562.84 ▲ 78.60, or 0.58% Last Year ago 29.27 23.99
Trailing P/E ratio ** 26.12 20.79
P/E estimate ** 0.89 0.99
Dividend yield 16057.44, 11/19/21



Major U.S. Stock-Market Indexes

Table with columns for High, Low, Latest Close, Net chg, % chg, 52-Week High, Low, % chg, YTD, and 3-yr. ann. for Dow Jones and Nasdaq Stock Market.

Table showing S&P indexes including 500 Index, MidCap 400, and SmallCap 600 with their respective performance metrics.

Table of Other Indexes including Russell 2000, NYSE Composite, and various sector-specific indexes like Value Line and NYSE Arca Biotech.

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Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services...

Table of Most-active issues in late trading listing companies like iShares MSCI EAFE ETF, SPDR S&P 500 ETF Trust, and Amazon.com.

Sources: FactSet; Dow Jones Market Data

Trading Diary

Volume, Advancers, Decliners NYSE NYSE Amer.

Table showing trading statistics: Total volume, Adv. volume, Decl. volume, Issues traded, Advancers, Decliners, etc.

* Primary market NYSE, NYSE American, NYSE Arca only. *TRIN A comparison of the number of advancing and declining issues...

International Stock Indexes

Large table of International Stock Indexes by region/country including MSCI ACWI, Euro STOXX, Nikkei 225, etc.

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Table of Percentage Gainers listing companies like Prestige Wealth, StarTek, and Solowin Holdings with their session and 52-week performance.

Most Active Stocks

Table of Most Active Stocks listing companies like SuperCom, Tesla, and ProShares UltraPro QQQ.

* Volumes of 100,000 shares or more are rounded to the nearest thousand

Percentage Losers

Table of Percentage Losers listing companies like Primech Holdings, Akero Therapeutics, and 89bio.

Volume Movers

Table of Volume Movers listing companies like Worldwide Webb Acq'n CI A, Data Knights Acq'n CI A, etc.

* Common stocks priced at \$2 a share or more with an average volume over 65 trading days of at least 5,000 shares

CREDIT MARKETS

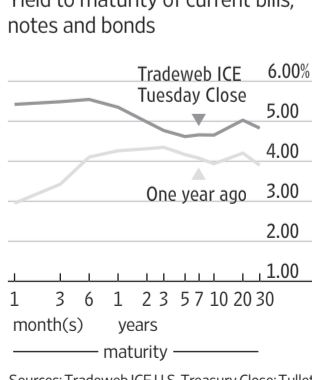
Consumer Rates and Returns to Investor

Table showing U.S. consumer rates for Federal-funds target rate, Money market account yields, etc.

Table showing Selected rates for Bankrate.com avg, CFGB Community Bank, etc.

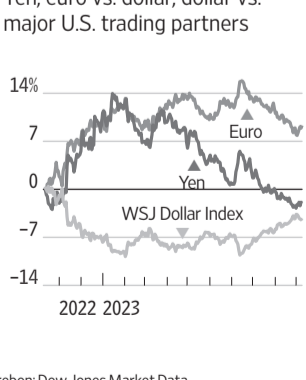
Sources: FactSet; Dow Jones Market Data; Bankrate.com

Treasury yield curve



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Forex Race



Sources: Tullett Prebon, Dow Jones Market Data

Corporate Borrowing Rates and Yields

Table of Corporate Borrowing Rates and Yields for U.S. Treasury, Aggregate, Fixed-Rate MBS, etc.

Sources: J.P. Morgan; Bloomberg Fixed Income Indices; ICE Data Services

CURRENCIES & COMMODITIES

Currencies

Table of Currencies showing U.S.-dollar foreign-exchange rates for various countries like Argentina, Brazil, Canada, etc.

Sources: Tullett Prebon, Dow Jones Market Data

Commodities

Table of Commodities showing prices for DJ Commodity, Refinitiv/CC CRB Index, Crude oil, etc.

BIGGEST 1,000 STOCKS

How to Read the Stock Tables
The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices as of 4 p.m. the previous day.

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists various stocks like AECOM, AES, Affix, AGCO, Anso, etc.

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists various stocks like DTE Energy, DanaHER, Darden, etc.

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists various stocks like GE HealthCare, GFL Environmental, GSK, etc.

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists various stocks like Miniso Group, Moody's, Morgan Stanley, etc.

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists various stocks like Autoliv, ADP, AutoZone, etc.

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists various stocks like J.D. Com, JPMorgan Chase, Jabil, etc.

Cash Prices

Tuesday, October 10, 2023
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 with columns: Commodity, Price, Change. Lists various commodities like Energy, Grains and Feeds, Metals, Silver, Food, Fibers and Textiles, Fats and Oils.

Exchange-Traded Portfolios

Largest 100 exchange-traded funds, latest session

Table with columns: ETF, Symbol, Price, Chg, YTD. Lists various ETFs like CnsmrDiscSelSector, CnStapleSelSector, etc.

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 don't always represent actual transactions.

Table with columns: Category, Rate, Change. Lists various money rates like Inflation, U.S. consumer price index, International rates, etc.

Key Interest Rates

Data are annualized on a 360-day basis. Treasury yields are per annum, on actively traded noninflation and inflation-indexed issues that are adjusted to constant maturities. Data are from weekly Federal Reserve release H.15.

Table with columns: Category, Rate, Change. Lists various interest rates like Federal funds (effective), Commercial paper, Secured Overnight Financing Rate, etc.

Mutual Funds

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

Table with columns: Fund, NAV, Chg, YTD. Lists various mutual funds like PacerUSCashCows100, ProStHlthPrQOQ, etc.

Mutual Funds

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

Table with columns: Fund, NAV, Chg, YTD. Lists various mutual funds like JPMorgan R Class, CoreBond, etc.

Mutual Funds

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

Table with columns: Fund, NAV, Chg, YTD. Lists various mutual funds like MidCap, NHR2025, etc.

BIGGEST 1,000 STOCKS

Continued From Page B10. Table with columns: Stock, Sym, Close, Net Chg. Lists top 1000 stocks including PermianRscs, PetroleoBrasil, Pfizer, etc.

Table with columns: Stock, Sym, Close, Net Chg. Lists stocks starting with R, S, T, U, V.

Table with columns: Stock, Sym, Close, Net Chg. Lists stocks starting with W, X, Y, Z.

BANKRATE.COM® MMA, Savings and CDs

Table showing Average Yields of Major Banks for Tuesday, October 10, 2023. Columns include Type, MMA, 1-MO, 2-MO, 3-MO, 6-MO, 1-YR, 2-YR, 2.5YR, 5YR.

Consumer Savings Rates

Below are the top federally insured offers available nationwide according to Bankrate.com's weekly survey of highest yields. For latest offers and reviews of these financial institutions, please visit bankrate.com/banking/reviews. Information is believed to be reliable, but not guaranteed.

Table showing High yield savings and High yield jumbos. Columns include Bank, Money market account, and Jumbo rates.

Table showing High yield CDs. Columns include Bank, Money market account, and CD rates for various terms.

Notes: Accounts are federally insured up to \$250,000 per person. Yields are based on method of compounding and rate stated for the lowest required opening deposit to earn interest. CD figures are for fixed rates only. MMA: Allow six (6) third-party transfers per month, three (3) of which may be checks. Rates are subject to change.

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CAREERS

Financial Services

Morgan Stanley Services Group Inc. hiring for following roles thruout facilities in NY, NY: Associate to design & dvp softw sys's & technl solutons for usage w/ firm's Compliance & Advisory dept.

Mid-Level Associate

(NY, NY) Skadden, Arps, Slate, Meagher & Flom LLP: Review & monitor corporate matters to spot potential issues incl structuring deals, obtaining requisite co. approval & identifying materiality thresholds to representations & warranties.

Sr. Associate

Morgan Stanley Investment Management Inc. hiring for following role in NY, NY: Sr. Associate to conduct data analytics incl AUM/flows details, historical portfolio data by strategy, portfolio valuation details, & performance details (salary range \$135,000 to \$155,000).

Financial Services

Morgan Stanley & Co. LLC hiring for following roles thruout facilities in NY, NY: Associate to provide data analysis to traders & sales team to drive bus. decisions (3236561, salary range \$200,000 to \$200,000).

LEGAL SERVICES

STAR MEDICAL AUDITING SERVICES TPE, RAC, PAYMENT INTEGRITY, OR COMPLIANCE AUDITS?

CLASS ACTION

UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN JOSE DIVISION

BIAO WANG, Individually and on Behalf of All Others) Case No. 5:21-cv-06028-PCP Similarly Situated,) Plaintiff,) PUBLICATION NOTICE OF PENDENCY OF CLASS ACTION vs.) ZYMERGEN INC., et al.,) Defendants.

To: all persons and entities that purchased or otherwise acquired Zymergen Inc. common stock pursuant and/or traceable to the Registration Statement and prospectus issued in connection with Zymergen Inc.'s April 2021 initial public offering.

You could be affected by a class action lawsuit against Zymergen Inc. ("Zymergen") and Individual Defendants Josh Hoffman, Enakshi Singh, Steven Chu, Jay T. Flatley, Christine M. Gorian, Travis Murdoch, Matthew A. Ocko, Sandra E. Peterson, Zach Serber, and Rohit Sharma, and Underwriter Defendants J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC, Cowen and Company, LLC, BoFA Securities, Inc., UBS Securities LLC, and Lazard Frères & Co. LLC (collectively "Defendants").

What is this case about? The lawsuit alleges Zymergen sold approximately 18.5 million shares of common stock and raised \$575 million pursuant to a Registration Statement, which allegedly contained material misrepresentations and omissions in violation of §§11 and 15 of the Securities Act of 1933 ("Securities Act").

Defendants deny the allegations in the lawsuit, deny that they engaged in any wrongdoing, and believe that the claims are without merit.

Are you included? You are a potential "Class Member" only if you purchased or otherwise acquired Zymergen common stock pursuant and/or traceable to the Registration Statement and prospectus issued in connection with Zymergen's April 2021 initial public offering.

What are your options? If you want to stay in the Class, you do not have to do anything now. If you do nothing, you will stay in the Class and be bound by the Court's orders and will lose any right you may have to sue Defendants regarding the factual circumstances and/or claims in this case.

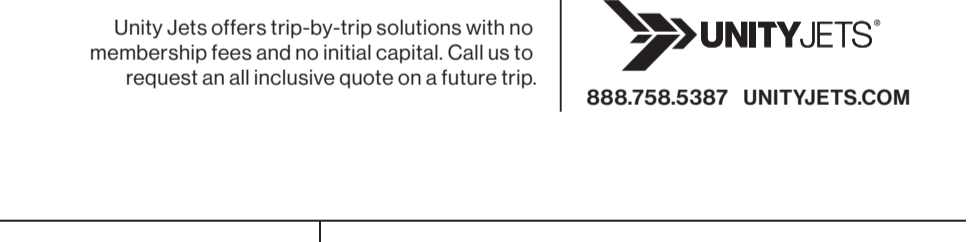
Where to get more information? This notice is only a summary. For more information, visit www.ZymergenSecuritiesLitigation.com or call 1-888-858-5903.

AVIATION



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NOTICE OF SALE

PLEASE TAKE NOTICE, that in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, by virtue of certain Event(s) of Default under that certain Ownership Interests Pledge and Security Agreement dated as of October 20, 2022 but effective as of July 1, 2023, the "Pledge Agreement", executed and delivered by Nancy J. Haber ("the Pledgor"), and in accordance with its rights as holder of the security, Maguire Perry LLC ("the Secured Party"), by virtue of that certain UCC-Filing Statement made in favor of Secured Party, in accordance with Article 9 of the Uniform Commercial Code of the State of New York, Secured Party will offer for sale, at public auction, (i) all of Pledgor's right, title, and interest in and to the following: 1819 Weeks Ave Realty Corp. (the "Pledged Entity"), and (ii) certain related rights and property relating thereto (collectively, (i) and (ii) are the "Collateral").

NOTICE OF SALE

PLEASE TAKE NOTICE, that in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, by virtue of certain Event(s) of Default under those certain Pledge and Security Agreements dated as of October 21, 2020 (the "Pledge Agreements"), executed and delivered by DIMITRI VLAHAKIS and ZENOVIA VLAHAKIS (individually, and collectively, the "Pledgor"), and in accordance with its rights as holder of the security, MAGUIRE BAY RIDGE LLC (the "Secured Party"), by virtue of possession of these certain Share Certificates held in accordance with Article 8 of the Uniform Commercial Code of the State of New York (the "Code") and by virtue of those certain UCC-1 Filing Statement made in favor of Secured Party, in accordance with Article 9 of the Code, Secured Party will offer for sale, at public auction, (i) all of Pledgor's respective right, title, and interest in and to the following: (i) 1818 79TH REALTY, LLC, a New York limited liability company, 901 73RD STREET LLC, a New York limited liability company, and 7506 Fifth Avenue LLC, a New York limited liability company (collectively, the "Pledged Entities"), and (ii) certain related rights and property relating thereto (collectively, (i) and (ii) are the "Collateral").

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BANKING & FINANCE



The fund focuses on primary investments, buying secondhand slices of private-equity and venture-capital funds.

JPMorgan Private Fund Is Tailored to Individuals

By ISAAC TAYLOR

The Private Equity Group within JPMorgan Chase's asset-management arm is tossing a new entry into the growing competition to open private equity to individual investors.

The group is unveiling a perpetual fund with quarterly liquidity options and a \$25,000 minimum commitment, pitching it as a "democratization of alternatives."

The JPMorgan Private Markets Fund, managed by the bank's advisory group that oversees around \$30 billion in private-equity assets, is also open to institutions.

But the bank is targeting individual investors who control vast assets.

Individual investors hold roughly 50% of the estimated \$275 trillion to \$295 trillion of global assets under management, according to industry consulting firm Bain & Co. But the firm said individuals represent just 16% of the assets allocated to alternative investments.

"We have started to see over the last several years more individual investors interested in getting access to this end of the market in private equity and venture capital," said Ashmi Mehrotra, co-head of the Private Equity Group.

So far, the fund has at-

tracted roughly \$100 million in commitments.

The bank already has invested \$52 million from the vehicle, including in funds such as Ishtar Co-Invest-B and Bansk Fund I-B as of Aug. 31, a document on the bank's website shows.

Other than institutional investors, only the bank's qualified individual clients, or people in the U.S. with a net worth of at least \$2.2 million, or who have committed at least \$1.1 million to J.P. Morgan Investment Management or another registered investment adviser, can get into the fund.

Class I shares require a \$1 million minimum commitment, while the fund's Class D and S shares require at least \$25,000 investments.

JPMorgan joins other well-known institutional money managers in New York and Europe that also offer access to private-markets investments for certain individual investors.

Asset manager Apollo Global Management earlier this year expanded its team for a private-market strategy tailored to wealthy people, a

market long served in Europe by Swiss buyout firm Partners Group Holding. And private-equity giant Blackstone's non-traded Real Estate Income Trust, or Breit, gives individuals the opportunity to invest just \$2,500 to own a piece of apartment buildings, warehouses and commercial properties with monthly liquidity options.

Like Blackstone's Breit, JPMorgan's fund, now available to qualified and accredited investors through private banks and custodial platforms, limits investor withdrawals based on the fund's overall assets. JPMorgan limits withdrawals to 5% of the fund's net asset value.

But the JPMorgan fund doesn't feature capital calls, in which the sponsor asks investors to pony up cash to fulfill their previous commitments to the vehicle whenever the need arises. Participants can add to their investments in the fund monthly in increments of at least \$10,000.

The bank said it set up the vehicle in a way that simplifies investors' tax reporting requirements compared with the typical private-equity

fund. The fund is registered under the Investment Advisers Act of 1940, a U.S. law that regulates the responsibilities of investment advisers.

Marketing for the fund began in July and has attracted a variety of institutional investors such as pension funds and insurers. But now the bank is pivoting to the individual market, as have so many other fund sponsors, and talking publicly about the fund and its strategy for the first time.

"The trend is overall the democratization of alternatives. We're going after a large market," Mehrotra said.

JPMorgan made nine investments through the fund by the end of last month. The fund focuses on primary investments, buying secondhand slices of private-equity and venture-capital funds and co-investing alongside other managers.

"Over 70% of the fund will be focused on the U.S., and then the remainder will be majority northern Europe," Mehrotra said.

The fund managers plan to stick with a strategy focused on the small and middle-market vehicles, which the investment manager defines as funds managing less than \$3 billion. The bank considers small and middle-market companies they back directly as having enterprise values of no more than \$1.5 billion.

Opioid Maker Gets A Break

Continued from page B1

trust set up to disburse opioid payments to eliminate about \$1 billion from its settlement obligations. In total, Mallinckrodt paid around \$700 million into the trust.

"Given Mallinckrodt's downwards financial performance and the trust's status as an unsecured creditor in a bankruptcy, in which approximately \$3.5 billion in debt would be ahead of the trust in priority, the trustees believe this deal is the best possible outcome," representatives of the trust said in an August statement ahead of the company's recent bankruptcy.

After receiving stock, some of Mallinckrodt's senior creditors will recover the equivalent

of between 81 cents and 95 cents on the dollar on their investments, according to court filings. Its top senior creditors include Deerfield Management, which has \$361 million of outstanding debt; Silver Point Capital, which has lent \$251 million; and Marathon Asset Management, which has lent \$170 million.

Junior debt investors will recover around 11 cents on the dollar under the plan, according to court filings.

Some existing shareholders and junior creditors ob-

jected to the plan and tried to stop its approval in court. Alta Fundamental Advisers and United Equities filed separate objections to the plan, arguing that the company had several options to restructure itself besides a bankruptcy filing that wiped them out.

However, Judge John Dorsey overruled their objections, saying that the company had presented a compelling case that its business needed to restructure through bankruptcy.

50% Individuals' percentage share of global assets under management

Crypto Sector Seeks Lawyers, Compliance Pros

By MENGQI SUN

The cryptocurrency industry has been battered by the collapse of crypto exchange FTX and the fraud allegations surrounding it, as well as impositions at other big crypto players. For the firms that remain standing, growing regulatory pressure means there is a stronger need than ever for compliance talent.

Given the reputational and financial hits to the industry in the past year, attracting legal and compliance workers to work for crypto firms is challenging, say those hiring for positions in the industry. But the expertise compliance professionals can bring to the job is likely to make a big impact in helping to rebuild the sector's damaged reputation.

To attract talent, some crypto firms are trying hard to distinguish themselves from the bad actors in the sector by promoting their approach to compliance. But it isn't easy.

"There's such a stigma to the industry right now," said Jorge Pesok, who is hiring people for the legal team at the nonprofit HBAR Foundation, which awards grants to crypto projects.

"[The candidates] are just more hesitant to join now, because they are thinking about their long-term career moves, if it's a smart idea, because some people have gotten burned," said Pesok, who serves as chief legal officer at the foundation. He made the jump to crypto full-time in 2021, serving as the general counsel and chief compliance officer at crypto exchange platform Tacen.

Before the most recent crypto market crash, firms in the sector were able to lure away legal and compliance talent with higher pay, better perks—such as firm equity—and opportunities to develop and implement compliance procedures and programs in an emerging field, industry participants said.

Some of those hiring for compliance jobs have had to change tack in the current environment. To persuade a recent candidate to take a job offer, for example, Pesok spent hours answering questions and addressing concerns and using the story of his own career path and experience working at HBAR as an example.

Last year, crypto exchanges

and companies were frequently poaching attorneys from both law firms and other crypto companies, bringing them in-house to aid in navigating an evolving regulatory landscape and helping to curb outside legal expenses as the industry came under increasing government scrutiny.

But with the arrival of the crypto winter last year, the ability of crypto firms to draw talent has diminished. Many lawyers and compliance executives that were enticed by the opportunities are now hesitant to make the move or are leaving the industry, joining or returning to more stable companies such as consulting, industry insiders said.

"The events of the past year and a half have caused a lot of people to rethink their enthusiasm for this space," said John Wolf Konstant, senior consultant at technology-focused legal recruiting firm Whistler Partners. He cited the layoffs at crypto exchange Coinbase Global and various bankruptcies, including crypto lenders BlockFi and Celsius Network.

Carolina Ceballos, chief compliance officer for blockchain infrastructure company Paxos Trust, said that hiring for compliance positions remains difficult, despite layoffs at other companies providing her firm with a larger talent pool. Some candidates are choosing to join traditional financial institutions when deciding between competing offers from Paxos because of the industry's challenging reputation, she said.

To attract new staff, Ceballos emphasizes that Paxos has a regulatory-first approach to compliance and a high bar for excellence.

"It's a real opportunity for the Paxos model to shine through this moment and to be known as an alternative, and crypto can be done to protect all our users, and this faster and safer way to do finance, while having all the controls in place," Ceballos said. "This is how we're solving these problems and how we are talking to the regulators, and that's a great opportunity for Paxos."

Paxos said it has significantly increased the head count of its compliance team over the past year, but the company declined to provide specific numbers.

Cathy Yoon, who has been working in various legal roles in the crypto sector since 2017, said she plans to stay in the industry. She said people are still interested in joining or remaining in the space despite being laid off, but candidates are looking for more long-term stability.

Yoon recently started as general counsel at Wormhole Foundation, a steward of crypto platform Wormhole protocol—her third job since April 2021.

"I ask more questions and ask about things that as a normal job seeker I wouldn't ask before," said Yoon. These questions include determining what the internal approval process is like and who is in charge of the firm's finances.



Cathy Yoon says crypto job applicants want stability.

New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. % CHG-Daily percentage change from the previous trading session.

Table with columns for Stock, 52-Wk High/Low, and % Change. Lists various stocks like AFL, ANF, ATVI, etc., categorized by Highs and Lows.

Table with columns for Stock, 52-Wk High/Low, and % Change. Lists various stocks like ALPP, AREB, AVXL, etc., categorized by Highs and Lows.

Table with columns for Stock, 52-Wk High/Low, and % Change. Lists various stocks like ONE, ONDS, OCC, etc., categorized by Highs and Lows.

Dividend Changes

Table with columns for Company, Dividend Yield, Amount New/Old, and Frequency. Lists companies like Borqs Technologies, Fortress Biotech, etc.

Sources: FactSet; Dow Jones Market Data

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2L: stock split and ratio; SO: spin-off.

MARKETS

Optimism on Rates Drives Up Stocks

Ten of 11 S&P 500 sectors end higher as traders await inflation data

By CHARLEY GRANT

Stocks rose for a third straight session and bonds had their best day since August, after optimism built that the Federal Reserve's campaign to raise interest rates is winding down.

The S&P 500 rose 0.5%, while the Nasdaq Composite gained 0.6%. The Dow Jones Industrial Average advanced 0.4%, or 135 points. Ten of the S&P 500's 11 sectors rose, after all 11 closed higher on Monday.

Several top Fed officials have recently suggested that they could be done raising short-term interest rates if long-term rates remain near their recent highs.

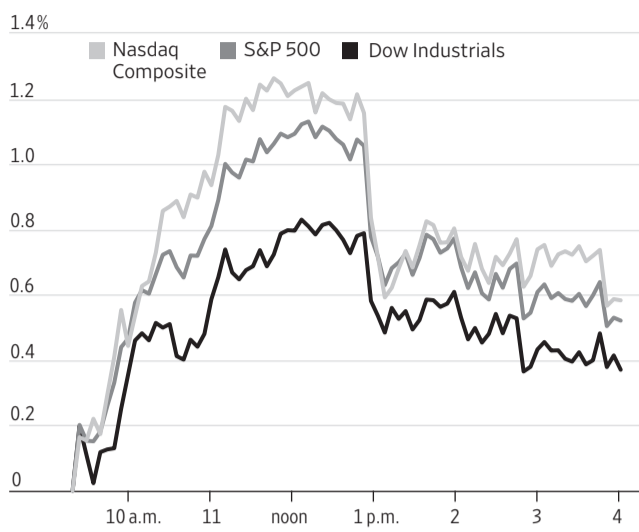
The 10-year Treasury yield settled at 4.654%, down from 4.783% on Friday, marking the largest one-session drop since Aug. 23. The two-year yield fell to 4.982% from 5.077% on Friday, its lowest level since Sept. 8. Bond markets were closed Monday.

That reversed a recent sell-off that has plagued stock markets. The 10-year yield, a benchmark for corporate borrowing costs and the present value of future profits, recently topped 4.8%, reaching its highest level since 2007.

Ironically, that run-up in yields might have reduced the need for further action from the central bank, sparking Tuesday's decline.

"The rest of the fixed income marketplace is doing some of the work on behalf of the Fed," said Jason Pride, chief of investment strategy and research at Glenmede, which manages about \$43 billion in assets.

Index performance



Source: FactSet

Traders in interest-rate derivatives are pricing in an 88% chance that the Fed leaves its policy rate unchanged at its November meeting, according to CME Group's FedWatch tool.

Investors are awaiting fresh economic data that could further raise the chances of the central bank standing pat. Producer-price data for September are scheduled for Wednesday, while the consumer-price-index reading for September is expected Thursday.

Wall Street expects that consumer prices rose 3.6% from a year earlier, according to economists surveyed by The Wall Street Journal.

Some strategists expect yields to drop further if the data point to a cooling economy.

Brent crude-oil futures settled at \$87.65 a barrel, down 0.6% from Monday. Travel-related stocks rebounded after Monday's selloff. These included Delta Air Lines, Marriott and Carnival.

PepsiCo rose 1.9% after reporting earnings that topped Wall Street expectations. Several major companies, including JP-

Morgan Chase, Delta Air Lines, UnitedHealth Group, Domino's Pizza, and Wells Fargo are slated to report results later this week.

Overseas, Europe's Stoxx 600 rose 2%. At midday Wednesday, Japan's Nikkei 225 was up 0.5%, Hong Kong's Hang Seng Index was up 1.5% and South Korea's Kospi was up 2.3%. S&P 500 futures rose 0.1%.

AUCTION RESULTS

Here are the results of Tuesday's Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

	13-Week	26-Week
Applications	\$208,195,237,700	\$187,967,315,000
Accepted bids	\$77,514,457,600	\$70,081,629,900
* noncomp	\$2,924,150,000	\$2,726,542,800
* foreign noncomp	\$100,000,000	\$0
Auction price (rate)	98.650167 (5.340%)	97.310444 (5.320%)
Bids at clearing yield accepted	5,503% (65.44%)	5,558% (77.67%)
	9127976CS	912797HF7

THREE-YEAR NOTES

Applications	\$117,850,808,300
Accepted bids	\$46,000,008,300
* noncompetitively	\$213,068,300
* foreign noncompetitively	\$0
Auction price (rate)	99.681877 (4.740%)
Interest rate	4.625%
Bids at clearing yield accepted	94.40%
Cusip number	91282CJ6

The notes, dated Oct. 16, 2023, mature on Oct. 15, 2026.

High-Yield Impact To Last

Continued from page B1

has bottomed. But when the indicators start to improve, that can be a promising signal, said David Keller, chief market strategist at StockCharts.com.

The S&P 500 as a whole, meantime, has fallen close to its 200-day moving average, a long-term trend line consulted by analysts. It ended Tuesday 3.4% above the moving average. One day last week, it closed just 0.7% above the line.

"Holding the 200 day is one of those basic measures of: 'Is this market holding up or is it potentially getting a lot worse?'" Keller said.

Falling below the moving average shows "there aren't buyers coming in where you'd expect they normally would, and that usually is a concerning sign of a further bearish decline," he said.

The S&P 500 rallied Friday, notching its best day in more than a month, after investors cheered signs of softening wage growth in the September jobs report.

Technology stocks led the way higher, again powering the market after a recent spell of weakness. Investors are also watching the unfolding Israel-Hamas war for developments that could affect markets.

Rising interest rates hold the potential to spur a more lasting shift in market leadership. The low rates of recent years made the growth promised by tech companies particularly attractive. If rates were to remain high, that could make far-off profits a less alluring bet.

So far, the tech trade hasn't suffered much. A handful of large companies in technology and adjacent sectors account for most of the S&P 500's advance so far this year. **Alphabet, Amazon.com, Apple, Meta Platforms, Microsoft, Nvidia and Tesla** make up 30.5% of the S&P 500, up from 21.5% at the end of last year.

In one sign of how the in-

dex's large stocks are leaping ahead, the S&P 500 is on pace this year to outperform a version in which each constituent is equally weighted, rather than weighted by market value, by the most since 1998.

Utilities, consumer staples and real-estate stocks have slumped lately as higher yields make their sizable dividend payments less enticing.

Value stocks, traditionally considered those that trade at a low multiple of their book value, or net worth, also have lagged behind the market. Some investors expect that dynamic to reverse if rates remain elevated, since the prices of such shares tend to be less reliant on expectations of robust growth.

"You would own U.S. small-cap and value stocks in that higher-interest-rate environment, as opposed to the large megacaps," said Rick Pitcairn, chief global strategist of multi-family office Pitcairn. Instead, "nobody wants them."

That might be because many of those stocks are seen as vulnerable to any economic downturn. But Pitcairn expects higher interest rates to persist long past the next recession, making small-cap and value shares attractive investments

in the coming years.

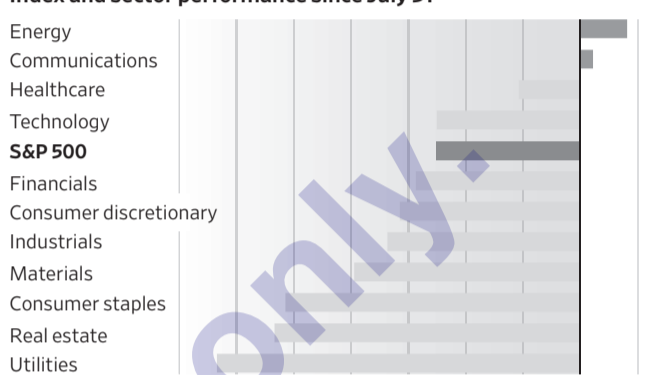
The rise in yields has prompted some investors to question the lofty valuations commanded by some corners of the stock market. The technology sector traded Monday at 25 times its projected earnings over the next 12 months, above a 10-year average of 18.6. The S&P 500 as a whole was priced at 18.1 times future earnings, slightly above its 10-year average.

Those valuation measures are based on forecasts for strong earnings growth. Wall Street expects corporate profits to take off next year, growing 8.1% in the first quarter of 2024, 12% in the second quarter and almost 14% in the third quarter, according to FactSet.

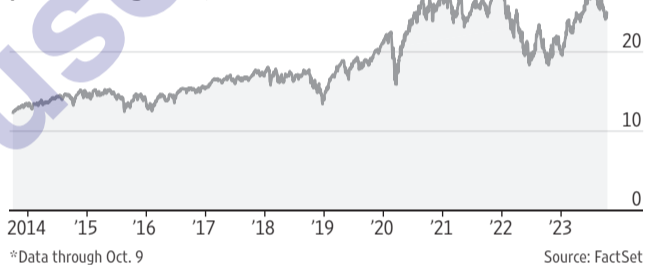
Some money managers are skeptical. Many expect that the tightening of financial conditions caused by the Federal Reserve's interest-rate increases is still working to slow the economy.

"How does the economy re-

Index and sector performance since July 31



S&P 500 technology sector price/earnings ratio, next 12 months*



*Data through Oct. 9

Source: FactSet

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