

THE WALL STREET JOURNAL.

What's News

Business & Finance

◆ **Jerome Powell suggested** the run-up in long-term Treasury yields could allow the Fed to suspend a historic run of interest-rate increases as long as progress on inflation continues. **A1**

◆ **The Fed chairman's** remarks whipsawed the stock market, with major U.S. indexes finishing lower. The S&P 500, Nasdaq and Dow retreated 0.8%, 1% and 0.7%, respectively. **B1**

◆ **Apple Chief Executive** Tim Cook is crisscrossing China, one of the company's largest markets, where challenges are mounting amid weak iPhone 15 sales and heightened government scrutiny. **A1**

◆ **The SEC said it** would drop its lawsuit against two cryptocurrency executives who oversaw \$1.5 billion in sales of a digital coin known as XRP, in a move that boosts the industry's battle against traditional regulation. **B1**

◆ **Home sales fell** in September to the lowest rate in 13 years, showing the corner of the economy most weakened by high interest rates remains in decline. **A3**

◆ **Economic activity** is set to weaken in the U.S., leading to a likely shallow recession next year, according to an economic index that measures business cycles. **A3**

◆ **CVS pulled some** of the most common decongestants from its shelves and will no longer sell them, after advisers to the FDA determined that an ingredient doesn't work. **B1**

◆ **Union Pacific's profit** fell 19% in the third quarter to \$1.5 billion, while the company reported declining freight rail volumes and revenue across key industrial commodities. **B2**

World-Wide

◆ **President Biden declared** the world at an "inflection point in history" in an Oval Office address, linking Israel's battle against Hamas to Ukraine's fight against Russia and stressing the need for the U.S. to continue funding both wars, a day after his trip to Tel Aviv. **A1, A8**

◆ **U.S. forces in the** Middle East came under attack several times this week, a potential sign of heightened aggression toward the U.S. following Hamas's terrorist attack on southern Israel. **A9**

◆ **Sidney Powell, a lawyer** who played a leading role in the effort to reverse Trump's 2020 election loss, cut a deal to testify against him and others who Georgia prosecutors allege engaged in a criminal enterprise to subvert democracy. **A1**

◆ **Russian authorities** detained an editor for Radio Free Europe/Radio Liberty for failing to register as a foreign agent, marking the second detention of an American journalist in Russia this year. **A18**

◆ **China formally arrested** a Japanese pharmaceutical executive who had been detained since March, Tokyo said, in a move likely to further chill business travel to the nation. **A7**

◆ **The IRS opened an** escape hatch from one of its major tax-enforcement campaigns, giving employers the ability to withdraw pending claims for a pandemic-era tax credit that has become a headache for the agency. **A6**

◆ **The FCC proposed** to apply utility-like regulations to U.S. internet service providers, bringing them under so-called net-neutrality rules. **A2**

CONTENTS Markets... B5 Arts in Review... A12-13 Banking & Finance... B8 Business News... B3 Crossword... A13 Heard on Street... B10 Mansion... M1-12 Opinion... A15-17 Sports... A14 Technology... B4 U.S. News... A2-6 World News... A8-11,18



Palestinians displaced by fighting took shelter Thursday in a United Nations-provided camp in the southern Gaza Strip.

Biden Links Israel, Ukraine In Appeal to Aid Both Allies

President Biden declared the world at an "inflection point in history" in an Oval Office address Thursday, linking Israel's battle against Hamas to Ukraine's fight against Russia and stressing the need for the U.S. to continue funding both wars.

By Sabrina Siddiqui, Tarini Parti, Anas Baba and Dion Nissenbaum

ing Israel's battle against Hamas to Ukraine's fight against Russia and stressing the need for the U.S. to continue funding both wars.

"American leadership is what holds the world together," Biden said. "American alliances are what keep us, America, safe. American values are what make us a partner that other nations want to work with. To put all that at risk and walk away from Ukraine and turn our backs on Israel, it's just not worth it." The address came a day after Biden traveled to Tel Aviv to reaffirm U.S. support for Israel and as the United Nations and world leaders were pushing to get immediate aid flowing into the Gaza Strip.

Biden announced \$100 million in aid for the people of Gaza and the West Bank during his trip and spoke with Egyptian President Abdel Fattah Al Sisi to come up with a deal to open the Rafah border crossing to allow up to 20 trucks of humanitarian assistance into Gaza. But hundreds of humanitarian aid trucks remained stalled on Thursday.

crossing to allow up to 20 trucks of humanitarian assistance into Gaza. But hundreds of humanitarian aid trucks remained stalled on Thursday. Please turn to page A10

- ◆ Israel gears up for likely Gaza invasion..... A8
- ◆ U.S. forces in Mideast are attacked..... A9
- ◆ White House cites Hamas in crackdown on crypto..... A11

How the West Helped Fund Hamas

Militants filled coffers by skimming humanitarian assistance and taxing commerce

By RORY JONES, IAN TALLEY AND BENOIT FAUCON

After Hamas launched its murderous assault on Israel this month, the U.S. and its allies condemned Iran for funding what they deem a terrorist organization.

Left unspoken were the many ways the international community—and even Israel itself—inadvertently helped Hamas fill its coffers. The Islamist

group has raised tens of millions of dollars by skimming off humanitarian assistance and taxing economic activity stirred by a trade opening into its Gaza Strip stronghold, according to independent researchers and current and former Western security officials.

The flow of money illustrates the conundrum Israel and the West have faced since 2007, when Hamas wrested control of the strip from its rival, the internationally recognized Palestinian

Authority: How to support Palestinian civilians in Gaza without empowering a group promoting violence against Israel. The recent Hamas attacks show how the international community has struggled to walk that line.

International aid "was designed to be humanitarian in nature, but money is fungible, and that also allows Hamas to divert money from providing for its people to support its war machine." Please turn to page A11

Apple CEO Visits China As iPhone Sales Drop

Apple Chief Executive Tim Cook is crisscrossing China, one of the company's largest markets, where challenges are mounting amid weak iPhone 15 sales and heightened government scrutiny.

By Yang Jie in Tokyo and Liza Lin in Singapore

The whirlwind trip, which wasn't announced ahead of time, has involved drop-ins at Apple stores, a visit to a key supplier and meetings with senior officials, including Commerce Minister Wang Wentao of China.

Cook's visit to China—his second in about seven months—highlights Apple's increasingly complex relationship with the world's second-largest economy, which serves the company as a manufacturing hub and a vital consumer market, as well as being a source of significant risk.

Though Apple devices, in particular iPhones, remain popular in China, they face Please turn to page A7

Jordan Weighs Next Move



BALLOT BID: Republican Rep. Jim Jordan postponed a third floor vote Thursday in his effort to become speaker of the House, as he met continued resistance from opponents. A4

World's Coolest Ditch-Digging Job Is Up for Grabs

What happens to the Wiernmobile of trenching when Don Pemberton retires?

By AUSTEN HUFFORD

LOUISVILLE—Humans have been digging ditches for thousands of years.

Don Pemberton digs them just a bit quicker.

Instead of using hands and shovels, he climbs into a souped-up, hot-rodded, 850-

horsepower machine that digs trenches at 100 feet a minute, five times as fast as a normal machine used by utilities and excavators.

The 67-year-old is the sole operator of the Super Witch, a one-of-a-kind trenching machine that looks and sounds Please turn to page A2

Trump Legal Adviser Enters Guilty Plea In Georgia Vote Case

ATLANTA—Sidney Powell, a lawyer who played a leading role in the effort to reverse Donald Trump's election loss in 2020, cut a deal to testify against the former president and others who Georgia prosecutors allege engaged in a "criminal enterprise" to subvert democracy.

By Mariah Timms, Cameron McWhirter and Jan Wolfe

A lawyer who was in Trump's inner circle in the months after the November 2020 election, Powell pleaded guilty to misdemeanor charges Thursday in exchange for a sentence that avoids jail time. In open court, she admitted to orchestrating a scheme to access voting equipment in a rural Georgia county in hopes of substantiating conspiracy theories that voting machines were flipping votes.

The development represented a significant win for Fulton County District Attorney Fani Willis, who is trying to pit defendants against each other—a hallmark of racketeering cases. Willis's August

Fed Chair Signals Rate-Hike Pause To Stay

Recent economic data show 'ongoing progress' toward goals, Powell says

By NICK TIMIRAOS

Federal Reserve Chair Jerome Powell suggested the run-up in long-term Treasury yields could allow the central bank to suspend a historic run of interest-rate increases as long as progress on inflation continues.

Powell's remarks at a Thursday lunchtime address in New York closely tracked those of colleagues who indicated in recent days that they would hold short-term rates steady at their Oct. 31-Nov. 1 meeting.

That is in part because the swift rise in long-term rates over the past month could slow the economy, effectively substituting for another Fed rate increase if higher borrowing costs are sustained.

Yields on the 10-year Treasury note neared 5% on Thursday, closing at 4.987%, a new 16-year high and up from 4.902% on Wednesday. Stocks closed lower, with the Dow down 251 points.

"We have to let this play out and watch it, but for now, it is clearly a tightening in financial conditions," Powell said. The whole point of raising interest rates is to "affect financial conditions, and higher bond rates are producing tighter financial conditions right now."

When longer-term rates go up, that influences a range of borrowing costs from mortgage and auto loans to business debt. In recent days, U.S. mortgage lenders were quoting rates near 8% on the 30-year fixed rate loan, a level last seen in 2000.

Asked whether the recent jump in borrowing costs could substitute for further Fed rate increases, Powell said: "At the margin, it could."

Still, robust economic activity has made it difficult for the Fed to declare an end to rate increases and Powell stopped short of doing so on Thursday. But his comments approvingly

Please turn to page A2

- ◆ September home sales slid amid high rates..... A3
- ◆ Rate fears spur stock-market selloff..... B1



U.S. NEWS

Rate Pause Likely to Continue

Continued from Page One
cited recent declines in inflation and an apparent cooling in labor markets in ways that revealed greater comfort with the Fed's policy stance, raising the bar for another increase in December or beyond.

"Powell is not going to signal a hard stop to rate hikes," said Tim Duy, chief economist at SGH Macro Advisors. "He's always going to dangle the possibility of another hike. But the data needs to change markedly to push the Fed in that direction."

A blowout September employment report from the Labor Department earlier this month and a strong retail-sales report from the Commerce Department on Tuesday extended a run of brisk data releases.

Powell didn't suggest such resilience was yet generating the heat—in the form of higher inflation—that would justify raising rates further. "It may just be that rates haven't been

high enough for long enough," Powell said.

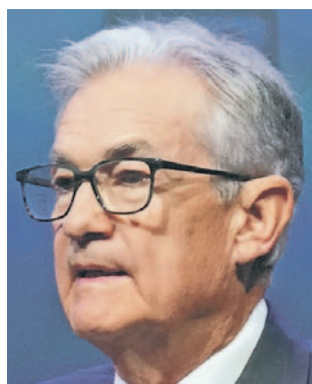
As he did in a speech this August, Powell twice used the word "could" instead of the more muscular "would" to describe whether the Fed would tighten again. Evidence of stronger growth "could put further progress at risk and could warrant further tightening of monetary policy," he said.

Fed officials face a tricky forecasting exercise right now because even though economic activity has defied projections of an imminent slowdown, inflation has also declined. Supply chains have healed, and demand for goods, services and workers eased after boom-like conditions when the economy reopened after the pandemic.

Using the Fed's preferred inflation gauge, the central bank estimates core prices, which exclude volatile food and energy items, likely rose 3.7% in September, down from 3.9% in August and 4.9% at the end of last year, Powell said. The Fed's inflation target is 2%.

The Commerce Department will release the inflation figures next week.

The question is whether strong consumer spending will continue to buoy hiring and economic demand in ways that stall progress bringing down



Jerome Powell

inflation. That could call for still-tighter monetary policy.

Alternately, the effects of past rate rises could slow the economy and keep inflation heading lower, forcing the Fed to wrestle with how much longer to hold rates at their current levels before cutting them.

Notably, Powell suggested that wage growth, which had been a top concern of his and other officials over the past year, now appeared to be slowing toward levels that would be consistent with the Fed's target. Earlier this year, Powell described the labor market as overheated, risking a dangerous dynamic in which paychecks and prices rise in lock-step, fueling inflation.

Over the past 20 months,

the Fed raised interest rates at the fastest pace in four decades to combat inflation that soared to 40-year highs. The Fed's most recent increase, in July, pushed the benchmark federal-funds rate to a range between 5.25% and 5.5%, a 22-year high.

"Given the fast pace of tightening, there may still be meaningful tightening in the pipeline," Powell said.

The 10-year Treasury yield has risen nearly 1 percentage point since the Fed last raised rates at the end of July, an unusually large increase in such a short time frame.

The Treasury selloff accelerated after the Fed's meeting last month, when officials held rates steady but indicated they would hold rates near their current levels through most of next year if the economy avoided a sharp downturn.

Interest-rate analysts have said the selloff reflects a combination of forces: Markets are looking ahead to rising supply of longer-dated Treasuries at a time when some buyers have reduced their appetite for such debt.

Moreover, the prospect that the Fed might not cut rates as soon as some investors previously anticipated have made those Treasuries less attractive at current prices relative to

shorter-dated securities.

Investors might also be demanding higher yields to purchase longer-dated bonds because bonds over the past year haven't served their traditional role in holding their value when stocks decline. If investors expect greater inflation volatility in the coming years, bonds would be a less attractive hedge against stocks, requiring a higher premium for owning them.

Powell said the bond selloff didn't appear to be driven by investors demanding a higher premium because they expected inflation to be higher, and neither did the selloff reflect expectations that the Fed would raise interest rates to higher levels.

If expectations of a higher short-term rate path were responsible for higher yields and tighter financial conditions, the Fed would need to follow through by raising rates to sustain those tighter conditions. "But that doesn't seem to be the case," Powell said.

Watch a Video



Scan this code to watch a video of the Fed chairman's comments.

FCC Moves To Restore Internet Neutrality Mandates

By RYAN TRACY

WASHINGTON—The Federal Communications Commission proposed to apply utility-like regulations to America's internet service providers, a policy change expected to raise costs for **Comcast, Charter Communications, AT&T** and other blue-chip companies.

The proposal, adopted by the agency's Democratic majority Thursday in a 3-2 party line vote, opened another chapter of a long-running dispute about how Washington should oversee internet service. At stake: Whether the FCC will expand its power to regulate some of the largest U.S. companies providing a service that has become essential to modern life.

Under the Obama administration, the FCC classified internet providers as telecommunications utilities, imposing so-called net-neutrality rules that bar providers from favoring some internet content over others. But the Trump administration repealed that decision, saying utility-style regulation of the broadband market was unnecessarily intrusive.

Now, Jessica Rosenworcel, President Biden's FCC chairwoman, is moving to restore the Obama-era policy. Internet service, she said, has become as essential as water, electricity or telephone infrastructure and therefore deserves stricter government oversight. "Today, there is no expert agency ensuring that the internet is fast, open and fair," she said.

Internet providers, opposed to government meddling, are expected to vigorously fight the FCC action, including by pursuing lawsuits as far as the Supreme Court, where they expect to find a receptive audience among conservative-leaning justices who have curtailed the power of other federal agencies.

The FCC proposal "is a monumental transformation, a pretty radical transformation in the regulatory environment," said Michael Powell, president of the trade group NCTA—the Internet & Television Association, which represents Comcast, Charter and other big cable companies. "It's highly likely that the entire [internet service provider] industry would demand judicial review."

The proposal would restore net-neutrality mandates barring internet providers from blocking, throttling or discriminating among legal web traffic—for example, by demanding fees for priority access. It would also give the FCC broader authority to ensure internet providers' actions are "just and reasonable"—a standard that could be applied to a range of business practices involving customers and competitors.

"You could imagine them being modest to horrific," Powell said of the rules that could be adopted by future FCC leaders.

On broadband prices, Rosenworcel said the FCC has no intention of regulating the rates that internet companies charge. Under the proposal, the FCC wouldn't preapprove rates, but it could intervene if it determines a company's rates are unreasonable.

Proponents of the more FCC action say protection against price gouging is essential, especially if a household has only one option for broadband access.

"Over the long term, if you have an unregulated monopoly, any economist who is honest would say you need to have some kind of power to oversee prices," said Tim Wu, a Columbia Law School professor who previously served as a policy adviser in the Biden White House.

The Trump-era deregulation hasn't yet brought about the worst-case scenarios that net-neutrality supporters feared. Consumers "now see that it wasn't the end of the internet, and not that big of a deal," said Brendan Carr, a Republican FCC commissioner who voted against the action.



Don Pemberton drives a vintage Super Witch from the Ditch Witch company at a trade show in Louisville, Ky., as he prepares to ride off into the sunset.

Digging Ditches Can Be a Blast

Continued from Page One
like a large chain saw on wheels. Equipment maker Ditch Witch uses it as a marketing and promotional tool to sell more-practical versions of the machine.

The Super Witch makes appearances at industry trade shows, dealership openings, parades and factory tours. When it roars, spectators come running with their phones out to see it do wheelies and rip-up dirt.

"It would deafen you if you don't have hearing protection on," said Pemberton.

Pemberton is getting ready to hand over the controls. His coming retirement is causing a lot of stress for Ditch Witch executives. They are having a hard time solving a big hiring problem: how to replace its most famous ditch digger.

Will the Wienermobile of trenching equipment have to be mothballed?

The saga of the retiring Super Witch operator is just one example of the millions of jobs that will need to be filled as baby boomers retire in the years ahead. The median age of a manufacturing worker is 44 and more than a quarter of their workforce is 55 and older.

Ed Malzahn developed the original Ditch Witch trencher in the 1940s at his family's ma-



chine shop in Perry, Okla., to help construction workers lay water, electric, gas and sewer lines to single-family homes.

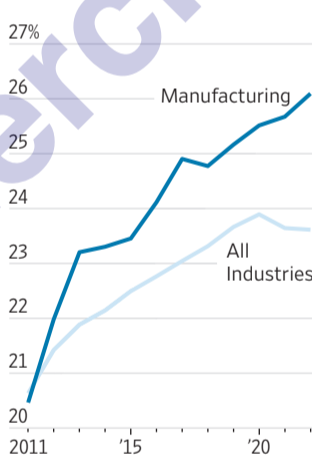
The company boomed as America's suburbs were developed. In 2019, it was purchased by Toro, the maker of lawn mowers and construction equipment, for around \$700 million. More than 1,300 workers make the Ditch Witch and other products at the factory in Perry, which has a population of around 4,500.

The Super Witch was developed by rogue employees during their off hours, according to company lore. The original

made its debut in the late 1970s and has been upgraded multiple times, with the Super Witch VII starting service in 2013.

Pemberton himself started at the company in 1978, and has been driving the Super Witch for nearly 40 years. His day job is maintaining the company's fleet of trucks and cars that are used for delivering products and visiting customers. But it's the Super Witch gig that has made him a trenching celebrity—and a face of the company's brand. Pemberton accompanies the Super Witch wherever it goes and

Percentage of the workforce that is 55 and older



people call him directly to schedule shows.

He has missed many family gatherings, especially in the busy spring and fall seasons. "My wife always enjoys it," he joked. One year, Pemberton arrived at a location about 20 hours away from home, only to discover that his son's high school graduation was imminent. He ditched the Witch and hopped onto a plane, making it back about 30 minutes before the ceremony.

Executives are trying to figure out how to formalize a job that grew over the decades based on the experience and tendencies of one star employee. Is it a full-time job or just 20% of someone's time? Should there be two operators? Who can take a few weeks off to perform at trade shows and dealership openings around the country?

Potential candidates have taken the Super Witch for test rides around the company's Perry campus. Many have struggled to learn how to run the oversize machine, which can be dangerous to spectators if the operator loses control.

"It was like a bucking bronco," said Jeff Smith, a 51-year-old contender for the job.

Don's own 36-year-old son, who was being groomed for the role, turned down the position. "I had planned on him taking over," said Pemberton. "He's not going to do it. I'd have to babysit and run his cows."

In addition to its succession planning, Ditch Witch is trying to come up with more ways of spreading Super Witch lore beyond Perry, where kids have been known to dress up as Super Witch operators for Halloween and a model-toy ver-

sion made years ago has become a collectors' item.

One possibility is to have a colorful trailer that both transports the Super Witch and then converts into a storefront with swag, just like at Nascar races. "Everyone within 50 miles of this place knows about this," said Sean Hubbard, the marketing communications manager. "We are trying to get it on a bigger scale, think Macy's Thanksgiving Day Parade."

The company launched a virtual-reality game this year to attract the next generation of operators. Players put on headsets and try to drive the hard-to-control Super Witch through floating company logos. 20 points gets you a T-shirt.

At the Utility Expo in Louisville, which drew more than 20,000 construction and utility workers, Pemberton climbed into the 30-year-old Super Witch IV, brought out of retirement to commemorate his last few rides. As the crowd started to gather, he turned it on and revved up the engine. But something sounded off. He canceled the show.

"If you hit a rock, you can throw it 30, 40 feet. We try to make sure we aren't going to hit a customer standing around," said Pemberton. "I've been on it so long it becomes like riding a bicycle your whole life. You probably take chances you shouldn't take. It'll probably take some time to get comfortable around a crowd in a small area."

It turned out there was rust in the engine that had come loose during transit. The afternoon show was canceled.

After cleaning the gas tank and replacing the filter, he was able to get the machine running again.

Pemberton climbed in the tractor-looking piece of equipment, buckled his seat belt and revved the engine. Heads turned and the crowd swelled. He backed down the dirt embankment it was parked on and started doing wheelies across the fenced-off show grounds, stopping before he hit fences and spectators. After a few minutes, he pulled back into the dirt pile and turned on the trencher.

"It ran pretty good. We did pretty good wheelies with it," he said.

Pemberton was wistful about turning over the keys to somebody else, admitting, "It's just hard to let go."

THE WALL STREET JOURNAL
(USPS 664-880) (Eastern Edition ISSN 0099-9660)
(Central Edition ISSN 1092-0935) (Western Edition ISSN 0193-2241)
Editorial and publication headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036
Published daily except Sundays and general legal holidays.
Periodicals postage paid at New York, N.Y., and other mailing offices.
Postmaster: Send address changes to The Wall Street Journal, 200 Burnett Rd., Chicopee, MA 01020.
All Advertising published in The Wall Street Journal is subject to the applicable rate card, copies of which are available from the Advertising Services Department, Dow Jones & Co. Inc., 1211 Avenue of the Americas, New York, N.Y. 10036. The Journal reserves the right not to accept an advertiser's order. Only publication of an advertisement shall constitute final acceptance of the advertiser's order.
Letters to the Editor: Fax: 212-416-2891; email: wsj.letters@wsj.com
Need assistance with your subscription?
By web: customercenter.wsj.com; By email: wsjsupport@wsj.com
By phone: 1-800-JOURNAL (1-800-568-7625)
Reprints & licensing:
By email: customreprints@dowjones.com
By phone: 1-800-843-0008
WSJ back issues and framed pages: wsjshop.com
Our newspapers are 100% sourced from sustainably certified mills.
GOT A TIP FOR US? SUBMIT IT AT WSJ.COM/TIPS

CORRECTIONS & AMPLIFICATIONS
Private-equity firm Kero-gen Capital was incorrectly described as a hedge fund in a Business & Finance article on Thursday about the demand for hydrogen.
The Rolling Stones are in their seventh decade of performing. An article about Mick Jagger in October's WSJ Magazine incorrectly said sixth decade.
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

Weight-Loss Drugs Rewrite Treating Obesity

By Betsy McKay

Liz McCabe wasn't a typical candidate for Wegovy, one of the popular new weight-loss drugs.

She is healthy and active. Her body-mass index this past spring barely put her in the category of obesity, a qualification for the medication.

It was her history of "yo-yo" dieting that made the difference. The 45-year-old vice president at a healthcare company had tried for eight years to lose weight since giving birth to her son. She always regained pounds after she lost them.

McCabe turned to the Transition Medical Weight Loss clinic in Salem, N.H. Joseph Zucchi, a clinical supervisor and physician assistant, suggested that she try Wegovy, as part of a program including nutrition and fitness guidance.

The new drugs have transformed scientific understanding of obesity and the marketplace for weight loss. Soaring demand and the drugs' powerful effects have pushed doctors and researchers to a new frontier in medical science: a Wild West of online prescribers, erratic supplies and limited insurance coverage of the expensive medications.

Patients such as McCabe are helping them figure out who most needs the drugs and how best to use them. "There is some level of feeling it out and

doing things absent the experience," Zucchi said.

Medical organizations including the Obesity Society are writing new standards for treatment and addressing dilemmas. Should the drugs be prescribed to patients who haven't tried losing weight before or who don't have health problems? How much weight should you lose? What is the best way to maintain a lower weight?

About half of the U.S. adult population technically qualifies for Wegovy, according to criteria in the drug's label. That includes people with a body-mass index of 30 or more, or 27 and a health problem related to weight such as diabetes or high blood pressure. A BMI of 25 is the benchmark for normal weight.

"If you have a BMI of 32 but no major health consequences, do you need a drug that gives you an average of 15% to 20% weight loss?" asked Dr. Jamy Ard, the Obesity Society's president-elect and an obesity researcher at the Wake Forest University School of Medicine.

Weight and BMI—the yardstick currently used to determine obesity—aren't the only barometers of good health. Researchers want to find others, such as improvements in fitness or markers of inflammation. They want to examine how to shed pounds without losing too much muscle, how to maintain weight loss and how



Physician assistant Joseph Zucchi, right, suggested that Liz McCabe try the popular weight-loss drug Wegovy.

diet affects weight loss and health for someone taking the drugs.

Sarah Abdelaziz has lost more than 70 pounds since starting on Wegovy more than a year ago. She had regained weight after bariatric surgery and trying another drug. She doesn't know what her goal weight is and is relying on her doctor to guide her.

"This is really uncharted territory for me," said Abdelaziz, 44. "I've never been to this weight before."

She is doing strength training and eating more protein to rebuild the muscle mass that she lost along with body fat. The primary care and obesity medicine practice she visits, Knownwell in Needham, Mass.,

tracks patients' body composition to help them achieve the right balance of muscle and fat.

"We want to be leaner, not lighter," said Dr. Angela Fitch, Abdelaziz's doctor and Knownwell's chief medical officer.

More research is needed on how best to maintain weight loss, said Fitch, who is president of the Obesity Medicine Association, one of the groups developing new standards of care. The work is urgent; even more powerful drugs are on the way.

"We're going to have different treatments five years from now," Fitch said.

The American Medical Association recommended in June that doctors consider body fat,

genetics and other factors in addition to BMI to diagnose obesity. BMI doesn't account for differences in body shape and composition across racial, ethnic and age groups or sexes, the AMA said. It said BMI shouldn't be used as the sole criterion to deny insurance reimbursement.

A commission of experts convened by the journal The Lancet Diabetes & Endocrinology and King's Health Partners in London plans early next year to publish a definition of "clinical obesity" that will refer to patients with excess body fat that is causing health problems. They want to distinguish that group from people with excess body fat who are relatively healthy.

"When we define obesity the way we do today, all these people are under the same umbrella," said the commission's chair, Dr. Francesco Rubino, chair of metabolic and bariatric surgery at King's College London.

McCabe's history of "weight cycling" suggested that she needed help making permanent changes, Zucchi said. The drugs reduce appetite and quiet the "food noise" that can derail weight loss.

She has lost about 35 pounds and aims to lose another 10 to 15 pounds and eventually stop taking the drug. "I feel I adopted those changes to my eating habits and could go off it without regaining the weight," she said.

September Home Sales Slid as High Rates Squeezed Market

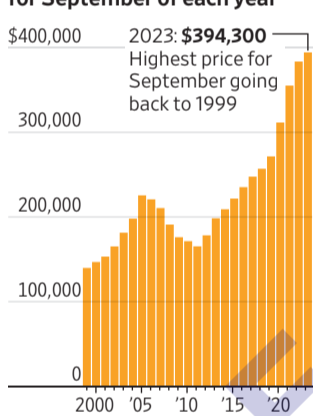
By Nicole Friedman

Home sales fell in September to the lowest rate in 13 years, showing the corner of the economy most weakened by high interest rates remains in decline.

For all of 2023, sales of previously owned homes are on track to be the lowest since at least 2011, because increased rates are weighing on demand. But high rates are also limiting the inventory of homes on the market, because homeowners with low rates are unwilling to sell and move. The small supply is pushing home prices higher in much of the U.S.

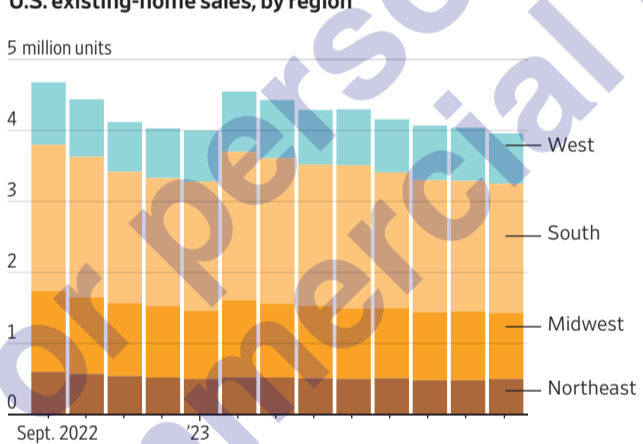
Existing home sales, which make up most of the housing market, decreased 2% in September from a year earlier to a seasonally adjusted annual rate of 3.96 million, the lowest rate since October 2010, the National Association of Realtors said Thursday. September sales fell 15.4% from a year earlier.

Median existing-home price for September of each year



Note: September 2023 is preliminary. Sales by region are seasonally adjusted at an annual rate. Source: National Association of Realtors

U.S. existing-home sales, by region



The national median existing-home price rose 2.8% in September from a year earlier to \$394,300, NAR said. That was the highest price for any September in data going back to 1999, said Lawrence Yun, NAR's chief economist. Prices aren't adjusted for inflation.

"People are priced out," Yun said. "The story of limited inventory and rising, and rising, [and] rising mortgage rates continue to hinder the home sales market."

The slowing housing market is one of the most direct results of the Federal Reserve's efforts to curb inflation and cool the economy by raising its benchmark interest rate to a 22-year high.

The combination of elevated mortgage rates and high prices is expected to keep home-buying affordability low in the coming months, making

it difficult for first-time home buyers to enter the market.

Home-buying activity typically slows after the summer, because families with children don't want to move during the school year. Cold weather in parts of the country and the holiday season also deter home shoppers.

"We're approaching the slowest part of the year in terms of home purchases in the fourth quarter, and that's made more so by the spike in mortgage rates," said Mike Fratantoni, chief economist at the Mortgage Bankers Association. "Activity is pretty slow."

Mortgage applications fell in the week ended Oct. 13 to their lowest level since 1995, according to the MBA.

Nationally, there were 1.13 million homes for sale or under contract at the end of September, up 2.7% from August and down 8.1% from September 2022, NAR said. That

was the lowest inventory level for any September in data going back to 1999, Yun said. At the current sales pace, there was a 3.4-month supply of homes on the market at the end of September.

Some buyers are finding it easier to negotiate. Tom Palmer of Richmond, Va., put in an offer on a five-bedroom house this spring below the listing price and the seller rejected it. A few months later, he made another offer and the seller was more willing to come to the table. Palmer bought the house in September.

"I think that what happened was, it was the latest rise in mortgage rates," Palmer said. "They just got weary of not having much attention, and they came back and negotiated."

News Corp, owner of The Wall Street Journal, also operates Realtor.com under license from NAR.

Declining Index Points To Economic Slowdown

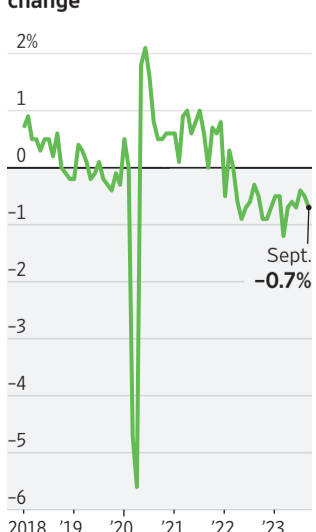
By Joshua Kirby

Economic activity is set to weaken in the U.S., leading to a likely shallow recession next year, according to an economic index that measures business cycles.

The Conference Board said Thursday that its Leading Economic Index fell 0.7% to 104.6 in September after falling 0.5% in August, marking 18 months of consecutive decline.

The index was expected to fall less steeply, by 0.4%, according to economists polled by The Wall Street Journal.

Leading Economic Index for the U.S., monthly percent change



Source: The Conference Board

Nine of the index's 10 components showed flat or negative readings, with fewer initial claims for unemployment insurance the one positive, said Justyna Zabinska-La Monica, senior manager for Business Cycle Indicators at the Conference Board.

Factors including new orders, consumer expectations for business and building permits were negative in September, pointing to weakness ahead, though current economic activity remained positive.

"So far, the U.S. economy has shown considerable resilience despite pressures from rising interest rates and high inflation," Zabinska-La Monica said. "Nonetheless, the Conference Board forecasts that this trend will not be sustained for much longer, and a shallow recession is likely in the first half of 2024."

The Leading Economic Index is a predictive variable that anticipates turning points in the business cycle by around seven months. The indicator is based on 10 components, among them initial claims for unemployment insurance, manufacturers' new orders, building permits of new private housing units, stock prices and consumer expectations. It is intended to signal swings in the business cycle.

BUTTERFLY GRAFF

U.S. NEWS

Jordan Weighs Next Step in Speaker Bid

Conservatives derail alternative plan to temporarily put McHenry in charge

WASHINGTON—Struggling Republican speaker nominee Rep. Jim Jordan postponed to Friday morning a third floor vote after a plan to temporarily put caretaker speaker Rep. Patrick McHenry in charge of the House ran into sharp objections from conservatives.

By Siobhan Hughes, Kristina Peterson, Katy Stech Ferek and Gabriel T. Rubin

Jordan's push to have another vote on his candidacy Thursday fell apart as he met continued resistance from his opponents during a meeting in a House office. As some detractors trickled out, there was no sign he had managed to change their minds.

"He does not have the votes to be speaker," said Rep. Carlos Gimenez (R., Fla.), a Jordan foe, after the gathering. He said a number of lawmakers had encouraged Jordan to drop his bid.

Another opponent, Rep. Mike Kelly (R., Pa.), said Jordan could see the writing on the wall, "and he doesn't even wear glasses."

Republicans have been tied in knots for more than two weeks over filling the vacancy created with the ouster of former Speaker Kevin McCarthy (R., Calif.). Because of the GOP's slim majority in the House, any speaker candidate from the



Few signs emerged that Rep. Jim Jordan would gain ground in a third floor vote to become the next speaker of the House.

party can afford to lose only a handful of Republican votes, assuming all Democrats vote for their own nominee.

Rank-and-file GOP lawmakers this week have been losing patience with Jordan's efforts to continue his campaign for speaker after losses on two consecutive ballots. The now-canceled plan to put McHenry in charge would have given Jordan several months to build support for his bid while allowing the House to move forward with votes expected on Israel and Ukraine aid and keeping the government funded.

Putting the plan in place would have required a House vote. While some Republicans backed the plan, many said they weren't on board.

"We need to be able to bring our agenda forward," said Rep. Mario Diaz-Balart (R., Fla.), who opposed Jordan. "Anything that will get us in that direction I think is a good step," he said. Rep. Jim Banks (R., Ind.), a Jordan supporter, called the plan "a giant betrayal."

Rep. Pat Fallon (R., Texas) estimated that about two-thirds of the House Republican conference opposed the idea.

While the plan would have kept the GOP majority in charge of the narrowly divided chamber, passing any measure to empower McHenry would likely have required Democratic votes, raising the possibility of concessions to get them on board. Democrats have suggested a rule change to enable legislation with significant bipartisan support to come to the House floor without having to go through the Rules Committee.

Thursday saw Republicans and Democrats huddling in separate conference meetings. The lead architect of the plan

to give McHenry more powers, Rep. David Joyce (R., Ohio), initially said he hoped to hold a vote soon. He then backed away from that time line, citing the need to rebut GOP criticism that any vote amounted to a power-sharing arrangement with Democrats.

Rep. Dan Goldman (D., N.Y.) said Democrats weren't seeking dramatic concessions. "We just want the House to open so we can get bills that have bipartisan support on the floor." One major concern of Democrats is getting Ukraine aid passed, which has bipartisan backing but likely no longer

has the support of a majority of Republicans.

It couldn't be determined whether the backup plan was dead or merely had been put on ice. "I think it's still an option," said Rep. Richard Hudson (R., N.C.), the head of House Republicans' campaign arm and a key player in the negotiations over filling the speaker's position.

McHenry was designated speaker pro tempore by McCarthy under a rule that emerged after the 9/11 terrorist attacks that was designed to ensure continuity of leadership. McHenry and other lawmakers have maintained that under the rules of the House, he currently only has narrow powers limited to ensuring the election of a new speaker.

On Wednesday, Jordan fell short of the 217-vote threshold needed to be elected speaker, losing more GOP votes than he had on the first ballot.

House Republicans' narrow 221-212 majority has produced an immutable mathematical reality: With all Democrats voting for their own leader, House Minority Leader Hakeem Jeffries (D., N.Y.), the GOP speaker candidate can lose no more than four Republicans if all members show up and vote for an individual.

Few signs emerged that Jordan would gain votes in a third round, and detractors were predicting he would lose further support. McCarthy, who backs Jordan, on Wednesday said he had two months to sew up GOP backing before his own speaker vote in January and that Jordan should be given "the same time frame" to build support.

Pressure Campaign Against GOP Holdouts Backfires

By Gabriel T. Rubin

WASHINGTON—Rep. Jim Jordan's passionate Republican supporters were supposed to help his campaign for House speaker. Instead, they may be sinking his chances, with lawmakers opposing his run complaining of bullying calls and even death threats.

For days, outside allies, including party activists and media personalities, have turned up the heat on recalcitrant Republican lawmakers, pressing them to back Jordan. But their campaign instead may be hardening the opposition of holdout Republicans who would prefer to look elsewhere for a new leader.

"I will not be pressured, intimidated," said Rep. Mario Diaz-Balart (R., Fla.), who voted Tuesday and Wednesday against Jordan. "I have no intention of moving."

Jordan can afford to lose no more than a handful of GOP

votes in the narrowly divided chamber, assuming all Democrats continue to vote for their nominee, Minority Leader Hakeem Jeffries (D., N.Y.).

The controversy over pressure tactics became more urgent late Wednesday, when Rep. Mariannette Miller-Meeks (R., Iowa), who voted for Jordan on the first ballot but not the second, said she received "credible death threats and a barrage of threatening calls." She said the incidents further soured her on the Ohio Republican and said the party needs a conservative consensus candidate.

Shortly after Miller-Meeks's statement, Jordan released one of his own: "We condemn all threats against our colleagues and it is imperative that we come together. Stop. It's abhorrent."

The speaker post became open two weeks ago, when a group of eight Republicans engineered the ouster of former



Rep. Mariannette Miller-Meeks said she received death threats after voting against Jim Jordan on the second ballot.

Speaker Kevin McCarthy (R., Calif.). Jordan was nominated after Rep. Steve Scalise (R., La.) took himself out of the running last week because of resistance from some conservative members.

Jordan, a close ally of for-

mer President Donald Trump, currently chairs the House Judiciary Committee, which is probing the Biden family. While many GOP lawmakers resented the way McCarthy was removed and Scalise was blocked, Jordan was seen as a

speaker who could get the most fractious members of the conference on board and potentially unite the party.

But some pro-governance lawmakers and centrists in competitive seats weren't enthusiastic about the idea of a Speaker Jordan. To get him the gavel, Jordan allies pressured Republican lawmakers in social-media posts and phone calls, hanging the threat of possible GOP primary challenges over their heads. The pressure may have helped limit Jordan's losses among lawmakers who were lukewarm about his candidacy, but it aggravated many of his more vocal opponents.

Rep. Don Bacon (R., Neb.) shared text messages his wife received from an unknown number saying that he should support Jordan or risk not holding political office ever again. He has voted for McCarthy rather than Jordan in both rounds.

On Thursday, Bacon told reporters that his wife had slept with a loaded gun after receiving some "ugly phone calls."

Appropriations Committee Chair Kay Granger of Texas, a surprise vote against Jordan in the first round of voting, said that she wouldn't be swayed by intimidation and threats. She voted against Jordan again on Wednesday.

Rep. Steve Womack of Arkansas said his aides have been "cussed out" and threatened. "When my staff has to absorb the brunt of this kind of verbal assault, then that's just unacceptable," Womack said, adding that the pressure campaign wouldn't succeed.

Influential conservative figures, including Fox News host Sean Hannity and Tea Party Patriots co-founder Jenny Beth Martin, have urged Jordan supporters to call opponents' offices. A spokeswoman for Fox didn't comment.

LandVest | **CHRISTIE'S**
INTERNATIONAL REAL ESTATE

KENNEBUNK, MAINE
5 & 7 Annies Way | 7.78± Acres | 4,823 sq. ft. | \$2,550,000

Annies Way offers a private 7.78± acres, that includes a 2± acre buildable lot. Located in "The Woods", a highly desirable Kennebunk neighborhood, the property is just a sidewalk stroll to the villages and minutes to Kennebunk Beach, the Webhannet Golf Course and Edgcomb Tennis Club. The residence sited at 5 Annies Way was constructed by Spang Builders to the highest level of workmanship, materials and detail. With its open and sun filled floorplan, this truly special home has four bedrooms, three full baths, two half baths, and two fireplaces. The abutting 2± acre buildable lot, 7 Annies Way awaits one's imagination for a guest cottage, workshop or artisan's studio.

New England's Leading Luxury Real Estate Brokerage

Karen N. Reiche
kreiche@landvest.com | 207-776-8352

John Saint-Amour
jsaint-amour@landvest.com | 207-776-5563

36 Danforth Street, Portland | 207-774-8518 | landvest.com
HQ: 888 Boylston Street | Suite 520 | Boston, MA 02199

Guilty Plea Is Made in Trump Case

Continued from Page One main loyal to the narrative they were pushing in 2020.

Prosecutors have already spoken with Powell and her lawyers and know what she will say on the stand, Rucker said. "She's not going to get up there and exonerate anybody," he said.

A spokesman for Willis declined to comment. Steve Sadow, Trump's lawyer in the Georgia case, said of Powell's plea: "Assuming truthful testimony in the Fulton County case, it will be favorable to my overall defense strategy."

As part of her plea deal, Powell agreed to testify against other defendants in the case and hand over any relevant documents. She accepted six years of probation, a \$6,000 fine and an apology letter to the state of Georgia. She will also be required to pay \$2,700 in restitution, which the state plans to use to pay to replace the voting machines breached in the alleged criminal conspiracy after the 2020 election—the foundation of the charges against her.

Powell had faced the possibility of years in prison if she had been convicted at trial. In a brief court appearance

before Fulton County Superior Court Judge Scott McAfee, Powell mostly gave one-word responses to questions about her understanding of the plea.

"Are you pleading guilty today because you agree that there is a sufficient factual basis, that there are enough facts to support this plea of guilty," McAfee asked her. "I do," she said.

Thursday's plea deal—the second one notched by Willis in the case—came the day before Powell was set to be tried with another former Trump legal adviser, Kenneth Chesebro. With Powell now agreeing to cooperate, Chesebro is scheduled to be tried alone.

Powell and Chesebro exercised their rights to a speedy trial. The other defendants, except for the one who took a plea deal before Powell, are awaiting trial dates and had pleaded not guilty to the charges. Chesebro rejected a plea deal that would have meant no jail time, his lawyer said Wednesday, declining to share further details. ABC News earlier reported that Chesebro declined a deal.

Powell's deal underscores the prosecution strategy of offering plea deals to various defendants in exchange for their cooperation against bigger-name defendants, including Trump.

Georgia businessman Scott Hall pleaded guilty last month to misdemeanor charges in connection to the scheme in Coffee County in exchange for probation and community ser-

vice, and is expected to testify against other defendants.

A lawyer for Mike Roman, another co-defendant and the Trump campaign's 2020 Election Day director of operations, said Thursday that he declined a similar offer of probation in exchange for a guilty plea. Roman was charged, like Chesebro, in connection with his involvement in the strategy to create a slate of alternate electors from several states.

A lawyer for Chesebro declined to comment on Powell's plea deal. In a pretrial motion, Chesebro's lawyers argued that "nothing about Mr. Chesebro's conduct falls outside the bounds of what lawyers do on a daily basis."

Powell's plea marks a stunning fall from grace for a former federal prosecutor and once successful defense attorney.

In 2020, she became a legal adviser to Trump's legal team,



Sidney Powell

and spoke publicly about her belief the presidential election had been marred by fraud and had been undermined by an alleged, murky "deep state" of conspirators, including Dominion Voting Systems. She provided no evidence for her repeated assertions.

In a speech she delivered at a "Stop the Steal" rally in 2020 in Georgia, Powell said: "It is pure evil," referring to the alleged conspiracy. Dominion Voting Systems is suing Powell and others for defamation.

She wasn't present when several local Republican party members accessed Coffee County voting machines on Jan. 7, 2021, she said.

But in court Thursday, she said she contacted local officials with a cybersecurity firm to perform a forensic audit on Dominion Voting Systems voting equipment.

Although Chesebro and Powell were initially set to be tried together, the charges against them stemmed from different parts of the alleged conspiracy.

Chesebro wrote legal memos devising a strategy of using so-called alternate electors to prevent Joe Biden from receiving 270 electoral votes. Willis alleges the memos amounted to a scheme violating several criminal statutes.

Willis's team is expected to put on their entire case—that is, tell jurors about actions taken by all 19 defendants in furtherance of the alleged racketeering conspiracy.

—Alex Leary contributed to this article.

PAID ADVERTISEMENT



Open Letter from Retired U.S. Military Leaders In Support of Israel During Operation Swords of Iron



October 7, 2023 was one of the darkest days in Israel's history as the Iran-backed terrorist group Hamas launched a barbaric attack killing and injuring thousands. The days since have been no less bloody. To minimize the further loss of innocent lives, the United States should fully support Israel as it fights back against this terrorist threat.

As retired American military leaders who devoted our lives to defending the nation, and many of whom served in the Middle East, we stand beside Israel and recognize its right to defend itself against the Iran-backed terrorist threats that surround it on all sides. To borrow from Winston Churchill, Israel might be fighting by itself alone but it is not fighting for itself alone. We have seen firsthand how Israel shares and helps protect American interests and values; we should not hesitate to come to Israel's aid in its hour of need.

We know the importance of having adequate supply of weapons to being able to fight back effectively, and the dangers of running low on ammunition and waiting for resupply in the middle of a war. We understand clearly how strong and unwavering U.S. support for Israel reduces the dangers of further escalation and attack. And we appreciate the great efforts of the Israel Defense Forces to follow international law in their operations against enemies that intentionally abuse those same laws to endanger civilians and portray Israel as the aggressor.

We commend the Biden administration for its swift and firm support for Israel and Congress's many statements of support. Unfortunately, with Israel facing a protracted conflict, more assistance will be needed. We call upon the Biden administration and Congress to work together in a bipartisan manner to continue giving Israel the support it needs – militarily, diplomatically, logistically and with intelligence – for as long as it needs to defend itself and eliminate this threat. This should include immediate resupply to Israel of American-produced munitions that are critical to protecting Israeli civilians from the terrorists' indiscriminate rocket attacks. The United States should continue to reinforce, through word and action, President Biden's important message of American deterrence to Iran, Hezbollah, and "any party hostile to Israel" not "to exploit these attacks to seek advantage," especially through efforts to widen the war to other fronts or by targeting U.S. forces deployed in the region. U.S. assistance should also extend to defending Israel in all international settings, especially at the United Nations, from the spurious accusations that are certain to be levied against it.

Israel is strong enough to defend itself, by itself. It will prevail, regardless the cost. With American assistance, that cost can, and should, be reduced. Steadfast American support will not only help Israel defend itself today but also signal to the world – U.S. friends and foes alike – that America remains a force to be counted on.

Gen Joseph F. Dunford Jr., USMC (ret.)

ADM Edmund P. Giambastiani, Jr., USN (ret.)

Gen James Amos, USMC (ret.)

Gen James Conway, USMC (ret.)

GEN Frank Grass, USA (ret.)

ADM Jonathan Greenert, USN (ret.)

Gen Robert B. Neller, USMC (ret.)

Gen Mark A. Welsh III, USAF (ret.)

ADM Paul Zukunft, USCG (ret.)

Gen Philip Breedlove, USAF (ret.)

Gen Kevin Chilton, USAF (ret.)

ADM William E. Gortney, USN (ret.)

ADM Timothy Keating, USN (ret.)

Gen Duncan J. McNabb, USAF (ret.)

Gen C.T. "Tony" Robertson, Jr., USAF (ret.)

GEN David Rodriguez, USA (ret.)

GEN Walter Sharp, USA (ret.)

GEN James D. Thurman, USA (ret.)

Gen Thomas Waldhauser, USMC (ret.)

Gen William Begert, USAF (ret.)

ADM Bruce Clingan, USN (ret.)

Gen Donald G. Cook, USAF (ret.)

Gen Terrence R. Dake, USMC, (ret.)

ADM Mark Fitzgerald, USN (ret.)

ADM Michelle J. Howard, USN (ret.)

ADM Jerome Johnson, USN (ret.)

Gen Gregory S. Martin, USAF (ret.)

Gen W.L. Nyland, USMC (ret.)

GEN Dave Perkins, USA (ret.)

Gen Chuck Wald, USAF (ret.)

Gen Steve Wilson, USAF (ret.)

LTG Robert Ashley, USA (ret.)

LTG Mick Bednarek, USA (ret.)

Lt Gen William Bender, USAF (ret.)

VADM John Bird, USN (ret.)

LtGen Arthur Blades, USMC (ret.)

LTG H Steven Blum, USA (ret.)

Lt Gen Walter Buchanan, USAF (ret.)

VADM William Burke, USN (ret.)

LtGen George R. (Ron) Christmas, USMC (ret.)

LtGen Thomas L. Conant, USMC (ret.)

VADM Bob Conway, USN (ret.)

LtGen Jon Davis, USMC (ret.)

Lt Gen David A. Deptula, USAF (ret.)

Lt Gen Eric Fiel, USAF (ret.)

VADM Mark Fox, USN (ret.)

LTG David P. Fridovich, USA (ret.)

Lt Gen Mike Gould, USAF (ret.)

Lt Gen Joseph Guastella Jr., USAF (ret.)

LtGen Earl Hailston, USMC (ret.)

VADM Robert Harward, USN (ret.)

LTG John D. Johnson, USA (ret.)

VADM Dennis A. Jones USN (ret.)

VADM Mary E. Landry, USCG (ret.)

LTG Stephen Lanza, USA (ret.)

LTG Kevin Mangum, USA (ret.)

LTG Raymond Mason, USA (ret.)

Lt Gen Charles May, USAF (ret.)

LTG William Mayville, USA (ret.)

LtGen Frederick McCorkle, USMC (ret.)

Lt Gen Kevin McLaughlin, USAF (ret.)

RADM William F. Merlin, USCG (ret.)

VADM John Miller, USN (ret.)

LtGen Rich Mills, USMC (ret.)

Lt Gen C D Moore, USAF, (ret.)

LtGen R. F. Natonski, USMC (ret.)

Lt Gen Chris Nowland, USAF (ret.)

Lt Gen Tad Oelstrom, USAF (ret.)

LTG Raymond Palumbo, USA (ret.)

LtGen Frank Panter, USMC (ret.)

VADM Brian Peterman, USCG (ret.)

VADM Carol Pottenger, USN (ret.)

LtGen John Sattler, USMC (ret.)

VADM Herman Shelanski, USN (ret.)

Lt Gen Jay Silveria, USAF (ret.)

LTG Thomas Spoehr, USA (ret.)

VADM Sandra Stosz, USCG (ret.)

LtGen John Toolan, USMC (ret.)

Lt Gen Thomas Trask, USAF (ret.)

LtGen George J. Trautman, USMC (ret.)

LTG Keith Walker, USA (ret.)

Lt Gen John L. Woodward Jr., USAF (ret.)

RADM Fred Ames, USCG (ret.)

RADM Charles J. Beers Jr., USN (ret.)

RADM Garry J. Bonelli, USN (ret.)

Maj Gen Jack Catton, USAF (ret.)

MajGen Mark A. Clark, USMC (ret.)

Maj Gen Richard T. Devereaux, USAF (ret.)

MajGen Jon A. Gallinetti, USMC (ret.)

Maj Gen Kenneth R. Israel, USAF (ret.)

RADM Brian Losey, USN (ret.)

MajGen Bradley Lott, USMC (ret.)

MajGen Jarvis Lynch, USMC (ret.)

MG John Macdonald, USA, (ret.)

RADM Edward Masso, USN (ret.)

Maj Gen James C. McCombs, USAF (ret.)

RADM Terry McKnight, USN (ret.)

RADM Mark R. Milliken, USN (ret.)

MG William C. Moore, USA (ret.)

MajGen Gordon Nash, USMC (ret.)

MajGen Dave Richwine, USMC (ret.)

RADM Harold L. Robinson, USN (ret.)

RADM Scott Sanders, USN (ret.)

Maj Gen Lawrence Stutzriem, USAF (ret.)

MajGen Larry Taylor, USMCR (ret.)

RADM Jeremy D. Taylor, USN (ret.)

MajGen Kenneth W. Weir, USMCR (ret.)

BG Anne MacDonald, USA (ret.)

BGen Michael Mulqueen, USMC (ret.)

The Jewish Institute for National Security of America (JINSA) is dedicated to advancing U.S. national security interests in the Middle East, of which a critical pillar is a robust U.S.-Israel security relationship. JINSA believes that Israel is the most capable and critical U.S. security partner in the 21st century and that a strong America is the best guarantor of Western civilization.

JINSA is a non-partisan, 501c(3) organization. To learn more, visit: jinsa.org

Paid for by JINSA

U.S. NEWS

Seeking Love In D.C.? Call Sen. Grassley

By JENNIFER CALFAS

The staid and solemn halls of power—all dark wood and ugly carpets—aren't an obvious setting for romance to flourish. But one small corner of Capitol Hill has emerged as D.C.'s own Love Island.

Sen. Chuck Grassley, one of the longest-serving senators in history, is somewhat of a matchmaker. Twenty couples—so far—met while working for the Republican lawmaker and eventually got married, according to his office. Current and former staffers who have tied the knot say the longtime Iowa senator revels in the number of staffers who found love with one another.

Jennifer Heins Davis, Grassley's chief of staff, and Nick Davis, a former Grassley legislative aide who now works for Iowa's attorney general, are the latest couple to get married. They met in Grassley's office in 2013, became friends and started dating years later after Nick Davis left the office. They walked down the aisle last weekend in Cedar Rapids, Iowa—with Grassley and his wife, Barbara Grassley, in attendance.

"It's something he takes pride in and has for a long time," Jennifer Heins Davis said of Grassley's feelings about the couples his office has produced. "As the number grows, his heart grows towards it."

Grassley, 90, revealed his office's matchmaking bona fides in a social-media post Monday congratulating the Davises. Some users on X, formerly Twitter, noted Grassley's office may be better at pairing up couples than "Love Island" or "The Bachelor." Others, seemingly eager to find their soulmate, asked if he was hiring. Grassley got a kick out of the reactions, Jennifer Heins Davis said.

"I told him maybe we should start using it as a recruitment tool," she said. "That was a joke, obviously."

In a statement to The Wall Street Journal, Grassley said his own marriage is a symbol



From left to right, Barbara Grassley, Nick Davis, Jennifer Heins Davis and Sen. Grassley

of his commitment to long-lasting love. He and his wife have been married for 69 years. They celebrated their most recent anniversary in August over pork chops at a steakhouse in Conrad, Iowa.

"We know the importance of a strong marriage," Grassley said in the statement. "It's an honor to know that my office is where so many soulmates found each other."

Grassley isn't the only senator with a matchmaking record. The New York Times dubbed Senate Majority Leader Chuck Schumer the "Yenta of the Senate" in 2012 and highlighted the growing number of nuptials between his staff members. His office didn't respond to requests for comment.

Grassley's career in Washington, D.C., spans more than four decades, ample time for the senator to advocate for Iowa's interests on the national

level—and for myriad love stories to flourish. The first Grassley-sponsored couple met while working for his 1980 U.S. Senate campaign.

Kathy Nuebel Kovarik and Kurt Kovarik met working in the senator's office in 1998 and married in 2003. The couple spent years working alongside each other and didn't leave his office until 2017 and 2018, respectively. Coordinating the logistics of pickup for their children is easier when your officemate is your spouse, they said. Sometimes, lunch breaks at the cafeteria made a good substitute for date night.

There are other perks of having your staff members

marry each other, Kurt Kovarik said.

"In his mind, he thinks he saved on health insurance," he joked.

The Kovariks at first kept their budding romance a secret. Then they ran into Grassley at the airport on their way to a wedding.

"You saw the lightbulb go off in his head," Kurt Kovarik said. "He called his press secretary within a minute of that to share the news that he discovered the two of us were dating. He's had no shortage of marital advice since then."

The senator's wife is also part of the matchmaking action. Kathy Nuebel Kovarik said

Twenty couples met while working for the Iowa senator—and got married

IRS Allows Employers To Drop Tax Credit

By RICHARD RUBIN

WASHINGTON—The Internal Revenue Service opened an escape hatch from one of its major tax-enforcement campaigns, giving employers the ability to withdraw pending claims for a pandemic-era tax credit that has become a headache for the agency.

Employers who haven't received their refunds or cashed their checks for the employee-retention credit can now withdraw their claims without penalties or interest, even if they are already under audit. If the IRS accepts their withdrawal, it would effectively end an audit.

The IRS set up a website with detailed instructions about withdrawals on Thursday. It will later offer a settlement program for anyone who already received money but now wants to repay the government and avoid penalties.

The IRS move is part of the agency's attempt to combat fraud and abuse in the tax credit, known as the ERC. Congress created the credit in 2020 to keep workers attached to jobs during the pandemic. It expired in 2021, but claims then boomed as a cottage industry of consulting firms urged employers to amend old tax returns and claim up to \$26,000 per employee. The tax credit has cost U.S. taxpayers about \$230 billion, or roughly triple earlier estimates.

IRS officials say many recent claims are overstated or ineligible. To qualify, employers must show a minimum specified decline in revenue or prove that their operations were fully or partially suspended by a government order.

The IRS has more than 800,000 ERC claims that it hasn't processed or paid yet.

Barbara Grassley gave her some strong words of advice when the couple was still dating.

"She looked at me and she said, 'You know, he needs to put a ring on it,'" Kathy Nuebel Kovarik said. Her future husband was within earshot.

"I think the way [Grassley] phrased it in a letter to me was, 'If it weren't for Mrs. Grassley, you would never be married,'" she added.

Grassley's success rate isn't necessarily surprising, said Callie Harris, a matchmaker with Three Day Rule in Washington. People looking for love often seek lifestyles, values, mindsets and goals that align with their own, she said. Working for a particular member of Congress might suggest a person holds a particular set of values.

"It is kind of a nice, perfect storm of compatibility when you think about the big factors we think about," Harris said.

"I love that he's kept a tally, though," she said of Grassley's growing count.

For some, Grassley's D.C. office is an Iowa oasis where staffers can become fast friends by bonding over their home state, said Susan Gentz, who met her husband, Ben, while working in Grassley's office in 2011.

Gentz didn't expect to meet her future husband at work when she moved to D.C. to launch her career. "It's not a 'MRS' degree," she said. But Grassley's office made it easier to find someone with a similar background and set of values, she said. Susan and Ben Gentz left Grassley's office in 2012 and 2013, respectively, wed in 2014 and moved back to Iowa—"the motherland," as Susan Gentz called it.

With three children and another on the way, Gentz wonders: "How many new lives have been created because he's been in office?"

More nuptials are on the way, too. Another Grassley-backed couple—one current and one former staffer—are already set to get married in 2024.

U.S. WATCH



KICK START: Dozens of dancers rehearsed at St. Paul the Apostle Church in New York on Thursday for the annual Radio City Rockettes Christmas Spectacular.

FBI IT Workers Sent North Korea Funds

Thousands of information technology workers contracting with U.S. companies have for years secretly sent millions of dollars of their wages to North Korea for use in its ballistic missile program, FBI and Justice Department officials said.

The Justice Department said IT workers dispatched and contracted by North Korea to work remotely with companies in St. Louis and elsewhere have been using false identities to get jobs. The money they earned was funneled to the North Korean weapons program, FBI leaders said in St. Louis.

Federal authorities announced the seizure Wednesday of \$1.5 million and 17 domain names as part of the investigation, which is ongoing. Jay Greenberg, special agent in charge of the St. Louis FBI office, said any company that hired freelance IT workers "more than likely" hired someone participating in the scheme. An FBI spokeswoman said Thursday that the North Koreans contracted with companies in the U.S. and other countries.

—Associated Press

PACIFIC NORTHWEST Expansion Allowed For Gas Pipeline

Federal regulators on Thursday approved the expansion of a natural-gas pipeline in the Pacific Northwest over the protest of environmental groups and top officials in West Coast states, who said it goes against the region's plans to address climate change and could pose a wildfire risk.

The project, known as GTN Xpress, aims to expand the capacity of the Gas Transmission Northwest pipeline, which runs through Idaho, Washington and Oregon, by about 150 million cubic feet of natural gas a day.

The Federal Energy Regulatory Commission gave it the green light in a vote on Thursday.

The pipeline belongs to TC Energy of Calgary, Canada—the same company behind the now-abandoned Keystone XL crude oil pipeline. The company said the project is necessary to meet consumer demand.

Environmentalists and officials opposed to the project have expressed concern about TC Energy's safety record.

—Associated Press

CALIFORNIA Butler Won't Seek Full Term in 2024

Newly appointed California Democratic Sen. Laphonza Butler won't seek election to a full term in 2024, avoiding what would have been a costly and competitive race for the seat held for three decades by the late Dianne Feinstein.

Butler—who was named earlier this month by Democratic Gov. Gavin Newsom to complete Feinstein's remaining term—said in a statement she made the decision after considering "what kind of life I want to have, what kind of service I want to offer and what kind of voice I want to bring forward."

"Knowing you can win a campaign doesn't always mean you should run a campaign. I know this will be a surprise to many because traditionally we don't see those who have power let it go," Butler added.

Her candidacy would have complicated an already crowded race that includes several other prominent Democrats—U.S. Reps. Katie Porter, Adam Schiff and Barbara Lee—and Republican Steve Garvey, a former baseball MVP.

—Associated Press

collette

EXPLORATIONS:
SMALL GROUPS,
BIG ADVENTURES.

Join Collette, North America's longest running guided tour operator, and find the adventure you've been dreaming of. With small group tours across the globe, travel alongside an average of 16 travelers. Dive deep into culture and connect with locals for the most authentic experience.

For reservations, call Collette at 844.217.9717 or see your Travel Professional and ask for Collette.

visit [gocollette.com](https://www.gocollette.com)

Visit Our Website

CST No. 2006766-20, UBI No. 601-220-855, Fla. Seller of Travel Reg. No. ST35613

FROM PAGE ONE

Sales Drop For iPhones Spurs Visit

Continued from Page One
 growing competition from domestic rivals and a sluggish consumer economy. At the same time, the company has to contend with increased suspicion of U.S. technology companies among officials, fueled by intensifying geopolitical competition between China and the U.S.

According to Counterpoint Research, in the first 17 days of its release, sales of Apple's most popular iPhone 15 models—the 15 Pro, 15 Pro Max and 15—fell 10% in comparison with similar iPhone 14 models last year.

The Wall Street Journal reported in September that authorities in China had ordered government employees not to use iPhones for work, and that Apple staff had been meeting with Chinese officials over new rules that will restrict foreign apps currently available on the Chinese version of

the iPhone app store. Apple hasn't commented on the ban or the new rules.

In his meeting with Cook in Beijing on Wednesday, Wang said China would continue to expand market access for foreign companies and was committed to creating a market-oriented business environment, according to an official readout. Cook said Apple cherishes the achievements of its 30-year presence in China, the readout said.

"My trip to China is going exceptionally well," Cook said in video footage of the meeting posted online by state media.

On Thursday, the executive told China's chief information-technology regulator that Apple was committed to growing together with local suppliers.

Cook's visit began on Monday in the southwestern province of Sichuan, where Apple makes many of its tablets and laptops. The executive dropped in on a mobile-gaming tournament held at a local Apple store and watched grade-school children fly drones controlled with their iPads. He later traveled to eastern China to visit the factory of Luxshare Precision, a Chinese supplier whose role in assembling Ap-

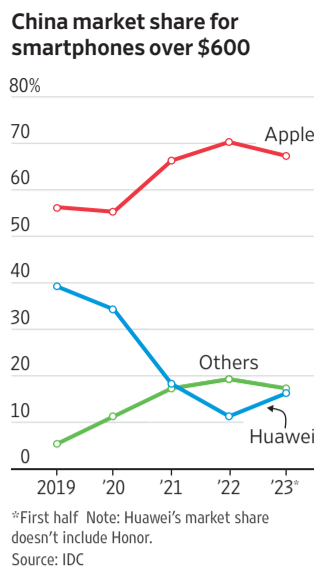
ple products has grown rapidly over the past few years.

While questions linger over the future of Apple's supply chain in China as the company moves to shift some production elsewhere, the consumer side of its Chinese business poses a more immediate concern.

iPhones were once so highly sought-after that Chinese consumers would stand in snaking lines outside Apple stores days ahead to buy them, but some analysts said a sluggish economy has damped consumer demand.

"Chinese consumer sentiment has changed," said Will Wong, a smartphone analyst with IDC. "China's economy is different from the prepandemic period, and consumers are more rational now with their spending habits. They are no longer rushing to be the first ones to get iPhones anymore."

Meanwhile, strong competition from homegrown smartphone rival Huawei is taking the shine off Apple devices, despite new features such as titanium cases and better cameras. China Securities, a domestic brokerage firm, said in a note that Huawei almost doubled its share of China's smartphone market in the month to Oct. 2,



powered by the surprise release of its high-speed smartphone Mate 60 Pro series.

Some online resellers in China have begun to offer iPhone 15 devices for less than the original price, a reversal from years past when such phones sold at a premium in the gray market. Unlike previous versions of the device, the iPhone 15 didn't make the list of the hottest topics on popular Chinese social-media site Weibo on its release day.

Counterpoint analyst Ethan Qi said Apple sales in China could still recover, as supplies of high-end iPhone models—typically the bestselling in China—increase.

Apple didn't respond to a request for comment on iPhone sales in China.

Apple also finds itself caught in the political crossfire between Beijing and Washington, with both governments increasingly giving priority to national-security concerns over commerce. Shares of Apple fell more than 3% after the news emerged that China was moving to ban the use of iPhones by central government employees.

The ban showed Apple could be collateral damage amid U.S.-China frictions, said Han Lin, China country manager for the Asia Group, a business-consulting firm. "It's a signal from the Chinese that even Apple isn't untouchable," Lin said.

China became Apple's largest market for iPhones in the second quarter for the first time based on shipment data, according to research firm TechInsights.

Greater China accounted for around a fifth of Apple's global revenue in the April-to-June

quarter, making it the company's third-biggest market after the Americas and Europe.

On Tuesday morning, as news of Cook's China visit filtered out, the list of popular topics on Weibo included several related to Apple: the company's lethargic sales in China, its weaker position versus Huawei and consumer complaints about a display problem with the latest iPhones.

In Sichuan, where Cook met the most senior Communist Party official in the region, he announced a donation of 25 million yuan, equivalent to \$3.4 million, to the government-backed China Foundation for Rural Development, for rejuvenating China's rural areas. That followed separate pledges this year to support education and flood relief. Cook said in a social-media post that the company had been working with the foundation for a decade to support rural development in Sichuan province.

Foreign businesses often use such donations to demonstrate their commitment to China and improve relationships with policy makers, as corporate social responsibility in China is often party- and government-driven, Asia Group's Lin said.

China Holds Japanese Executive on Espionage Charge

By MIHO INADA

TOKYO—China formally arrested a Japanese pharmaceutical executive who had been detained since March, Tokyo said, in a move likely to further chill business travel to the nation.

Hirokazu Matsuno, Japan's chief cabinet secretary, on Thursday said the **Astellas Pharma** executive, whom China has previously identified as Hiroshi Nishiyama, was arrested in mid-October.

Matsuno said Tokyo had made strong appeals to Beijing for the early release of the executive and would continue doing so.

Nishiyama, a prominent member of the Japanese business community in

China, disappeared in late March on what was supposed to be his last day there after wrapping up his assignment.

A few days later, China's Foreign Ministry said he was suspected of espionage.

China's State Council Information Office, which handles media inquiries on behalf of the Chinese government, didn't respond to a request for comment. A Foreign Ministry spokeswoman on Thursday said China would act in accordance with the law. An Astellas spokeswoman declined to comment.

Matsuno said Japan has been supporting the detained executive through consular meetings and contacts with his family.

Japanese executives have said Nishiyama's case was deterring travel to China and that news of his arrest deepened those concerns.

Hideji Suzuki, a Japanese man who was held for more than six years in China, said he had believed the main hope for Nishiyama was to get him freed before an official arrest.

"There is now no way to save him," said Suzuki, adding that based on previous cases, Nishiyama is likely to be indicted and convicted.

Suzuki, who worked for many years on Japan-China

exchange programs, went through a similar process himself—an initial detention followed by formal arrest, indictment and conviction.

He was released and returned to Japan in October 2022.

A spate of detentions and travel restrictions in recent years involving both Chinese and non-Chinese executives has made many foreign businesses wary about travel to China, although most of the cases involve people with longtime connections to China rather than short-term business travelers.

The Astellas Pharma executive has been detained since March.

This month, China released Australian journalist Cheng Lei after detaining her for more than three years.

Beijing said Cheng was tried and convicted of providing state secrets to a foreign organization.

Australia said the matter was concluded through legal processes in China.

Japan's government said in April that the Astellas executive was the 17th Japanese citizen detained by Chinese intelligence since 2015.

Five of them, including the Astellas executive, remain detained.

Chinese authorities have taken an increasingly tough stance on foreign businesses this year and emphasized national security.

In July, China started en-

forcing an updated anti-espionage law that gives the state greater control over a range of digital activities.

Authorities have raided the offices of due-diligence firm Mintz Group, questioned the staff of U.S. consulting firm Bain & Co. and implemented strict new data rules.

These moves have damaged American businesses' confidence in China, which is at its lowest level in decades.

A senior executive at U.S. risk-advisory firm Kroll who is a Hong Kong passport holder has been barred from leaving mainland China since July, The Wall Street Journal reported in September.

—Clarence Leong in Singapore contributed to this article.



NOT ALL DANGERS COME WITH WARNING LABELS

If you're 60 or older, talk to your pharmacist or doctor about getting vaccinated against RSV today. RSV vaccines, including Pfizer's, are available.

Learn more at [BewareofRSV.com](https://www.bewareofRSV.com)



PP-RES-USA-0191 September 2023 ©2023 Pfizer Inc. All rights reserved. September 2023.

WORLD NEWS

Israel Gears Up for Likely Gaza Invasion

Ground forces would probably target Hamas leaders and vast tunnel network

By DOV LIEBER

Israel continued its airstrikes on the Gaza Strip Thursday, as it prepares troops and lays the groundwork for a possible invasion of the enclave.

For nearly two weeks, Israel has been readying for a possible invasion of Gaza by carrying out thousands of airstrikes on the enclave, targeting Hamas's leaders, its special forces and strategic assets, including intelligence posts and an underground tunnel network, as it seeks to weaken the group before sending in the thousands of Israeli soldiers massed at the border.

Israel has been asking Gazans to leave the northern part of the enclave, warning of a coming battle in Gaza City, Hamas's military stronghold. Israeli officials have said they are preparing for a ground, air and sea assault on Gaza after the Oct. 7 attack by Hamas on towns in Israel's south.

The start of a ground invasion could be weeks off and could take many months, say analysts and Israeli officials.

"You now see Gaza from afar. Soon you will see it from within. The order will come," said Israeli Defense Minister Yoav Gallant on Thursday during a tour of troops on the Gaza border.

Analysts say part of the Israeli calculus for how soon it must send troops into Gaza will be the growing international pressure to ease its air campaign over the enclave.

Israelis and Palestinians have traded blame for Tuesday's deadly explosion at the Al-Ahli Arab Hospital in Gaza. Israel, Washington and independent security experts have said preliminary evidence points to a local militant group, Palestinian Islamic Jihad.

Israel has refrained from



Israeli soldiers patrolled an area at the border between Israel and the Gaza Strip on Thursday.

rushing into a ground operation, despite mobilizing more than 300,000 soldiers, according to Israeli military officials.

Before the hospital explosion, Israeli military spokesman Richard Hecht said that while Israel is prepared for a ground operation, it may seek to eliminate Hamas by other means. That could include a sustained siege of Gaza, intensified bombing of Hamas's leadership and military sites or limited ground incursions, said former security officials.

Some say an operation that is short of a full invasion wouldn't be sufficient to achieve Israel's goal of eradicating Hamas. "This might hurt Hamas—but not eliminate Hamas. It won't restore deterrence or radically change the rules of the game," said Shimrit Meir, who was a senior diplomatic adviser to former Israeli

Prime Minister Naftali Bennett. "The message the terrorists will get is—you can commit the most horrific, barbaric crimes against humanity—and basically get away with it," she said.

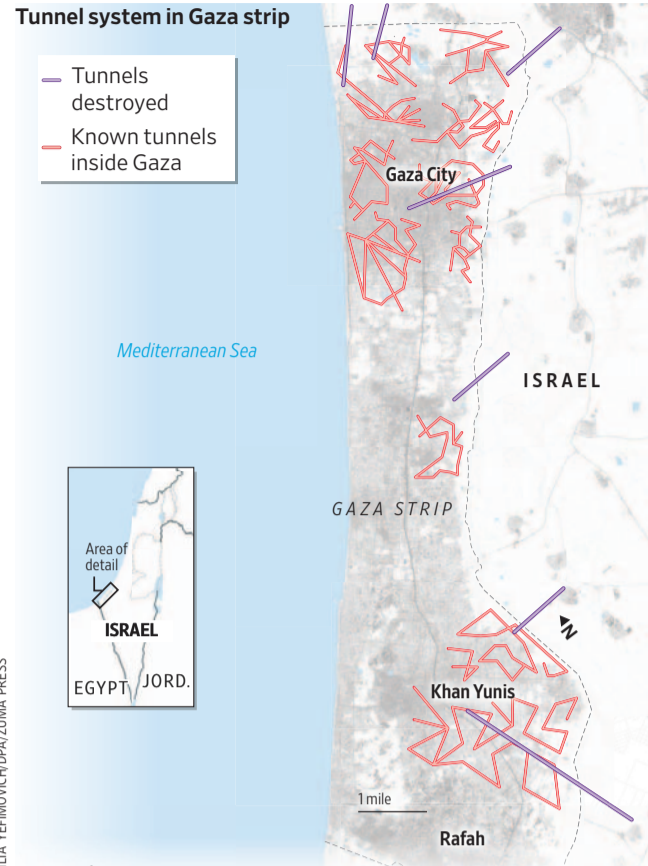
Complicating a ground invasion is the fact that Hamas has had a year or more to plan for such an assault, according to the group's own statements. It has set booby traps for Israel's infantry, acquired new and more advanced weapons and built at least hundreds of miles of underground tunnels, said former Israeli security officials.

Israeli airstrikes are demolishing known exit points of Hamas's tunnels, bisecting those passages. They also are destroying antitank missile launching posts and intelligence infrastructure, and are clearing areas of Gaza to ease the ground operations, said current and former Israeli mili-

tary officials. The army is giving time for civilians to move out of Gaza City, where the brunt of the battle is expected. Israeli officials say they also are getting all the gear necessary to the force that would need to operate through the winter.

The Israeli siege, while creating a humanitarian crisis in the enclave, is aimed at weakening Hamas's men, the former officials say.

"The longer we wait for the ground invasion, the more we can soften the ground and underground targets before we go in," said Jacob Nagel, a former national-security adviser and now a senior fellow at the Foundation for Defense of Democracies. He said Israel would like to take as much time as it could to continue its current strategy but must consider what kind of window it has before international pressure forces it to ease



Note: As of 2014. Source: Israeli Defense Forces

Carl Churchill/THE WALL STREET JOURNAL

its aerial assault. Israel has told Gazans to move south, warning it plans to carry out an offensive in the north.

With hundreds of civilians and soldiers taken captive by Hamas and other Gazan forces, Israel's leaders also must consider domestic pressure to launch a ground operation to return the hostages, said Nagel.

Nagel said Hamas surprised Israel with the scale and quality of its weapons used in the Oct. 7 attack. He and current Israeli officials said some of the weapons appeared to come from Iran and Russia. "We have to assume that from what we know about weapons, they are saving the most advanced ones for our invasion," he said.

One of the key challenges awaiting Israeli troops is an extensive underground tunnel network dug by Hamas in Gaza. Israeli airstrikes now are

partly targeting buildings where the tunnels have exit points, as well as cutting off tunnels, making them less effective, said Miri Eisin, a former deputy head of the combat intelligence corps and assistant to the director of military intelligence.

Israel also could employ bunker-busting bombs to further erode the tunnel network, but Israel is waiting to clear out as many civilians from northern Gaza before using the powerful weapons, she said.

But, to destroy the tunnel network, Israeli soldiers must operate deep inside Gaza. The system is well known by Hamas's fighters, and is likely to contain many booby traps.

"For any type of action inside tunnels, there are heavy casualties," Eisin said. "You try to limit them, but you cannot eliminate them."

NEWS WIRED FOR
ADVANTAGE

Gain an edge for market decisions and the investor experience

Outperforming financial markets and nurturing client relationships requires a trusted, comprehensive news source. With Dow Jones Newswires' market-moving news, robust data and expert insights, you're wired to thrive in today's complex and competitive financial markets.



Find your edge at dowjones.com/get-newswires

DOW JONES
NEWSWIRES

WORLD NEWS

U.S. Forces In the Mideast Are Attacked

By NANCY A. YOUSSEF AND GORDON LUBOLD

U.S. forces in the Middle East came under attack several times this week, a potential sign of heightened aggression toward the U.S. following Hamas's attack on southern Israel this month.

Such attacks are typically carried out by Iranian-aligned militia groups, but U.S. military officials didn't confirm the perpetrators of this week's attacks.

"These small scale attacks are clearly concerning and dangerous," said Air Force Brig. Gen. Pat Ryder, a Pentagon spokesman.

The U.S.'s strong support for Israel, while civilians in Gaza are facing a humanitarian crisis and airstrikes, has prompted widespread anger at the U.S. in the region, and masses of protesters have denounced the U.S. as well as Israel.

A U.S. destroyer operating near Yemen and three military bases in the Middle East came under suspected drone attacks this week.

Nearly two dozen drones swarmed the USS Carney, a guided-missile destroyer, earlier Thursday, defense officials said.

The destroyer also intercepted three land-attack cruise missiles near the coast of Yemen in the northern Red Sea where the ship was operating, the Pentagon said. The Pentagon didn't say what the Carney used to shoot down the drones or to intercept the

missiles, except to say it happened over water.

"We cannot say for certain what these missiles and drones were targeting, but they were launched from Yemen heading north along the Red Sea, potentially toward targets in Israel," Ryder said on Thursday.

U.S. forces in Iraq and Syria came under attack a number of times this week.

Two drones attacked al-Tanf base near the Jordanian and Iraqi borders Wednesday, causing minor injuries, defense officials said.

One drone was shot down and destroyed, and another hit the base, causing what U.S. military officials described as

"minor injuries."

Drones attacked al-Asad Airbase in western Iraq, causing minor injuries to a number of troops, U.S. military officials said.

A contractor based in al-Assad experienced a cardiac event while trying to take shelter and later died, the officials said.

A separate attack against U.S. and coalition forces at al-Harir base in northern Iraq resulted in no injuries or damage, officials said.

Earlier, a pro-Palestinian militant group said it had carried out attacks on U.S. bases in Syria.

The Pentagon declined to link the attacks, saying it was looking at them "individually," Ryder said.

There are roughly 2,500 U.S. troops in Iraq and another 900 in Syria.



People searched through debris outside the Al-Ahli Arab Hospital in central Gaza on Wednesday after the deadly blast there.

Confusion Over Hospital Explosion Reflects Issues in Covering Conflict

By ALEXANDRA BRUELL

On Tuesday, the New York Times and The Wall Street Journal put out alerts saying a blast at a Gaza hospital was caused by an Israeli airstrike, killing more than 500 people, citing Palestinian officials.

It soon became clear the story wasn't going to end there. Israel denied it was responsible. Over the hours, headlines were tweaked, new alerts went out, and by Wednesday, both news organizations were reporting that Israel and the U.S. government said evidence suggested the blast was caused by a Palestinian group.

Reporting during wartime is always challenging. The confusion in newsrooms over the blast at the Gaza hospital, which journalists couldn't access, was a prime example of the challenge.

"During any breaking news event, we report what we

know as we learn it," a Times spokesman said. "And as the facts on the ground become more clear, we continue reporting. Our extensive and continued reporting on the hospital in Gaza makes explicit the murkiness surrounding the events there."

A spokeswoman for the Journal had no comment on the Gaza hospital-blast coverage.

Other major news organizations also attributed the blast to an Israeli airstrike in their initial reporting, citing Palestinian officials. It is difficult for news organizations to verify information in a war zone.

Washington Post International Editor Douglas Jehl said the Post has been cautious regarding assertions from either side of the war, partly because of the extraordinary velocity of the story.

We "take steps to remind our reporters that the first reports in a war are often wrong,

and we need to take a pause to make sure we're not jumping to conclusions," he said.

Jehl also said the ease with which misinformation can be spread on social media and the rise of artificial intelligence that can create realistic-looking footage have made fact-checking even more challenging.

The Post is leaning heavily on a visual forensics team to validate videos and other information, Jehl said. "We're very aware of disinformation and manipulated images from AI."

Bill Grueskin, a professor at Columbia Journalism School and a former Journal editor, said one challenge news organizations face is the lack of resources on the ground in Gaza, where the hospital was hit.

"Imagine if someone was on the ground an hour after the blast, shooting live video, someone from a credible news source," he said. "That would have had a lot of power."

Grueskin said explainers and "how we know what we know" sidebars can be used to explain the reporting process to readers and build trust.

Getting the facts straight isn't the only challenge. News organizations are paying close attention to their language in describing the conflict and the parties involved, mindful that many readers and viewers are sensitive about how the war is portrayed.

Hamas in particular is a complicated organization to describe, senior news employees say. A CNN employee said it is complex to find the right words to describe Hamas, and many other aspects of the conflict.

The Journal doesn't refer to Hamas as a terrorist group in its own voice, but says the U.S. characterizes the organization that way. A note to senior editors clarified that and other aspects of war coverage.

FEEL THE FRESH AIR
WHENEVER YOU LIKE

SIDE WINDOW DEFLECTORS

When you're out for a drive, the weather shouldn't decide when you get a taste of fresh air. WeatherTech's custom-fitting, OEM-look Side Window Deflectors install in the window channel and allow fresh air to circulate while you drive. Discover more custom-fitting solutions at WeatherTech.com.

WeatherTech.com
 Auto. Home. Pet. Find Your Fit. 1-800-441-6287

© 2023 MacNeill IP LLC

THE LAB OF LUXURY
 DISCOVER LAB-GROWN DIAMONDS
 BY ROSS + SIMONS

Superb 2 Carat Lab-Grown Diamond
 Five-Stone Ring in 14kt White Gold

\$1,295
 Compare at \$3,400

Bigger sizes, better quality.
A fraction of the cost of mined diamonds.
 With G-H color and VS2-SI1 clarity, our dazzling ring is IGI-certified and priced lower than our competitors!

Also in 14kt yellow gold. Item #986008
 Shown larger for detail.

ROSS + SIMONS
 Fine Jewelry | Fabulous Prices

FREE EXPRESS SHIPPING — ORDER TODAY!
 To receive this special offer, use code: **LAB4**
 1.800.556.7376 or visit ross-simons.com/lab4
 Item #986006

WORLD NEWS

Mideast Conflict Ignites Tensions On Campuses

BY DOUGLAS BELKIN AND MELISSA KORN

Leaders of some of the nation's most high-profile colleges and universities are re-evaluating their roles as moral arbiters and public commentators in response to the conflict unfolding in Israel and Gaza.

Backlash against their declarations has forced many to stumble—issuing updates to their statements, and then clarifications to their updates—in a near-impossible effort to appease irate activists on both sides of a seemingly intractable issue.

The reversal comes in contrast to recent years when these academic leaders used their public profiles to condemn, support and otherwise opine on hot-button topics.

Sending the wrong message runs the risk of limiting donor contributions and institutional prestige, while elevating concerns that institutions are taking sides and chilling free speech at what are supposed to be arenas of intellectual debate.

Yet saying nothing is proving problematic as well, leaving school leaders in a difficult position. The absence of a message can be perceived as a statement in its own right.

"If you choose this moment to adopt a policy of neutrality, it looks antisemitic," said Tom Ginsburg, a law professor and faculty director of the University of Chicago's Forum for Free Inquiry and Expression.

such communications do more harm than good."

The topic of Israel has been a particular source of tension on campuses with some students and faculty saying criticism of Israel or overt support for Palestinian statehood is antisemitic.

University of Pennsylvania alumni have cut off, or threatened to pull, funding over disapproval with the response by the school's president. University President Liz Magill issued a follow-up statement vigorously condemning Hamas, but it hasn't stopped more alumni from pulling support and calling for her removal.

The anger follows a Palestinian literary festival the school hosted last month that caused a separate raft of complaints that the school was sympathetic to antisemitism.

Stanford University's president and provost, who both took those roles this school year, said last week that their general policy would be not to issue statements about news events if they aren't directly connected to campus.

President Richard Saller and Provost Jenny Martinez sent a short message last week expressing sadness over the loss of life in Israel and Gaza. They highlighted the support and security resources available on campus to those affected by the violence.

Students and others criticized the message for not labeling Hamas as terrorists. Two days later, the president and provost sent out another message, this time referencing "the Hamas attack in Israel last weekend, which involved intolerable atrocities including murder of civilians and kidnapping," and detailing their general attitude toward weighing in on political matters.

They said the community shouldn't expect regular commentary in the future.

Communications can 'do more harm than good,' says a college president.



President Biden, meeting with Prime Minister Benjamin Netanyahu on Wednesday in Tel Aviv, reaffirmed his support for Israel.

Biden Response Frustrates Arab-Americans, Progressives

Some say sympathy for lost Palestinian lives, Gaza crisis has been too little too late

BY SABRINA SIDDIQUI AND TARINI PARTI

WASHINGTON—President Biden reiterated his staunch support for Israel after attacks by Hamas militants during a visit to Tel Aviv on Wednesday. But back in the U.S., he's faced criticism from progressives, Muslims and Arab-Americans, who say his sympathy for lost Palestinian lives and the humanitarian crisis in Gaza is too little too late.

"I'll vote for him. But I've spent 45 years of my life building credibility with my community, and I can't go to them and ask them, at this point, to support him," said James Zogby, the founder of the Arab American Institute and a longtime member of the Democratic National Committee.

While in Israel, Biden said the U.S. would back its longtime ally in its war with Hamas. He also mourned the loss of Palestinian lives and announced \$100

million in U.S. humanitarian aid to Gaza—after making references to Palestinians in prior speeches that mostly drew a distinction between civilians and Hamas amid the conflict.

Biden has urged Israel to "uphold the rules of war," and aides say the president and other U.S. officials have encouraged their counterparts in private to show restraint.

In Tel Aviv, Biden went a step further and publicly cautioned Israel against making the same mistakes the U.S. did after the Sept. 11, 2001, terrorist attacks by allowing itself to be "consumed" by rage.

But Biden, a longtime supporter of Israel, has placed the blame for Palestinian casualties on Hamas for embedding its fighters and facilities among civilians, and declined to criticize Israel's tactics. Some international-aid groups have rejected the Israeli government's claim that it is taking steps to minimize civilian casualties, citing airstrikes that have leveled apartment complexes.

Progressive Democrats have criticized Biden's response and implored his administration to do more, while a group

of progressive lawmakers Monday drafted a resolution calling for a cease-fire and participated in a rally at the National Mall on Wednesday.

"It would be a serious mistake for the president and this administration to think that the Arab-American and Muslim community's support will be unlimited if he decides to make the cornerstone of his Middle East policy a giant green light for Israel to do what it may to the people of Gaza who are suffering under immense inhumanity," said Abbas Alawieh, a progressive Democratic strategist.

Young voters played a key role in Biden's winning the presidency in 2020 and in Democrats' better-than-expected performance in the midterms. Zogby's group estimates that Arab-Americans can make up 5% of the votes in Michigan and roughly 2% in Pennsylvania—two swing states.

Polls conducted in recent days show Democrats and younger Americans continue to be more sympathetic toward Palestinians. A CNN poll released Sunday found a gap between the 49% of Democrats who have a lot of sympathy for the Palesti-

nian people and the 26% of Republicans who say the same. Republicans and older Americans were much likelier than younger ones to say Israel's military response was fully justified.

The fatal stabbing of a 6-year-old Palestinian-American boy in Illinois, which authorities say was a hate crime fueled by the Israel-Hamas war, further angered groups in the U.S.

Biden condemned the killing, denouncing anti-Muslim views and "all forms of bigotry and hatred," but some felt those words were insufficient and overdue. On Thursday, after he spoke to the nation from the Oval Office, the president and the first lady called the boy's family to express their condolences. The first couple made a commitment to speak out against anti-Palestinian, anti-Arab, and anti-Muslim hate and violence, the White House said.

White House spokeswoman Robyn Patterson said, "President Biden and Vice President Harris have been unequivocal: There is no place for hate in America—not against Muslims, not against Arab-Americans, not against Jews—not against anyone."

President Links Israel, Ukraine Aid

Continued from Page One

The president is expected to send to Congress on Friday a wide-ranging supplemental funding request for roughly \$100 billion, people familiar with the discussions said, though the Republican-led House remains without a speaker to shepherd the legislation.

The request is expected to include at least \$10 billion for Israel, which Biden described as an "unprecedented commitment" to the country's security, and roughly \$60 billion in assistance to Ukraine, countries in the Indo-Pacific region and U.S. border security.

"When terrorists don't pay a price for their terror, when dictators don't pay a price for their aggression, they cause more chaos and death, and more destruction," Biden said.

The president's staunch support for Israel since Hamas's attack on Oct. 7 has led some progressives, Muslims and Arab-Americans to say Biden hasn't adequately expressed his sympathy for Palestinians.

In his address, Biden said he was "heartbroken" by the loss of Palestinian lives and reiterated U.S. support for a two-state solution. "The actions of Hamas don't take that away," Biden said. "We can't ignore the humanity of innocent Palestinians who only want to live in peace and have an opportunity."

The United Nations warned that the situation in Gaza is growing increasingly desperate. A spokesman for the Hamas-run Interior Ministry said the thousands of wounded exceeds what Gazan hospitals can handle.

The push to get aid into Gaza came as Israel's defense minister said a ground assault



Searching for people trapped in rubble in Gaza amid Israeli airstrikes. The Palestinians say more than 3,785 people have been killed in the strip since the war began.

on the enclave could be imminent. The Israeli military has directed residents in the northern Gaza Strip to flee south as it prepares for what is expected to be a difficult ground assault designed to end the rule of Hamas, a U.S.-designated terror group.

"You now see Gaza from afar, soon you will see it from the inside. The order will come," Defense Minister Yoav Gallant told troops on the Gaza border.

Amid concerns an escalating conflict could put U.S. citizens at risk, the State Department has issued a rare "worldwide caution" bulletin, warning citizens to exercise "increased caution due to the potential for violence and increased tensions" around the world.

A U.S. destroyer operating

near Yemen came under suspected drone attack Thursday. The Carney also intercepted three land-attack cruise missiles in the northern Red Sea, which were potentially being aimed at targets in Israel, a Pentagon spokesman said.

A number of attacks also occurred this week against U.S. forces stationed in Iraq and Syria.

U.K. Prime Minister Rishi Sunak flew to Israel on Thursday for a two-day visit, where he met Prime Minister Benjamin Netanyahu. Sunak said he welcomed the Israeli decision to open a humanitarian corridor into Gaza. He said Israel was "taking every precaution to avoid harming civilians—in contrast to the terrorists of Hamas" but expressed concerns the con-

flict could escalate regionally.

On Wednesday, Biden had secured assurances from Israel that its forces wouldn't target international aid convoys heading into the enclave. U.N. Secretary-General António Guterres later met with Foreign Minister Sameh Shoukry of Egypt in Cairo to ensure aid safely enters Gaza. "The world must reach a permanent and urgent solution to the Palestinian cause," Guterres said after the meeting.

The agreement on relief shipments to Gaza would allow international observers to inspect the cargoes, satisfying a demand by Israel.

Repairs to the crossing from Egypt into the Gaza Strip also started late Thursday, officials familiar with the matter said.

It is unclear when the aid will be delivered to Gaza.

But Egypt said it had yet to hear back from Israel on the request of having a six-hour window for the trucks to drive through the crossing safely, or assurances that no strikes would occur while Egyptian workers are fixing the area.

More than 3,785 people, including 1,524 children and more than 1,000 women, have been killed in the Gaza Strip in the past two weeks, according to the Hamas-controlled Ministry of Health in Gaza. Another 12,500 people, including nearly 4,000 children and 3,300 women, have been injured, the ministry said.

A blast at a building on the premises of the St. Porphyrios Greek Orthodox Church in

Gaza City happened Thursday night while dozens of Palestinian families were sheltering in it. Rescuers were pulling people out of the rubble and several of them were injured.

Israel's military says Hamas is holding more than 200 hostages it captured in the Oct. 7 attack that killed 1,400 Israelis.

—Summer Said, Benoit Faucon, Stephen Kalin, Dov Lieber, Nancy A. Youssef, Andrew Ackerman and Max Colchester contributed to this article.

Watch a Video



MOHAMMED TALATENE/OPA/ZUMA PRESS

WORLD NEWS

U.S. Cites Hamas in Crackdown on Crypto

By IAN TALLEY

WASHINGTON—The Biden administration Thursday designated international “mixers,” cryptocurrency exchanges that provide customers anonymity, as money-laundering hubs that threaten national security.

The U.S. Treasury Department’s unprecedented action—using one its most powerful weapons to combat illicit finance against an entire class of transactions—will require

special reporting for mixer transactions, and represents a significant regulatory step meant to shape the future of the global-financial system.

Citing the Hamas attack against Israel, Treasury is imposing powers created after Sept. 11, 2001, terrorist attacks against the U.S. dubbed death-knell sanctions because they can close foreign banks and other financial institutions believed to be national-security threats.

“Today’s action underscores

Treasury’s commitment to combating the exploitation of Convertible Virtual Currency mixing by a broad range of illicit actors,” said Wally Adeyemo, deputy Treasury secretary.

Although the official designation of mixers as primary money-laundering concerns gives Treasury broad sanction powers, including the ability to cut targets off from U.S. markets, the administration said it plans only to require special-reporting require-

ments for mixer transactions.

Although mixers represent a fraction of the crypto market, the designation represents a warning to other crypto platforms. As new financial technology begins to supplant traditional financial systems, financial watchdogs, national security agencies and lawmakers are grappling with how to shape regulation. A chief concern is the anonymity that crypto can provide if platforms don’t require users

to verify their identity.

The Wall Street Journal last week reported that the terror-designated group responsible for the Oct. 7 attack against Israel, Hamas, raised millions through crypto platforms before the strike, using methods meant to obscure financiers.

Citing the Journal’s reporting, more than 100 lawmakers signed on to a letter sent to Treasury and national security adviser Jake Sullivan on Tuesday pressing the administration

to detail its plans to disrupt terror financing that uses crypto.

However, some national security officials say ill-considered regulation risks the U.S. losing two of its most potent economic and national security tools—interest-rate control and sanctions. Carefully considered regulation, they say, could capitalize on the growth prospects for a new financial system, bolster its role as the global financial engine, and boost its ability to counter threats.



Displaced Palestinians temporarily live in a school in the southern Gaza Strip city of Khan Younis after Israel began retaliating for the militant attack led by Hamas.

Hamas Skimmed West’s Aid

Continued from Page One said Alex Zerden, a former senior U.S. Treasury national security official.

On Wednesday, President Biden announced the U.S. would send \$100 million in humanitarian assistance to provide clean water, food, medical care and other essential needs to Palestinians in Gaza and the West Bank. In a speech in Israel, the president warned Hamas not to steal or divert the humanitarian aid that countries around the world are funneling into the region.

Hard to police

If history is any guide, that will be hard to police. The Israeli government in the past two years allowed more Palestinians to work in Israel—enabling Hamas to hike taxes in the strip. Egypt opened a commercial gate into Gaza, helping businesses import and export goods that also faced Hamas levies.

At Washington’s urging, Qatar gave tens of millions a month to Gaza. Most went to needy families. A portion paid the salaries of Hamas members working in government. But Western intelligence shows that other Qatari funding was siphoned off by Hamas for its military operations, said current and former Western security officials.

The international community, too, funded schools and hospitals run by United Nations agencies, helping Hamas avoid actually paying for the costs of governing the territory it controls. Traces of the international assistance effort could be gleaned from the material left behind by the Oct. 7 attack, when Hamas killed at least 1,400 Israelis and took hostages, according to Israeli authorities.

A militant who died in an assault on Kibbutz Be’eri the kibbutz in southern Israel, where over 100 were killed, carried a paycheck from the Palestinian interior ministry, according to a photo posted by South First Responders, which collects footage from the scene of the massacres.

The paycheck indicates a wage of 5,000 shekels a month, or \$1,260, a very high salary in Gaza. The enclave’s government salaries have largely been covered by Qatar and the Palestinian Authority.

First-aid kit

In one of the pickup trucks abandoned by the attackers, responders also found a first-aid kit from the United Nations Children’s Fund, an agency of the U.N. responsible for providing humanitarian aid to children. Unicef didn’t return a request for comment.

A spokesman for Hamas, Hazem Qassem, declined to comment on the group’s funding sources, other than saying its finances used to govern Gaza are separate from its military wing.

A Qatari official said its aid to the Gaza Strip is fully coordinated with Israel, the U.N. and the U.S. and subject to rigorous safeguards. “It is aimed at helping to maintain stability and quality of life for the Palestinian families in Gaza,” the official said.

Western officials say that Iran, besides providing arms and intelligence, has been giving Hamas around \$100 million annually in recent years specifically for the group’s military operations.

‘Lion’s share’

“Iran is complicit in this attack in a broad sense because they have provided the lion’s share of the funding for the military wing of Hamas,” U.S. national security adviser Jake Sullivan told reporters in the wake of the assault.

Israel’s prime minister’s office and defense ministry didn’t respond to requests for comment. Neither did Egypt’s foreign ministry nor Iran’s mission to the U.N. in New York.

When Hamas took over the Gaza Strip 16 years ago, Israel, the U.S. and the international community had few options to support Gazans without also benefiting Hamas. Many services in Gaza such as schools and hospitals—for years run by a patchwork of U.N. agencies and the Palestinian Authority—continued to work to help the strip’s two million population. Even though Fatah, which dominates the Palestinian Authority, was ousted from Gaza, the administration continued to direct a third of its budget there to pay for

doctors, teachers, pensions and other services, hoping Hamas’s rule would be short-lived.

It wasn’t. Hamas began to hire its own civil service employees and police force, and created its own tax system, though it never publicly disclosed a budget or spending plans.

“What changed after 2007 is that by virtue of controlling territory they were able to tax and extort,” said Matthew Levitt, former deputy assistant secretary for intelligence and analysis at the U.S. Treasury and now of the Washington Institute for Near East Policy.

Strangled access

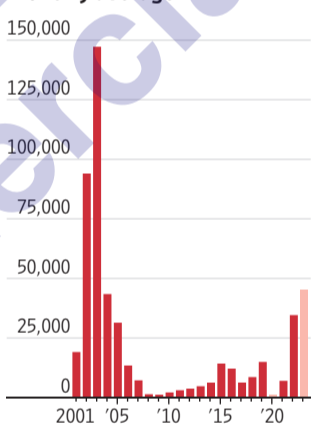
For years, the Israeli government strangled access to the strip to ensure Hamas couldn’t make it a staging ground for attacks.

Hamas and Israel engaged in tit-for-tat violence and a major conflict in 2014. That air-and-ground war left 2,200 Gaza dead and 11,000 homes destroyed, with an estimated \$4.4 billion in damage in the coastal enclave, according to the Palestinian Authority.

Countries pledged \$3.5 billion to rebuild, but disbursement was slowed by competing aims among the main donors from the Gulf states, some of which tried to pour cash in without benefiting Hamas.

The U.N., Israel and the Palestinian Authority created a system to monitor “dual use” materials entering Gaza, products like cement, steel or fer-

Exits of Palestinians from Gaza via Erez Crossing, monthly average



Note: Figure for 2020 shows average from March through December. Figure for 2023 shows average from January through June. Source: Gisha

tilizers that the Israeli government believed Hamas could use to build tunnels into Israel or fuel bombs to attack Israelis.

The system, known as the Gaza Reconstruction Mechanism, was considered successful at rebuilding thousands of homes and infrastructure in Gaza. But it also created a black market for materials that were sold in the strip, including to Hamas, according to contractors and people who received materials.

A U.N. spokeswoman didn’t respond to a request for comment.

By 2018, the mechanism was largely made redundant when the Egyptians opened a new commercial border crossing in the Sinai Peninsula, where they were battling an insurgency against Islamic State.

There was “an Egyptian interest in ensuring that Gaza under Hamas not become a hospitable place for its own insurgents,” said Jonathan Lincoln, who worked at the U.N. covering Gaza and the West Bank from 2017 to 2021 and is now a professor at Georgetown University. “So I think there was also an interest in some sort of support to the economy” in Gaza.

Easing pressure

Meanwhile, the Palestinian Authority, led by President Mahmoud Abbas, had cut funding to the strip in a high-stakes bid to force Hamas to cede control. That spooked Israel, which was concerned the move would cause further economic pain and spark another conflict.

Israel and the international community sought ways to ease economic pressure on Gaza and turned to Qatar, which hosts Hamas’s political leadership with an office in Doha. Doha stepped in to pay salaries for Hamas employees, give cash handouts to needy families and fund the fuel required for Gaza’s power plant.

“The idea was that we help Hamas govern Gaza so that Hamas will provide some sort of quiet and responsible leadership and they will not be engaged in terror attacks,” said Yossi Kuperwasser, a former head of research for Israeli military intelligence. “That was the logic behind it, totally ignoring the fact that Hamas is a terror organization.”

The Qatari official said aid

“is vetted by multiple countries and organizations throughout its transit to “guarantee that all of the aid reaches the intended civilians in Gaza.”

A person familiar with the aid delivery process said the Qataris transfer cash to a U.N.-registered bank account and once it is received, the money is transported to Gaza in a U.N.-Israeli convoy in sealed packages.

Eligible families or individuals must sign a document that they have received the money, and copies of that document go to Israel, the U.N. and Qatar to ensure the total amount distributed corresponds with the amount sent, the person said.

As aid flowed into the strip, Hamas also levied taxes on imports of cigarettes and other goods, and charged businesses fees, according to Palestinian media and a Gaza economist.

\$40 million

The rulers made roughly \$40 million a month in taxes, according to Mohamed Abu Jayab, the economist in Gaza, who said that money went to governing while Hamas’s military wing had its own funding channels.

Current and former Western officials say Hamas also collects a substantial amount of its funding from charities it controls, especially in Europe.

In 2021, after Israel and Hamas again fought an 11-day skirmish that destroyed thousands of homes and businesses in Gaza, Israel doubled down on boosting the strip to avoid another round of violence.

Israel loosened its own restrictions on imports to Gaza and helped facilitate exports. Most significantly, new work permits allowed thousands of Gazans to find jobs in Israel for the first time since Hamas took charge.

A few months later, Hamas imposed new tariffs on imported goods, such as cars and clothes. Ahead of the attacks, Hamas cut the salaries of civil servants, according to Palestinian media.

By 2022, the Department of Treasury estimated that Hamas held an investment portfolio of companies working to its benefit overseas worth \$500 million, including firms in Sudan, Turkey, Saudi Arabia, Algeria and the United Arab Emirates.



Weapons recovered after the Oct. 7 attack on Israel by Palestinian militants.

YURI CORTEZ/AGENCE FRANCE PRESSE/GETTY IMAGES

ARTS IN REVIEW



Lily Gladstone and Leonardo DiCaprio

would have had him switch roles with Jesse Plemons, a genuinely unsettling actor who is wasted as a straight-arrow Bureau of Investigation (the agency later known as the FBI) detective looking into the murders. Mr. Plemons has a gift for playing two-faced creeps and would have given the audience a rooting interest in witnessing Ernest's comeuppance; Mr. DiCaprio is intent on making us think that despite everything, Ernest loves his wife Mollie (Lily Gladstone), an Osage woman he marries for her oil rights. Given his actions, it's hard to believe he has any feelings for her at all. Nearing 50, Mr. DiCaprio is also far too old to play this young chancer.

Ms. Gladstone draws a lot of sympathy as the modest, helpless Mollie, but like everything else here her performance suffers from inertia. She spends the bulk of the movie mired in illness and despondency, and her look mirrors how I felt as I watched: numb and trapped. Despite a monster budget, even the film's sets and costumes are unexceptional, as drab as the musical score by Mr. Robertson, Mr. Scorsese's longtime friend and collaborator, who died this summer.

The arrival of Mr. Plemons's figure leads to a reprise of "Goodfellas" on the prairie. The ensuing courtroom action, featuring robust turns by Brendan Fraser and John Lithgow as opposing lawyers, delivers the strongest scenes in the movie. But the crimes are so clumsy that Inspector Clouseau could have cracked the case, and Mr. Scorsese's uncharacteristically sedate style, which is painterly and leisurely rather than kinetic as in his (other) gangster pictures, is energy-draining. A sudden intrusion of a campy element in an epilogue undermines the somber tone of the previous three hours.

Several of Mr. Scorsese's least effective efforts (such as "Silence" and "Kundun") found him getting bogged down in the workings of an obscure subculture at the expense of narrative movement. "Flower Moon," like those films, eschews the cynical observations, ironic twists and black comedy that mark his signature works. Instead, with its plodding story, its lambs vs. wolves characters, and its predictable beats (an explosion happens seconds after you'll guess, "Here comes the explosion") "Flower Moon" plays like the work of a much less sophisticated filmmaker. Thud, thud, thud.

FILM REVIEW | KYLE SMITH

Martin Scorsese's Soulless Epic

The dirge-like 'Killers of the Flower Moon' revisits the Osage murders of the 1920s

Thud, thud, thud, thud, thud, thud. Robbie Robertson's musical score backing "Killers of the Flower Moon" relies heavily on a low, endlessly repeated guitar or bass note that mirrors the soul-deadening events on screen. We're in 1920s Osage territory in Oklahoma, where after an oil discovery the Native Americans are being systematically swindled, robbed and murdered by white people. Director Martin Scorsese repeats so many variations on this depressing mistreatment that experiencing the film is akin to being locked in a room with a pair of soulless sadists.

Mr. Scorsese seemingly turned away from the Hollywood system to the streamers (first Netflix, now Apple, though this one is initially only in theaters, with a streaming date TBA) in part because he wanted to make sprawling dramas that any legacy studio would correctly have told him needed to be cut down to size. Based on the book by David Grann, "Flower Moon" is a drudge and a dirge that runs longer than "Titanic," nearly 3½ hours.

Robert De Niro and Leonardo DiCaprio are strange choices to play partners in cruelty—local magnate Bill Hale and his nephew, returning doughboy Ernest Burkhart, whom Hale recruits to set about defrauding and slaying. Mr. Scorsese's loyalty to his favorites (this is the former's ninth, and the latter's sixth, star turn for the master) may be personally admirable,

but it's creatively misguided. Just as Mr. De Niro should not have been asked to play a man in his 30s in "The Irishman," he is off-base as the Texas-born Oklahoman, and his accent seems to have crash-landed somewhere in the Ozarks.

Hale likes to be called "King" and his surname in the local ac-

cent sounds like "Hell," meaning we hear a lot of double-entendres about "King Hell," as though Mr. De Niro is playing a successor to his Lou Cyphre in "Angel Heart." In effect Hale and his nephew build an ad hoc gang of murderers. But on tribal land, policing is mainly theoretical, so the killers

are ludicrously sloppy. One assassin, instructed to make a murder look like a suicide, instead shoots his target in the back of the head, then flees with the pistol.

Mr. DiCaprio is also miscast. As he has many times before, he plays this part like a man with a shred of decency who does awful things while improvising desperately, but that approach is wrong for the character, who should have been played with either the steely verve of Daniel Day-Lewis in "Gangs of New York" or the blithe roguishness of Ray Liotta in "Goodfellas."

It makes no sense for Mr. DiCaprio to seek out the soul of this despicable fellow, and a better film



Clockwise from below: Robert De Niro and Leonardo DiCaprio; JaNae Collins, Lily Gladstone, Cara Jade Myers and Jillian Dion; and Ms. Gladstone and Martin Scorsese



TELEVISION REVIEW | JOHN ANDERSON

A Bitter Comedy Of Fatherhood

The shtick of stand-up legend Bill Burr is the comedy of the oppressed—the oppressed in question being middle-aged males in a foreign land, i.e. the 2020s, where they can't say what they want, smoke where they want, win an argument with a woman or lay claim to the victimhood that seems to give everyone else the upper hand. The Burr persona is angry, ironic and, quite often, hilarious. If you find him offensive, it might be because he's making fun of you. And you might be him.

Mr. Burr takes his mock-bitter social critique to feature-length in "Old Dads," his directorial debut and a story whose principal victims have brought their woes upon themselves: Guys in their 50s, involved with women in their 30s, unprepared for fatherhood, or more fatherhood, or being a role model in a world of feeelings, participation

medals and restorative-justice circles.

Jack Kelly (Mr. Burr), who welcomes unsolicited advice like it was Covid-19 and isn't above tripping someone else's bratty kid at a birthday party, has it all—and doesn't know what to do with it. He became a father at 46 with his much younger wife, Leah (Katie Aselton); they are expecting another child and their four-year-old is in the best preschool in town. But Jack also has a real problem with his son's principal, the wonderfully named Dr. Lois Schmieckel-Turner (Rachael Harris), who uses words like "village" and "community" and among her many credentials is a bona-fide buster of chops. (The language in "Old Dads" might be described as robust; "chops" is not in its glossary.)

Jack's meltdown with the dad-baiting Schmieckel-Turner leads to a humiliating reconciliation session



▲ Bokeem Woodbine, Bill Burr and Katie Aselton in 'Old Dads,' streaming on Netflix

involving all the school's scolding parents. "Check your privilege!" demands one outraged father, who thinks that his 3% Sri Lankan ancestry (recently discovered via a 23andMe test) entitles him to be a person of color. The writing sometimes collapses into overkill, but sometimes it is precisely on point.

While Jack is in the doghouse at home, there are pressing problems at work: Connor (Bobby Cannavale), Mike (Bokeem Woodbine) and Jack,

founding partners in Trifecta, which recreates vintage sportswear (smells like a metaphor), have sold the company, expecting to stay on as employees. But once the reins have been handed off to the insufferable millennial Aspen Bell (Miles Robbins), no employee is safe who was born before 1988. ("We live in an exponential time," Aspen explains.)

In "Old Dads," the words "millennial" and "insufferable" are more or less redundant. Viewers younger than Mr. Burr (or his slightly younger co-writer, Ben Tishler) will be forced to tolerate a torrent of comedic abuse, although people as old as

the "Old Dads" don't exactly get off easy either: Connor desperately wants to be younger and hipper and as portrayed by the ever-wonderful Mr. Cannavale is the picture of pathetic desperation, strutting and strolling but utterly in fear of his whip-cracking wife, Cara (Jackie Tohn). Mike, thinking he has the perfect setup with two sons in college and an ex-wife who gets along with his girlfriend, Britney (Reign Edwards), is genuinely shattered when Britney is suddenly pregnant and wanting to wed. What to do? Road trip!

To exorcise their domestic demons, the boys set out from L.A. to Vegas but, no surprise, get only as far as Palm Desert. What happens in Palm Desert will stay in Palm Desert, but suffice it to say "Old Dads" goes off the rails more than once, taking extremes to extremes, and taking for a payout as eagerly as Jack, always driving angry, wants to knock a scooter-riding, road-hogging millennial into next week.

Old Dads
Friday, Netflix

Mr. Anderson is the Journal's TV critic.

ARTS IN REVIEW

THEATER REVIEW | CHARLES ISHERWOOD

Evil Figures and Eligible Ladies

Patrick Page explores Shakespeare's villains; an Elizabeth Baker play follows a savvy female proprietor

Friends are notoriously fun for actors to portray, and for that matter for audiences to watch. "All the Devils Are Here: How Shakespeare Invented the Villain," created and performed by Patrick Page at the intimate DR2 Theatre, provides a savory—and often shivery—feast of bad guys from the canon for our delectation.

Mr. Page has notable experience playing black-souled characters: On Broadway alone he has portrayed Hades in "Hadestown," the Green Goblin in the unfortunate Spider-Man musical and even the Grinch. This is presumably not entirely a personal predilection but more a matter of the actor's mightily forceful stage presence combined with his rumbling bass-baritone—the sound of a crypt scraping open, who knows what malign spirits to release.

Mr. Page begins his thoroughly entertaining and insightful exploration of Shakespeare's rogues' gallery with the lone female villain, Lady Macbeth, calling on spirits "that tend on mortal thoughts" to fill her "from crown to the toe top-full of direst cruelty!" More dire cruelties will be conceived, plotted and enacted as the show, directed fleetly by Simon Godwin, artistic director of the Shakespeare Theatre Company in Washington, moves chronologically through selections from the playwright's villain-rich works.

As Mr. Page notes, with the maturing of his craft, Shakespeare's malefactors grew more nuanced in their psychology. The comparatively rudimentary Aaron the Moor in the early "Titus Andronicus"—whose monologue here Mr. Page reveals to be a virtual swipe from a similar speech from Barabas in Christopher Marlowe's "The Jew of Malta"—lacks the complexity of his later, greater villains, culminating in the self-tortured Macbeth, who is described by Mr. Page as being set apart from some of the other characters: "Macbeth's tragedy is not that he is evil—his tragedy is that he chooses evil."

Mr. Page is a consummately skilled classical actor—one of the country's finest, although much of his Shakespearean work has been seen outside New York—and the show, which whips by at 80 minutes, is virtually all highlights. And the speeches and dialogues, chosen with care, never blur together into a generalized portrait of malignity at work in the human heart and mind. Each character, from the quasi-comic Malvolio in "Twelfth Night" to the nihilistic Iago of "Othello," whom Mr. Page analyzes, convincingly, as a by-the-book psychopath, comes alive before us with different shades of menace, mendacity, vengefulness or spite.

Annotating his portraits in wickedness with anecdotes and historical context both erudite and accessible (early on he refers to everything from "House of Cards" to "The Simpsons," but also quotes from a morality play), Mr. Page brings us into discomfiting intimacy with the characters he evokes. And,

by the evening's conclusion, he has persuasively proven his thesis, that Shakespeare "investigated evil more deeply and more personally than virtually anyone before or since."

* * *

Alliances personal and professional are at the heart of the forthrightly titled "Partnership," the third and last in the Mint Theater Company's presentation of works by the British playwright Elizabeth Baker, so little-known in the U.S. that the Mint productions mark their American debuts, although the plays were written more than a century ago.

Set in a Brighton dress-making shop in the 1910s, "Partnership" follows the fortunes of the proprietor, Kate Rolling (Sara Haider), who runs her business with a busy hand and a savvy mind. Much of the play takes place in the cozy back room, handsomely designed by Alexander Woodward. Amid the bustle of business, the female staff discuss prospects—will their well-born new customer land

making shop in the 1910s, "Partnership" follows the fortunes of the proprietor, Kate Rolling (Sara Haider), who runs her business with a busy hand and a savvy mind. Much of the play takes place in the cozy back room, handsomely designed by Alexander Woodward. Amid the bustle of business, the female staff discuss prospects—will their well-born new customer land

Sara Haider and Gene Gillette in the Mint Theater Company's 'Partnership'

them a real catch, a duchess?—and the romantic possibilities some of them are contemplating.

Kate, played with firm poise and a bright, gleaming eye by Ms. Haider, and her second-in-command, Maisie Glow (a dry Olivia Gilliatt), have together received four marriage proposals in a month. "I'm beginning to realize we're eligible young women," Kate observes mockingly; her focus is making her own fortune, not marrying someone else's.

Yet Kate is pragmatic when George Pillatt (Gene Gillette), who runs a rival establishment, proposes a "partnership"; he has secured the right to buy the shop next to Kate's, and suggests they combine the two and go into business together. He also suggests marriage be included in the deal—and has drawn up papers outlining this dual alliance. Although Maisie has dismissed him as a "pig," Mr. Gillette's Pillatt—looking rather like Ralph Fiennes smelling something unsavory—is really more of a prig, albeit a generally genial one.

Baker's dialogue has a bright, lively sheen, and she illuminates with a probing intelligence the lives of women of the time, who, however successful in business, must also recognize that marriage will always be seen by the culture as the measure of a woman's real achievement.

An ingenious dramatic device is the disturbingly lifelike mannequin, whom the women call Sally. When Kate finds herself warming to the company of Pillatt's free-spirited friend Lawrence (Joshua Echebiri), who in-

Patrick Page performing in 'All the Devils Are Here,' his insightful one-man show

vites her to join him for a "tramp" in the countryside, and on a boating outing, Kate begins to see Sally as a version of herself—a soulless one whose ideals she comes to question.

The contours of Kate's evolution, as sharp edges are softened by the awakening of

feelings new to her, dates back at least to Shakespeare's Beatrice and Katharina. But Baker renews the theme for the early 20th century with perspicacity and humor. And the cast, under the brisk direction of Jackson Grace Gay, brings lively coloring to all the characters, with the bracingly cynical, or perhaps just realistic, Maisie bringing a crisply funny snap to the play's nicely turned denouement.

All the Devils Are Here: How Shakespeare Invented the Villain
DR2 Theatre, 103 E. 15th St., New York, \$99-\$149, 212-239-6200, closes Jan. 7

Partnership
Theatre Row, 410 W. 42nd St., New York, \$39-\$79, 212-714-2442, ext. 45, closes Nov. 12

Mr. Isherwood is the Journal's theater critic.



The WSJ Daily Crossword | Edited by Mike Shenk

1	2	3	4	5	6	7	8	9	10	11	12	13
14			15					16				
17			18					19				
20						21	22					
23				24	25							
			26			27		28	29	30	31	32
33	34	35	36			37		38				
39					40		41		42			
43				44		45		46				
47					48		49					
				50		51			52	53	54	55
56	57	58	59	60			61	62				
63						64	65					
66						67				68		
69						70				71		



- 26 Knife sold in infomercials
- 28 Sivan or May, say
- 29 Sneaky tactic
- 30 "Why haven't you?" retort
- 31 Successor of Claudius
- 32 Got taller
- 33 Need to
- 34 Having as a hobby
- 35 Broadcasts
- 36 Bar serving Duff beer
- 37 Put a limit on
- 41 Lion portrayer
- 44 Cyclist's cover
- 46 Revolutionary War soldier
- 48 Nor. neighbor
- 51 Away from the center
- 52 Blast from Coco Gauff
- 53 Appraiser's guess
- 54 Joe ___ (car salesman in old TV ads)
- 55 Interior choice
- 56 Church of country music
- 57 Line on a check
- 58 Read body part
- 59 Cart for coal
- 60 Mountain mystery
- 62 Stack of flicks
- 65 Singing Salonga

JUST STOP | By Matt Gaffney

The answer to this week's contest crossword is a classic TV show.

Across

- 1 "I screwed up again!"
- 4 Events that excite CEOs
- 8 Priyanka of Amazon Prime's "Citadel"
- 14 Surface for the Kraken
- 15 Not even ajar
- 16 Contained by this letter
- 17 Disney Channel sitcom about a college that teaches dancing?
- 19 Bostonian's giveaway
- 20 "Nightline" name
- 21 Fox drama about gloomy Tottenham coach Postecoglou?
- 23 Robe rope
- 24 Bucolic poem
- 26 A D will usually lower it
- 27 Likely to work elsewhere soon
- 33 NBC drama about Mr. Damone in southern Florida?
- 38 Use an iron, sometimes
- 39 Strike force?
- 40 Mineo of movies
- 42 Cannes color
- 43 Anxiety cause
- 45 Starz comedy about investors celebrating stock gains?
- 47 50-50 shots
- 49 Snicker sound
- 50 Tony, e.g.
- 52 Dedicated
- 56 NBC sitcom about a gaming console missing its interior parts?

- 61 Container with hundreds of notes
- 63 Guided through childhood
- 64 Classic CBS sitcom about film director Besson?
- 66 "Whoops! Look at the time..."
- 67 Like a ball that hits the batter
- 68 A duba of "Mrs. America"
- 69 Intermingle
- 70 Has for dinner, say
- 71 Much of the Med. abuts it

- 6 Away from home
- 7 "Clue" room
- 8 Harvard's river
- 9 "What the ___?"
- 10 Maritime mammal
- 11 Hammer part
- 12 Doorbell camera
- 13 Required chips
- 18 Speed fig. for a Benz
- 22 Prefix in music genres
- 25 Speaker's spot

Previous Puzzle's Solution

NATIVE	AGS	OWOW
ANACIN	CLOWNISH	
INCHES	TEXTFILE	
FAT	TIMON	WAGON
	INGER	DOI
CUBFANS	DUSTRAG	
ONEAM	SPEC	HERO
OIL	AKICK	BIN
POLS	TINA	REUSE
SNAPSAT	GRAFTER	
	ETD	VOIDS
ALLICE	HINDI	DOT
LITTERED	SCORNS	
FAIRLANE	OAXACA	
ARSE	TISO	FLOWER

► Email your answer—in the subject line—to crosswordcontest@wsj.com by 11:59 p.m. Eastern Time Sunday, Oct. 22. A solver selected at random will win a WSJ mug. Last week's winner: Diane Stegmaier, Denton, TX. Complete contest rules at WSJ.com/Puzzles. (No purchase necessary. Void where prohibited. U.S. residents 18 and over only.)

FROM TOP: JULIEFA, CERVANTES, TODD CERVANTES

SPORTS

JASON GAY

A Close to Perfect Basketball Night

The Las Vegas Aces clinched back-to-back WNBA titles after a thrilling game in Brooklyn

Brooklyn, N.Y.
When it matters, when it counts, a proper arena doesn't just get loud. It lifts. That's what it felt

like, Wednesday night, in Brooklyn, the site of so many ambivalent Nets wanderings—now hosting an electric do-or-die Game 4 of the WNBA Finals, between the local New York Liberty and visiting Las Vegas Aces.

A handful of minutes remained in a close contest the Liberty needed to win to stay in the best-of-five series. The hometown crowd was locked in, on its feet, waving towels in vigorous circles, as if the Liberty's fate depended on the commitment to the waving. The whole place seemed ready to levitate right off the bolts at the intersection of Atlantic and Flatbush.

Being in a room like that is special: a full house, with a critical game on the line, when you don't have to pump it full of music, shoot T-shirts from bazookas or deploy any of the other gimmicks teams use to make the passive care. It's noisy because everyone knows it's supposed to be noisy, if there was a person left who didn't get the message, there was Ted Lasso himself, actor Jason Sudeikis, who stood up court-side and admonished the last few fannies to hop off of their seats.

Believe. They'd built the league for magical nights like this, and it was hard not to look at this frenzied crowd and remember all the WNBA had been through, perpetually fighting for its existence and relevance. This was especially the case in New York, where the Liberty, a founding club, had been exiled from Madison Square Garden to a desultory gym in Westchester before being purchased by Nets ownership and re-installed to a legit barn in Brooklyn.

Now the Liberty were returning the favor. The Barclays Center has hosted the Nets, Islanders hockey, college basketball tourneys, boxing, rock shows, circuses, pro wrestling, and too many Sequined Somethings on Ice to mention. But it had never hosted a pro Finals



Las Vegas owner Mark Davis, above, and the Aces during the trophy ceremony. Left, Aces coach Becky Hammon and A'ja Wilson.



where even players who ride the pine can make eight figures. Salaries are capped. Stewart took \$175,000 a season to join the Liberty from the Seattle Storm. Wilson is playing for \$200,000. Incentives are minimal, the flights commercial. Both the Aces and Liberty have been hit with penalties for giving players perks. Lower wages provoke much of the trade to compete internationally in the offseason.

This championship series was what the WNBA craved; a starry showdown in a media capital, with the sort of hype usually reserved for the boys. The crowd included WNBA obsessives and first-timers, Oscar winners (Jennifer Connelly) bringing children and Liberty alums. They got up and into it, and importantly, stayed up and into it. I'm trying not to make another cheap Nets comparison, because a Nets game could occasionally get loud—I was there the wild night when Kevin Durant's "big ass foot" (his term) traversed the 3-point line, costing Brooklyn a trip to the Eastern Conference Finals. But it was a question I heard repeatedly Wednesday: *Have you ever heard this arena like this?*

game that truly mattered. Here it was, in women's basketball, between a pair of very different franchises sharing a descriptor: superteam.

The Aces and the Liberty were customized to be here. Both clubs possess an extravagance of talent—the Liberty are paced by free agent acquisition Breanna Stewart, who won the season's MVP award, and the Aces by A'ja Wilson, last season's MVP who finished second to Stewart on this year's ballot. (Another former

MVP on the Aces, Candace Parker, was lost to a broken foot.)

The Liberty have a Steph Curry-like distance shooter, Sabrina Ionescu, another No. 1 pick. The Aces are coached by Becky Hammon, a former WNBA star who studied under Gregg Popovich with the NBA's San Antonio Spurs. On it goes.

In the WNBA, which earns a fraction of the revenue of the men's game, the standard economics of "superteam" don't apply. This isn't a profligate NBA club,

No. Yes. Maybe. Did it matter? Not to the Aces, stubborn defending champs trying to win without a pair of injured starters, including star point guard Chelsea Gray. The Liberty fed off the home crowd's energy, but they struggled

to put the game away. These Finals had been mostly one-sided blowouts, now we had a thriller. Women's basketball appeals to a fan who appreciates the classic fluidity—the ball movement, cutting to the rim, the pick and roll—and there was plenty of that. The crowd went bonkers after a late 3-pointer by Ionescu. Wilson responded with a dazzling turn-around jumper. The Liberty drew within one, then fell short at the buzzer.

The Aces had done it: back-to-back, the first WNBA club to do so in two decades. They clustered at midcourt around the club's owner, the Raiders scion Mark Davis. Becky Hammon would say

later that Las Vegas was "the sports capital of the world right now," which sounded crazy, but is close to true: The Aces are aces, the hockey Golden Knights are Stanley Cup champs, Formula One is rolling into town next month, and come February is a Super Bowl. A desert escape built on chance has turned to sweat equity.

Wilson, well on her way to becoming one of the greatest ever in the women's game, soaked it all in. "We cried together, we prayed together—and now we're popping champagne together," said the charismatic star. She hugged her college coach, South Carolina's Dawn Staley, who sat court-side, next to Ted Lasso. It was clear the Aces had a little something extra for the Liberty, who had been built to dethrone them, and little something extra for the media, who had cost Wilson the season MVP by a single vote.

By now the arena had thinned, the Liberty crowd heading out into the subways and streets. It had been one of those basketball nights that would be hard to forget. One imagined a young fan, knowing that the women's professional game could be like that, because they'd seen and heard it for themselves. The Aces and Liberty played a classic, and the arena didn't get loud. It lifted.

The Yankees Didn't Trust Him in the Playoffs. They Were Wrong.

BY LINDSEY ADLER

THE NEW YORK YANKEES traded pitcher Jordan Montgomery in the middle of the 2022 season in large part because they didn't trust he would one day be able to start big postseason games.

A year later, the Yankees missed the playoffs and have been off on their winter break for weeks. Montgomery is the breakout star of this year's postseason, having won three starts for the Texas Rangers in these playoffs. He has a chance to make it four on Friday against Houston in Game 5 of the American League Championship Series.

There's more: Montgomery will be a free agent for the first time this winter, with a chance to convert his recent good fortune into tens of millions of dollars.

Montgomery is a 30-year-old lefty who relies more on deception than pure velocity. In Game 1 of the ALCS he mowed down the Astros—the type of team the Yankees couldn't imagine trusting him to face. His performance has raised an obvious question: Why wasn't he this good in New York?

Montgomery represents a troubling paradox that has plagued baseball over the last decade: Analytics have revealed precisely how much less effective starters are when facing a lineup for the third time in an outing, which therefore limits the opportunities for young starters to learn how to pitch deep into a game.

Very few young pitchers today are developing into the type of trustworthy front line starters of generations past, largely because teams have become risk-averse in a data-rich environment. As such, it is harder to justify letting a pitcher go through the lineup three full times instead of yanking them for a reliever after two turns.

In New York, Montgomery was often given the "five and dive"



Jordan Montgomery has emerged as a postseason star for the Texas Rangers. He is 3-0 in this year's playoffs.

treatment—get through five adequate innings, then turn the game over to the bullpen. In 21 starts for the Yankees in 2022, he averaged just over 5½ innings per start, and faced an average of 22 batters per outing, meaning he was typically allowed to face the top of the order for a third time before departing. His pitch count averaged 81 pitches per start in that span, suggesting that he had the stamina to pitch deeper into games than he was being allowed. But the Yankees often yanked him at that point, hoping to eke out a win.

Montgomery has looked and pitched like a supremely more confident pitcher in St. Louis—where he was traded by the Yankees—and Texas, where he landed this summer after a trade from the Cardinals. Given the chance to pitch deeper, he's gone from a somewhat meek crafty lefty to a guy who still doesn't light up the

radar gun but pitches with the posture of a power pitcher.

The management of Montgomery was a cause of consternation for Yankees players early in 2022. Shorter outings by starters means bigger workloads for relievers, and the consternation expressed by players pointed to what has become a popular sentiment among veteran pitchers: Teams baby their starters these days, at the risk of stunting their growth as players and taxing the pitching staff as a whole before the playoffs.

"It ticks me off," says Rangers starter Max Scherzer said of the starter development dilemma in August. "If I look at myself, in the years when I was coming up it was more like, 'No, you're going back out there. We don't care if you give up five runs. You're pitching deep into a ballgame. I developed and got better because I got challenged.'"

Going off the advanced statistics that underpin the on-field results, Montgomery is a similar pitcher to the guy he was as a member of the Yankees in 2021 and for the first-half of 2022. His ERA dropped from a combined 3.48 in 2022 to a 3.20 in 2023, but his expected ERA, calculated using batted ball data such as exit velocity and launch angle, was 4.06 in 2021, 4.00 in 2022, and 4.04 in 2023. He's consistently outpitched his metrics, but has hardly become a different pitcher.

Yet the results Montgomery is showing these days give the impression of a night-and-day transformation.

Montgomery, who has seven years of major-league experience under his belt, has made changes to his pitch repertoire and usage in the time since he left New York. Montgomery has long relied on secondary pitches, namely his cur-

veball and change-up, to get him through an opposing lineup. It's the progression of two different types of fastballs, two-seam and four-seam, that have helped him create the varied and effective approach that has befuddled hitters in this year's postseason.

Yet the biggest variable to change in the time since Montgomery was traded away from the Yankees might just be the Cardinals and Rangers' demonstrations of trust in him and the need for him to perform in important games for them. In Arlington, he's the late-season acquisition tapped to step up after front line starters Jacob deGrom, Max Scherzer, and Nathan Eovaldi all suffered injuries of varying degrees. In St. Louis before that, he had to carry a big workload in a lost season as the rest of the rotation struggled mightily to get outs.

In New York in 2022, however, Montgomery was fifth, at best, on the depth chart behind Gerrit Cole, Luis Severino, Nestor Cortes Jr., and Jameson Taillon. The Yankees, according to people in the organization, determined that Montgomery wouldn't be given a postseason start over any of the four of them. Further limiting his perception of utility on a playoff roster was the impression that he would not be a good candidate to suddenly move to the bullpen in October due to it being a new role for him.

As Montgomery's status as a starter has risen with his recent postseason success, the Yankees' reasoning has come to look worse than it did when initially explained in mid-2022.

Montgomery's performance this postseason has helped him demonstrate what has long been in question: When called on, he can summon the grit and fortitude to pitch like a trusted veteran. The Yankees may or may not have seen that in him before sending him to St. Louis, but along with everyone else, they're seeing it now.

KEN MURRAY/SHUTTERSTOCK

FROM TOP: WENDELL GRIFFITH/REUTERS; SARAH STIER/GETTY IMAGES

OPINION

The GOP's Mercenary Caucus



POTOMAC WATCH
By Kimberley A. Strassel

The House remains speakerless, the chamber's Republicans mired in a humiliating standoff. It might be tempting to think those blocking Rep. Jim Jordan from the top post are more high-minded in their opposition than those who ousted Rep. Kevin McCarthy. Think again. Different nominee, different holdouts—same grandstanding, same parochialism. Same mess. Top blame for this embarrassment still rests with Florida Rep. Matt Gaetz and his unimpressive band of exhibitionists, who gutted Mr. McCarthy's speakership and left their party in a slow bleed. They had no follow-up plan to the McCarthy ouster beyond also blocking his obvious replacement, Majority Leader Steve Scalise. One notable joke is that the Gaetz crew claimed the putsch necessary to stop House "chaos" and return to regular order. Two weeks into this spectacle and standstill, how's that going? Yet two failed votes into Mr. Jordan's so-far-unsuccessful bid to take the gavel, the fault has spread to a different band of malcontents. Just as a small minority bucked the will of a conference that overwhelmingly backed Mr. McCarthy, a small minority is now bucking the will of a conference that this week overwhelm-

ingly voted to give Mr. Jordan the job. This might all be over save for a new crew of limelighters. The press is working mightily to give these holdouts cover for their opposition—the better to prolong the GOP disarray. The media suggests their intransigence is somehow more principled than that of the McCarthy rebels. One hilarious excuse is that the "no" votes have been pushed beyond human limit by a "pressure campaign" by Jordan allies. Please. Washington didn't become "mean" overnight, and the "pressure" of this debate is no more or less than that of any other intraparty fight. If the poor, fragile creatures can't handle the stress of a mere leadership vote, God help them should ObamaCare repeal come to the floor. Another pretext is that some "moderate" Republicans in Biden-leaning districts just can't risk a vote for—as the New York Times describes him—the "hard right" Mr. Jordan. The Times bestows the same descriptor on pretty much any member to the right of Nancy Pelosi. Many Republicans in competitive districts *did* vote for Mr. Jordan—on the obvious grounds that continued GOP upheaval is a far greater risk to their re-election. As backroom negotiations and public statements prove, what's really going on is more parochial and self-serving, not unlike the Gaetz rebellion. The Jordan refuse-niks include a clique of New Yorkers holding back their votes over demands that

hard-working Americans in flyover states once again be forced to subsidize New York's insane tax rates by reimposing full deductibility of state and local taxes. Rep. Anthony D'Esposito on Twitter: "I want a Speaker who understands Long Island's unique needs. Restoring the SALT deduction, safeguarding 9/11 victim support funding, and investing in critical infrastructure are our priorities." By all means, let's prioritize Long Island. The Empire State crew is joined by a group of appropriator cardinals who see in their opposition to the small-government Mr. Jordan an opportunity to keep the spending spigots open. After all, what's the need for a speaker to deal with war in Israel or \$33 trillion in debt by comparison with the freedom to keep spending? There are the usual grandstanders, who love the trailing media and who issue regular updates about their latest thoughts and conversations about "Kevin" and "Jim" and "Steve." And then there's the hurt-feelings caucus, grumpy over the treatment handed out to Messrs. McCarthy and Scalise, refusing to vote for Mr. Jordan on the grounds that this will somehow reward Mr.

Gaetz. This appears to include Mr. Scalise himself, who, while a member of leadership, has refused to issue a public endorsement of the man his caucus nominated. Largely absent are particularized policy or procedural or leadership complaints against Mr. Jordan, at least not of a type specific enough that he might address them or satisfy demands. Also absent from many opponents is any considered alternative. While some members cast protest votes in favor of Messrs. McCarthy or Scalise, many just voted random names. Colorado Rep. Ken Buck, who voted to oust Mr. McCarthy, refused to cast votes for either Mr. Scalise or Mr. Jordan as nominee, and voted against Mr. Jordan on the floor twice, joked that in the most recent round he'd cast his lot for Rep. Tom Emmer because "I don't like Tom Emmer. I figured this would be the worst job in America." There's serious for you. The bigger point is that the name on the ballot no longer matters: McCarthy, Scalise, Jordan, Jesus. Members drew a lesson from the McCarthy fight in January and the later Gaetz revolt: We are, any one of us, kings and queens now. While the vast majority of the GOP conference remains focused on what's best for party and country, a small but significant number of mercenary members intend to glory in their power. Good luck getting through to Washington's new and ever-shifting royalty. Write to kim@wsj.com.

BOOKSHELF | By Barton Swaim

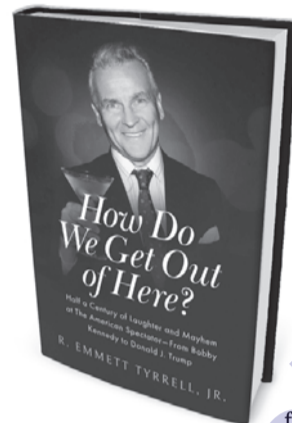
An Alternative Viewpoint

How Do We Get Out of Here?

By R. Emmett Tyrrell Jr. (Bombardier, 400 pages, \$32)

Of all the virtues, humility is the one that I have never quite gotten the hang of." So writes R. Emmett Tyrrell Jr., founder and longtime editor of the American Spectator magazine, in his memoir, "How Do We Get Out of Here?" He's right. No one has ever accused him of modesty, and no one ever will. The book is irreverent, discursive, intermittently hilarious, gossipy, spiteful, penetrating on political topics, and zealous in its admiration of R. Emmett Tyrrell Jr.

Even Mr. Tyrrell's enemies will have to admit that his achievements are considerable. William F. Buckley Jr. rightfully gets the credit for the rise of conservative journalism. But from the 1970s to the '90s Mr. Tyrrell's magazine—first known as the Alternative, based in Bloomington, Ind., renamed the American Spectator in 1977, and relocated to Washington in 1985—turned out legions of gifted writers and editors. Three of them work for this newspaper's editorial



page. When I worked at the Weekly Standard of blessed memory, nearly every writer older than 40 had worked or at least written for AmSpec, as it's known. Its roster of first-rate contributors in those years is unsurpassed: Paul Johnson, Irving Kristol, Malcolm Muggeridge, George F. Will, James Q. Wilson and many others. (The magazine hosts an annual dinner in honor of the Journal's former editor, Robert L. Bartley.)

Mr. Tyrrell was among the first to understand that the radicals of the 1960s were on their way to becoming, if they weren't already, the establishment. He founded the Alternative as a student newspaper and made its headquarters a shabby farmhouse outside Bloomington, ironically called The Establishment. In 1969 he and the Alternative staff staged a debate between himself and Rudolph Montag, a professor of urban studies at Columbia University. The latter, addressing a crowd of 250 or so, spoke in strings of platitudes so stupid and vacuous that a student wrestler bounded on the stage and smashed a pie in his face. The professor only said, "Ah, I deserved that."

The spectacle was reported, Mr. Tyrrell tells us, in the Chicago Tribune and Indianapolis Star. There was in fact no such professor at Columbia or anywhere else named Rudolph Montag. It was a stunt, meant as a send-up of jargon-spouting academics. The university was not pleased.

If you're fond, as I am, of name-dropping anecdote about the journalism industry, the book has its pleasures. Mr. Tyrrell dwells at some length—and why not?—on the rain-soaked night in 1988 when President Reagan visited his home in McLean, Va., for dinner. An AmSpec intern named Greg Gutfeld wasn't allowed anywhere near the gathering that night, but he ate Reagan's leftovers so he could tell friends that he "shared a dinner" with the president. Mr. Tyrrell is still irritated, though, that in a write-up about National Review editor John O'Sullivan, an attendee at the McLean dinner, Sidney Blumenthal wrote in the Washington Post that "in the evening he [that is, O'Sullivan] dined with President Reagan in Washington" but doesn't mention the specific location.

"Where did he dine, Sidney?" Mr. Tyrrell writes. "McDonald's?" Mr. Tyrrell's admiration for Reagan is boundless, but he gently faults the Gipper for appointing too many "assistant presidents"—aides who felt it their prerogative to push policies that the president ought, in their opinion, to favor rather than the ones he directed them to pursue. He's thinking of Dick Darman, Mike Deaver, David Gergen and others. Mr. Tyrrell overstates the case, in my view, by blaming these assistant presidents for the GOP's failure to create a "conservative counterculture." His belief was, and is, "that if the media was to change and the left-wing tilt of the universities was to be challenged, we had to start at the top." I wish that were true.

Mr. Tyrrell's admiration for Reagan is boundless, but he gently faults the Gipper for appointing too many "assistant presidents"—aides who felt it their prerogative to push policies that the president ought, in their opinion, to favor rather than the ones he directed them to pursue. He's thinking of Dick Darman, Mike Deaver, David Gergen and others. Mr. Tyrrell overstates the case, in my view, by blaming these assistant presidents for the GOP's failure to create a "conservative counterculture." His belief was, and is, "that if the media was to change and the left-wing tilt of the universities was to be challenged, we had to start at the top." I wish that were true.

A memoir from the longtime editor of the American Spectator casts a sardonic eye on the political controversies of yesteryear.

The American Spectator reached the peak of its fame in the 1990s with several devastating investigative pieces by David Brock, particularly "The Real Anita Hill," later expanded into a book about Clarence Thomas's accuser, and "His Cheatin' Heart," about a string of sexual liaisons facilitated by Arkansas state troopers for Gov. Bill Clinton. The latter essay—largely corroborated by the Los Angeles Times—sent AmSpec's circulation higher than 300,000, unheard-of for an intellectual magazine.

The conventional view of the American Spectator in the '90s holds that Mr. Tyrrell succumbed to anti-Clinton mania. The magazine launched what it called the Arkansas Project, financed by conservative donor Richard Mellon Scaife, and generally blew its budgets in the effort to destroy the president. Matters weren't helped when the Clinton Justice Department, in what can fairly be described as an attempt to intimidate the magazine, threatened prosecution on the grounds that the magazine's associates had tried to have a key witness in the Whitewater investigation change his testimony. Mr. Tyrrell ridicules the allegation.

My late friend Terry Eastland—oddly unmentioned in the book—labored mightily to right the magazine's finances and solve legal problems occasioned by the Justice Department bullying, but to no avail. The magazine had to be bought by the investor George Gilder, who gave it back to Mr. Tyrrell in 2002.

Whatever one thinks of Mr. Tyrrell or the rise-and-near-demise of AmSpec, he is indisputably right to claim that later revelations of Bill Clinton's behavior vindicated the magazine and to blame the mainstream press for ignoring the president's sleazy past. Had Mr. Brock's "Troopergate" story been seized on by the media in the way it would have been in a Republican administration, we all might have been spared the sordid impeachment saga of 1998-99 and Mrs. Clinton's failed presidential runs of 2008 and 2016. Reporters now pretending to know nothing about Joe and Hunter Biden's misdeeds, take note.

Mr. Swaim is an editorial page writer for the Journal.

Coming in BOOKS this weekend

IBM and the dawn of the digital age • Ruling the Roman Empire • Friedrich Hayek: Liberalism's last man • George Harrison: The reluctant Beatle • The medieval Muslims who read Aristotle • The first brainstorm • & much more

Give Me the Biggest Kippah You Can Find

HOUSES OF WORSHIP
By David Efune

My grandmother was born in Vienna in 1931 to Charles and Bella Liebel. They gave her the traditional Jewish name Chava, Hebrew for "life." Nine years later French nuns gave her a new name—Claudine Lambert—when they hid her and her sister in their convent as the Holocaust raged across Europe. Mercifully, she died on Sept. 24, 13 days before she would have had to witness the horrors of her youth re-enacted by Hamas against Jews in Israel. Her story makes one sympathetic to the pleas from some in the Jewish community that all displays of Judaism should be avoided or minimized to avoid violence. Author J.K. Rowling tweeted a letter addressing this sentiment by Sarah Nachshen, an English Jewish mother, published in London's Times. Ms. Nachshen writes that in the aftermath of Hamas's massacre, her daughter's Jewish day school advised students not to wear their uniform blazers. "Male classmates have been advised to cover their skullcaps with baseball caps," she added. The fear is real. From their lavish villas in Qatar, Hamas's top brass have been calling on

Muslims around the world to join the war against Israel. Central to their jihad is targeting and murdering Jews in every corner of the world. On Tuesday evening social-media accounts showed a mob burning down the el-Hamma synagogue in Gabès Governorate, Tunisia. On Wednesday rioters protested outside a synagogue in Melilla, in North Africa, allegedly shouting "Murderous Israel!" The same day assailants reportedly threw two Molotov cocktails at a synagogue in Berlin. During Israel's last war against Hamas in Gaza, in May 2021, the Anti-Defamation League reported that anti-Israel activity on campuses reached arguably unprecedented levels. The Community Security Trust, a U.K.-based security group, found that there was a 49% increase in anti-Semitic incidents compared with the following year. The question of wearing Jewish symbols came to the fore in Germany in 2019 when Felix Klein, the country's anti-Semitism commissioner, warned Jews about the risks of wearing yarmulkes in public. Three years earlier a similar debate engulfed France when a Turkish teenager assaulted a Jewish teacher with a machete in Marseille. "As soon as we are identified as Jewish, we can be assaulted and even risk death,"

Zvi Ammar, head of Mar-seille's Israelite Consistory, said at the time. He instructed Jewish men and boys to avoid wearing their kippahs "until better days." The nation's chief rabbi, Haim Korsia, shot back unequivocally: "We should not give an inch."

Rabbi Korsia is right. His approach is most favored by Jewish canon and modeled by those who have faced atrocities because of their Jewish identity, including such authorities as the 12th-century sage Moses Maimonides. In his "Mishneh Torah," an extensive code of Jewish law, the philosopher affirms the well-established Jewish tradition of placing the preservation of life above all else. The three exceptions to that rule are murder, idolatry and adultery. Yet should Jews be targeted in an effort to make them "nullify" their "faith," Maimonides writes, then "one should sacrifice one's life rather than transgress any of the mitzvot."

Jews shouldn't shrink from their religious identity in the face of Hamas's attacks.

Following the deadly attack on a Jewish school in Toulouse, France, in 2012, Nobel laureate and Holocaust survivor Elie Wiesel affirmed that judgment. "Our own answer must be concrete and to the point," he wrote in the Algemeiner. "When we are persecuted, our response must be: We will remain Jewish—and do everything to become more Jewish." The support of our non-Jewish friends helps. "There should be mass outrage that this is necessary," Ms. Rowling wrote on Twitter. Public frustration can lead to creative solutions too. On International Holocaust Remembrance Day in 2016, the Italian newspaper Il Foglio distributed yarmulkes with its daily edition. The Berlin-based tabloid Bild printed a "do it yourself" kippah cut-out on its front page in 2019. Publicly expressing one's Jewish faith can be a life-threatening decision. For my part, I will wear the most prominent yarmulke I can find. The best way to honor the memory of those slain for being Jewish is not to sacrifice a scintilla of our Jewish identity but to express it to the extreme. As Rabbi Nachman of Breslov wrote in "Likutei Moharan" (1808): "The whole entire world is a very narrow bridge, and the main thing is to have no fear at all."

Mr. Efune is publisher of the New York Sun.

There's More to Education Than Free Speech

By Larry P. Arnn

Hillsdale, Mich. The Foundation for Individual Rights and Expression has issued a "warning" about freedom of speech at Hillsdale College. In doing so, it exhibits a fundamental misunderstanding of what a college is.

FIRE gives Hillsdale high marks for "tolerance for speakers," "student comfort in expressing ideas," "administration support for free speech" and campus "openness" to discussing challenging topics. It notes that Hillsdale has never punished scholars for their speech or disinvited speakers from campus. What, then, is Hillsdale's sin? It is that our "policies clearly and consistently state that it prioritizes other values over a commitment to freedom of speech."

True enough. A college's purpose isn't merely to encourage speech. A college's purpose, through speaking and thinking—the two go to-

gether—is to teach students to think and speak better in search of knowledge. How does a college go about that? The word "college" means partnership or community. College is where people come together to use their capacities for speech and thought to

FIRE slaps Hillsdale with a 'warning' for insisting on civility in academic debate.

understand ultimate questions. It is part of human nature to do this better as a group. But we can't do it if we are screaming, hostile, or babbling. Disagreements at a college are not only inevitable, they are standard. But learning isn't combat, lobbying or demonstration. Every time we learn, we change our minds. But we must do so cooperatively. To the extent possible, we must do so as friends.

Hence our speech code at Hillsdale College: "You may assert and defend any argument you conceive, as long as you do so in a way that is civil, academic, and conducive to thought and deliberation." This rule is old, proven by time and thought. To be sure, any rule can be abused. The protections against abuse at Hillsdale are profound and hallowed. They reflect fundamental differences between it and most of its competitors.

The first protection is that Hillsdale has those competitors. There are thousands of colleges and hundreds of liberal-arts colleges. Anyone at Hillsdale is free to go elsewhere at any time. More fundamentally, everyone who studies and works at Hillsdale knowingly chose it. Everyone who matriculates or joins the faculty or staff acknowledges the age-old purposes of the college and agrees to assist rather than obstruct the college in pursuing them. All learn in advance about Hillsdale's speech code and ev-

ery other fundamental practice of the college. We argue about these values too. How does one understand anything except by thinking and talking about it? But this must not turn into chaos—although sometimes it seems mildly and happily chaotic—because all here understand that the condition of our learning together is to have a common purpose. Hillsdale's purposes, as described in its founding document, are learning, character, faith and freedom. We often argue about the meaning of these things. But we consider them transcendent—a sin in FIRE's book, in which only freedom of speech is transcendent. We invite our critics at FIRE to visit our campus and see free speech work in a way that students learn its highest purpose and true meaning—the purpose and meaning it had for the authors of the First Amendment. Mr. Arnn is president of Hillsdale College.

OPINION

REVIEW & OUTLOOK

DeSantis vs. Newsom on Violent Crime

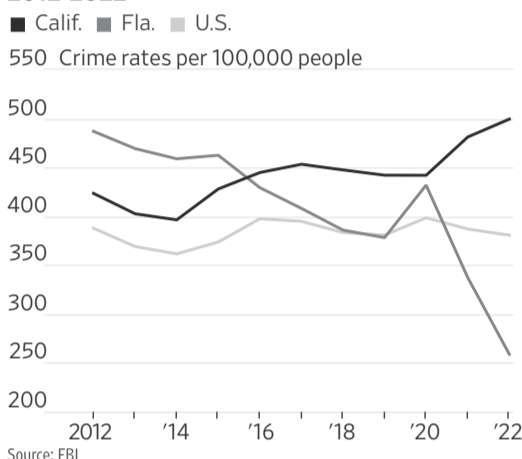
California Gov. Gavin Newsom isn't running for president in 2024, at least not yet, but he has agreed to a televised Fox News debate next month with Florida Gov. Ron DeSantis. One worthy topic will be their respective economic records, but they should also spend some time on public safety.

New FBI data shows a sharp divergence in their records on public safety.

The Federal Bureau of Investigation this week released national statistics on 2022, and the headline was that violent crime fell 1.7%, dipping back to the same level as before the pandemic. But it's a big country, and those averages don't tell the whole story. In California violent crime is still up 13% since 2019. In Florida it's down 31.5%. The rate of violent crime in Mr. Newsom's state last year, 499.5 per 100,000 people, was nearly double that in Mr. DeSantis's domain, 258.9 per 100,000.

The nearby chart shows a longer view. Amid the Covid lockdowns, the George Floyd protests, and a public backlash toward law enforcement, violence shot up in Florida, as in many other states, though California stayed on a higher plateau. But the real difference is what happened next: in 2021 and 2022, violent crime plunged in Florida while surging in California. One caveat is that the FBI in 2021 changed its methodology for calculating crime rates, but this affected all states, so it isn't responsible for the obvious divergence.

Violent crime in Florida and California, 2012-2022



Mr. Newsom touts California's strict gun-control laws, but at least a fifth of its aggravated assaults last year were committed with a knife or blunt object. Many of the state's violent offenses are perpetrated by mentally ill or drug-addicted people living on the streets. Mr. Newsom himself was assaulted in 2021 by a homeless man in Oakland.

The FBI's numbers on property crime add to the picture. In Florida such offenses are down 27% since 2019, about three times as much as nationwide, while in California they're up 0.3%.

Those figures likely underestimate the true difference, since businesses are less inclined to report theft to law enforcement in jurisdictions where it often goes unprosecuted.

This could be one reason that the FBI shows larceny as declining in California since 2019, despite all the news reports about retailer complaints and smash-and-grab thefts by organized criminals. California in 2014 effectively decriminalized shoplifting and larceny of less than \$950. Police often don't even bother arresting thieves, because they are quickly released. Also notable is California's 31.3% jump in auto thefts since 2019. Last year about one in every 200 Californians had a car stolen, three times the rate in Florida and twice that of the U.S. as a whole.

A larger point is that these trend lines are not unconnected: When progressive district attorneys, such as Los Angeles County's George Gascon, refuse to charge nonviolent crimes, it contributes to an atmosphere of disorder that can result in more bloodshed. Democrats have criticized Mr. DeSantis for removing state attorneys in Orlando and Tampa who failed to go after smaller offenses and enforce mandatory minimum sentences. Yet the Orlando prosecutor had dropped drug charges against a 19-year-old who later allegedly went on a shooting spree that killed three, including a 9-year-old girl.

Public safety is mainly the responsibility of local governments, but state policies and political pressure can also play a big role. Mr. Newsom backed California's 2014 ballot initiative decriminalizing shoplifting and drug use, and he has done nothing to hold local officials accountable for rising crime. When he meets Mr. DeSantis next month, it would be illuminating to hear how he defends this record. Mr. Newsom isn't running for President so far, but he is definitely auditioning to be the candidate in waiting.

LETTERS TO THE EDITOR

Should Firms Hire Pro-Hamas Law Students?

I applaud Steven Davidoff Solomon's statement that employers shouldn't hire law-school students who condone Hamas's genocidal actions ("Don't Hire My Anti-Semitic Law Students," op-ed, Oct. 16). I also commend his courage given the lack of moral clarity on his campus.

As a once-proud graduate of Berkeley Law, I was appalled last year to hear about students voting to ban speakers who would advocate for Israel. Predictably, without facts to inform their opinions, many of the students who voted in favor of that measure are now among Hamas's cadre of useful idiots.

Those who can rationalize rape and the murder of innocent children can't be expected to have the analytical skills or moral compass needed to be effective attorneys. I agree with Mr. Solomon: Don't hire or retain them.

ALAN LEVINS
San Francisco

Were I still in a position to hire law school graduates, I wouldn't hire any who tried to justify Hamas's most recent acts of barbarism against Israeli civilians. But it is troubling to see a law professor—at a California law

school no less—advising employers to ask students what organizations they belong to. California Labor Code Section 1101 prohibits employers from coercing employees to adopt any particular political point of view. The California Supreme Court has stated this law serves to protect "the fundamental right of employees in general to engage in political activity without interference by employers."

Although the law doesn't specifically refer to hiring decisions, it is not unreasonable to assume the state's Supreme Court would extend the protections to such decisions. Would a law professor at Berkeley advise employers to ask students, "Are you now or have you ever been a member of the Communist Party?" Likely not.

MICHAEL LEB
Pasadena, Calif.

Mr. Solomon ironically complains of student groups that exclude speakers they don't agree with, but then tells future employers not to hire students whose views he doesn't agree with.

ERNEST PRICE
Santa Monica, Calif.

Israelis Need Firearms to Defend Themselves

I was appalled at the attack by the Hamas murderers ("War Returns to the Middle East," Review & Outlook, Oct. 9). A major problem is that Israel doesn't have anything like America's Second Amendment, which guarantees our right to bear arms.

A 25-year-old Israeli woman defended her kibbutz, personally killing five terrorists, but she had to open an armory to get guns to defend her community. Thank God she had a key.

Many of us here in Florida can open our personal gun safes, hol-

sters and night stands, and stand ready with a wide range of weapons, including semiautomatic rifles, shotguns and pistols, along with unlimited ammunition. Most Israelis are limited to possessing only one pistol and 50 rounds of ammunition.

Israel is now scrambling to get weapons to its citizens. Perhaps Israeli policy makers should look to us and also the Swiss. In Switzerland, every man serves in the military and service members take their rifles home after active duty.

HARVEY GOLDSTEIN
Punta Gorda, Fla.

Only an Amendment Could Restrain Spending

In "Repeal the 1974 Budget Law That Fuels the Shutdown Cycle" (op-ed, Oct. 12), Wisconsin's Sen. Ron Johnson and Rep. Mike Gallagher remind me of the kid who falls off his bike and then kicks the bike. Runaway spending and massive increases in the national debt were not caused by the 1974 legislation but by the inability of Congress to restrain itself when it appropriates funds.

I served as head of the Office of Legislative Affairs at the Justice Department when that legislation was introduced. We intended it to provide a method by which Congress

could exercise greater control over the appropriation process by establishing a timetable for adopting spending measures, a new Congressional Budget Office and a reduced role for the president. As the authors concede, Congress has refused to follow the scheme established by the legislation in all but four years since 1974. The problem is not the budget law.

I also testified in support of presidential impoundment power and advocated, on behalf of the administration at the time, for the adoption of a balanced-budget constitutional amendment. In both of those efforts, I argued that Congress would not likely resist the temptation to buy votes using increased federal spending.

The main problem with a new legislative fix, which the authors favor, is that Congress cannot legally bind itself even by its own legislative restrictions. It will continue to override its own legislation or ignore it, as it has since 1974. Only a constitutional amendment would address the lack of congressional discipline.

PATRICK M. MCSWEENEY
Powhatan, Va.

Big-Spender Republicans Push School Choice in Texas

Your editorial and an Oct. 16 letter frame the Texas school-voucher debate incorrectly ("Texas at the School-Choice Crossroads," Oct. 9). This argument is between fiscally conservative Republicans and the tax-and-spend arm of the party.

Many of us Texas Republicans understand that vouchers and education savings accounts are a costly and inefficient way to educate students. They create parallel education systems that bloat spending.

Lt. Gov. Dan Patrick wants ESAs and the Texas Senate votes for whatever he wants; the Texas House is where true representative government resides.

Fiscally conservative Republicans want efficient, accountable and transparent spending of taxpayer money. The school-choice proposals don't offer this.

LETTICIA SEVER
Schertz, Texas

Tel Aviv Not Left Unscathed

Tunku Varadarajan's "Hamas Targets Jews but Slaughters Indiscriminately" is touching (op-ed, Oct. 14). While I'm glad his friend is safe, Tel Aviv has certainly not been left "unscathed," as he writes. My sister currently lives there and endured the horror of many of the more than 6,000 rockets launched from Gaza toward Israel.

The Iron Dome is an incredible defense blessing and has protected many Israelis from harm. But there have been several direct hits, including one a block from my sister's home, causing severe destruction. Every rocket fired by Palestinian Hamas terrorists is an attempt to kill innocent Jews and non-Jews in Israel and destroy the peaceful life for which Israel yearns.

BITAN WESTRICH
Teaneck, N.J.

Letters intended for publication should be emailed to wsj.letters@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

The Green Power Grid Isn't Coming

The International Energy Agency said this week that 49.7 million miles of transmission lines—enough to wrap around the planet 2,000 times—will have to be built or replaced by 2040 to achieve the climate lobby's net-zero emissions goal. This amounts to a plan for everyone to buy more metals from coal-fired plants in China.

Grid investment, the IEA report argues, is needed to carry additional renewable energy "as the world deploys more electric vehicles, installs more electric heating and cooling systems, and scales up hydrogen production using electrolysis." By its estimate, the world needs to spend \$600 billion annually on grid upgrades by 2030.

Unlike fossil fuel and nuclear power plants, solar and wind projects are typically many miles from population centers. That means long transmission lines, some under the sea to take electricity from off-shore wind installations. Tens of thousands of extra power transformers will be needed to step up and down voltage.

All of this would cost trillions of dollars and require enormous quantities of metals. "Copper and aluminum are the principal materials for the manufacture of cables and lines," the IEA report says. Transmission lines also need insulators, such as cross-linked polyethylene and eth-

ylene-propylene polymer—both derived from fossil fuels.

Transformers are made of the same specialized steel used in charging stations for electric vehicles. Smaller transformers require non-oriented electrical steel, used in EV motors. The green-energy gold rush has contributed to shortages of both types. Buyers of transformers "face a wait of over 18 months," the report notes.

Meantime, advanced economies must replace aging equipment to prevent power outages and safety hazards. About half of the transmission and distribution lines in the U.S. are more than 20 years old, according to the IEA.

Where are the materials going to come from? The report doesn't say, but the most likely answer is China, which dominates global copper, steel and aluminum production, owing to its lax environmental regulation and low labor costs. Over the past 20 years, primary aluminum production has increased ninefold in China while declining 68% in the U.S.

Metals manufacturing takes massive amounts of power, and coal accounts for 60% of China's electric generation. In other words, the IEA's path to a net-zero grid would involve emitting a lot more CO2, even assuming it wasn't a political nonstarter, which it is.

A Two-Faced Tax at the Supreme Court

When is an income tax not an income tax? In Washington state, the answer is whenever Democrats pretend it's something else. To get around restrictions in the state constitution, they passed a 7% levy on capital gains, while calling it an excise tax. Remarkably, the state Supreme Court went along. Now it's up to the U.S. Supreme Court to step in under federal law.

Washington state's new capital-gains tax falls afoul of federal law.

The Justices will soon decide whether to hear *Quinn v. Washington*, a taxpayer challenge to the state's excise shenanigan. Washington doesn't have a progressive income tax, because the state constitution forbids it. As the petitioners explain in their brief, any such tax must be "uniform and capped at 1%," meaning higher earners "cannot be made to pay more as a percentage of their income."

This did not sit well with Democrats, so two years ago Gov. Jay Inslee and the Legislature enacted their 7% levy, which applies to profits over \$250,000 from certain asset sales, including out of state. It pulled in about \$850 million in its first year, with each payer coughing up \$266,000 on average. To evade the constitutional restriction, lawmakers framed it as an excise tax on residents' transactions, instead of the income. This was enough to satisfy the state Supreme Court, which upheld the tax in March.

Yet this deceptive label puts Washington at odds with federal law. U.S. Supreme Court precedent strictly limits what states can tax beyond their borders. The Washingtonians asking the High Court to take their case cite the Commerce

Clause, which has been held to bar states from enacting protectionist laws. That includes taxing business beyond state borders. The Court ruled in *New York ex rel. Cohn v. Graves* (1937) that states "may tax net income from operations in interstate commerce, although a tax on the commerce is forbidden."

Defenders of the tax offer a lazy response. They compare the scheme to sales taxes on internet purchases, which can be applied to out-of-state companies. But that ignores another High Court holding. The Justices said in *Allied-Signal v. Director, Div. of Taxation* (1992) that states need "a connection to the activity itself, rather than a connection only to the actor the State seeks to tax." In other words, retailers that ship goods into the state are fair game. Washingtonians who do business in Oregon aren't.

This should be enough to sink the tax at the Supreme Court, but also don't overlook its practical problems. Allowing interstate excise taxes "threatens to wreak havoc on taxpayers and businesses around the country," as the Washington Policy Center put it in an amicus brief filed Monday. Washington residents already have a headache in figuring out which sales trigger the tax.

A Supreme Court rebuke would remind states to stay in their lanes with taxes and regulations. Perhaps Mr. Inslee and the Legislature couldn't help themselves, but creativity and lawmaking rarely go together well, and sometimes they run up against the Constitution.

Pepper ... And Salt

THE WALL STREET JOURNAL



"No more allowance until I see a mission statement."

OPINION

A World Without American Deterrence



GLOBAL VIEW
By Walter Russell Mead

'How did you go bankrupt?' Bill Gorton asks Mike Campbell in Ernest Hemingway's 'The Sun Also Rises.'

'Two ways,' Mike replies. 'Gradually and then suddenly.'

Suddenly, the Biden administration faces a massive and complicated crisis in the Middle East. Missiles and warplanes streak across the skies above Gaza.

A gradual retreat into strategic passivity led to the world's spinning suddenly out of control.

of the Arab and Islamic world has exploded in rage against the Jewish state. Mobs rampage through the streets, and American diplomats take shelter amid protests outside U.S. embassies from Baghdad to Beirut.

to Israel showed energy and courage. But more is needed. As I wrote in my last column, Mr. Biden has yet to grapple with the painful truth that America's core problem in the Middle East is the march of an unappeasable Iran toward regional power regardless of moral or human cost.

That is not the only thing Mr. Biden and his team don't seem to have grasped. The Middle East firestorm is merely one hot spot in a world spinning out of control. The success of Hamas sent waves of excitement through jihadist groups and terror cells in Africa, Europe, the Middle East and beyond.

As Hamas put a torch to the Middle East, Russia's Legislature revoked its ratification of the Comprehensive Nuclear Test Ban Treaty and ended limits on missile technology sales to Iran.



President Joe Biden in Tel Aviv on Wednesday.

mir Putin toasted the growing friendship between Russia and China and celebrated a historic high in their bilateral trade. Trade between the two countries has roughly doubled since Mr. Putin's original 2014 invasion of Ukraine.

Trade between Russia and North Korea also has flourished. National Security Council spokesman John Kirby said last week that North Korea has delivered more than 1,000 containers of military supplies and weapons to Russia.

rently visiting North Korea, he and his hosts will have plenty to talk about.

China is also getting frisky. In the past two years, there have been more than 180 documented cases of People's Liberation Army planes harassing American aircraft, the Pentagon said this week.

The Left's Anti-Semitism Crisis Is the Right's Opportunity



POLITICAL ECONOMICS
By Joseph C. Sternberg

Wars have a way of scrambling politics near and far, and so it may become with the war Hamas has launched against Israel.

In France, representatives of the two main right-wing political movements—those led by Marine Le Pen and Eric Zemmour—participated in a pro-Israel rally days after the attack.

That's striking rhetoric from Ms. Le Pen's party, now known as the National Rally, which has an awful record on anti-Semitism.

pelled him from the party because of it. She herself has waded into debates about France's culpability for the deportation of its Jews under Nazi occupation and whether kosher animal slaughter should be legal.

In Germany, a parliamentary resolution in support of Israel garnered support from the Alternative for Germany, or AfD. This movement of the populist right, which opinion polls suggest is now the second most popular party after the opposition conservative Christian Democrats, periodically stokes arguments over how Germany interprets the history of the Holocaust.

This apparent unity in support of Israel on the further reaches of the right contrasts with the disarray on the left. While Ms. Le Pen was speaking up for Israel, Jean-Luc Mélenchon, the French version of Bernie Sanders who founded the France Unbowed party, argued Israel and Hamas both were responsible for the violence and then picked a fight with a major Jewish organization.

On the mainstream left there's Britain's Labour Party, which thought it had purged anti-Semitic elements left over from the leadership of Jer-

emy Corbyn. Yet several local politicians have or are threatening to quit the party after current leader Keir Starmer supported Israel's right to defend itself against Hamas.

France's Marine Le Pen and Germany's AfD are embracing Israel while socialists equivocate.

This mess makes the insurgent right's embrace of Israel look all the better, which surely is the political motive. While one should hope for a conversion of heart on the right concerning relations with Europe's Jewish community, this looks as if it could have more to do with advancing other right-wing priorities, namely anti-elitism and opposition to immigration.

Some of Europe's wave of left-wing anti-Semitism burbles up from the same springs whence it flows in

America: university campuses. This is a toxic brew of naive anticolonialism and pathological hostility to capitalism, combined with a diabolical conviction that Jews are on the wrong side of both lines.

This gives the far right good culture-war reasons to side with Israel and a political opportunity in doing so. There's no better way to discredit the left's philosophical belief in "rule by experts" than to highlight the reprehensible moral attitudes of the schools that are supposed to produce all that expertise—and that churn out most of Europe's mainstream political class.

Of greater interest to the insurgent right, however, are the implications of the Israeli crisis for European immigration policy. Europeans have been shocked at the scale of pro-Hamas protests this month.

One thing everyone in Europe seems to know but hardly anyone in the mainstream wants to discuss is

the island. On one day last month, more than 100 Chinese military aircraft flew missions near Taiwan, with 40 entering the air defense identification zone.

Why are so many actors challenging American power in so many parts of the world? Because the U.S. is losing its power to deter. Like Mike Campbell's bankruptcy, the erosion of deterrence usually begins gradually and ends suddenly.

Mr. Putin's 2022 invasion of Ukraine in defiance of direct American warnings was a major step. Iran's support for Hamas's strike on Israel is an even bolder attack on the American order.

As Mr. Biden analyzes his options and the support he is prepared to offer Israel, he needs to remember that the world is watching. Strategic passivity as deterrence erodes is a recipe for escalating crises and, ultimately and sometimes quite suddenly, war.

How Hamas Caught U.S. and Israeli Intelligence Unaware

By Jack Devine

Hamas's attack on Israel should be a wake-up call to U.S. intelligence services. That a terrorist attack of this magnitude—with seismic implications for global security—came as a surprise to many in Washington shows that we need to reassess our own operations sharply to ensure that America has a comprehensive threat picture that can provide early warnings and prevent national-security tragedies.

The Israelis will no doubt examine this lapse thoroughly. Several possible reasons come to mind for why Israel and its allies, including the U.S., failed to report on the exact nature, timing and scale of the attack.

Disinformation could have played a role in diluting Israeli intelligence. Hamas has years of experience with Israel's intelligence methods and strategic priorities, giving the terrorists the know-how to feed Israeli operatives false information.

for Gaza residents. That would have given Hamas operatives opportunities to communicate regularly with Israelis and perhaps gain the Israelis' trust by sharing accurate information on other threats from Gaza—lending credibility to Hamas's deceptions about its own plans.

Yet with a terrorist operation of this scope, there had to be countervailing information available. Hamas planned and trained for the attack for at least several months and reportedly had input from outside supporters, especially Iran. It's hard to imagine that not a single intelligence source warned of the coming onslaught among hundreds of Hamas members and their supporters both inside and outside Gaza.

This then also looks to have been a failure of politicians' and intelligence officials' analysis. Conventional wisdom might have led them astray. During my tenure at the Central Intelligence Agency, assumptions that became so-called conventional wisdom were the root of analytical failures more often than not.

that the threat from Gaza was under control. That belief could have led Israel to undervalue or misread intelligence suggesting that Hamas was planning, or even capable of, such an attack.

Some media reports have already posited that the Israelis received foreign intelligence warnings about the potential attack but dismissed them because of a "failure of imagination."

One clear lesson is that human intelligence—that is, old-fashioned spying—has been neglected.

But a well-placed spy makes imagination unnecessary. Washington in particular should ask why our spies didn't surface the threat to the extent that it couldn't be ignored. The answer is likely one that has sobering ramifications for American intelligence, too.

The reality is that human-intelligence collection—in other words, the

recruitment and use of spies—has stagnated. The U.S. and its allies have ramped up resources for technological intelligence solutions such as signals intelligence and digital surveillance, leaving spy networks underfunded. The total number of field operatives who handle spies today for the U.S., its North Atlantic Treaty Organization allies and Israel is less than the number of sailors who staff a single aircraft carrier.

Expanding the size and funding of the U.S. human-intelligence program is the first step, but we also need to adapt our methodology. Unprecedented high-tech counterintelligence capabilities like drone and electronic surveillance, biometric identification and artificial intelligence make it virtually impossible for American officials to go undetected abroad.

recruit at multiple levels and cast a much wider net. Sources who can organically rise through the ranks will eventually have access to more sensitive and valuable information.

Our tactical programs could also do with some changes. The departure from Afghanistan and Iraq makes U.S. kinetic targeting programs, which were essential when we had a presence on the ground, far less relevant. The staff and resources devoted to these programs should be refocused on collecting strategic information on how our adversaries' leaders are making key operational decisions.

The U.S. needs to take a fresh look at longstanding threats that might have slipped to the bottom of our national-security priorities and reinvigorate its intelligence programs. We can't be caught unaware again.

Mr. Devine is a former acting CIA deputy director of operations and president of the Arkin Group, a New York-based international intelligence and investigative company. He is author of "Spymasters' Prism," which will be released in paperback in November.

THE WALL STREET JOURNAL. PUBLISHED SINCE 1889 BY DOW JONES & COMPANY. Rupert Murdoch, Executive Chairman, News Corp. Robert Thomson, Chief Executive Officer, News Corp. Emma Tucker, Editor in Chief. Almar Latour, Chief Executive Officer and Publisher. DOW JONES MANAGEMENT: Daniel Bernard, Chief Experience Officer; Mae M. Cheng, EVP, General Manager, Leadership; David Cho, Barron's Editor in Chief; Jason P. Coniti, General Counsel, Chief Compliance Officer; Dianne DeSevo, Chief People Officer; Frank Filippio, Chief Transformation Officer; David Martin, Chief Revenue Officer, Business Intelligence; Elizabeth O'Melia, Chief Financial Officer; Dan Shar, EVP, General Manager, Wealth & Investing; Ashok Sinha, SVP, Head of Communications; Josh Stinchcomb, EVP & Chief Revenue Officer, WSJ | Barron's Group; Sherry Weiss, Chief Marketing Officer. EDITORIAL AND CORPORATE HEADQUARTERS: 1211 Avenue of the Americas, New York, N.Y., 10036 Telephone 1-800-DOWJONES

Notable & Quotable: The Class Struggle

From "What Conservatives Misunderstand About Radicalism at Universities" by Tyler Austin Harper for the Atlantic, Oct. 18:

I often describe myself as a "soft Marxist." I say that because my politics slouch toward reformist social democracy, not revolutionary overhaul. But I am nonetheless a Marxist, because I hold the traditionally Marxist view that the ideas that dominate at a given place and time tend not to be the ideas of the working classes—the humble majority—but rather of the elites. "The

class which is the ruling material force of society," Karl Marx and Friedrich Engels declared, "is at the same time its ruling intellectual force." Though the conservative accusation that prestigious universities are "culturally Marxist" is little more than a conspiracy theory, ironically, Marxism can help us understand the ideologies that prevail at these institutions.

From a Marxist perspective, there are only two possible explanations for the radical politics emerging out of Harvard and company: Either, against all odds, a

genuinely revolutionary political project—decolonization, anti-racism, etc.—has been secreted out of the inner sanctum of the American elite to destabilize it from within, or these "radical" political ideologies are in fact little more than wallpaper serving the interests of the ruling class by morally laundering an education system that doles out advantages to the mediocre rich and then calls this process a "meritocracy." Although miracles are certainly possible, history—and common sense—militates in favor of the latter.

WORLD NEWS

Wild-Haired Populist Rocks Argentina

Economist who vows to upend institutions is seen finishing first in Sunday's election

By RYAN DUBÉ

BUENOS AIRES—Javier Milei, high-powered chain saw in hand to demonstrate how he will carve up Argentina's establishment, doesn't sugarcoat what he would do if elected president on Sunday.

The self-styled libertarian pledges to lay waste to the country's institutions and to the career politicians of all political stripes he calls "useless parasites" who form a "political caste" that must be excised.

"The caste is trembling," he says. "This is no time for nice words and good manners."

With this country of nearly 46 million mired in its worst economic crisis in a generation, the eccentric economist should finish first on Sunday in the election's first round, though most likely not getting enough votes to avoid a November runoff, polls show. His main opponents are Economy Minister Sergio Massa, a Peronist movement stalwart who has cut taxes for millions in recent weeks to gain momentum, and center-right candidate Patricia Bullrich, whose coalition ruled from 2015 to 2019.

Milei is stirring supporters and unsettling opponents the way populist left-wing politicians have done from Colombia to Mexico. But he is a far different type of politician from most in Latin America, a self-described anarcho-capitalist who is not promising more public spending but the exact opposite.

Milei turns 53 on the day of the vote and says he purposely



Presidential candidate Javier Milei is a self-described anarcho-capitalist who purposely goes for the messy look with his hair.

goes for the messy look with his hair, not combing it and letting it get messed up by rolling down the windows of his car.

He has tapped into public disillusionment after years of economic mismanagement by the once-potent movement, the Peronists, under whose watch inflation has hit 138%, poverty rose to 40% and workers in the large informal sector have lost a third of their purchasing power in four years.

"Peronism has had a disastrous administration, and in social terms, that means anger, discontent," said Alejandro Catterberg, director of local pollster Poliarquia. "That

has led to the rise of a very antiestablishment vote."

Milei opposes abortion, has said he would support creating a market to buy and sell organs, and doesn't believe climate change is man-made. His government, he says, would break ties with communist regimes—including China, a major trade partner—and close the central bank as well as some government ministries.

But his main campaign proposal is to dollarize Argentina's economy, an appealing idea for many locals who stash their savings in greenbacks. Swapping the peso for the dollar, Milei says, is the only way

to ensure that Argentina finally stems inflation.

"We're on the brink of hyperinflation," Milei said during a presidential debate.

Milei has said he attributes much of his support to younger voters, especially men, and their youthful desire to rebel against the status quo. Among Argentines under 35, nearly 44% support Milei, compared with 28% backing Massa and 16% for Bullrich, according to pollster Aresco.

Milei shuns political norms. Storming on stage like the rock 'n' roll frontman he once was, he calls the public sector "a cancer" and says paying taxes

is "an act of violence." Of leftists—who have ruled Argentina for much of the past two decades and govern all large Latin American countries—he declares: "I detest them."

Born in Buenos Aires, Milei has never married and refers to his dogs, English Mastiffs, as his "four-legged children."

His four current dogs are named after economists Milton Friedman, Robert Lucas Jr. and Murray Rothbard. He also now has a girlfriend, Fátima Flórez, an impersonator and comedian.

Milei said he became interested in economics when he was 11, after watching shop-

pers racing to buy up goods before storekeepers raised prices.

He was a reserve goalie for a local professional soccer club, Chacarita, and in his teens played in Everest, a band that covered Rolling Stones hits. He doesn't shy away from discussing his sex life, including how he was a coach of tantric sex, a practice developed in India hundreds of years ago. "It's super intense," he said in one television interview.

One of Argentina's wealthiest men, Eduardo Eurnekian, who has a stake in media companies, helped propel Milei onto TV, said his biographer Juan Luis González.

By 2018, Milei was a fixture on television and his debates with adversaries on fiscal deficits and monetary policy often descended into yelling matches.

"Milei, Milei, red card," a TV host said during one debate. "Calm down."

Milei said his angry outbursts weren't feigned.

"Society is divided in two," he said. "Those who break our backs and pay taxes. And on the other side the parasites that live off taxes. It deeply irritates me."

Juan Carvajal, a 48-year-old who lives in a poor barrio without running water on the outskirts of Buenos Aires, had voted for Peronist candidates—but not this time. "I've never heard anyone say what he says. He's different from other politicians."

But some, like Mariela Domínguez, a 47-year-old maid, worry. She struggles to feed her family with prices constantly rising and says she is fed up with politicians. She still fears the upstart.

"Milei seems really crazy," Domínguez said. "I don't think we're ready for that change."

—Silvina Frydlewsky contributed to this article.

Russia Detains American Journalist Kremlin Draws Closer To China, North Korea

By ANN M. SIMMONS

Russian authorities have detained an editor for Radio Free Europe/Radio Liberty for failing to register as a foreign agent, marking the second detention of an American journalist in Russia this year.

Alsu Kurmasheva, who holds dual U.S.-Russian citizenship and lives in Prague, where the RFE/RL is based, was detained on Wednesday in Kazan, a city in southwest Russia, the company said.

Kurmasheva couldn't be reached for comment. It wasn't known whether she has made a plea or one has been made on her behalf. A spokeswoman for RFE/RL declined to comment on the case.

A law passed in Russia in 2012 requires individuals and organizations receiving funding from abroad to register as foreign agents or face prosecution. Russian authorities have used the law to punish perceived government critics who receive funding from abroad or are deemed to be under foreign influence, the company said.

"Alsu is a highly respected



Alsu Kurmasheva works for Radio Free Europe/Radio Liberty.

colleague, devoted wife and dedicated mother to two children," said Dr. Jeffrey Gedmin, RFE/RL's acting president. "She needs to be released so she can return to her family immediately."

RFE/RL receives funding from the U.S. government. The company's spokeswoman said the foreign-agent law was extended to cover the media in November 2017. Ten days later, Russia's Ministry of Justice designated eight RFE/RL news services as foreign agents, she said.

The spokeswoman said while dozens of RFE/RL journalists had been designated as individual foreign agents, Kurmasheva hadn't received such a designation. However, Russia's criminal code "now requires Russian citizens to self-register as foreign agents if they engage in the 'targeted collection' of information that could harm Russia's national security if provided to foreign sources," the RFE/RL spokeswoman said.

The company said Kurmasheva traveled to Russia

for a family emergency on May 20. She was temporarily detained while waiting for her return flight on June 2. Authorities at Kazan airport confiscated Kurmasheva's U.S. and Russian passports, the company said. She was fined for failure to register her U.S. passport with Russian authorities. Notifying the state of dual citizenship became a requirement in Russia in August 2014.

The charge against Kurmasheva carries a maximum sentence of five years in prison, RFE/RL said.

Russian authorities, including the foreign ministry, the Ministry of Internal Affairs and the Investigative Committee didn't respond to a request for comment.

The U.S. hasn't been officially notified of the arrest, but the State Department had been tracking Kurmasheva's case since May, when Russian authorities seized her passport and barred her from leaving the country, Matthew Miller, a spokesman for the department, said on Thursday.

—Daniel Nasaw contributed to this article.

By TIMOTHY W. MARTIN AND DASL YOON

SEOUL—Russia said it supports holding regular security talks with North Korea and China to address the threat posed by the U.S. on the Korean Peninsula, as Moscow draws closer to its partners and attempts to counter isolation from the West.

Russian Foreign Minister Sergei Lavrov backed the idea during his two-day trip to North Korea that ended on Thursday, Russian state media reported. Lavrov said Moscow had been pursuing the trilateral dialogue, which would be frequent and unconditional, with both Beijing and Pyongyang, Russian state media reported.

The trip came on the heels of Russian President Vladimir Putin's visit to China, where he attended a summit celebrating Xi Jinping's marquee foreign-policy project—the Belt and Road Initiative. The meeting between the two leaders at the event, with

Western representatives almost completely absent, highlighted the deep geopolitical divisions that have formed in recent years.

North Korea has yet to comment publicly on the potential for three-way talks with Russia and China.

In a Thursday meeting, Lavrov and North Korean Foreign Minister Choe Son Hui said they would cooperate in what Russia's foreign ministry described as an effort to ease regional tensions it blamed on the U.S. Lavrov also spoke for about an hour with Kim, North Korea's 39-year-old leader, Russia's foreign ministry said.

Kim and Lavrov reached a consensus on ways to cope with the "complicated regional and international situation," according to a Friday report in North Korean state media, which didn't provide further detail. The two discussed "important matters of mutual concern" about the "complicated regional and international situation," the report said.

CANADA Diplomats Leave India Amid Dispute

Canada said dozens of its diplomats in India have left the country after Prime Minister Narendra Modi's government threatened to remove their diplomatic immunity.

The move marks an escalation of a dispute between the two countries centered on the fatal shooting of a Sikh independence leader on Canadian soil. Canadian Prime Minister Justin Trudeau said last month that authorities were pursuing "credible allegations" of Indian involvement in the shooting, which India called "absurd."

Canadian Foreign Minister Mélanie Joly said Thursday the Indian government intended to remove diplomatic immunity for 41 of its diplomats in New Delhi, and their dependents, as of Friday. Joly said Canada decided to remove the diplomats and their families, in fear of their safety. Twenty-one Canadian diplomats remain in the country.

A spokesman for India's High Commission in Canada didn't respond Thursday to requests for comment.

—Paul Vieira

IRAN Woman Who Died In Jail Is Honored

Mahsa Amini, the 22-year-old Kurdish-Iranian woman who died in police custody in Iran last year, sparking worldwide protests against the country's conservative Islamic theocracy, was awarded the European Union's top human rights prize on Thursday.

The EU award, named for Soviet dissident Andrei Sakharov, was created in 1988 to honor individuals or groups who defend human rights and fundamental freedoms.

Amini died on Sept. 16, 2022, after she was arrested for allegedly violating Iran's mandatory headscarf law. European Parliament President Roberta Metsola said that day will "live in infamy," adding that her "brutal murder" marked a turning point.

"It has triggered a women-led movement that is making history," she said.

Amini died three days after she was arrested by Iran's morality police. Authorities said she suffered a heart attack, but her supporters said she was beaten by police and died of her injuries.

—Associated Press

WORLDWATCH



SMASHING: Waves hit South Shields Lighthouse in northeast England on Thursday as Storm Babet battered parts of the U.K.

JOHN FATKIN/COVER IMAGES/ZUMA PRESS

BUSINESS & FINANCE

© 2023 Dow Jones & Company. All Rights Reserved. * * * * *

THE WALL STREET JOURNAL.

Friday, October 20, 2023 | B1

S&P 4278.00 ▼ 0.85% S&P FIN ▼ 1.25% S&PIT ▼ 0.44% DJTRANS ▼ 1.01% WSJ\$IDX ▼ 0.18% 2-YR. TREAS. yield 5.171% NIKKEI (Midday) 31311.30 ▼ 0.38% See more at WSJ.com/Markets

Rate Fears Spur Stock-Market Selloff

Ten-year bond yield edges toward 5%; Netflix shares surge, while Tesla skids

By ERIC WALLERSTEIN

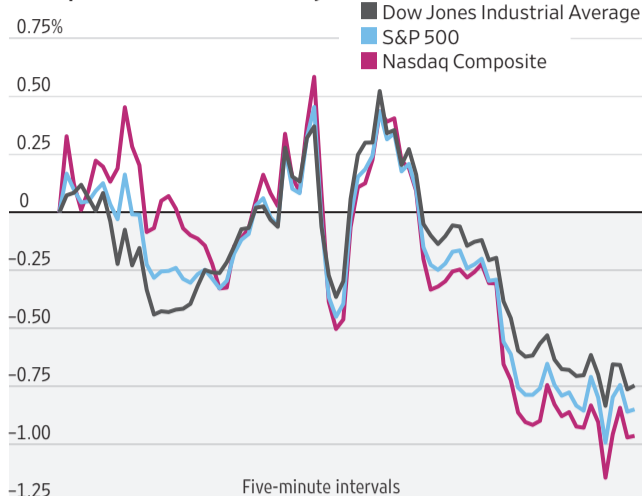
Stocks ultimately sank Thursday after being whipsawed by remarks from Federal Reserve Chair Jerome Powell.

Powell's comments jostled markets as investors were weighing bond yields' ascent toward 5%, the continuing conflict between Israel and Hamas and the influx of corporate earnings results from the third quarter.

The S&P 500 dropped 0.8% with 10 of its 11 sectors finishing in the red. The tech-heavy Nasdaq Composite fell 1%, while the Dow industrials declined 0.7%.

Powell initially suggested that the central bank is unlikely to raise interest rates again in November, a reprieve for investors. Stocks climbed and bond

Index performance on Thursday



yields fell. He then spooked investors once his speech resumed, shortly after an interruption by climate activists, prompting a reversal. Traders struggled to discern a clear sense of direction from his comments.

"Given the uncertainties and risks, and how far we have come, the committee is proceeding carefully," Powell said Thursday.

He cited the bevy of data

showing that labor-market tightness and price pressures are easing, giving the Fed room to stand pat, but said the central bank would be willing to raise rates further if strong economic activity sparked worries of an inflation revival.

Market anxiety peaked when Powell said he didn't see evidence that monetary policy is too tight—in the way it would cause a recession—and that higher interest rates will likely be required for a long time to contain inflation. That is one reason bond yields have risen in recent weeks.

The 10-year Treasury yield reached as high as 4.991% during trading, nearly hitting 5% for the first time since 2007. Weak manufacturing data from the Philadelphia area and later Powell's comments sapped the bond selloff and boosted prices, leaving the benchmark yield at 4.987% to finish the day—a 16-year high.

Stock investors were also gauging newly released third-

quarter earnings results. Netflix shares leapt 16% after the streaming company reported it added 8.8 million net new paid subscribers, the biggest jump since early 2020, and raised prices. That was its best single-day performance since January 2021, making it the biggest gainer in the market on Thursday. Crackdowns on password sharing spurred the growth, but that has caused some analysts to question how sustainable it is.

Tesla stock, meanwhile, went in reverse following its third-quarter results. Shares of the electric-car maker slid 9.3% after the company said it is struggling to scale production of the Cybertruck, and it lost more money than analysts expected.

"In a nutshell we would characterize last night's conference call as a 'mini disaster,'" wrote a team of Wedbush Securities analysts led by Dan Ives, referring to Elon Musk's cau-

Please turn to page B9

SEC Ends Lawsuit Against Digital Coin

By DAVE MICHAELS

WASHINGTON—The Securities and Exchange Commission on Thursday said it would drop its lawsuit against two cryptocurrency executives who oversaw \$1.5 billion in sales of a digital coin known as XRP, in a move that boosts the industry's battle against traditional regulation.

The dismissal of civil claims against Brad Garlinghouse and Chris Larsen, who were sued for assisting Ripple Labs's sales, will likely encourage wealthy crypto defendants to fight regulators in court. At the same time, the SEC's withdrawal from the case preserves its resources for bigger lawsuits it has filed against crypto giants Coinbase and Binance.

The SEC filed the lawsuit against Ripple, Garlinghouse and Larsen in December 2020, when XRP was the third-largest cryptocurrency by market value.

Crypto firms say they can't easily comply with Wall Street-style regulations and have mostly opposed the SEC's approach. Nonetheless, many crypto companies have paid big fines to settle SEC claims that they illegally sold securities.

The cost of paying high-price lawyers to fight off regulators encourages many companies to settle. But Ripple and the two executives had the wherewithal and incentives to fight. Garlinghouse earned \$150 million from his sales of XRP and Larsen earned \$450 million.

An SEC spokesman declined to comment.

Ripple's liability and some of the claims against Garlinghouse and Larsen were resolved in July, when U.S. District Judge Analisa Torres in Manhattan granted part of the defendants' request to dismiss the case. Torres agreed with Ripple's argument that roughly half of its XRP sales didn't violate investor-protection laws.

Please turn to page B8

CVS Pulls Some Cold Drugs Off Shelves

By JARED S. HOPKINS

CVS Health is pulling some of the most common decongestants from its shelves and will no longer sell them, after advisers to U.S. health regulators recently determined that an ingredient doesn't work.

The products contain oral phenylephrine, an almost-century-old ingredient in versions of decongestants and over-the-counter pills, syrups and liquids to clear up congested noses.

An advisory panel to the Food and Drug Administration last month declared that the ingredient was ineffective when taken orally.

The FDA had said in its own analysis that the oral phenylephrine formulations are safe but ineffective at standard or even higher doses.

The FDA hasn't made a decision yet or asked manufacturers or retailers to remove products from store shelves. CVS is removing phenylephrine products voluntarily.

CVS is aware of the FDA panel's position and will follow direction from the FDA to ensure that products sold comply with laws and regulations, a spokesman said.

He said CVS is removing certain cough and cold medicines taken by mouth that contain phenylephrine as the only active ingredient from stores.

The CVS spokesman said other products to relieve congestion remain available for customers.

Oral products that list phenylephrine as its only active ingredient include Sudafed PE.

Kenvue, which sells Sudafed

INSIDE



BUSINESS NEWS

Visa and Mastercard invest in Africa's booming mobile-money market. **B3**

TECHNOLOGY

Nokia plans to lay off as many as 14,000 workers after its net profit dived. **B4**

The Most Expensive Scotch Bottle Goes on Sale



WORTH A SHOT: A bottle of The Macallan 1926 with an estimated value of between \$900,000 and \$1.4 million will be auctioned at Sotheby's in London on Nov. 18. The whisky has matured in sherry casks for six decades.

Permian Fracking Trailblazer Cashes In

By BENOÎT MORENNE

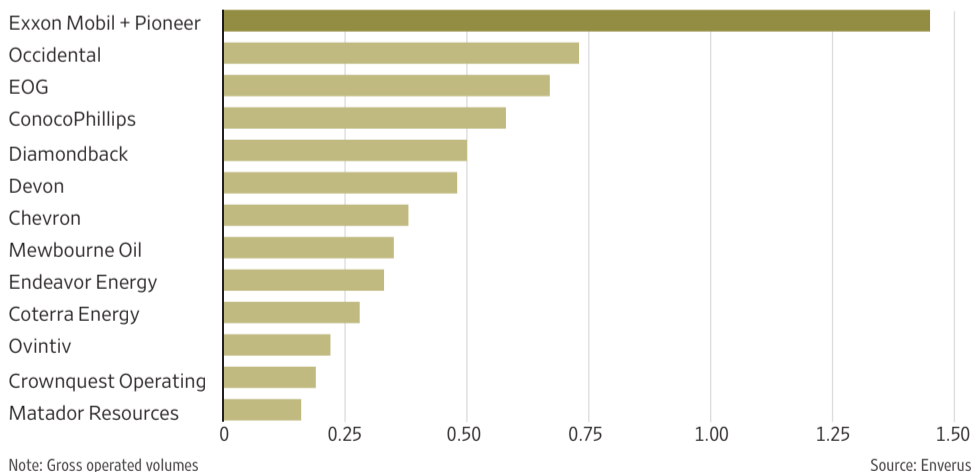
Scott Sheffield transformed Pioneer Natural Resources from a fledgling outfit into one of the largest oil producers in West Texas and, until recently, put no limits on his ambition to grow.

But after two weeks of negotiations, he agreed to sell his company for \$60 billion to Exxon Mobil last week, the oil giant he had lapped for years in the Permian Basin.

Sheffield's shift signals that even the largest independent drillers face an uncertain path to making it on their own and has some calling an end to an era dominated by scrappy frackers.

"It's probably a bittersweet Grand Slam," Andrew Cates, a former Pioneer board member, said of the deal. "Pioneer has

Top producers in the Permian Basin for 2023, in million barrels of oil equivalent per day



Note: Gross operated volumes

Source: Enverus

been an independent, and been very proud of it."

Sheffield, 71 years old, started buying leases in the Permian in the '90s as chief ex-

ecutive of Parker & Parsley Petroleum, his father-in-law's oil company. When he merged the driller with T. Boone Pickens's Mesa to form Pioneer in 1997,

the company produced fewer than 100,000 barrels of oil and gas a day.

By staying focused on the Permian, then a languid oil ba-

sin deserted by Exxon and other major oil companies, Sheffield found himself in the driver's seat to rapidly expand once-new drilling techniques, and hydraulic fracturing unlocked vast reserves of oil and gas there. Pioneer produced about 711,000 barrels of oil and gas a day in the Permian in the second quarter of the year, topping Exxon's production there of less than 650,000.

Pioneer had recently been considering a long-term strategy to diversify outside of the Permian, Sheffield said in an interview, including by potentially expanding into other basins or going international.

"We've probably looked at 50 opportunities over the last five years," Sheffield said.

Instead, he will be watching the oil patch's makeover from

Please turn to page B4

States Try to Slow Insurer Litigation

By JEAN EAGLESHAM

Samari Lakes East, a nondescript condo complex near Miami, was battered by Hurricane Irma in 2017. The storm tore up the roof, causing water damage across Samari's 635 units, home to retirees and blue-collar workers.

The complex's insurer, Heritage Property & Casualty Insurance, said the damage was only \$22,107. In April, after a lengthy court battle, Heritage paid \$17.9 million. The insurer

didn't respond to requests for comment.

"It has been a nightmare...horrible, horrible years," said Ivonne Avellaneda, a chauffeur and president of the condo association's board.

Samari Lakes won its fight, but such victories are likely going to get rarer, in part because of climate change. Home-insurance markets are in crisis in some states, due to severe weather, inflation and regulations.

Please turn to page B2



Damage from Hurricane Irma in Sugarloaf Key, Fla., in September 2017.

INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

Table with 2 columns: Index letter (A, B, C, D, E, F, G, H, I, J, K, L, M-N) and company names with page numbers (e.g., American Airlines B2, Apple A1, Nestlé B3).

INDEX TO PEOPLE

Table with 2 columns: Index letter (A, B, C, D, E, F, G) and names of people with page numbers (e.g., Goehring, Leigh B4, Gray, Jonathan B9).

BUSINESS & FINANCE

Union Pacific Profit Declines As Freight Demand Weakens

By DEAN SEAL

Union Pacific's profit fell 19% in the third quarter to \$1.5 billion, beating expectations, while the company reported declining freight rail volumes and revenue across key industrial commodities. Earnings slid to \$2.51 a share from \$3.05 a share in the year-ago quarter. Analysts polled by FactSet had been expecting \$2.41 a share. Overall quarterly revenue of \$5.94 billion was down 10%.



Overall quarterly revenue of \$5.94 billion was down 10%.

that business segment, which hauls sea containers and truck trailers, fell 6% from the same quarter a year ago and revenue fell at an even steeper pace as average revenue per car, a measure of pricing strength, declined 13%. Pricing and volume in that segment also declined from the second quarter, a sign of the muted peak season that freight industry executives have forecast for a period when volumes typically increase ahead of the end-of-year holidays.

The Omaha, Neb.-based freight railroad, a bellwether of the industrial economy, saw revenue fall back from the third quarter of 2022 in industrial commodities, including coal, metals, industrial chemicals and energy products. Carloads of forest products fell

13%, a likely result of the weak U.S. housing market. Home sales have trended sharply lower this year as mortgage rates rose to the highest level since 2000. "We faced many challenges in the quarter, including continued inflationary pressures

and a drop in carloads," said Chief Executive Jim Vena. The railroad also saw business demand deteriorate in its intermodal operations, which have been hit by inventory destocking and sagging consumer demand for goods. Union Pacific's volumes in

American Airlines Reduces Outlook

By WILL FEUER

American Airlines Group cut its full-year adjusted profit outlook after swinging to a loss in the third quarter, as the carrier's results were dragged down by higher costs and a one-time charge tied to the company's latest contract with its pilots union. The airline says it still sees resilient demand for

travel, and noted growth in corporate and government revenue as well as business travel. Shares climbed 0.8% to \$11.45 on Thursday after declining nearly 5% on Wednesday following a quarterly readout from rival United Airlines Holdings. American Airlines said revenue rose 0.1% to \$13.48 billion, below the \$13.51 billion

that analysts expected, according to FactSet. The carrier swung to a quarterly loss of \$545 million, or 83 cents a share, compared with a year-ago profit of \$483 million, or 69 cents a share. Earnings were wiped out by a one-time charge tied to the company's latest contract with its pilots' union. Stripping out one-time items, adjusted earnings were

38 cents a share. Analysts surveyed by FactSet expected adjusted earnings of 25 cents a share. American Airlines said it is now targeting full-year adjusted profit of \$2.25 a share to \$2.50 a share, down from previous outlook of \$3 a share to \$3.75 a share. An ETF that includes airline shares ticked higher in Thursday's trading.

Ray-Ban Maker Records Sales-Growth Slowdown

By JOSHUA KIRBY

EssilorLuxottica's revenue growth slowed in the third quarter amid sluggish sales of sunglasses, but the company backed its longer-term financial targets. The Franco-Italian maker of eyewear under brands including Ray-Ban made total revenue of €6.29 billion, or about \$6.63 billion, in the July-to-September period, 5.2% higher than in the same period last year, adjusted for currency effects. This was in line with analysts' expectations, according to a poll of estimates compiled by FactSet, but slightly slower

than in the year's first half. Revenue grew most slowly in the group's largest market, North America, where sales of sunglasses continue to drag overall performance. Sales at retailer Sunglass Hut remained lower on year in the region over the quarter, EssilorLuxottica said. Weakness in sunglass retail also hit the Europe, Middle East and Africa region, the company said, pointing to unfavorable weather in July and August. In Asia-Pacific, however, revenue rose by double digits, despite a tough comparison base after a strong quarter last year.

CVS Pulls Some Cold Medicines

Continued from page B1 PE, didn't respond to a request for comment. The company's product website mentions that the advisory panel "reviewed efficacy data available for orally administered phenylephrine (PE) as a nasal decongestant," and links to an FDA website providing details on the advisory panel's determination. One of the nation's largest pharmacies, CVS operates more than 9,000 retail locations and 1,100 walk-in clinics nationwide. It also owns one of the country's biggest health insurers and the nation's largest pharmacy-benefit manager. Phenylephrine, first permitted for use in 1938, didn't go through the rigorous clinical trials that regulators require today for medications, and more recent studies found the ingredient to be ineffective at

relieving congestion. The latest research prompted pharmacists and physicians to call for ending the sales of the drugs. The FDA panel cleared the way for the agency to remove oral phenylephrine from its list of approved, over-the-counter ingredients. That would mean that products containing the ingredient couldn't be sold in the U.S. The FDA doesn't have to follow the recommendations of its advisory panels, but it often does. The agency said last month that if it determined the ingredient to be ineffective, it would propose an order to remove phenylephrine from an over-the-counter monograph that says it is safe and effective when used as recommended on product labeling. The agency would then consider public comment on the proposed order. It could take the agency months or even years before it makes a final decision. The Wall Street Journal reported last year that some recent studies found oral phenylephrine in certain medicines was ineffective at relieving nasal congestion. —Nidhi Subbaraman contributed to this article.



Home-insurance markets are in crisis in some states due to severe weather, inflation and regulations. Hurricane Irma damage.

States Slow Insurer Litigation

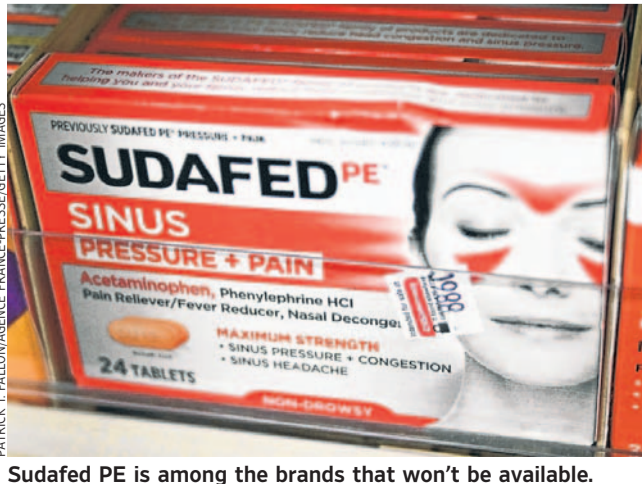
Continued from page B1

Insurers are responding to heavy underwriting losses by driving up premiums and pulling back from writing new policies. A few hard-hit states are trying to ease the pain on insurers by making it harder for lawyers to sue. Insurers have long complained that aggressive lawyers with dubious claims have led to higher premiums for their customers. "The pendulum is swinging from being less friendly to insurers to putting them into a position of strength," said Benjamin Keys, a professor of real estate and finance at the University of Pennsylvania's Wharton School. In Florida, insurers have long identified excess litigation and fraud as a prime driver of the market meltdown. Many national home insurers have pulled out of the state. Seven Florida home insurers have gone under since the start of 2022, six of them before Hurricane Ian struck the state that year. "In our opinion, these companies were litigated out of business," a spokesman for industry body the Insurance Information In-

stitute said. Lawmakers in Florida have in the past 12 months responded by overhauling the state's legal system to tackle what Republican Gov. Ron DeSantis called its reputation as a "judicial hellhole." The state has axed the requirement that an insurer has to pay the policyholder's attorney if it loses a case, which was seen as a big incentive for lawyers to take on cases. Florida also has now banned the assignment of benefits, under which policyholders gave roofing contractors or other third parties the right to seek payment directly from their insurer—a right the industry says was abused. Florida could provide a blueprint for some other states trying to stabilize insurance markets. One is Louisiana, where several insurers have pulled back or gone under following a series of storms. Tim Temple, a Republican who is set to take over next year as the state's insurance commissioner, supports making it harder to sue insurers to help fix the "broken" market. In Georgia, the Republican governor and legislative leaders are trying to pass rules to limit lawsuits against insurers. The nationwide changes aren't all in favor of insurance companies: In Michigan and Texas, the industry is fighting efforts by lawmakers to ease the rules on lawsuits, the

spokesman for the Insurance Information Institute said. Consumer advocates worry that the Florida changes go too far. They accuse the industry of creating a "false villain" of lawsuit abuse, when the real problem lies in a sharp rise in costs from multibillion-dollar catastrophes, such as last year's Hurricane Ian. The changes will make it harder for policyholders to sue insurance companies for acting in bad faith. Simply showing the company was negligent will no longer be enough to win such a case. Hurricane Irma damaged roofs, windows and doors at the Samari Lakes condos, allowing water to pour in, an independent assessor found. Avellaneda said her ceiling leaked, her floors and walls were damaged and her unit had large black mold stains. She said most of the complex's elevators stopped working, making it hard for elderly residents. Heritage's initial assessment was below the condo's deductible. After Samari filed suit, the two sides agreed to appoint an independent assessor, who pegged the damage at \$14.9 million. Heritage appealed the decision, court filings show. Heritage Insurance Hold-

ings, which owns Heritage Property & Casualty, is one of the largest home-insurance companies in Florida. It said in a 2018 state filing responding to Samari's complaints that it "has and will continue to act in good faith." The Tampa-based insurer at that time defended its assessment that little damage was caused by Irma, saying Samari's roofs were old and in poor condition before the storm. It is too early to tell how great an impact the new Florida legal regime will have on the state's insurance market. Some insurers are already reporting benefits from the new regime. Citizens Property Insurance, the state's insurer of last resort and biggest home-insurer, said it was on the receiving end of fewer lawsuits, with a monthly average for January through June of 785, down 20% from 985 a month for the first half of last year. That could help at least some policyholders. The change in the law is unlikely to make a dent in Florida's steep home-insurance rates, catastrophe-modeling company Karen Clark said in a report this month. But, the report added, without the changes, "premiums would be higher."



Sudafed PE is among the brands that won't be available.

BUSINESS NEWS

Visa, Mastercard Target Africa's Mobile Money

Global payments firms are spending billions on the continent's fintechs

By ALEXANDRA WEXLER

JOHANNESBURG—African fintech companies have found creative ways to help the continent's consumers spend their money. Traditional payments companies want in.

Global payment giants, including Mastercard and Visa, are pouring billions of dollars into African companies that have powered a sharp expansion in e-commerce on the continent. Recent deals have focused on mobile-money operators, which allow users to send funds using simple cell-phones, and platforms that facilitate such payments for merchants such as Uber Technologies, Netflix or Estée Lauder without relying on credit cards or bank accounts.

The investments follow extraordinary growth in e-commerce in Africa, where online transactions have long lagged behind other regions, especially North America.

By the end of this year, the U.S. Commerce Department expects some 435 million Africans will be spending money online, nearly double the level before the coronavirus pandemic. Since then, many consumers on the continent have continued to shop, study and entertain themselves using electronic payments.

In August, Mastercard agreed to take a minority stake in the fintech business of South African telecommunications provider MTN Group—little known in the U.S., but a juggernaut in Africa and the Middle East. MTN said the deal, which hasn't been finalized, values its fintech business at \$5.2 billion. The size of Mastercard's stake wasn't disclosed, but it could go up to 30%, according to MTN.

The deal followed an announcement by Mastercard rival Visa in late 2022 that it would invest \$1 billion in Africa over the next five years to expand its operations on the continent, and in particular, its digital-payment reach. As part of that pledge, earlier this month the company welcomed the first cohort of 23 startups to its Visa accelerator program



Mastercard in August agreed to take a stake in MTN Group's fintech arm, whose mobile-money platform had 60.5 million monthly active users as of June 30.

for African fintech startups focusing on growth and mentoring. Visa plans to invest in select participating businesses after completion of the program.

In 2021, Mastercard invested \$100 million in the mobile-money business of Airtel Africa, majority-owned by Indian telecom giant Bharti Airtel, valuing the business at \$2.65 billion.

"The growth of mobile and digital technology [in Africa] presents a tremendous opportunity," a Mastercard spokesman said. "We're working with partners to ensure technology is relevant to the people who use it...our partnership with MTN supports this goal."

In contrast to popular payment apps like PayPal or Venmo in the West and Alipay in China, mobile money isn't connected to an underlying bank account. Telecom services process the transactions and accounts are linked to phone

numbers. Africa is fertile territory for mobile money because of the lack of traditional bank branches, their distance from most rural areas and the fact that many people earn little money.

MTN's mobile-money platform Momo surpassed Africa's original mobile-money service, M-Pesa, in subscribers last year. Momo had 60.5 million monthly active users as of June 30, while M-Pesa, which was launched in Kenya in 2007, had 51.3 million monthly active users as of March 31, according to the latest data available. The value of MTN's mobile-money transactions increased 62% to \$135 billion during the six months ended June 30 from a year earlier.

Over the past decade and a half, African countries have spawned a string of different financial services via mobile-money accounts, mostly on phones. They act as savings and checking accounts, facili-

tate and offer loans, process payments for companies in markets where credit cards are almost nonexistent and allow Africans to send and receive money from abroad.

"There's a massive market there that requires other alternatives" to traditional payments methods, said Karen Nadasen, chief executive for Africa at digital-payments platform PayU, which is majority-owned by Africa's largest public company by market value, Naspers.

PayU and Flutterwave, Africa's largest startup based on the last round of venture-capital investment, are payment-services providers that allow merchants to process mobile-money transactions, as well as more traditional payments using credit cards and bank accounts.

"They can broaden the scope of what the consumer can do with that e-wallet, inside and outside of the country

it's registered in," said Ashley Olson Onyango, head of financial inclusion at the GSM Association, a nonprofit industry group. "It's helping mobile money evolve."

In August, the same month that Mastercard sealed its deal with MTN, Naspers said it would sell PayU's Latin American, Central and Eastern European and African operations to Rapyd, an Israeli fintech unicorn, for \$610 million. Rapyd's customers include Meta Platforms, Netflix and Inditex, the owner of apparel retailer Zara.

Founded in Lagos, Nigeria, and now based in San Francisco, Flutterwave's valuation tripled to \$3 billion in February 2022 from a year earlier, when the company raised \$250 million from investors including Facebook co-founder Eduardo Saverin's B Capital Group.

Homegrown African fintech firms are often better able to spot openings in the market and can move faster to put to-

gether new products.

Flutterwave in September launched a new product in Nigeria that allows users to legally exchange their naira currency for U.S. dollars. Such painless transactions were an unimaginable luxury just months ago, when the Nigerian central bank tightly rationed access to foreign currency to stabilize the naira.

Olugbenga Agboola, Flutterwave's co-founder and chief executive, was supported by Nigeria's central bank to set up its Swap product after the country's new president, Bola Tinubu, abolished the naira's peg to the dollar in June. The product came together in a matter of months, giving Africa's most populous nation and largest economy access to dollars.

Flutterwave is now looking ahead at plans for an initial public offering. "Right now, we are just trying to cross our t's, dot our i's," Agboola said.



The Italian luxury-goods maker reported revenue of \$889.4 million for the first nine months of 2023.

Ferragamo Posts a Decline, Maintains Targets

By ANDREA FIGUERAS

Salvatore Ferragamo reported a decline in sales for the first nine months of the year, but has maintained its midterm targets.

The Italian luxury-goods maker posted on Thursday revenue of €844 million, equivalent to \$889.4 million,

for the first nine months of 2023, down 8.3% at current exchange rates, compared with €920.7 million in the year-earlier period.

The company's performance was hurt in both retail and wholesale channels, it said.

North America and Asia Pacific posted declines of 20%

and 16%, respectively. Europe was the only market in which the company reported growth of 3.1%.

Chief Executive Officer and General Manager Marco Gobetti said: "The overall sales performance reflects, at this stage, the ongoing focus on quality of sales and rationalization of distribution net-

works, as well as the evolution of the offer and the acceleration of the transition to the new creative course—the full potential of which will become evident in 2024."

The company confirmed its midterm targets, despite what it called an increasingly uncertain market environment.

Honda, GM to Begin Tokyo Driverless Rides

By RIVER DAVIS

General Motors, its self-driving unit, Cruise, and Honda plan to begin offering a driverless ride service in Japan in early 2026, the companies said Thursday.

With the service, customers will be able to use an app on their smartphone to call a self-driving vehicle to pick them up and drop them off at a designated destination. It will start with a few dozen self-driving vehicles operating in central Tokyo and later expand to a fleet of 500.

The companies plan to establish a joint venture to provide the autonomous-ride service in the first half of 2024 and aim to eventually expand beyond Tokyo.

"If we can satisfy customers in Tokyo we will be able to spread to other cities," Honda

CEO Toshihiro Mibe said. Cruise offers rides in several U.S. cities including San Francisco and Austin.

While other car companies have largely pulled back on their autonomous-car ambitions, GM CEO Mary Barra said the companies remain committed to bringing the technology and "its significant safety benefits" to the world.

Federal regulators in the U.S. said in a Tuesday filing that they had opened up an investigation of Cruise after reports of its autonomous vehicles exhibiting risky behavior around pedestrians.

Cruise CEO Kyle Vogt said Thursday that safety is Cruise's top priority. The company is in regular communication with regulators with the aim of helping familiarize them with the emerging technology, he said.

L'Oreal Revenue Grows Despite China Malaise

By ED FRANKL

L'Oreal said Thursday that sales in the third quarter climbed year over year as its growing cosmetics and consumer-products businesses shrugged off slower-than-expected recovery in China.

The French beauty company posted sales of €10.00 billion, or about \$10.54 billion, in the three months to Sept. 30, up from €9.58 billion in the same period of 2022.

On a like-for-like basis, sales growth was 11.1%, the company said.

Sales grew in all divisions on a comparable basis, with dermatological beauty outperforming with year-over-year growth of 28%, while sales at consumer products, which includes brands Maybelline and Garnier, jumped 13%.

By region, comparable sales increased by double-digit percentages in Europe, North America, Latin America and its grouping of Africa, the Middle East and southern Asia, but declined in north Asia as the recovery of the beauty market in mainland China dragged.

Nestlé's Organic Sales Increase Misses Forecast

By GIULIA PETRONI

Nestlé posted a lower-than-expected organic sales growth in the first nine months of the year and confirmed its outlook.

The Swiss food-and-beverage giant said sales stood at 68.83 billion Swiss francs, or

about \$76.57 billion, in the period from 69.13 billion francs a year earlier. Sales grew 7.8% organically, missing a company-compiled consensus estimate of 8.1%.

Organic growth of 8.4% was driven by pricing, while real internal growth—the sum of volume and mix—was in line

with expectations at minus 0.6%.

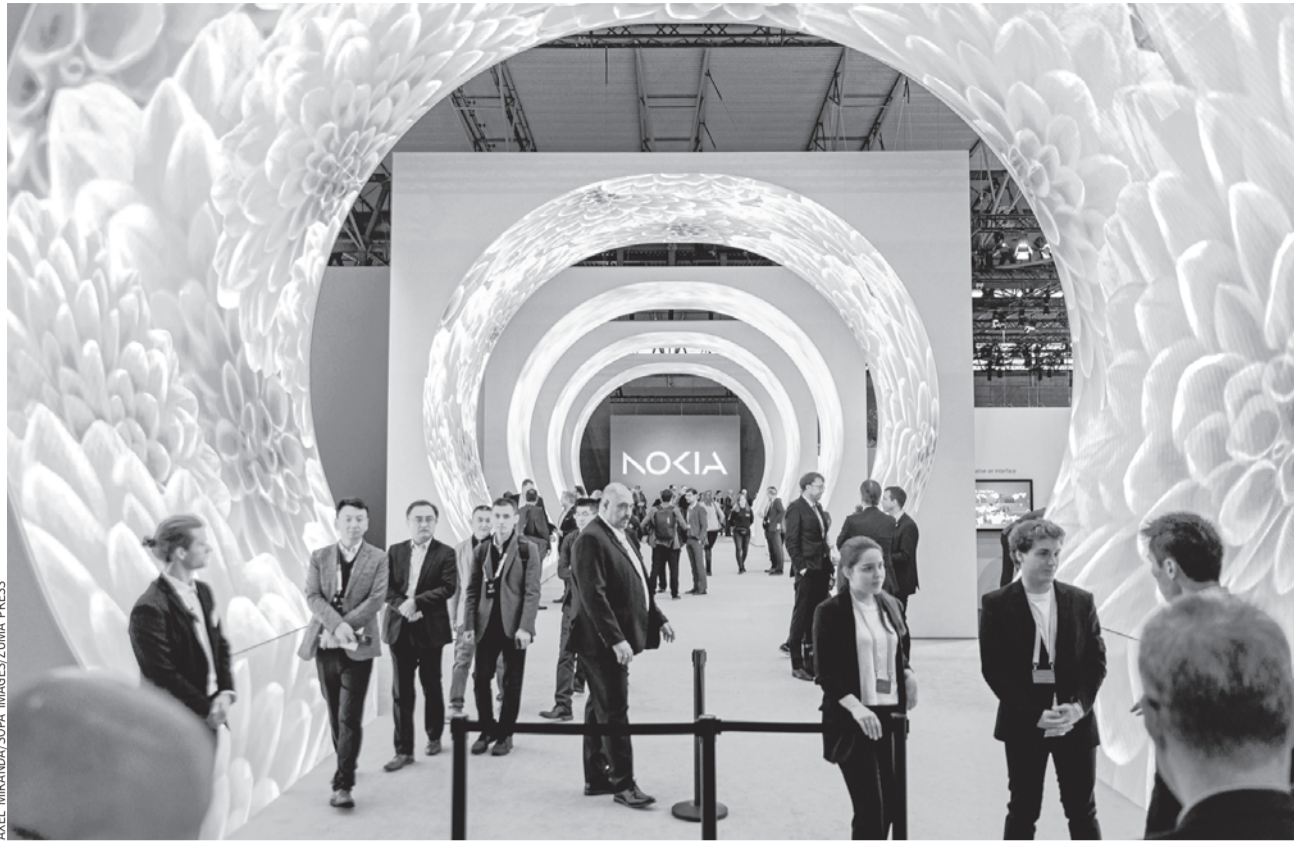
"Growth was driven by pricing as we continued to navigate historic inflation levels. The recovery of our volume and mix is under way," Chief Executive Mark Schneider said.

Nestlé said it expects real internal growth to turn posi-

tive in the year's second half.

The company confirmed its full-year guidance for organic sales growth of between 7% and 8%, and underlying trading operating profit margin between 17% and 17.5%. Underlying earnings per share in constant currency are expected to increase between 6% and 10%.

TECHNOLOGY



The Finnish company is dealing with weakening demand in its network-infrastructure and mobile-networks businesses.

Nokia Plans Major Layoffs

Telecom-gear maker to slash up to 14,000 jobs after reporting a dive in net profit

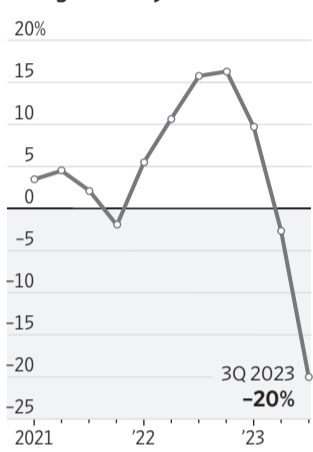
By DOMINIC CHOPPING

Nokia said it plans to cut up to 14,000 jobs as the telecommunications-equipment maker wrestles with a sharp downturn in spending by telecom operators.

The Finnish company said Thursday it would shrink its workforce to between 72,000 and 77,000 by 2026, from 86,000, depending on how market demand evolves. The cuts are part of an effort to generate annual cost savings of up to 1.2 billion euros, equivalent to \$1.26 billion.

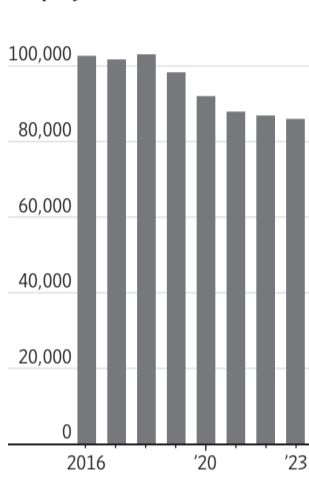
The move comes as Nokia contends with weakening demand in its network-infrastructure and mobile-networks businesses, with customers facing a tough macroeconomic environment beset by high inflation and rising in-

Nokia's quarterly net sales, change from a year earlier



Sources: S&P Capital IQ (sales); the company (employees)

Employee count



terest rates. Telecom operators are also working through stockpiles of inventory that were ordered during previous periods of tight supply.

Nokia's comments mirror those made by Swedish rival Ericsson earlier this week, with the two Nordic telecom-gear giants also grappling with a shift in business mix

from higher-margin 5G work in early-mover markets such as North America to lower-margin developing markets such as India.

After a period of frantic 5G rollouts in India, work there is starting to level off.

"We saw some moderation in the pace of 5G deployment in India, which meant the

growth there was no longer enough to offset the slowdown in North America," Nokia Chief Executive Pekka Lundmark said.

Nokia reported a 45% fall in third-quarter comparable net profit to €304 million, while sales fell 20% to €4.98 billion. Both those figures came in below analyst forecasts, prompting the company's shares to fall more than 4%.

The company said sales at its network infrastructure business fell 14% in the quarter amid weaker customer spending, while mobile networks sales fell 19% because of a slowdown in 5G deployments in India.

While Nokia said its total addressable markets this year would be smaller than previously expected, it said it continues to believe in the medium-to-long-term attractiveness of the markets. For instance, it said the continued development of cloud computing and artificial intelligence require investment in networks that offer greater capabilities.

AT&T Lifts Outlook For Free Cash Flow, Boosting Its Stock

By WILL FEUER

AT&T's core cellphone business kept growing in the third quarter, lifting revenue and spurring the telecommunications company to raise its full-year outlook for free cash flow.

Shares jumped 6.7%. They were the second-best performers in the S&P 500 after Netflix.

In the third quarter, the Dallas company added 468,000 postpaid phone connections, the cellular carrier's main profit engine.

Wall Street analysts surveyed by FactSet expected the company to add about 403,000 of those kinds of subscribers.

The cellular carrier's quarterly earnings were dented by severance and restructuring charges. The company has

been consolidating offices as part of a plan to cut costs across the company.

AT&T is the first telecommunications heavyweight to report third-quarter results. Verizon and T-Mobile are set to offer their own updates next week.

Third-quarter revenue rose 1% to \$30.4 billion, above the \$30.2 billion that Wall Street analysts expected, according to FactSet.

Stripping out one-time items, adjusted earnings were 64 cents a share vs. 62 cents a share expected.

AT&T posted third-quarter free cash flow of \$5.2 billion, up from \$3.8 billion a year ago.

AT&T says it is on track to hit roughly \$16.5 billion in free cash flow this year, above its prior outlook of at least \$16 billion.

BlackRock Funds to Woo Those Without a 401(k)

By JACK PITCHER

BlackRock is rolling out a series of funds aimed at the estimated 57 million American workers who don't have access to a 401(k) or company sponsored retirement plan.

The world's largest asset manager launched a suite of target-date exchange-traded funds on Tuesday, similar to the mutual funds that are the bedrock of many corporate 401(k) plans. Target-date funds typically hold a mix of stock and bond funds and automatically adjust from a riskier to more conservative allocation over time, as a target retirement year approaches.

Anyone with a brokerage account can buy shares of the iShares LifePath Target Date ETF Suite, which start at \$25. Target retirement date op-

tions range from 2025 to 2065.

Target-date funds are an especially useful tool for retirement savers who can't afford or don't have access to a financial adviser, said Dominik Rohe, head of BlackRock's Americas ETF and Index Investments business.

"Target-date funds can take care of what you need. The advice is the target-date fund," said Rohe.

BlackRock previously offered target-date ETFs but shut them down in 2014 after they struggled to gain popularity.

Target-date funds have been hugely successful in 401(k)s, where they have benefited from automatic enrollment in some plans and penalties for withdrawing money early.

TSMC's Earnings Hit By Weakening Chip Sales

By KOSAKU NARIOKA

Taiwan Semiconductor Manufacturing Co.'s net profit dropped in the third quarter, as revenue from chips used in smartphones and high-speed computing fell, though it projected stronger revenue in the current quarter.

The world's largest contract chip maker said Thursday that net profit slid 25% from a year earlier to 211.0 billion New Taiwan dollars (US\$6.51 billion). That beat the estimate of NT\$189.70 billion in a poll of analysts by S&P Global Market Intelligence.

Net profit increased 16% from the second quarter.

Third-quarter revenue fell 11% from a year earlier to NT\$546.73 billion, though it climbed 14% from the previous quarter.

The chip maker has been facing a sales slump in recent months as clients clear their inventory. That followed a period of strong growth as the pandemic drove higher demand for smartphones and data centers.

The company's operating profit margin deteriorated to 41.7%, down 8.9 percentage points from a year earlier and 0.3 percentage point lower than in the prior quarter.

For the fourth quarter, TSMC projected revenue would rise to US\$18.8 billion to US\$19.6 billion, compared with US\$17.28 billion in the third quarter. It forecast operating profit margin to drop further to a level between 39.5% and 41.5%.

Third-quarter revenue from smartphones rose 33% from the previous quarter, while high-performance computing revenue increased 6%. Automotive revenue dropped 24% from the previous quarter.

Shale Pioneer Cashes In

Continued from page B1

Exxon's boardroom, where he is set to gain a seat following the acquisition. Sheffield declined to say why he sold the company instead of trying to grow further.

"I want you to know this is not a decision the board made lightly," Sheffield wrote in a memo sent to Pioneer employees last week. "It is certainly not a decision I have made lightly either. This company, and all of you, have been at the center of my life for nearly 45 years."

Sheffield is set to receive a nearly \$30 million payout following the acquisition and is entitled to roughly \$13 million from a separate retirement package. More than \$140 million worth of Pioneer stock Sheffield owns will also roll into Exxon shares, a stock considered as good as cash, investment bankers said.

The sale augurs an era in which oil behemoths scoop up smaller rivals and commandeer a bigger share of U.S. crude production. Sheffield himself has predicted that frackers running out of sweet spots will be subsumed into larger companies if they are to survive.

Large public companies such as Exxon have been leaning into the Permian to build more reserves closer to home, bringing their technological savvy and pricing power to a well-delineated field where resources are becoming scarce.

"It's time for the guys with the best balance sheets, and Exxon has the best," said Mike Wichterich, CEO of Permian driller Three Rivers Operating.

When frackers started deploying horizontal drilling and fracking in West Texas and hit gushers, Sheffield met with investors to tout the technologies and their potential to unleash a torrent of crude, said Leigh Goehring, a managing partner at investment firm Goehring &



Pioneer Natural Resources equipment near Midland, Texas; Scott Sheffield, photographed in 2019.

Rozenwajg. Sheffield had snapped up some of the best drilling spots there and laid out bold plans.

"He had the core of the core," said Goehring, whose firm is a Pioneer investor.

The son of an oil executive, Sheffield attended high school in Tehran and went on to study prelaw at the University of Texas at Austin, where he did "too much of everything but studying," he told students there in 2016. After he flunked out, his father put him on an offshore drilling rig for six months. He returned to UT to graduate as a petroleum engineer and worked for Amoco as a reservoir engineer before joining Parker & Parsley.

Sheffield soon emerged as a shale chieftain, promoting the industry's role in meeting America's energy needs as the U.S. grew to become the world's largest producer. He faced skepticism from some on Wall Street, including hedge-fund manager David Einhorn, who described cash-burning drillers as being "addicted to frack" and made the case publicly for shorting Pioneer's stock.

Sheffield retired in 2016 after successfully lobbying Congress to lift a ban on crude ex-



ports that left gushing production stranded within domestic borders.

In 2019, Pioneer's board brought Sheffield back as CEO after his successor struggled to reach aggressive growth targets, which collided with investors' demand that frackers stop burning more cash than they made.

Sheffield embarked on a listening tour, speaking with over 150 employees and investors. He cut more than one-quarter of Pioneer's workforce in part through layoffs and buyouts as he sought to convince investors that the company could live within its means.

"Capital—focusing on that is just as important as delivering on the production side of the business," he told analysts in an earnings call upon return-

ing.

Pandemic lockdowns and oil prices cratering in 2020 bankrupted dozens of shale companies. With a strengthened balance sheet, Pioneer was in a good position to nab rivals and in 2021 it made back-to-back acquisitions of Permian drillers DoublePoint Energy and Parsley Energy—the latter owned by Sheffield's son Bryan, one of five children—for \$11 billion combined.

Pioneer in recent years looked at acquiring driller Diamondback Energy, as well as making investments in Canada's oil sands, former employees said.

In 2021, Sheffield gathered his team to discuss a potential takeover of Cabot Oil & Gas, a driller active mostly in a large natural-gas region of Appala-

chia, they said. He deployed his long-practiced method of first asking everyone's opinion, a lesson he learned after realizing that when he spoke first everybody else shut down. The team pushed back against the idea of a deal, and Sheffield abandoned it.

Pioneer's aborted ambitions signal that even the largest independent drillers might struggle to compete with larger competitors as resources become scarce in U.S. basins. Producers may have no other choice than to step into other regions in the hopes of unlocking new resources, or to sell themselves, analysts and bankers said.

Pioneer had recently been making moves that made it an attractive target for a prospective buyer.

With the war in Ukraine lifting oil prices in 2022, Pioneer's stock price skyrocketed, crossing \$233 for the first time since 2014. Pioneer showered investors with cash by returning most of its free cash flow to investors via a base dividend, a variable dividend and share repurchases. Recently, Pioneer gave itself more flexibility to buy back its own stock.

"These were near-term value drivers that would help the stock price in any potential M&A," said Kevin MacCurdy, an analyst at financial services firm Pickering Energy Partners.

Sheffield said that Pioneer hadn't been for sale until Exxon CEO Darren Woods approached him to negotiate two weeks before the deal was announced.

Woods recently flew to Santa Fe, N.M., to discuss the deal with Sheffield, who owns a sprawling ranch in the region, according to people familiar with the matter.

Sheffield, a vocal commentator on the state of global crude markets and shale, said that he couldn't comment on the prospects for more consolidation in the oil patch until the sale has been approved by the government. He said that he planned to remain outspoken as an Exxon board member.

"I hope that Exxon will allow me to speak my opinion," he said.

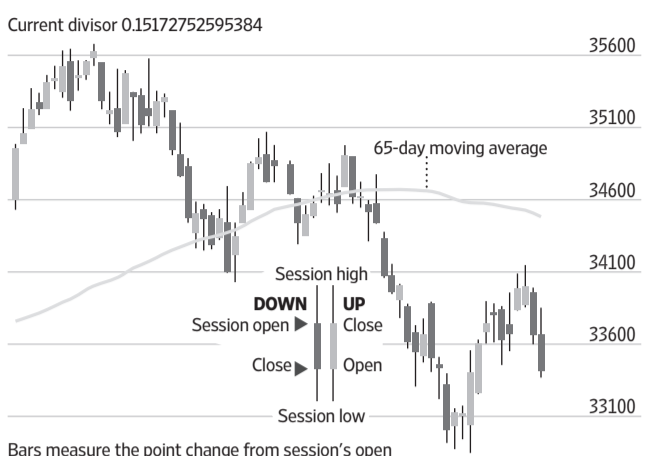
FROM TOP: MICHAEL CHAGLO/REUTERS; NEWS; TREVOR PAULHUS FOR THE WALL STREET JOURNAL

MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

33414.17 ▼250.91, or 0.75%
 High, low, open and close for each trading day of the past three months.
 Last: 23.30, Year ago: 18.88
 Trailing P/E ratio: 18.47, P/E estimate*: 16.19
 Dividend yield: 2.16, All-time high: 36799.65, 01/04/22



*Weekly P/E data based on as-reported earnings from Birming Associates Inc.; *Based on Nasdaq-100 Index

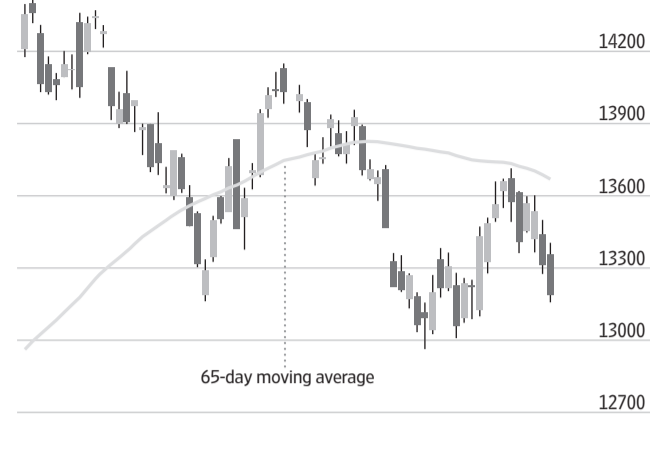
S&P 500 Index

4278.00 ▼36.60, or 0.85%
 High, low, open and close for each trading day of the past three months.
 Last: 20.14, Year ago: 17.85
 Trailing P/E ratio*: 19.52, P/E estimate*: 16.37
 Dividend yield*: 1.68, All-time high: 4796.56, 01/03/22



Nasdaq Composite Index

13186.18 ▼128.13, or 0.96%
 High, low, open and close for each trading day of the past three months.
 Last: 30.05, Year ago: 23.02
 Trailing P/E ratio*: 26.78, P/E estimate*: 20.34
 Dividend yield*: 0.86, All-time high: 16057.44, 11/19/21



Major U.S. Stock-Market Indexes

Index	High	Low	Latest Close	Net chg	% chg	52-Week High	52-Week Low	% chg YTD	% chg 3-yr. ann.
Dow Jones									
Industrial Average	33852.39	33368.58	33414.17	-250.91	-0.75	35630.68	30333.59	10.2	5.8
Transportation Avg	14752.44	14401.28	14435.82	-147.79	-1.01	16695.32	12429.60	16.1	7.8
Utility Average	829.15	815.36	816.63	-7.71	-0.94	1002.11	783.08	-3.8	-2.4
Total Stock Market	43115.56	42392.92	42475.45	-400.11	-0.93	45969.67	36860.46	15.2	6.5
Barron's 400	956.83	939.86	941.53	-12.01	-1.26	1036.97	868.75	8.4	7.8
Nasdaq Stock Market									
Nasdaq Composite	13404.73	13157.33	13186.18	-128.13	-0.96	14358.02	10213.29	24.2	4.7
Nasdaq-100	15023.91	14749.30	14783.13	-126.13	-0.85	15841.35	10679.34	33.8	8.3
S&P									
500 Index	4339.54	4269.69	4278.00	-36.60	-0.85	4588.96	3665.78	16.7	7.7
MidCap 400	2465.08	2412.54	2420.15	-36.18	-1.47	2728.44	2265.38	6.8	7.0
SmallCap 600	1129.54	1104.82	1106.56	-17.43	-1.55	1315.82	1101.29	0.5	6.6
Other Indexes									
Russell 2000	1734.58	1700.24	1702.70	-26.11	-1.51	2003.18	1702.70	-0.1	1.8
NYSE Composite	15386.14	15171.67	15196.37	-128.59	-0.84	16427.29	13840.47	9.8	5.3
Value Line	528.01	518.26	519.19	-6.92	-1.32	606.49	503.90	3.0	2.5
NYSE Arca Biotech	4851.75	4765.90	4783.66	-68.09	-1.40	5644.50	4570.64	4.7	-3.9
NYSE Arca Pharma	901.69	876.03	886.11	-15.58	-1.73	925.61	753.82	17.6	11.0
KBW Bank	77.69	75.59	75.68	-1.02	-1.33	115.10	71.96	-21.4	-0.6
PHLX ^S Gold/Silver	116.88	114.89	116.48	-0.10	-0.09	144.37	96.97	18.1	-6.9
PHLX ^S Oil Service	96.92	94.38	95.76	-0.88	-0.91	98.76	69.29	31.5	50.3
PHLX ^S Semiconductor	3449.03	3356.36	3367.77	-45.68	-1.34	3861.63	2253.22	49.3	12.2
Cboe Volatility	21.40	18.55	21.40	2.18	11.24	29.98	12.82	-28.6	-9.8

^SNasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After-Hours % chg	High	Low
SPDR S&P 500 ETF Trust	SPY	6,617.2	425.69	-0.74	-0.17	431.70	425.58
Floor & Decor Cl A	FND	5,123.8	84.29	...	unch.	84.29	83.99
Vale ADR	VALE	4,854.4	12.74	-0.02	-0.16	12.82	12.71
Apple	AAPL	4,077.0	175.10	-0.36	-0.21	175.46	163.09
Invesco QQQ Trust I	QQQ	3,064.1	359.00	-0.97	-0.27	376.18	346.58
Direx 20+ Yr Tr Bull	TMF	2,759.6	3.90	0.01	0.26	3.90	3.86
Petroleo Brasileiro ADR	PBR	2,731.5	16.26	-0.10	-0.61	16.40	16.24
Bristol Myers Squibb	BMJ	2,693.3	56.31	-0.17	-0.30	56.48	56.26

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Knight-Swift Transport	KNX	524.8	52.60	6.72	14.65	55.75	44.86
Bowlero	BOWL	52.5	12.09	1.19	10.92	12.42	10.75
Athena Consumer Acqcn	ACAQ	84.1	2.71	0.16	6.27	2.90	2.45
Veralto	VLTO	76.5	74.48	4.19	5.96	74.48	69.71
Sana Biotechnology	SANA	64.4	3.13	0.14	4.68	3.13	2.96

...And losers

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
SolarEdge Technologies	SEDG	514.6	90.75	-23.23	-20.38	116.00	88.40
Enphase Energy	ENPH	1,074.1	99.30	-16.60	-14.32	117.10	98.22
Arcutis Biotherapeutics	AROT	144.4	2.76	-0.27	-8.91	3.10	2.37
Invesco Solar ETF	TAN	53.2	43.00	-3.75	-8.02	47.25	42.11
SunRun	RUN	540.8	9.82	-0.76	-7.18	10.60	9.75

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	961,691,459	11,106,177
Adv. volume*	204,012,617	3,363,202
Decl. volume*	745,148,555	6,193,449
Issues traded	2,964	323
Advances	582	96
Declines	2,286	212
Unchanged	96	15
New highs	16	0
New lows	355	33
Closing Arms*	0.82	0.83
Block trades*	4,267	136

*Primary market NYSE, NYSE American, NYSE Arca only. *TRIN A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Net chg	Latest % chg	YTD % chg
World	MSCI ACWI	649.28	-6.55	-1.00	7.3
	MSCI ACWI ex-USA	282.30	-3.40	-1.19	0.4
	MSCI World	2824.45	-27.44	-0.96	8.5
	MSCI Emerging Markets	930.80	-12.32	-1.31	-2.7
Americas	MSCI AC Americas	1618.70	-14.31	-0.88	11.1
Canada	S&P/TSX Comp	19348.81	-101.89	-0.52	-0.2
Latin Amer.	MSCI EM Latin America	2192.85	-9.42	-0.43	3.0
Brazil	BOVESPA	114004.30	-55.34	-0.05	3.9
Chile	S&P IPSA	3221.63	-46.80	-1.43	1.5
Mexico	S&P/BMV IPC	48804.61	-470.17	-0.95	0.7
EMEA	STOXX Europe 600	439.73	-5.29	-1.19	3.5
Eurozone	Euro STOXX	428.67	-2.49	-0.58	4.6
Belgium	Bel-20	3398.58	-64.35	-1.86	-2.1
Denmark	OMX Copenhagen 20	2139.76	-69.73	-3.16	16.6
France	CAC 40	6921.37	-44.62	-0.64	6.9
Germany	DAX	15045.23	-49.68	-0.33	8.1
Israel	Tel Aviv	1669.43	-31.44	-1.85	-7.1
Italy	FTSE MIB	27746.82	-388.97	-1.38	17.0
Netherlands	AEX	727.61	-1.96	-0.27	5.6
Norway	Oslo Bors All-Share	1516.12	-21.16	-1.38	11.3
South Africa	FTSE/JSE All-Share	70961.33	-1007.34	-1.40	-2.9
Spain	IBEX 35	9146.79	-65.91	-0.72	11.2
Sweden	OMX Stockholm	773.50	-7.27	-0.93	-1.1
Switzerland	Swiss Market	10448.23	-227.21	-2.13	-2.6
Turkey	BIST 100	7769.03	-73.62	-0.94	41.0
U.K.	FTSE 100	7499.53	-88.47	-1.17	0.6
U.K.	FTSE 250	17213.14	-190.32	-1.09	-8.7
Asia-Pacific	MSCI AC Asia Pacific	153.64	-2.44	-1.56	-1.3
Australia	S&P/ASX 200	6981.60	-96.01	-1.36	-0.8
China	Shanghai Composite	3005.39	-53.32	-1.74	-2.7
Hong Kong	Hang Seng	17295.89	-436.63	-2.46	-12.6
India	S&P BSE Sensex	65629.24	-247.79	-0.38	7.9
Japan	NIKKEI 225	31430.62	-611.63	-1.91	20.4
Singapore	Straits Times	3099.60	-37.03	-1.18	-4.7
South Korea	KOSPI	2415.80	-46.80	-1.90	8.0
Taiwan	TAIEX	16452.73	11.82	0.07	16.4
Thailand	SET	1423.04	-14.81	-1.03	-14.7

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Close	Net chg	% chg	52-Week High	52-Week Low	% chg
Spectral AI	MDAI	3.61	1.02	39.38	19.50	2.20	-63.5
WeBuy Global	WBUY	5.34	1.34	33.50	11.11	4.00	...
CASI Pharmaceuticals	CASI	3.60	0.76	26.85	3.70	1.45	76.5
Maison Solutions	MSS	8.09	1.64	25.43	11.48	3.76	...
Annovis Bio	ANVS	9.20	1.47	19.02	23.89	7.40	-22.5
Simplify Tail Risk Strat	CYA	4.40	0.66	17.49	15.69	2.76	-71.8
Apyx Medical	APYX	2.65	0.39	17.26	7.97	1.31	-36.8
Netflix	NFLX	401.77	55.58	16.05	485.00	252.09	49.8
FAT Brands Cl B	FATBB	5.98	0.82	15.93	9.11	5.00	-4.6
YieldMax NFLX Option Incm	NFLY	17.30	2.30	15.33	20.36	14.98	...
PTC Therapeutics	PTCT	23.57	3.07	14.98	59.84	19.70	-48.4
Lindsay	LNN	122.58	15.66	14.65	183.08	106.46	-21.9
GrShr 1.5x Sh TSLA Daily	TSDD	24.71	3.06	14.12	25.15	18.11	...
Global Mofy Metaverse	GMM	5.60	0.68	13.82	6.10	4.55	...
Anebulo Pharmaceuticals	ANEB	2.91	0.35	13.67	4.05	1.62	60.8

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	52-Week Low
Nxu	NXU	223,404	8114.4	0.04	-35.65	19.37	0.04
ProSh UltraPro Shrt QQQ	SQQQ	197,419	52.2	20.16	2.80	63.57	16.38
ProShares UltraPro QQQ	TQQQ	183,814	84.2	35.70	-2.67	47.14	16.10
Tesla	TSLA	169,199	46.4				

COMMODITIES

Futures Contracts

Table of futures contracts including Metal & Petroleum Futures, Copper-High (CMX), Gold (CMX), Palladium (NYM), Platinum (NYM), Silver (CMX), Crude Oil, Light Sweet (NYM), NY Harbor ULS (NYM), Gasoline-NY RBOB (NYM), Natural Gas (NYM), and Agriculture Futures like Corn (CBT).

Table of interest rate and currency futures including Ultra Treasury Bonds (CBT), Treasury Bonds (CBT), Treasury Notes (CBT), Three-Month SOFR (CME), Japanese Yen (CME), Canadian Dollar (CME), and British Pound (CME).

Exchange-Traded Portfolios | WSJ.com/ETFResearch

Table of exchange-traded funds (ETFs) with columns for Symbol, Closing Price, Change, and YTD Return. Includes categories like CnsmDiscSelSector, EnrS&P500EWF, and various bond and equity funds.

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, U.S. Corporate Indexes, High Yield Bonds, and Mortgage-Backed Bloomberg Fixed Income Indices.

ADVERTISEMENT

Advertisement for 'The Marketplace' with contact information: To advertise: 800-366-3975 or WSJ.com/classifieds

NOTICE OF SALE

NOTICE OF UCC PUBLIC AUCTION SALE. PLEASE TAKE NOTICE that in accordance with applicable provisions of the Uniform Commercial Code of the State of Delaware and New York (as applicable), VP IRVINE LENDER LLC, a Delaware limited liability company...

NOTICE OF SALE

NOTICE OF FORECLOSURE SALE IS HEREBY GIVEN that, pursuant to: (a) Section 9-610 of the Uniform Commercial Code ("UCC") as adopted in the State of New York, (b) the Amended and Restated Indenture Agreement, dated as of September 12, 2022...

NOTICE OF SALE

NOTICE OF FORECLOSURE SALE IS HEREBY GIVEN that, pursuant to: (a) Section 9-610 of the Uniform Commercial Code ("UCC") as adopted in the State of New York, (b) the Amended and Restated Indenture Agreement, dated as of September 12, 2022...

Global Government Bonds: Mapping Yields

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 showing global government bond yields and spreads for countries like Australia, France, Germany, Italy, Japan, Spain, and U.K. Columns include Coupon, Maturity, Latest yield, and Spread.

Corporate Debt

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

Investment-grade spreads that tightened the most...

Table of investment-grade bond spreads for companies like Netflix, Nomura Holdings, MidAmerican Energy, HSBG Holdings, United Parcel Service, Cargill, Electricite de France, and Wells Fargo.

...And spreads that widened the most

Table of widening investment-grade bond spreads for companies like Nomura Holdings, Citigroup, Caterpillar Financial Services, First-Citizens BancShares, Kimberly-Clark, Banco Santander, Amazon.com, and Commonwealth Bank of Australia.

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

Table of high-yield bond price increases for companies like Rite Aid, Dish DBS, Bath & Body Works, Ford Motor Credit, Prime Security Services Borrower, Rakuten, Deutsche Bank, and Teva Pharmaceutical Finance Netherlands.

...And with the biggest price decreases

Table of high-yield bond price decreases for companies like Transocean, Occidental Petroleum, Teva Pharmaceutical Finance, Venture Global Calcasieu Pass, Carnival, Bausch Health, Ford Motor, and HAT Holdings I.

Advertisement for 'Napa Valley Macaron Brand' seeking investment for expansion. Contact: info@madeleineismacarons.com

Advertisement for 'AGELESS BEAUTY MOISTURE' all natural skin treatment. Sales of \$27 million U.S. Contact: 541-660-5231

Advertisement for 'THE WALL STREET JOURNAL. THE MARKETPLACE' with contact information: (800) 366-3975, wsj.com/classifieds

*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

BIGGEST,000 STOCKS

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 1,000 stocks by market cap, including Microsoft, Apple, Amazon, Google, and Tesla.

How to Read the Stock Tables: The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities.

Thursday, October 19, 2023. Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day.

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

Table with columns: Stock, Sym, Close, Chg, Net Chg. Lists top 100 stocks for the day (continued).

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

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

Table with columns: Commodity, Thursday, Thursday. Lists prices for Energy, Metals, Fibers and Textiles, Grains and Feeds.

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

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, Date. Lists inflation, U.S. consumer price index, international rates, prime rates, policy rates, overnight repurchase, U.S. government rates, discount, commercial paper.

Mutual Funds

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

Table with columns: Fund, Net YTD, NAV, Chg % Ret. Lists various mutual funds like Int'l Divd Inst, Divd Growth, etc.

Dividend Changes

Table with columns: Company, Symbol, Yld%, Amount, Frq, Payable/Record. Lists companies with dividend changes.

Table with columns: Fund, Net YTD, NAV, Chg % Ret. Lists various mutual funds (continued).

KEY TO CODES: A=ask; B=bid; BP=company elevator bids to producers; C=corrected; D=EMC; E=Manfra; Tordella & Brooks; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Posland Publishing; R=SNL Energy; S=Palantir; T=OTC listed; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 10/18

Source: Dow Jones Market Data

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

Source: FactSet; Dow Jones Market Data

BANKING & FINANCE

Kraken, Coinbase Revamp Pitches

Crypto giants aim to renew consumer and lawmaker optimism in sector

By Patrick Coffee

Two of crypto's biggest brands are working to reintroduce consumers and lawmakers alike to the optimism that powered early investment in the sector, even as the high-stakes trial of FTX founder Sam Bankman-Fried continues to dominate conversation around digital currencies.

Despite these efforts by exchanges Kraken and Coinbase and the recent introduction of parallel House and Senate bills to establish a nationwide regulatory framework for crypto, the industry faces an uphill battle on the regulatory front, with some senators expressing opposition to crypto-friendly legislation.

Kraken, the second-largest crypto exchange in the U.S., this week released "See What Crypto Can Be," its first global ad campaign since its founding. Coinbase, the largest U.S. exchange, sounded a similar note in a campaign it started several weeks ago called "Future of Money."

These inspirational-themed campaigns mark something of a departure from recent efforts by crypto brands to regain consumer trust after a decline in crypto values and the FTX scandal, which were themselves an attempt to turn the page from the suggestions of potential riches peppered through crypto's 2022 Super Bowl ad blitz.

"We strongly believe that the way to bring the next billion people into crypto is absolutely not going to be based on FOMO anxiety, get-rich-quick schemes, which was pretty much the core message two years back during the bull run," said Mayur Gupta, Kraken's chief marketing officer.

Kraken aims to strengthen its brand positioning during an extended crypto bear market by targeting "fence-sitters" who may have considered or dabbled in crypto but aren't actively trading, Gupta said.

Kraken's ads are blanketing social-media platforms including



Coinbase's and Kraken's new inspirational ad campaigns are a departure from recent efforts to regain consumer trust.

TikTok, Meta Platforms, Snap, Reddit and X, formerly known as Twitter, as well as the Spotify, iHeart and Vox streaming audio networks. Outdoor and subway ads in London, along with print ads in the Financial Times and The Wall Street Journal, carry messages such as one touting crypto's ability to "do for finance what the internet did for information."

In addition to their consumer marketing efforts, both Kraken and Coinbase have been lobbying the U.S. government to establish an industry-friendly regulatory framework. The Securities and Exchange Commission has recently targeted both companies, claiming that the sale of certain products makes them unregistered securities brokers. Kraken in February agreed to pay a \$30 million fine and end its so-called staking program, which lets crypto holders earn money by temporarily lending their tokens to another party. Coinbase recently asked the court to

dismiss a similar SEC lawsuit.

In some cases, Coinbase's marketing efforts mirror its lobbying push. The company in September organized the "Stand With Crypto" campaign, which deployed Chief Executive Brian Armstrong and a number of crypto entrepreneurs to Washington, D.C., to drum up support for the Financial Innovation and Technology for the 21st Century Act, a bill introduced by Republican representatives over the summer. Stand With Crypto is officially a 501(c)(4) social welfare nonprofit operating independently of Coinbase, said a company spokeswoman.

Coinbase supports the bill because it is a step toward the company's goal of "clear, sensible crypto regulation," according to the spokeswoman.

Sens. Cynthia Lummis (R., Wyo.) and Kirsten Gillibrand (D., N.Y.) also reintroduced in June the Responsible Financial Innovation Act, which would limit SEC jurisdiction and disclosure requirements for some digital tokens by treating them as commodities, not securities.

Coinbase hasn't endorsed the Lummis-Gillibrand bill, though the company's website describes both senators as "very supportive" of crypto.

Coinbase's "America Loves Crypto" campaign coincided with the recent lobbying effort. It included videos depicting traditional financial transactions as outdated and messages encouraging consumers to contact their elected officials directly, rather than simply tweeting at them.

The effort is designed to in-

crease legislators' awareness of consumer dissatisfaction with the financial status quo and promote crypto as an alternative, said Kate Rouch, Coinbase's chief marketing officer.

The campaign will focus on nine swing states, including Pennsylvania, Ohio and Arizona, whose residents are disproportionately likely to be crypto investors, according to Coinbase's research.

"There is a crypto voter in the United States, and that crypto voter in many cases is a single-issue voter and will make their voices heard in the 2024 election," Rouch said.

Sen. Sherrod Brown (D., Ohio) indicated in a statement he isn't receptive to legislation favored by the crypto industry itself. "After holding numerous hearings on crypto, it's clear: the last thing we need is for the crypto industry to write their own rulebook—too many Ohioans have been burned by fraud and scams," Sen. Brown said.

The crypto industry faces an uphill battle on the regulatory front.

SEC Drops Crypto Lawsuit

Continued from page B1

Torres also ruled partly for the SEC, finding that \$728 million of Ripple's sales did constitute an illegal sale of securities.

Ripple still faces a hearing before Torres over how much it should pay to resolve that liability. But some of the claims

against Garlinghouse, who is Ripple's chief executive, and Ripple co-founder Larsen were not affected by Torres's ruling and were set to go to trial next year.

"We always believed that the case was meritless, and that the SEC compounded its error by personally targeting Brad, who did absolutely nothing wrong," said Matt Solomon, a partner at Cleary Gottlieb Steen & Hamilton LLP who represented Garlinghouse.

Martin Flumenbaum, an attorney for Larsen, said the SEC's capitulation shows the civil charges were wrong to have filed in the first place.

Fraud Suit Filed Against Digital Currency Group

By Vicky Ge Huang

New York Attorney General Letitia James filed a lawsuit Thursday against Gemini Trust Company, Genesis and Digital Currency Group for allegedly defrauding more than 230,000 investors of more than \$1 billion.

The lawsuit alleges that crypto exchange Gemini lent to investors about an investment program called Gemini Earn that it operated with crypto lender Genesis, which

is owned by Digital Currency Group. Gemini failed to disclose the risks of the Earn program despite knowing that Genesis' loans were undercollateralized and heavily concentrated, the lawsuit said.

At one point in 2022, nearly 60% of Genesis' outstanding third-party loans were lent to FTX's sister hedge fund Alameda Research, it said.

The lawsuit also charges Genesis' former CEO Michael Moro and DCG CEO Barry Silbert with defrauding investors

by trying to conceal more than \$1.1 billion in losses.

The state is seeking to ban Gemini, Genesis, and DCG from the financial investment industry in New York. It seeks restitution for investors.

Gemini said in a tweet that the lawsuit confirms that the company and investors in the Earn program were victims of a massive fraud but disagreed with being named in it.

A DCG spokesperson said the firm cooperated with the investigation. "We fully intend

to fight the claims and look forward to being vindicated in this case," the spokesperson said.

Moro's lawyer Marcus Asner said they are disappointed he was included in the suit. "We are confident that the evidence will show that Michael did nothing wrong," he said.

Silbert said he was shocked by the "baseless allegations" and intends to fight them in court.

A representative for Genesis didn't respond to a request to comment.

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 % CHG. It lists various stocks and their performance metrics for Thursday, October 19, 2023. The table is organized into sections for Highs and Lows.

MARKETS

Court Clears Nasdaq Push For Diversity in Boardroom

By ALEXANDER OSIPOVICH

Nasdaq's push to set diversity targets for corporate boards has survived the first round of a legal challenge by conservative groups.

The Securities and Exchange Commission acted properly when it allowed Nasdaq to implement its diversity rules, three federal judges said in a ruling.

The SEC approved the rules in 2021 as the exchange's regulator. Two right-leaning groups sued the agency, arguing Nasdaq shouldn't be al-

lowed to implement what they called an illegal racial and gender quota.

The ruling came from a panel of judges appointed by Democratic presidents at the New Orleans-based Fifth U.S. Circuit Court of Appeals.

The plaintiffs could now seek a rehearing by the entire Fifth Circuit—which is dominated by Republican-appointed judges—or appeal to the Supreme Court. Earlier this year, the Supreme Court found it unconstitutional to consider race in university admissions.

One of the groups fighting the diversity rules, the Alliance for Fair Board Recruitment, was founded by conservative activist Edward Blum. He spearheaded the successful legal challenge to affirmative action in university admissions.

"We will continue the fight to eliminate race discrimination in corporate America," Blum said. "An appeal to a higher court will be filed shortly."

Representatives of the SEC and Nasdaq said they were pleased with the ruling.

One rule requires Nasdaq-listed companies to disclose the gender and ethnic makeup of their boards. The other rule, which is being phased in over several years, sets minimum diversity targets for boards.

For most U.S. companies, the ultimate target will be to have at least one female director and one director who identifies as a racial minority or as lesbian, gay, bisexual, transgender or queer. Companies that don't meet the targets will need to explain in writing why they didn't do so.

Oil Prices Rise as U.S. Lifts Venezuela Curbs

By ANNA HIRTENSTEIN

Oil prices rose after the U.S. removed an array of sanctions against Venezuela's energy industry for six months.

The global benchmark for crude, Brent, increased 1% to \$92.38 a barrel Thursday.

The Treasury Department suspended measures that prohibited financial transactions with the country's energy and gold-mining industries and trading of Venezuelan government bonds.

Oil prices have been volatile amid production cuts by OPEC+ members, and in recent days, concerns that the

Israel-Hamas war could escalate into a regional conflict.

"The White House has been looking for pressure relief valves for oil prices and for inflation more generally," said Richard Bronze, head of geopolitics at consultancy Energy Aspects.

The U.S.'s move was in response to a deal between Venezuelan President Nicolás Maduro's authoritarian regime and its political opponents that could result in a presidential election next year.

The short-time horizon of the sanctions relief limits the impact on oil markets, according to analysts.

Rate Fears Spur Stock Selloff

Continued from page B1

tious comments on the interest-rate environment, artificial-intelligence investments and difficulties with producing Cybertrucks.

Regional bank earnings filed in. Results from the likes of KeyCorp, Truist and Fifth Third—many of which suffered particularly during the March banking crisis—showed mounting expenses are eating at their bottom line. Still, stemming deposit losses and protecting margins better than analysts expected helped some shares rise. The SPDR S&P Regional Banking ETF finished the day down

Watch a Video

Scan this code for a video on China's impact this earnings season.



Mounting expenses are eating into earnings at regional banks, denting their shares. KeyCorp stock lost 1.1% on Thursday.

1.1%. Shares of AT&T rose 6.6% after the telecom company beat forecasts and raised its outlook. Private-equity giant Blackstone fell 7.9% after it reported a war chest of more than \$200 billion to invest in what is currently a stagnant market.

It is still early with regards to third-quarter earnings, said Tom Hainlin, national investment strategist at U.S. Bank Wealth Management, but there is nothing overwhelmingly negative about the state of the economy yet. With big banks and regionals reporting this week along with a slew of ma-

major companies, the bulk of earnings are slated for the coming two weeks.

"We've heard so far that the consumer is resilient, continuing to spend on leisure and travel, and the labor market remains tight in those areas," he said. "We came into this earnings season with a low bar, and

it seems like we're about meeting those expectations so far."

Markets have been choppy for months, said Hainlin, and he thinks they will remain that way until investors have more clarity on when, and to what extent, spending and corporate profits will suffer from the rapid rise in interest rates.

Overseas, the Stoxx Europe 600 lost 1.2%, led lower by real-estate and auto stocks. At midday Friday in Asia, South Korea's Kospi was down 1.9%, Hong Kong's Hang Seng Index was down 0.5% and Japan's Nikkei 225 was down 0.4%. S&P 500 futures fell 0.15%.

AUCTION RESULTS

Here are the results of Thursday'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.

FOUR-WEEK BILLS	
Applications	\$283,327,669,400
Accepted bids	\$95,658,920,400
* noncompetitively	\$4,775,403,800
* foreign noncompetitively	\$2,000,000,000
Auction price (rate)	99.587389 (5.305%)
Coupon equivalent	5.416%
Bids at clearing yield accepted	24.02%
Cusip number	912797HL4
The bills, dated Oct. 24, 2023, mature on Nov. 21, 2023.	

EIGHT-WEEK BILLS	
Applications	\$224,433,559,000
Accepted bids	\$85,589,955,000
* noncompetitively	\$1,564,425,600
* foreign noncompetitively	\$929,000,000
Auction price (rate)	99.171667 (5.325%)
Coupon equivalent	5.459%
Bids at clearing yield accepted	92.88%
Cusip number	912797HV2
The bills, dated Oct. 24, 2023, mature on Dec. 19, 2023.	

FIVE-YEAR TIPS	
Applications	\$52,006,232,100
Accepted bids	\$22,000,048,900
* noncompetitively	\$148,392,100
Auction price (rate)	99.921449 (2.440%)
Interest rate	2.375%
Bids at clearing yield accepted	92.13%
Cusip number	91282CJH5
The Treasury inflation-protected securities, dated Oct. 31, 2023, mature on Oct. 15, 2028.	

THE JOURNAL.

1,000 Episodes and Many More to Go

After four years of daily deep dives into the business world's most important stories, we've reached an incredible milestone. Thank you for listening, and catch up on all episodes wherever you get your podcasts.



LISTEN NOW



HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Tesla Hits Brakes on EVs, but Not on AI

As vehicle margins fall, Elon Musk needs to show driverless cars can make money

After years of growing at breakneck speed, Tesla seems to be slowing down. This is sensible, but investors haven't bestowed a \$867 billion market value on the company because they like common sense.

Chief Executive Elon Musk was unusually downbeat on Tesla's third-quarter earnings call late Wednesday. The world's richest person warned that the company's hotly anticipated new model, the Cybertruck, could take 18 months to turn a profit given the "immense work" required to reach volume production. And he bemoaned the impact of higher interest rates on vehicle affordability, which implies Tesla is struggling to shift inventories despite this year's price cuts.

Musk has complained about interest rates before, but now he seems closer to acting on his worries. When discussing the factory project in Mexico that will build Tesla's next-generation, lower-cost car, the CEO said he doesn't "want to go full speed into uncertainty." He ominously cited the scarring experience of 2009, when General Motors and Chrysler went bankrupt and Tesla was "hanging on by a thread."

The irony is Tesla bulls had been counting on this vehicle, which Musk described as "utilitarian," precisely to make the brand more accessible to a wider field of buyers. The CEO made no reference on Wednesday to old ambitions such as selling 20 million vehicles a year. Tesla's slowdown has yet to ap-



CEO Musk on an earnings call Wednesday bemoaned the impact of higher interest rates on vehicle affordability.

pear to be an official strategy, so it could change with Musk's mood. In its outlook statement, the company kept its usual language that it is "planning to grow production as quickly as possible" and repeated its target of achieving 50% annual growth on average over several years. But Musk also responded to an investor question about the prospect of slower growth next year by saying that "it's not possible to have a compound growth rate of 50% forever."

Musk is hitting the accelerator on artificial intelligence. He said in his prepared remarks that driverless cars and humanoid robots could make Tesla "the most valuable company in the world by far."

These technologies aren't cheap: Operating expenses rose 43% from a year earlier to a record \$2.4 billion in the third quarter. Capital spending was another \$2.5 billion, up 36% year over year. Nor do the fruits of Tesla's AI labors seem imminent. Musk dodged an investor

question about his latest time frame for delivering so-called robotaxis.

The growth in overheads was one reason why Tesla's third-quarter results were the worst in years. Lower profit was expected after price cuts and weak deliveries, which were partly the result of factory upgrades over the summer. Even so, the company missed expectations at almost every level, with quarterly earnings per share down 44% year over year.

Even ignoring spending on moonshots, margins were weak. The company's gross automotive margin excluding regulatory credits, a key measure of vehicle profitability, was 16.3%, down from 18.1% in the second quarter and the lowest since at least mid-2019, when Tesla changed the way it reported results. The fat profits the company made in the second half of 2021 and 2022 increasingly look like an anomaly of the pandemic era of free money and product shortages.

The question for the stock is how the combination of a less profitable, slower-growing core car business and heavy spending on tech ventures with very uncertain outcomes will sit with Tesla's investors. Of course, these investors have a higher risk tolerance than most. They don't seem to care about lower profit, having bid the shares up this year even as the earnings outlook has deteriorated.

They might care more about slowing growth: The promise of Tesla's driver-automation technology partly rests on the hope that the company will be able to sell it across a broad base of Tesla drivers. The shares dived more than 9% on Thursday.

With slow progress on the Cybertruck, Tesla's car business faces leaner times well into 2024. That puts even more pressure on its big AI bets to deliver results. Now more than ever, Musk needs to show driverless cars can work to keep the Tesla faith alive. —Stephen Wilmot

Wall Street Green Shoots Risk Wilting

Bankers turn into gardeners when talking about the dearth of mergers and other deals. They mention "green shoots," in the form of an acquisition here, or an initial public offering there, as hopeful signs of regrowth.

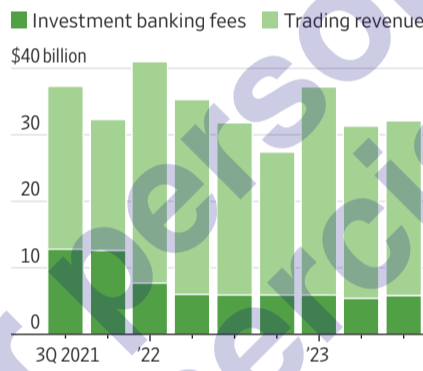
But this analogy might be too delicate for today. Between the low-growth economic outlook, surging Treasury yields and wars in Israel and Ukraine, the risk isn't just that the soil is a bit dry. It is that the ground is parched, turning what is talked about as a temporary lull into one lasting for years.

Recent reports aren't totally dire. Collective third-quarter revenues from merger-and-acquisition advisory and equity and debt offerings in the investment-banking units of Bank of America, Citigroup, Goldman Sachs, JPMorgan Chase and Morgan Stanley were less than half of what they were at their 2021 quarterly peak. Yet they were up 7% from the second quarter, and overall down 2% from a year prior.

Judging by past cycles, it could take years for things to even come close to those 2021 records. Global M&A volume in 2007 was \$4.6 trillion—it took until 2014 to get to just three-quarters of that level again, and until 2021 to surpass it, according to Dealogic data. And that was during an era when interest rates were at superlow levels.

Volumes don't need to be setting records to produce solid quarters. But a lot is riding on

Quarterly investment banking fees and trading revenue across Bank of America, Citigroup, Goldman Sachs, JPMorgan Chase and Morgan Stanley



Note: Investment banking includes advisory and equity and debt capital markets in investment-banking units. Trading includes equities and fixed income, currency and commodities. Sources: Company reports; Visible Alpha

megabanks' highly profitable Wall Street arms to help sustain returns as deposit costs rise, credit losses emerge and equity-capital requirements go up.

There have been sizable corporate deals announced, such as Exxon Mobil's \$60 billion acquisition of Pioneer Natural Resources. But in general, higher rates are going to be a hurdle for many tie-ups, particularly those like leveraged buyouts that are sensitive to financing costs.

Then there is trading. This was the strongest third quarter for banks' equities and fixed income, currency and commodity trading desks in the postpandemic era, when trading desks generally have seen exceptional revenue levels. This is a sign that after the years-long decline spurred by the 2008 financial crisis, these businesses have found their footing.

However, the year so far is trailing behind last year's peak, with the five Wall Street banks generating about \$83 billion in trading revenue through the third quarter this year, versus nearly \$89 billion by that point in 2022.

Again, a lot depends on what happens with monetary policy. Uncertainty about the future of rates and Fed moves likely contributed to activity, such as in the U.S.

Treasury market. But in a higher-for-longer rates scenario, investors could begin to make more permanent adjustments, such as by parking themselves in higher-yielding instruments and sitting on them for years.

This doesn't mean banks are going to be totally starved of growth. Banks are often extracting more profit from trading, thanks to things such as electrification of what used to be traded over the phone. Bank of America, notably, has been able to grow year-to-date in trading by allocating more of its balance sheet to things such as financing equities trades for its largest clients. Plus, there is potentially yet more market share to be nabbed as non-U.S. banks struggle to keep up.

Banks with big asset-management units have more options. They earn fees for managing funds that invest in things such as private credit and other so-called alternative assets, helping to offset what might be a secular shift in lending away from banks to those markets. These steady fees are the ones that are the most prized by shareholders and are assigned the highest valuation multiples. If the gardening analogy must persist, then investors are right to focus on the perennials that return year after year. —Telis Demos

Chip Cycle Is Nigh for TSMC

The world's largest contract chip maker thinks a turnaround in the semiconductor market is near. Demand related to artificial intelligence will be a long-term boost—one that is already bumping up against supply constraints.

The inventory buildup in the semiconductor supply chain has weighed on Taiwan Semiconductor Manufacturing Co. for the past few quarters. On Thursday, it reported an 11% year-on-year fall in revenue for the quarter ended in September. Net profit fell 25%. But both came out ahead of analysts' forecasts on S&P Global Market Intelligence.

More promisingly, TSMC projects its revenue and profit for the fourth quarter will be above analysts' expectations. The midpoint of the company's forecast implies 4% lower revenue than in the same quarter last year. But that relatively rosy outlook indicates TSMC thinks a market bottom is close. Its shares are up 22% year to date, after falling 27% in 2022.

And TSMC says it has begun to see signs of stabilization in demand for smartphones and personal computers—although CEO C.C. Wei says it's too early to call it a sharp rebound. TSMC expects its capital expenditures this year to be \$32 billion, lower than the \$36 billion spent in 2022.

Artificial intelligence is emerging as a significant tailwind. TSMC says chip demand for AI applications remains strong—though it isn't enough to offset the cyclical swings in chip demand. In July, TSMC revealed AI applications accounted for 6% of revenue, but it expects the segment to grow an

average of 50% annually for the next five years.

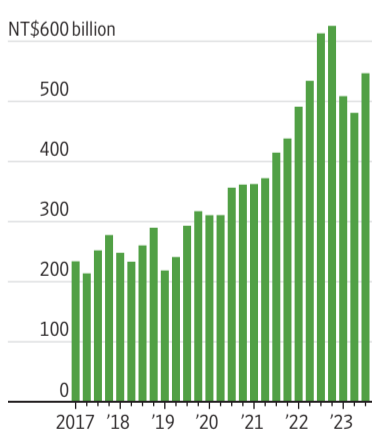
One potential risk factor is geopolitical. TSMC says any impact on its business from Washington's new restrictions on AI chip sales to China and Chinese firms abroad will be "limited and manageable" in the short term. But as for the long term, it says it is evaluating the situation.

TSMC faces the problem of boosting production to serve rapid AI growth. Achieving that would depend on its equipment suppliers.

TSMC's relatively bullish outlook adds to other signs—like better outlooks from memory-chip makers—that things are improving in the industry. More excitingly, TSMC is actively preparing for AI as the next potential growth driver.

Geopolitical potholes aside, that looks like an enviable place to be. —Jacky Wong

TSMC's quarterly revenue



Note: NT\$1 billion=\$30.9 million. Sources: S&P Global Market Intelligence; the company

Netflix's Subscriber Jolt Could Be a One-Hit Wonder

The stars aligned for Netflix in its latest quarter, but making sequels to this hit will be a challenge.

The streaming giant said Wednesday that it added about 8.8 million net new paid subscribers during the third quarter. That is the highest number added in a single quarter since early 2020, when interest in TV streaming exploded during the pandemic lockdowns. It was also 45% higher than what Wall Street had expected for subscriber additions. The company said it expects a similar jump in the fourth quarter, which would come in ahead of the 7.7 million that analysts had been predicting.

Netflix gave the investor crowd more reason to cheer with a new price increase—its first major one since early 2022. Monthly rates on

two of the company's U.S. plans are going up by 15% to 20%, with the premium ad-free plan now costing \$22.99 a month. That ties with YouTube's premium family plan as the most expensive of video streaming options, though Netflix maintained the price of its ad-supported plan and its standard ad-free tier. The move brings the average monthly cost of Netflix's plans up by 10%. Netflix's shares, which have shed more than one-quarter of their value since the company's last earnings report, soared more than 16% on Thursday.

The latest results are the first real sign that the company's effort to crack down on password sharing has helped bring in new subscribers. That program started in Netflix's largest markets about midway

through the second quarter, and the company says it is now "revenue positive" in all the markets where it has introduced the option for households to add nonhousehold members to their account for an additional charge.

That crackdown also hasn't been universal. On a conference call Wednesday, Greg Peters, Netflix co-chief executive, said "a number of borrower cohorts had not received that experience"—meaning a prompt to sign up or lose viewing privileges. More will see that in the coming weeks and months. He added that the password-sharing crackdown will likely result in "incremental" subscriber additions for the next several quarters.

The challenge will be converting the last of those holdouts when

fewer new shows and movies are going to be coming to the platform. The Hollywood strikes that have shuttered production across the entertainment landscape for months are still going on. Settling the strikes will raise production costs, leaving studios such as Netflix with the choice of boosting spending to make more content or keeping spending level and producing less.

Netflix indicated its direction Wednesday by projecting content spending of \$13 billion for this year and \$17 billion for next. That would bring its total content bill for the two-year period to \$30 billion—down from \$34 billion spent in the years 2021 and 2022.

It seems like the right decision for Netflix to make given that the company is the only major

streamer now producing both profits and positive cash flow annually. But it is also now the most powerful studio in Hollywood. That means it can't fully escape the challenges facing the rest of its industry as overall growth slows while costs rise. Netflix also is still working to build up its nascent ad-based tier, which still isn't commanding a large enough audience to produce enough new revenue to move the growth needle on its own.

Netflix's decision to leave the pricing of its ad-based tier alone is clearly meant to help remedy that. But such an effort is going to take time and won't produce the pop in new subscribers that Netflix investors have long rewarded.

Chasing freeloaders only goes so far. —Dan Gallagher



Surprise!
When you're gifted a home you may not want. **M8**

MANSION

Shaun White
The snowboarder took inspiration from Evel Knievel. **M12**



HOMES | MARKETS | PEOPLE | REDOS | SALES

THE WALL STREET JOURNAL.

Friday, October 20, 2023 | **M1**



Turning a Former Church Into a Home Takes a Little Faith

Owners who can deal with the tricky nature of these historic buildings reap the benefits of living in their own private sanctuary

Grant and Jennifer Peck live with their daughter Amelia in part of a former Methodist church in a Melbourne, Australia, inner suburb. Their three-bedroom, three-bath, 2,830-square-foot home was built in 1933.



The Peck home was already converted to a residence when they bought half of the subdivided church, but they worked with a local studio to add their own touches to the interior, removing some walls, bringing in more light and highlighting original details, such as the leaded windows, top right.

BY ELAINE PAOLONI QUILICI

The panoramic view from Grant and Jennifer Peck's home in the Australian state of Victoria is impressive: sunsets over nearby Melbourne, storm clouds rolling over the landscape and New Year's Eve fireworks.

Where they are viewing it from is just as imposing: the top of a bell tower in the renovated Methodist church they call home in Hawthorn, an inner suburb of Melbourne. They bought half of the subdivided church for \$1.8 million in 2015. It is part of a small complex that includes two other renovated church buildings—an 1800s church and a Sunday school—plus a newly constructed unit.

Their three-bedroom, three-bathroom, 2,830-square-foot home, built in 1933, is the latest of the distinctive abodes the Pecks have lived in. As a family of five, they previously resided in a century-old farmhouse and before that in a modern-architectural home.

The Pecks were initially drawn to the structure's five-story tower and three-story stained-glass windows that once welcomed worshippers to the church. Even more

Please turn to page M6

By E.B. SOLOMONT

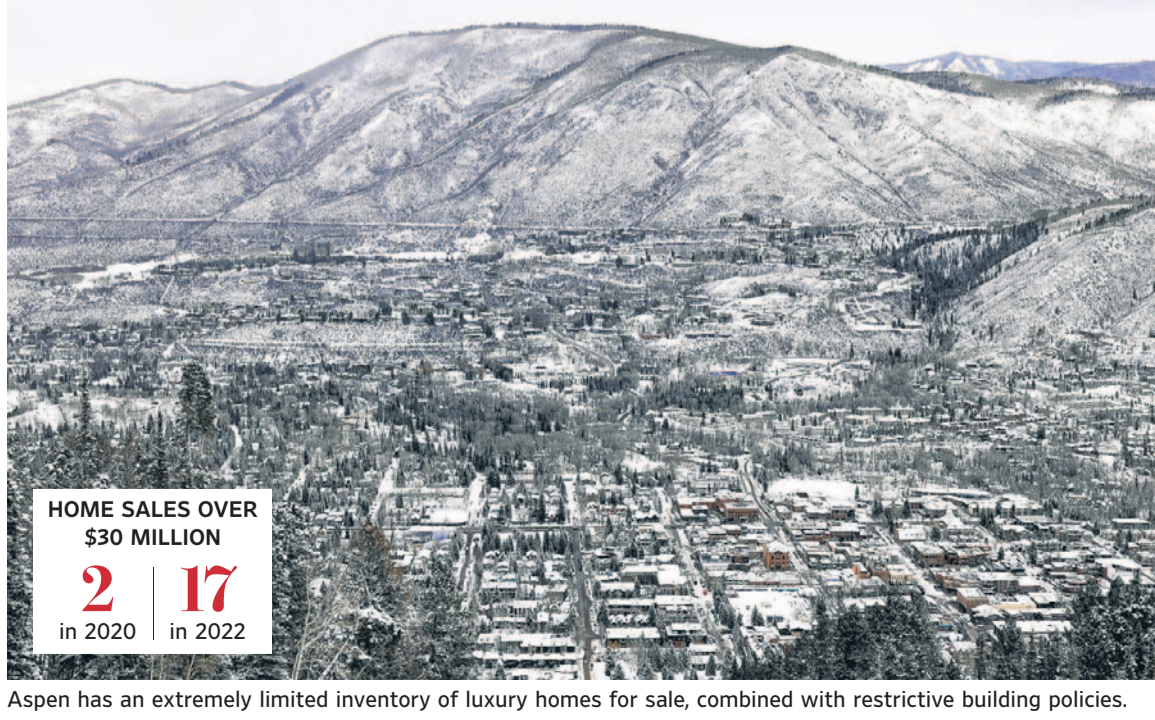
Aspen's Biggest Winners

In a luxury market that seems unstoppable, meet the home sellers who have benefited the most

MICHAEL KLEIN WASN'T planning to sell the Aspen house he had just built—at least not yet. Chicago-based Klein, who invests in and develops high-end properties, was getting more than \$300,000 a month for the roughly 9,000-square-foot home, which made him want to hang on to it. But then he got a phone call that has become increasingly familiar among property owners in the affluent mountain community: Would he sell for the right price?

In Klein's case, the right price was \$60 million. "It was an interesting enough offer that I took it," said Klein, whose firm Michael Bennett Homes built the house after paying \$2.85 million for the parcel in 2014. The buyer is fellow developer Carl Panattoni of Panattoni Development, according to a person familiar with the transaction.

Klein is among the property owners who are cashing in on Aspen's historic run-up in prices. Since 2020, the number of Aspen-area home sales over \$30 million has increased exponentially, leaping from two in 2020 to 17 last year, according to a Wall Street



HOME SALES OVER \$30 MILLION
2 | **17**
in 2020 | in 2022

Aspen has an extremely limited inventory of luxury homes for sale, combined with restrictive building policies.

Journal analysis of property records. While wealthy home buyers started flocking to Aspen during Covid, a string of recent record-breaking deals illustrates how high home values have climbed in a short amount of time. And in an area with extremely limited inventory and restrictive building policies, prices for large, newly built homes are still going up.

Aspen has become wildly popular not just for its skiing and mountainous beauty, locals say, but for its restaurant and retail scene, which has made the area a year-round destination. "It has a particular appeal that's hard to duplicate," Klein said.

Already a relatively small real-estate market, Aspen saw its housing supply grow even tighter in 2022, when the city put a moratorium on construction, real-estate agents said. Currently, Pitkin County officials are considering a proposal to reduce the maximum buildable square footage from 15,000 to 9,250 or smaller. That has bolstered prices for existing large homes, according to agent Riley Warwick of Douglas Elliman, who said buyers are scrambling to purchase properties they won't be

Please turn to page M4

PRIVATE PROPERTIES



A Spec House with a Pickleball Court Goes on the Market

A Los Angeles spec house with two pools and a pickleball court is listing for \$78 million.

The sellers are Brandon and Deborah Shainfeld, founders of real-estate development firm Alpha Empire Designs, who paid \$11.2 million for the site in 2017. They demolished an older home on the property and built the roughly 23,000-square-foot estate, which has eight bedrooms split between the main residence and a separate guesthouse.

Located in the Bird Streets section of the Hollywood Hills, the

roughly 1.5-acre property previously belonged to director John Schlesinger and was rented by several A-listers over the years, said listing agent Kurt Rappaport of Westside Estate Agency.

The Shainfelds said they were drawn to the size and location of the property, which has mountain and ocean views. "It was a gorgeous property, it was just very, very overgrown," said Deborah Shainfeld.

The main house is shaped like the letter E and was designed in

FOR SALE
\$78 MILLION
23,000 sq. ft.,
2 pools, bar



The sellers paid \$11.2 million for the site in 2017.

quadrants to create distinct work, entertaining and family spaces. "You work in the front and entertain in the middle and are with family in the back," she said.

The estate is European-inspired, said Deborah Shainfeld, who grew up in London. The arched front door and garage doors are painted French blue to mimic Chanel's flagship location in Paris. Visitors pass through a front courtyard to enter the house, where the foyer has a 20-by-30-foot skylight. A lower level features a media room, bar, gym, spa and staff quarters.

One of the pools is 65 feet long and cantilevers over the hillside, while the other is a 75-foot lap pool off the gym. The pickleball court sits on top of a 10-car garage.

The grounds include a walking path and gardens.

Deborah Shainfeld also designed rugs for the house with interior designer Angie Socias of Coppel Design. The house has custom furniture and lighting, including a chandelier shaped like a pearl necklace in the foyer. The furnishings are available to be purchased separately.

The Shainfelds, who were born in South Africa, declined to say how much they spent on the Hollywood Hills house. Brandon Shainfeld is the managing partner of Platinum Mile Ventures, which invests in food, personal-care and consumer-tech companies.

Rappaport said the high-end L.A. market isn't as busy as it was a year ago, thanks to higher interest rates, general economic uncertainty and the city's new mansion tax.

—E.B. Solomont



The gated estate sits on 1.5 acres.

Fox's Bret Baier Lists Washington, D.C., Home

A year after moving into the Washington, D.C., home he spent about \$25 million to build, Fox News anchor Bret Baier said his family is relocating to Palm Beach, Fla., and he is putting the house on the market for \$31.9 million.

If it fetches its asking price, the home would set a record for the city, said listing agent Daniel Heider of TTR Sotheby's International Realty, who is marketing the home with colleague

Jaelyn Mason.

Baier is chief political anchor of Fox News, and anchor and executive editor of Special Report, a show on Fox. (Fox News parent Fox Corp. and Wall Street Journal parent News Corp share common ownership.)

He and his wife, Amy Baier, paid \$5.4 million for the 1.5-acre Foxhall property in 2018, records show. After tearing down an older home with low ceilings, they said they spent about three years building a roughly 16,250-square-foot home with five bedrooms. The total cost of buying the land and building the house was about \$30 million, he said.

The Baiers said they moved in around April 2022, but purchased a home in Palm Beach over the summer for \$37 million. They visited Florida frequently during Covid and decided to move there full-time with their two teenage sons, one of whom is an avid golfer, Bret Baier said. "The move to Florida was a great adventure for our family, and the boys fell in love with it," he said.

He said he commutes weekly to Washington, where he hosts his live shows, and he will look for

a smaller place there.

Since the onset of the pandemic, Florida has seen an influx of wealthy residents drawn by the state's mild weather and favorable tax policies for the

wealthy amid the rise of remote work.

The Baiers' Foxhall property is gated and walled with a pool. Amy Baier said because of her husband's public-facing job, privacy and security were paramount. "We created this private place where we could escape to and not

worry about any intruders," she said.

Bret Baier, who played golf in college, said he spearheaded several features for the home—including a putting green with sand traps, a game room with a golf simulator and a bar in the main parlor. The property also has an indoor sports court for the couple's sons. "We wanted to create a home where children would want to bring friends," Amy Baier said.

The custom dining room table seats 14 people and cost north of \$150,000, they said. "It really does make the room," said Bret Baier. "Everybody can get into the conversation."

—E.B. Solomont



FOR SALE
\$31.9 MILLION
11,380 sq. ft.,
5 bedrooms,
golf simulator



LUXURY REAL ESTATE DESERVES
A LUXURY AUCTION®

800.262.5132 | PLATINUMLUXURYAUCTIONS.COM



Previously... \$9m | Now... NO RESERVE!

JACKSONVILLE, FL NOV 27

4.7-Acre Intracoastal Estate



Previously... \$22.5m | Now... NO RESERVE!

NASHVILLE, TN NOV 17



Previously... \$15m | Now... NO RESERVE!

ATLANTA, GA NOV 18



Previously... \$6m | Now... NO RESERVE!

ATLANTA, GA NOV 19

Refer to PlatinumLuxuryAuctions.com for relevant disclaimers and brokerage information for these luxury auction® properties.



FROM TOP: ANTHONY BARCELO (3); STUDIO TREJO (2); TAYLOR HILL/WIREIMAGEGETTY IMAGES (BRET AND AMY BAIER)



400 W 12th St, 12C, NY · 5BD 5.5BA · \$17,900,000
High floor WV lux condo with river & city views.
Alexa Lambert · alexa.lambert@compass.com



587 Duck Pond Rd, Matinecock, NY · \$8,500,000
Gated Mediterranean style estate. 10BD 11BA.
M. Cashman · maryellen.cashman@compass.com



181 Golf Course Rd, NY · 7BD 7BA · \$7,950,000
134 acres on Copake Lake in Columbia County.
John Barbato · john.barbato@compass.com



1 EEA, 8/9B, NY · 4BD 4.5BA · \$5,500,000
Renov sunny duplex w East River views, fpl & lib.
Kirk Henckels · kirk.henckels@compass.com



60 W 68th St, 10DEF, NY · 4BD 3BA · \$3,550,000
Fab & elegant pre-war w 4 expos, den & tall ceils.
Marcy Grau · marcy.grau@compass.com



641 Fifth Ave, 28A, NY · 2BD 2.5BA · \$3,550,000
Spacious 1,792 SF condo w open city & CP views.
Tracie Golding · tracie.golding@compass.com



55 Walker St, 3A, NY · 1BD 2BA · \$2,700,000
Light-filled & mint pre-war loft in Tribeca.
Pamela D'Arc · pamela.darc@compass.com



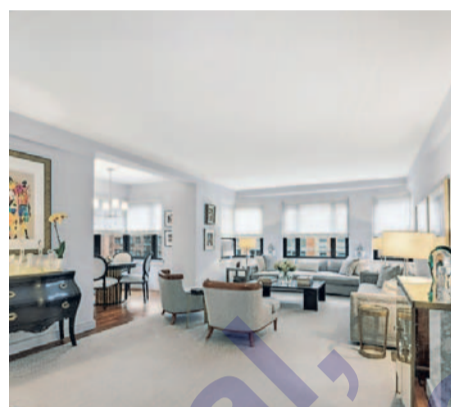
7 E 20th St, 9F, NY · 2BD 2BA · \$2,695,000
Flatiron Dist high floor loft-like condo. S&E expos.
Melissa R. Kaiser · melissa.kaiser@compass.com



15 E 70th St, 4B, NY · 1BD 1BA · \$1,985,000
Loft-like, high ceil. DM condo. Adjacent to Frick.
Sharon W. Flynn · sharon.flynn@compass.com



401 E 89th St, 10K, NY · 3BD 2BA · \$1,699,000
Spac, sunny corner condop, high floor w terr, W/D.
Lauren Pelletier · lpelletier@compass.com



440 E 56th St, 8C, NY · 2BD 2BA · \$1,495,000
Sutton Manor stunning & meticulous renovation.
Carol Mann · carol.mann@compass.com



175 W 92nd St, 1G, NY · 1BD 1BA · \$939,000
Mint with top of line finishes. Near CP & Riv Park.
Richard Merton · richard.merton@compass.com

Manhattan

- 944 Fifth Ave, 6** | 5 BD 5 BA 1 HB | \$19,750,000
Chic full floor with CP views, wbfplc, lib, priv elev.
Alexa Lambert · alexa.lambert@compass.com
- 591 Park Ave** | 4 BD 6 BA 2 HB | \$10,850,000
Development opportunity. 20' wide lot, 10,000+ SF.
M. Blumenfeld · mark.blumenfeld@compass.com
- 19 E 72nd St, 9/10C** | 4 BD 4.5 BA | \$8,750,000
Light-filled pre-war duplex. High ceilings, 2 fplcs.
S. Hackley + E. Goss · lib.goss@compass.com
- 145 E 76th St, 7/8A** | 5 BD 5 BA 1 HB | \$8,500,000
Big, bold, sunny, loft-like duplex with high ceilings.
Alexa Lambert · alexa.lambert@compass.com
- 45 Walker St, 2** | 4 BD 3 BA 1 HB | \$8,495,000
Tribeca pre-war condo, 13' ceil, wbfpl, ≈ 4,800 SF.
Susan Wires · susan.wires@compass.com
- 14 E 90th St, 2CD** | 5 BD 5 BA 1 HB | \$7,750,000
Chic & mint pre-war in Carnegie Hill, next to CP.
Melissa R. Kaiser · melissa.kaiser@compass.com
- 190 Riverside Dr, 4C** | 5 BD 4 BA | \$7,550,000
Mint 9 rm pre-war in lux FS condo. Park/river vus.
Marcy Grau · marcy.grau@compass.com
- 25 EEA, PH** | 3 BD 3 BA 1 HB | \$6,950,000
Grand pre-war penthouse w terraces on the River.
Laurie Stolowitz · laurie.stolowitz@compass.com
- 335 E 18th St** | 4 BD 3.5 BA 4,000 SF | \$6,900,000
Gramercy sunny 4 sty 20'w TH, garden. Co exclu
John Barbato · john.barbato@compass.com
- 250 W 81st St, 8B** | 4 BD 3 BA 1 HB | \$6,250,000
Sprawling triple mint in FS boutique condo.
Catherine Harding · charding@compass.com
- 301 E 81st St, 9A** | 3 BD 3 BA 1 HB | \$5,600,000
Best new development full service condo.
Tracie Golding · tracie.golding@compass.com
- 225 E 48th St** | 5 BD 3 BA 3 HB | \$5,500,000
Mint, sunny elev TH. Roof deck, 2 terrs. Co-exclu.
Pamela D'Arc · pamela.darc@compass.com
- 900 Fifth Ave, 4A** | 3 BD 4 BA 1 HB | \$5,475,000
Light-filled corner facing CP & Frick Museum. Lib.
Karen Whiton · karen.whiton@compass.com
- 211 CPW, 18A** | 2 BD 2 BA 1 HB | \$4,700,000
The Beresford. High flr, light-filled & Park views.
Catherine Harding · charding@compass.com
- 23 Park Ave, 4NS** | 3 BD 3 BA | \$4,500,000
Mint 3,000 SF PH duplex with 2 private terraces.
Julie Perlin · julie.perlin@compass.com

Manhattan

- 169 Spring St, 2W** | 2 BD 2 BA 1 HB | \$4,250,000
Chic triple mint south facing pre-war Soho loft.
Pamela D'Arc · pamela.darc@compass.com
- 124 W 23rd St, 14** | 3 BD 3 BA | \$4,200,000
Full floor Chelsea condo with NYC skyline views.
M. Cashman · maryellen.cashman@compass.com
- 737 Park Ave, 2G** | 2 BD 2 BA 1 HB | \$4,000,000
Grand loft-like LR/DR, garden views in FS condo.
Alexa Lambert · alexa.lambert@compass.com
- 22 E 18th St, 4E** | 2+ BD 2 BA | \$3,995,000
Renovated, spacious dream loft with orig details.
Jonathan Lavoie · jlavoie@compass.com
- 35 E 85th St, 12DE** | 3 BD 3 BA | \$3,995,000
Sunny 3BD+den, vus, terr. Near CP & Museum Mile.
Pamela D'Arc · pamela.darc@compass.com
- 450 W 17th St, 1709** | 3 BD 3 BA | \$3,995,000
Water vus from The Caledonia Condo in Chelsea.
John Barbato · john.barbato@compass.com
- 900 Fifth Ave, 4B** | 3 BD 4 BA | \$3,950,000
Beautiful classic 7 with a lib & direct views of CP.
Karen Whiton · karen.whiton@compass.com
- 103 E 75th St, 6FE** | 3 BD 3 BA | \$3,795,000
Sunlit, turnkey 7-room, pre-war charm with wbfplc.
Eland Blumenfeld Team · celand@compass.com
- 35 E 10th St, 8BC** | 2 BD 2 BA | \$3,750,000
AD 100 designer loft in GV w terrace. Mint + fab.
M. Cashman · maryellen.cashman@compass.com
- 1080 Fifth Ave, 6B** | 2 BD 2 BA | \$3,500,000
CP, Reservoir & skyline views, mint corner 5.
Marcy Sigler · marcy.sigler@compass.com
- 901 Lexington Ave, 7N** | 4 BD 4.5 BA | \$3,495,000
Lenox Hill grand, sunny & mint 8 rooms w wbfplc.
Cornelia V. · cornelia.vanamburg@compass.com
- 875 Fifth Ave, 9A** | 3 BD 3 BA | \$3,195,000
Spacious & elegant classic 6 estate w vus of CP.
Sharon W. Flynn · sharon.flynn@compass.com
- 188 E 70th St, 21C** | 2 BD 2 BA | \$2,850,000
Mint, interior-designed condo with glorious views.
Elizabeth Goss · lib.goss@compass.com
- 130 W 16th St, 46** | 3 BD 2 BA | \$2,795,000
Triple mint, light-filled & modern Chelsea pre-war.
J. Callahan · jennifer.callahan@compass.com
- 650 Park Ave, 10D** | 2 BD 2 BA 1 HB | \$2,600,000
Sunny crnr, open Park Ave vus. White glove co-op
Mercedes Schwartz · mschwartz@compass.com

Manhattan

- 20 E 74th St, 12E** | 2 BD 2 BA | \$2,595,000
Corner apt in FS building, 2 terraces, CP views.
J. Bowden · jennifer.bowden@compass.com
- 90 EEA, 6B** | 3 BD 2 BA 1 HB | \$2,500,000
Triple mint condo. High ceils, tall windows, W/D.
Laurie Diamond · laurie.diamond@compass.com
- 318 W 52nd St, 4H** | 3 BD 2 BA 1 HB | \$2,395,000
Large, light boutique condo, private roof cabana.
James Hall + A. Hall · jameshall@compass.com
- 162 E 80th St, 8C** | 2 BD 2 BA | \$1,825,000
Renov, south facing classic 5 with pre-war charm.
Sharon W. Flynn · sharon.flynn@compass.com
- 389 E 89th St, 21D** | 2 BD 2 BA | \$1,825,000
High floor condo with N&W expos with city views.
Jonathan Lavoie · jlavoie@compass.com
- 515 E 72nd St, 33C** | 2 BD 2 BA 1 HB | \$1,695,000
Sunny high flr in amenity rich condo, river vus.
James Hall + A. Hall · jameshall@compass.com
- 2 Fifth Ave, 11Q** | 1 BD 1 BA | \$1,650,000
GV oversized & renovated w terrace & high ceils.
William A. Vitiello · wavitiello@compass.com
- 200 E 57th St, 7L** | 3 BD 2 BA | \$1,595,000
Open, lrg LR, DA, skyline windows, priv storage.
Lauren Zidel Rose · lauren.rose@compass.com
- 137 E 36th St, 20B** | 2 BD 2 BA | \$1,549,000
Renov, 3 expos, city/river views. Gym. Roof deck.
Julie Perlin · julie.perlin@compass.com
- 137 E 36th St, 15F** | 2 BD 2 BA 1 HB | \$1,495,000
Chic duplex, spectacular vus, drmn, gym, roofdeck.
Julie Perlin · julie.perlin@compass.com
- 325 E 72nd St, 8B** | 2 BD 2 BA | \$1,395,000
Mint pre-war. Beamed ceils, 25' LR, moldings.
S. Meem + K. Meem · sim.meem@compass.com
- 11 W 81st St** | 1 BD 1 BA | \$1,295,000
South-facing DM pre-war o'looking Museum Park.
Pamela D'Arc · pamela.darc@compass.com
- 17 E 89th St, 5E** | 2 BD 2 BA | \$1,195,000
Spacious & flex 5 rms w pre-war details. Wbfplc.
S. Meem + K. Meem · sim.meem@compass.com
- 116 E 66th St, 3E** | 2 BD 2 BA | \$1,195,000
Spacious, in a popular co-op. Ideal Park/Lex loc.
Gioia Zwack · gioia.zwack@compass.com
- 247 W 46th St, 2505** | 1 BD 1 BA | \$1,195,000
Bright & spacious East facing in FS drmn condo.
Tracie Golding · tracie.golding@compass.com

Brooklyn + Manhattan

- One Brooklyn Bridge Park, PH** | \$6,495,000
3BD 3.5BA condo with insane views, 1900 SF terr.
Eland Blumenfeld Team · celand@compass.com
- 215 N 10th St, PHC** | 2 BD 2 BA | \$3,299,000
Williamsburg crnr convertible 3BD w 550 SF terr.
William A. Vitiello · william.vitiello@compass.com
- 469 6th Ave** | 4 BD 3 BA | \$3,250,000
Park Slope 2 family duplex TH with garden.
Brad Bateman · brad.bateman@compass.com
- 100 Jay St, 30A** | 2 BD 2 BA 1 HB | \$2,695,000
Sunny Dumbo condo, river & city vus, 24 hr drmn.
Pamela D'Arc · pamela.darc@compass.com
- 333 E 68th St, 8D** | 2 BD 2 BA | \$1,150,000
Bring your architect. Pre-war apt. LR, EIK, wbfpl.
James Hall + A. Hall · jameshall@compass.com
- 155 E 72nd St, 15C** | 2 BD 2 BA | \$1,100,000
High floor pre-war with fplc. City views & sunny.
Richard Brown · richard.brown@compass.com
- 50 Pine St, PH 12S** | 2BD 2BA | \$1,095,000
Financial Dist 1,200 SF loft-like + 1,500 SF terrace.
John Barbato · john.barbato@compass.com
- 455 E 51st St, 2D** | 2 BD 1 BA | \$945,000
Former Arthur Schlesinger home, lib, wbfpl, riv vus.
M. Cashman · maryellen.cashman@compass.com
- 155 E 73rd St, 9B** | 2 BD 1 BA | \$925,000
High-floor pre-war. Fplc, beamed ceils, hdwd flrs.
C. Miller Martin · christine.martin@compass.com
- 300 Riverside Dr, 12D** | 1 BD 1 BA | \$795,000
Sunny loft-like pre-war co-op with 24 hr drmn.
Pamela D'Arc · pamela.darc@compass.com
- 140 W 69th St, 128A** | 1 BD 1 BA | \$669,000
Pre-war gem on high flr, big windows has fab vus.
Janice Silver · janice.silver@compass.com
- 220 E 57th St, 17G** | 1 BD 1 BA | \$650,000
High flr light-filled, beaut hdwd flrs, 5 closets.
James Schoenfeld · jschoenfeld@compass.com
- 175 E 62nd St, 14B** | 1 BD 1 BA 1 HB | \$600,000
High floor & sunny, W/D, parking gar in FS bldg.
Melissa R. Kaiser · melissa.kaiser@compass.com
- 164 Hicks St, Parlor** | 4 BD 2 BA | \$14,000/mo.
Prime Bklyn Hts grdn/parlor duplex. Fpl, 12' ceils.
Samuel Pollach · sam.pollach@compass.com
- 318 W 100th St, 4A** | 2 BD 1 BA | \$5,500/mo.
Mint, sunny & modern pre-war, near Riverside Park.
Eyal Zabari · eyal.zabari@compass.com

Find exclusive listings

only at compass.com

Compass is a licensed real estate broker and abides by Equal Housing Opportunity laws. All material presented herein is intended for informational purposes only. Information is compiled from sources deemed reliable but is subject to errors, omissions, changes in price, condition, sale, or withdrawal without notice. No statement is made as to the accuracy of any description. All measurements and square footages are approximate. This is not intended to solicit property already listed. Nothing herein shall be construed as legal, accounting or other professional advice outside the realm of real estate brokerage.

COMPASS

ALL INFORMATION IS FROM SOURCES DEEMED RELIABLE BUT IS SUBJECT TO ERRORS, OMISSIONS, CHANGES IN PRICE, PRIOR SALE OR WITHDRAWAL WITHOUT NOTICE. ALL RIGHTS TO CONTENT, PHOTOGRAPHS AND GRAPHICS RESERVED TO BROKER. EQUAL HOUSING OPPORTUNITY BROKER.



- Sundrenched Mint PH Duplex with Terrace**
135 East 79th. 5BR. 5.5 Bath. \$19.9M. Web #22577750. Leslie J. W. Singer 917-860-8128 Brittanie C. Bowers 914-572-4000
- Amazing Views, Four Exposures**
37 Riverside Dr. 3BR. 3 Bath. \$6.2M. Web #22654263. Lisa K. Lippman 212-588-5606
- Mint Fifth Avenue Home Overlooking the Park**
785 Fifth Ave. 2BR. 3.5 Bath. \$5.8M. Web #22654369. Daniella G. Schlisser 212-906-9348
- Prime Carnegie Hill Sprawling 4/4 Mint Home**
50 East 89th. 4BR. 4 Bath. \$5.5M. Web #22700099. Mike Lubin 917-371-6723
- A Full-Floor Flatiron Sanctuary**
21 West 20th. 4BR. 4.5 Bath. \$12.9M. Web #22548124. Bonnie Goldner 917-355-5386
- Grand and Sunny Park Avenue Condo**
944 Park Ave. 4BR. 4.5 Bath. \$9.995M. Web #22646520. Katharine F. Tuckerman 917-612-5225 Edith F. Tuckerman 917-520-9894
- Meticulous and Classic Pre-War Condo**
235 West 71st. 4BR. 4 Bath. \$5.15M. Web #22669136. Jay K. Overbye 212-381-2247
- Beautiful Apartment, Perfect Location**
40 Fifth Ave. 2BR. 2 Bath. \$3.95M. Web #22670533. Christopher E. Franklin 917-208-0943 Brian J. Manning 917-701-5997
- New Stunning Modern Home**
55 Liberty St. 3BR. 2 Bath. \$2.875M. Web #22573482. Richard N. Rothbloom 917-613-1610
- Townhouse Living at its Best**
115 East 81st. 4BR. 3.5 Bath. \$8.35M. Web #22123585. Sallie G. Stern 917-692-8867 Marjorie Flannigan MacLachlan 917-903-3878
- One-of-a-Kind Duplex Palazzo with 20' Ceilings**
257 West 86th. 3BR. 2.5 Bath. \$6.5M. Web #22481673. Jaye G. Roter 917-971-3399
- Striking and Elegant Duplex**
860 United Nations Pl. 3BR. 3.5 Bath. \$2.45M. Web #22666170. Matthew D. Hughes 212-906-9351
- Classic Six with Grand Scale Proportions**
180 East 79th. 3BR. 3 Bath. \$2.195M. Web #22665377. Margery R. Hadar 917-679-2587 Joanne Greene 917-716-6880
- Mint Residence at the Landmark**
300 East 59th. 1BR. 1 Bath. \$825K. Web #22377051. Avideh B. Ghaffari 917-776-7969
- Elegant Duplex Oasis**
322 East 57th. 4BR. 3 Bath. \$5.999M. Web# 22644965. Martha Kramer 212-906-9371
- King of the Hill**
180 East 93rd. 4BR. 4 Bath. \$6.4M Web #22577681. Craig Filipacchi 212-452-4468 Jacques Foussard 212-452-4475 Jason Schuchman 212-452-4461

IT'S THE FUTURE.
YOUR FLOATING LIVING ROOM GIVES YOU PEACE.
BUT WILL IT SEE YOU THROUGH A BIDDING WAR?
THAT STILL TAKES MASTERY. 150 YEARS AND COUNTING.



BrownHarrisStevens.com

Brown Harris Stevens
Mastery of the Craft.
It's Timeless.

PRIVATE PROPERTIES

WeatherTech Founder David MacNeil Sets a Record in Fort Lauderdale

WeatherTech founder and chief executive David MacNeil has sold a newly built beachfront home in Fort Lauderdale, Fla., for a record \$40 million.

The roughly 13,000-square-foot home on Fort Lauderdale Beach listed in July for \$39,999,999, according to listing agent Tim Elmes of Compass, who had the listing with colleague Melanie Groenendaal.

MacNeil bought the land for about \$3 million in 2018, according to property records. He had the house custom-built, said Elmes.

The buyer is a businessman with a large family who planned to buy a home in the nearby Harbor Beach neighborhood before seeing the listing, said Elmes.

"We are fortunate to live in a state that has created an environment that allows and promotes real-estate investment," MacNeil said in a prepared statement.

The contemporary seven-bedroom home has a juice bar and a rooftop deck, said Elmes. The primary suite has dual closets. The house was sold furnished.

The roughly 0.4-acre property has an outdoor kitchen, an infinity pool and a cabana with an outdoor shower, said Elmes.

MacNeil founded WeatherTech, a Chicago-area automotive-accessories manufacturer known for its floor mats, in 1989, according to the company's website. He also owns homes near Chicago and in California, property records show.

The buyer's agent, Austin Baris of Miles Goldstein Real Estate, didn't respond to a request for



SOLD
\$40
MILLION
 13,000 sq. ft.,
 juice bar



comment.

Until now, the most expensive sale in Fort Lauderdale was a \$32.5 million deal last year.

Ultraluxury home sales in Broward County have tripled since 2020, according to Elmes. In September, a waterfront Fort Lauderdale home sold for \$30 million.

The median home sale price in Fort Lauderdale was \$520,000 in September, roughly even with the same time last year, according to Redfin.

—Sarah Paynter



MacNeil paid \$3 million for the land in 2018.

Denver Sees Major Sale



Three years after listing for \$37 million, a mansion outside Denver has sold for \$14.705 million.

Located in Golden, Colo., the 17,000-square-foot home sits on 160 acres, according to Brittany Morgan of Compass, who represented the seller with Ronda Courtney of Re/Max Leaders.

It was originally listed in 2020 with 310 acres of undeveloped land, but after cutting the price, sellers John and Debi Medved decided to subdivide the property in order to attract

more buyers, Morgan said. They put the house and 160 acres back on the market for \$14.9 million in May.

The deal is the most expensive recorded sale so far this year in the Denver area, Courtney said. It is also one of the most expensive sales ever in Golden, according to Zillow. The buyer, Tom Smith, couldn't be reached for comment. Smith used a Denver-based LLC to buy the property, according to property records.

The Medveds, who owned Colo-

rado car dealerships, bought the site of a former ski resort and an adjacent ranch in the early 1990s. They had to raze the ski lifts and towers to build their dream house. Construction took close to two years and was completed in 1999.

Inspired by the English Cotswolds and the Old West, the house has Corinthian columns, English-style fireplaces, elaborate chandeliers and cathedral ceilings.

In September, the median sale price of a home in Golden was \$869,000, up 20.3% compared with the same time last year, according to data from Redfin.

—Libertina Brandt

SOLD
\$14.705
MILLION
 17,000 sq. ft.,
 160 acres

NO SMOKING
 NO NAKED LIGHTS

Little Greene
 PAINT & PAPER

From Our Home to Yours

Eco-friendly, high-performance paints made in our own factory in the UK.

Showroom opening this Fall:
 9 East Putnam Avenue, Greenwich, CT 06830

Order free colour cards on littlegreene.us



Where Life Flows

LUXURY WATERFRONT RESIDENCES WITH A PRIVATE DOCK AND AN 80,000-SQUARE-FOOT AMENITY DECK.
 PRICED FROM \$2 MILLION.

1919 N Flagler Dr, West Palm Beach, FL 33407
 561-401-0066 · OlaraWestPalmBeach.com

SAVANNA DouglasElliman
 Development Marketing

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND TO THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE. This is not intended to be an offer to sell, or solicitation to buy, condominium units to residents of any jurisdiction where prohibited by law, and your eligibility for purchase will depend upon your state of residency. All images and designs depicted herein are artists' conceptual renderings, which are based upon preliminary development plans, and are subject to change without notice in the manner provided in the offering documents. All such materials are not to scale and are shown solely for illustrative purposes. This project is being developed by N Flagler Drive Developer, LLC, a Delaware limited liability company, which was formed solely for such purpose. Olara is sponsored by a Savanna affiliate. Savanna is a proven owner, operator, developer and institutional fund manager with a 30-year track record, it has invested in and developed over 17 million square feet of real estate. Other affiliated parties include the MacTaggart Family Partnership, which has invested in and developed premier real estate projects in the United States and England for over 100 years, as well as Haymes Investment Company and Brandon Rinker. Haymes and Rinker assisted in the acquisition of six of the eight parcels within the assemblage that became the Olara development site and served as development consultants as the site was assembled and the development vision was finalized. The principals of Haymes Investment Company have owned, operated and developed millions of square feet of commercial, residential and retail real estate in New York, Florida, and around the United States. Brandon Rinker has assembled some of the premier sites in the Palm Beaches. Brandon is now a principal at Savanna. This Condominium has been registered with the Massachusetts Board of Registration of Real Estate Brokers and Salespersons F-1277-01-01. THE COMPLETE OFFERING TERMS ARE IN A FLORIDA PROSPECTUS AVAILABLE FROM DEVELOPER. A CPS-12 APPLICATION HAS BEEN ACCEPTED IN NEW YORK AS FILE NO. CP22-0089.

FROM TOP: DANIEL PETRONI (3); TANYQVRY BUNTING

MANSION

Aspen's Biggest Winners

Continued from page M1
able to build again.

In one of the best-known Aspen-area flips in recent years, fashion designer Tommy Hilfiger sold a slopeside home for \$50 million in 2022, roughly three months after buying the house for \$31 million.

More recently, designer Holly Hunt sold a mansion for \$70 million to an unknown buyer. She had paid \$5.85 million for the land and spent years designing and building the home.

Of course, it is difficult to quantify how much Aspen sellers are actually pocketing. Luxury homes take years—and millions of dollars—to build, and locals say construction is uniquely challenging in Aspen, thanks to building regulations, varying terrain and the logistics of getting goods and labor in and out of the mountainous area.

The cost of new construction in Aspen can range from \$1,500 to \$3,000 a square foot and up, according to architect Earl Anderson. For a 5,500-square-foot house built at the midrange of \$2,250 a foot, that adds up to \$12.375 million.

Still, the fundamentals are strong enough to motivate some repeat investors, including Texas oil heiress Christy Thompson and her husband, Stephen Hill, who have bought and sold several homes in quick succession.

The couple recently sold a 15,000-square-foot mansion for \$63.75 million to Tampa Bay Lightning owner Jeff Vinik and his wife, Penny Vinik, after buying it for \$51 million last year. In 2022, they sold a house at the base of Aspen Mountain for \$60 million, after buying it in an unusual deal for \$22 million plus a Florida house.

The pace of Aspen's uber-luxury sales has slowed somewhat since last year, though there are still many more than before Covid: So far this year, there have been eight deals topping \$30 million. Sellers are continuing to chase the market by listing properties for eye-popping sums. In August, car-dealership owner Terry Taylor listed a compound outside downtown Aspen for \$105 million. He paid \$32 million for the property in 2020, records show. And this month, investor Todd Lemkin and his wife, Kasey Lemkin, listed a mansion for \$70 million, roughly a year after they paid \$60 million for it.

Klein said he doesn't think Aspen buyers are overpaying, and that the market has several more years of growth. The day after selling the \$60 million home, he said he bought an adjacent lot where he plans to build another luxury property. He paid \$15.4 million; the property last sold for \$8.425 million in 2021, property records show.

Read on for a look at some of the buyers and sellers who have gained the most from Aspen's skyrocketing price appreciation.

1 In 2006, real-estate developer Leathem Stearn paid about \$4.5 million for 7 acres at the base of Aspen Mountain and built two mansions on the site. He sold one in 2020 to Texas heiress Thompson and Hill, and another this year for \$76 million to dealership owner Taylor. Although back-of-the-napkin math indicates he grossed more than \$90 million combined, Stearn invested years and countless millions of dollars into the project.

The \$76 million house has a bowling alley. Stearn said he began building it around 2008, but stopped work for several years amid the financial crisis. He filed for Chapter 11 bankruptcy on one parcel in 2017, became embroiled in a lawsuit with his lenders and clashed with local officials who alleged he overbuilt the site, a claim he denied.

"In the end, it was a very good investment in straight dollars," Stearn said. "But it was a headache because of the litigation, entitlements and bureaucracy. The price you put on a headache, I don't know."



\$76 MILLION
2023 purchase price
\$4.5 MILLION
2006 land cost

Seller: Leathem Stearn **Buyer:** Terry Taylor



\$70 MILLION
2023 purchase price
\$5.85 MILLION
2015 purchase price

Seller: Holly Hunt **Buyer:** Bridge House LLC

2 In 2015, after selling her eponymous design firm, Holly Hunt paid \$5.85 million for a 4.23-acre property with an older home on it just outside of Aspen's city limits. She demolished the house and spent about five years designing and building a modern home. The property is accessible via a bridge over the Roaring Fork River that she had rebuilt. In September, she sold the property for \$70 million.

At the time of the sale Hunt told The Wall Street Journal that she had reluctantly consented to the deal. "You have to look forward and say, 'There are other projects ahead.'"

3 John Burgess, a co-founder of the private-equity firm BC Partners, and his wife, Elizabeth Burgess, sold Silver Lining Ranch for \$69 million last year, more than six times what they paid for it in 2010. The buyers are two real-estate companies, Meriwether Companies and Revere Capital, owners of the nearby Aspen Club, who plan to rent out the property. Spanning more than 6 acres along the Roaring Fork River, the ranch has a roughly 18,000-square-foot house. The property was previously operated as a retreat for terminally ill children. The Burgesses didn't respond to a request for comment.



\$69 MILLION
2022 purchase price
\$10.5 MILLION
2010 purchase price

Seller: John and Elizabeth Burgess **Buyer:** Meriwether Companies and Revere Capital



\$60 MILLION
2023 purchase price
\$2.85 MILLION
2014 land cost

Seller: Michael Klein **Buyer:** Carl Panattoni

4 Klein sold the seven-bedroom home in October in an off-market deal to Panattoni, according to a person familiar with the deal. Klein had paid \$2.85 million for the 5.5-acre lot in 2014 and completed construction on the residence in 2019, records show. Panattoni didn't respond to a request for comment.

Please turn to page M5.

Where The Staycation Never Ends



\$6.4 MILLION

UNIT N3 4 BR 4 BA 1,578 SQFT
29 ADVENTURE WAY



\$2.4 MILLION

UNIT D3 2 BR 2.5 BA 1,600 SQFT
4C WHITE HAWK RIDGE



\$1.65 MILLION

UNIT TH1 2 BR 3 BA 1,832 SQFT
28 ALEXANDER CIRCLE
*With Studio



LIVE ON YOUR OWN 3,500 ACRE OUTDOOR ESTATE

Discover the enchantment that awaits at The Preserve in Richmond – where nature's beauty and modern luxury intertwine to create an unparalleled lifestyle experience. 3,500 acres of woodlands, upland fields, and waterways, New England's only 4-season sporting community. Your Rhode Island journey starts here. Introducing 50 new homes in our 2024 residential development of The Woods. Taking reservations on home sites now. Inquire today.

HUNTING | CLAY SHOOTING | FISHING | GOLF | SPA | EQUESTRIAN

Real Estate Inquiries: ThePreserveRI.com | (855) 420-5813 | 87 Kingstown Road, Richmond, Rhode Island 02898

corcoran
live who you are

Scan the home that's right for you.



Upper East Side | Manhattan
118 East 83rd Street, New York, NY
5 BR/7.5 Bath | \$22,500,000
Chris Kann
(m) 646.660.2105
Jennifer Ireland Kubis Lic. as Jennifer L. Ireland Kubis
(m) 917.669.1440



SoHo | Manhattan
93 Grand Street, New York, NY
\$21,000,000
Ali Raza
(m) 929.386.4815



Greenwich Village | Manhattan
71 West 11th Street, New York, NY
5 BR/4.5 Bath | \$13,950,000
Paul Kolbusz
(m) 646.641.0210
Melissa Sargeantson
(m) 203.945.7297



Upper East Side | Manhattan
825 Fifth Avenue 12C, New York, NY
2 BR/2 Bath | \$6,300,000

Sebastian Steinau
(m) 917.446.0205



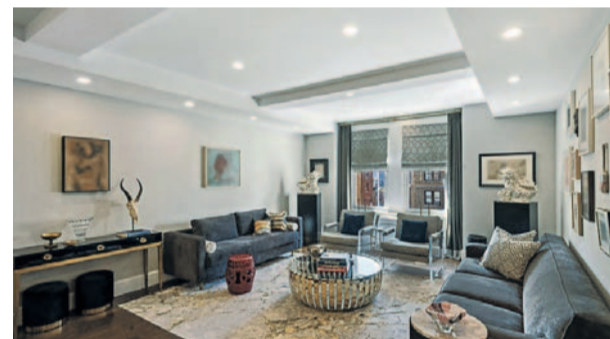
Upper East Side | Manhattan
983 Park Avenue 6C, New York, NY
5 BR/4 Bath | \$5,600,000

Marie Schmon
(m) 917.533.6076



Upper East Side | Manhattan
40 East 78th Street 5CD, New York, NY
4 BR/4 Bath | \$5,000,000

Leighton Candler
(c) 212.937.6677
Jennifer Reardon
(c) 212.937.6678



Upper West Side | Manhattan
27 West 72nd Street 1505, New York, NY
3 BR/3 Bath | \$4,500,000

Cathleen Carmody
(c) 212.875.2874



Central Park South | Manhattan
1 Central Park South PH2006, New York, NY
1 BR/1.5 Bath | \$4,200,000

Chris Kann
(m) 646.660.2105



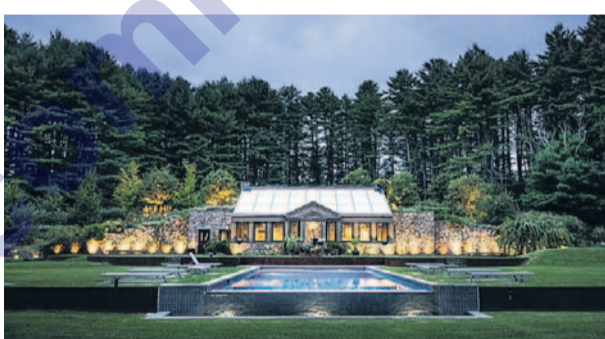
Clinton Hill | Brooklyn
445 Waverly Avenue, Brooklyn, NY
5 BR/4 Bath | \$4,195,000

Erica Nieves
(m) 646.764.6094
Michael Negron
(m) 347.723.5450



Midtown | Manhattan
24 West 55th Street PHC, New York, NY
2 BR/2 Bath | \$3,850,000

Charlotte Van Doren
(m) 917.603.9489



Forestburgh | New York
759 Hartwood Road, Forestburgh, NY
5 BR/4 Bath | \$2,495,000

Jeffrey Gardner
(m) 917.833.0563



Upper West Side | Manhattan
25 Central Park West 4G, New York, NY
1 BR/1 Bath | \$1,650,000

Chris Kann
(m) 646.660.2105
Jennifer Ireland Kubis Lic. as Jennifer L. Ireland Kubis
(m) 917.669.1440



Glen Spey | New York
432 Black Forest Road, Glen Spey, NY
4 BR/3 Bath | \$1,595,000

Ellen Raines Martin
(m) 917.734.7525
Jeffrey Gardner
(m) 917.833.0563



Upper East Side | Manhattan
125 East 74th Street 5B, New York, NY
1 BR/1 Bath | \$1,125,000

Charlotte Van Doren
(m) 917.603.9489



Financial District | Manhattan
5 Beekman Street PH50, New York, NY
3 BR/3.5 Bath | \$29,000/Month

Chris Kann
(m) 646.660.2105



CELEBRATING 50 YEARS

Turn What You Love Into Where You Live



33602 Pacific Coast Highway | Malibu, California
\$42,500,000 | 6 BR, 8 BA | **Web# 23-274217**
Dena Luciano: O 310.595.3888



16 Lagunita Drive | Laguna Beach, California
\$38,000,000 | 5 BR, 8 BA | **Web# 23-317927**
Joshua Altman: O 310.819.3250 | Matthew Altman: M 323.791.9398



13187 Chalon Road | Brentwood, California
\$28,888,000 | 7 BR, 9 BA | **Web# 23-316131**
Joshua Altman: O 310.819.3250 | Matthew Altman: M 323.791.9398



25 Mercer Street, PH | SoHo
\$18,995,000 | 4 BR, 4.5 BA | **Web# 22265987**
Eben MacNeille: O 212.352.6202 | Michael Passaro: O 212.352.6202



1185 Park Avenue, PH17/16G | Carnegie Hill
\$15,400,000 | 5 BR, 5 BA, 2 HALF BA | **Web# 22699333**
Sabrina Saltiel: O 212.350.2205 | Daniela Kunen: O 212.891.7611



304 Spring Street, PH | SoHo
\$12,995,000 | 3 BR, 3 BA | **Web# 22507805**
Lydia Sussek: O 212.350.2224



2010 Route 9 | Garrison
\$3,850,000 | 5 BR, 7 BA, 2 HALF BA | **Web# H6267546**
Margaret Harrington: O 914.232.3700



845 United Nations Plaza, 22A | Turtle Bay
\$3,000,000 | 3 BR, 3 BA | **Web# 22133799**
Liza Nematnejad: O 212.418.2003 | Isaac Nematnejad: O 212.891.7669



113 Buxton Road | Bedford Hills
\$2,750,000 | 7 BR, 4 BA, 3 HALF BA | **Web# H6269517**
Sally Slater: O 914.234.4590



33 West 67th Street, 4RW | Lincoln Square
\$1,695,000 | 2 BR, 2 BA | **Web# 22475395**
Rise Cale: O 212.844.4253

MANSION



\$65 MILLION
2023 purchase price

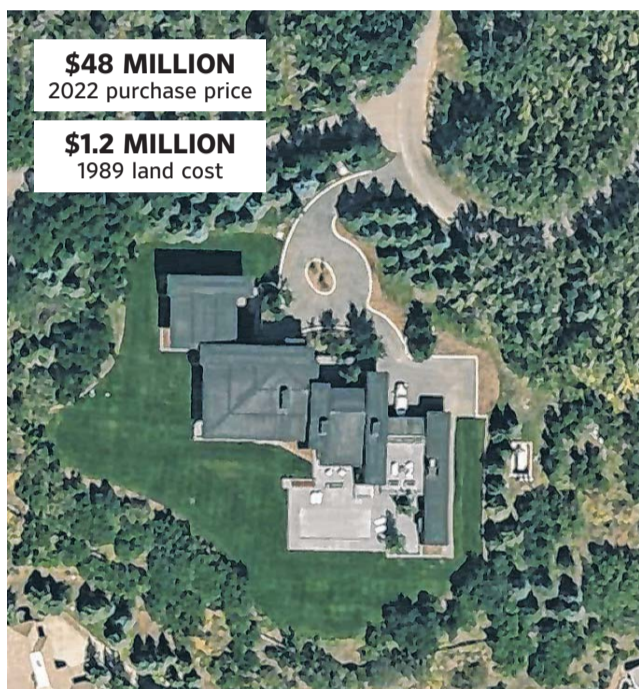
\$9 MILLION
1996 purchase price

Seller: Joel Tauber and family **Buyer:** Flores Family Residence LLC

5 In May, Detroit manufacturing entrepreneur and philanthropist Joel Tauber and his family sold a slopeside house for \$65 million—more than seven times the amount Tauber paid in 1996. Set on 1.4 acres, the ski-in, ski-out house is about 14,200 square feet; it was built in 1979 and renovated in 2015. Tauber listed it for \$100 million in June of 2022. Tauber's son declined to comment on behalf of the family.



6 Last year, former Goldman Sachs partner Connie Duckworth and her husband, Thomas Duckworth, sold a contemporary Aspen home for \$48 million, about 40 times what they paid for the land. The Duckworths bought the 2.5-acre site, in the gated Starwood community, in 1989. In 2018, they completed construction of the roughly 19,000-square-foot concrete-and-stone house, which they never lived in, before listing it for \$47 million in 2020. The Duckworths didn't respond to a request for comment.



\$48 MILLION
2022 purchase price

\$1.2 MILLION
1989 land cost

Seller: Connie and Thomas Duckworth **Buyer:** ASW 1000 LLC



\$48 MILLION
2022 purchase price

\$2.55 MILLION
2005 land cost

Seller: Thomas E. Lewis **Buyer:** 19 Little Cloud Inc.

7 Real-estate developer Thomas E. Lewis sold a hillside property for \$48 million last year. He said he bought the land in 2005 and finished building the house, part of a four-home subdivision, in 2019. He listed it for \$31.5 million in early 2020, but took it off the market to live in it himself. Then he got an unsolicited offer. Like other property owners in Aspen, Lewis said he was "deluged" with calls from brokers. "Did it work out as a good deal for me? Yes," he said. Lewis declined to say how much it cost to build the

house, but he said he paid to put a road and utilities in the subdivision. "There's an awful lot of time and money spent," he said. The house is more than 10,000 square feet with a bar, gym and an arcade-style area. There are views of Red Mountain and Hunter Creek. The identity of the buyer, who purchased the home through a Canada-based corporate entity, is unknown. The house is currently listed for rent asking \$750,000 a month. —Additional reporting by *Libertina Brandt*



Private Residence Meets Private Resort

At Salato, we've created a first-of-its-kind living experience across from the pristine oceanfront in Pompano Beach, Florida. Our boutique, ultra-luxury development is comprised of just 40 expertly designed residences including six stunning penthouses that will rise 105 feet only steps from the ocean. Features include floor to ceiling windows that provide spectacular views of the Atlantic Ocean, direct beach access, and an amenity deck that spans over 20,000 square feet and is designed to feel like luxury resorts from around the world. Perfectly located between Boca Raton and Fort Lauderdale, our premiere location in Pompano Beach is one of the last in South Florida still available for new development along the shore. We invite you to be among the fortunate few to come home to Salato. Call or visit us online to learn about our newest release of ocean view residences.



LUXURY RESIDENCES STARTING UNDER \$2 MILLION

305 Briny Avenue, Pompano Beach, Florida 33062
954 284 0090 | SalatoResidences.com

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE SELLER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND TO THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES TO BE FURNISHED BY A SELLER TO A BUYER OR LESSEE. All dimensions, features, and specifications are approximate and subject to change without notice. Brokers warmly welcomed.

MAKE ROOM FOR ALL OF YOU



CALL, VISIT A SHOWROOM, OR GO ONLINE TO SCHEDULE YOUR COMPLIMENTARY DESIGN CONSULTATION
844.295.1402

- New York City** 26 Varick St | 1629 York Ave
- Nassau** 25 Northern Blvd, Greenvale
- Westchester** 16 Saw Mill River Rd, Hawthorne
- Rockland** 83 S Main St, New City
- Connecticut** 565 Westport Ave, Norwalk
- Miami** 900 Park Centre Blvd, Miami Gardens

CALIFORNIACLOSETS.COM

CALIFORNIA CLOSETS®



MANSION



The solid construction of the Pecks' home provides quiet and a sense of safety.



\$1.8 MILLION
Purchase price for share of the renovated church in Australia in 2015

A Church Turned Home

Continued from page M1

than its architecture, they like the feel of the four-level home, where they live with the youngest of their three children, Amelia, 23.

One thing the church offers is quiet. The solid brick construction blocks out noise from traffic and neighbors, and offers a sense of comfort.

"This building just wraps its arms around you," says Jennifer Peck, 58, a former educator and business owner. "Everybody who comes in here says the same thing; it just has an energy that's really nice."

Not everyone is drawn to such homes. "Most people who enjoy unique homes are unique themselves," says Lynn Perreault, owner of Harper & Co., Burk's Falls, Ontario, who has renovated numerous homes with her partner, Jonathon Harmer. They are working on a second church conversion in Canada, after one in Princeton, Ontario.

She warns that homeowners who convert a historic building may have to deal with complex rezoning, finance and permit issues, as well as possible structural problems. And converted homes in general, she adds, tend to be more expensive to maintain than traditional houses.

"But everything is fixable," says Perreault. "To wake up every day and be a part of history is a beautiful thing."

Converted homes don't typically follow market trends, adds Jeff Hendley, founding partner of Compass Denver. But when there is a strong market trend, prices generally follow suit.

"Their size isn't necessarily correlated with their values," he says. "Location is a huge driver, and it's more a matter of what a person feels when entering the home that ultimately dictates its salability."

Hendley says he has seen a resurgence in people wanting to create residences out of historic structures.

In Australia, some 200 converted churches were sold in 2020, according to Mardi Doherty, director of Studio Doherty, who helped the Pecks redesign their home.

Grant Peck, 58, a business executive, estimates his family's home was deconsecrated in the late 1970s or early 1980s, when congregations of the Presbyterian, Methodist and Congregational churches merged to become the Uniting Church. Many churches closed, and some of those became private homes.

He said that of the eight to 10 churches of various denominations near his home, only about half are still churches.

Although the Pecks' home already was converted when they bought it, they made further changes to the interior. They removed a number of walls to create better spaces and to highlight some of the original architecture.

They also built a new kitchen and reconfigured three bathrooms. The heavy-timber internal windows were replaced with white steel window frames.

The Pecks helped brighten the interior by choosing light paint colors. They also added a two-level, aged-bronze chandelier de-



The bell tower is accessed through a wine-storage area and has a vertical library around its stairs.



signed by Christopher Boots as a focal point inside. It requires a three-story ladder to change light-bulbs.

"The project finds contemporary beauty in the simplicity of soft curves," says Doherty. "As the main bedroom was quite small with low ceilings, the designers introduced curves at the top of the wall to blur the line between the two and reduce the impact of the low height. With the polished-plaster finish and discreet furnishings, the effect is a space that feels almost monastic in its simplicity."

On the ground floor, a lounge area just beyond the entrance leads to an open, glassed space that allows for plenty of natural light. Beyond that is the dining area and kitchen. The original church entrance, directly below the tower, is now a study. Tucked under an internal staircase is a bathroom and laundry area.

The second level has a main bedroom with an outdoor bath where there once was an interior courtyard. Another study provides the only access to the five-story tower, through a reading nook and wine-storage area. The four-story staircase to the top of the tower is surrounded by a vertical library. The tower itself is little more than a scenic lookout, furnished with a table and two chairs.

The third floor has two bedrooms with a shared bathroom. When the Pecks moved in, the fourth floor was a storage area that also served as a closet for Amelia. It was accessible only by a ladder in her third-floor bedroom.

The Pecks have since closed off that entry. Half of the attic is now a living space accessed by a remote-control staircase. The stairs fold down onto the landing between the third-floor bedrooms. A



The original entryway to the church is now a study. The Pecks installed a two-level, aged-bronze chandelier designed by Christopher Boots as a focal point and added details to rooms that recall the home's former use.

separate storage area can be reached by a pull-down ladder in one of the bedrooms.

"As a 15-year-old, I thought that was awesome," says Amelia Peck, a professional athlete with Richmond Football Club, about the convoluted access points.

Elements reminiscent of the church's past are evident throughout the home. Original leaded windows fill the home with colorful hues. Wood beams stretch across portions of the ceiling. A decorative crucifix adorns a bathroom wall.

Though the Pecks attended parochial schools, they don't recall ever attending religious services as a family. The home's origins as

a church didn't have any influence on their choice, the couple says.

The Carswells of Ontario

In Burlington, Ontario, Canada, wanting more space to entertain led Dave and Julie Carswell to look for a new home in less-populated Princeton, about a 40-minute drive away.

In 2021, the couple found that extra space in a three-level, 19th-century renovated church, purchased for \$1.15 million.

"Never in my wildest dreams did I think I'd be living in a church," says Julie Carswell, 62, an employment specialist who, like her husband, is Catholic.

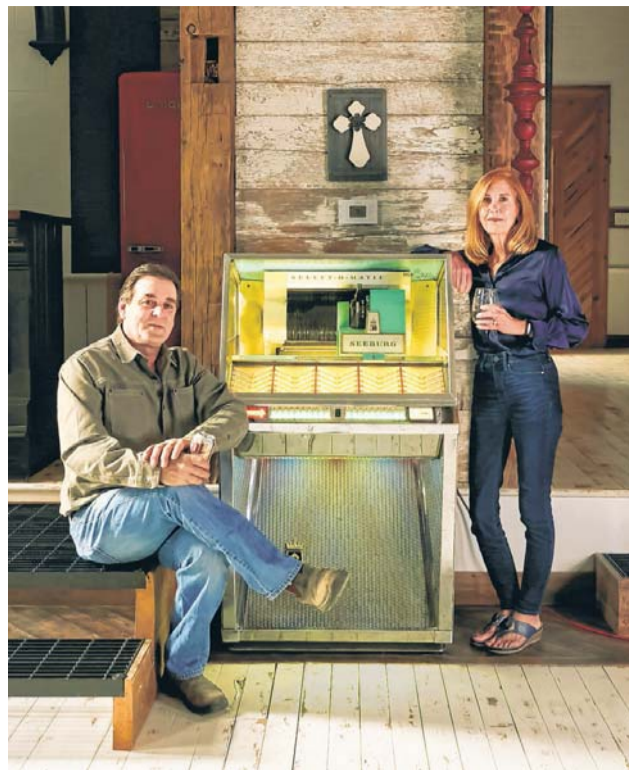
On their first visit to the 3,589-

square-foot, three-bedroom, three-bathroom home, the couple noticed a plaque that dated the Sacred Heart Catholic Church to 1888. Having been married in a Catholic church 100 years after that date, and having family ties to several Sacred Heart churches, Julie Carswell says she immediately felt a connection to the structure, which Perreault and Harmer bought in 2018 and converted into a home.

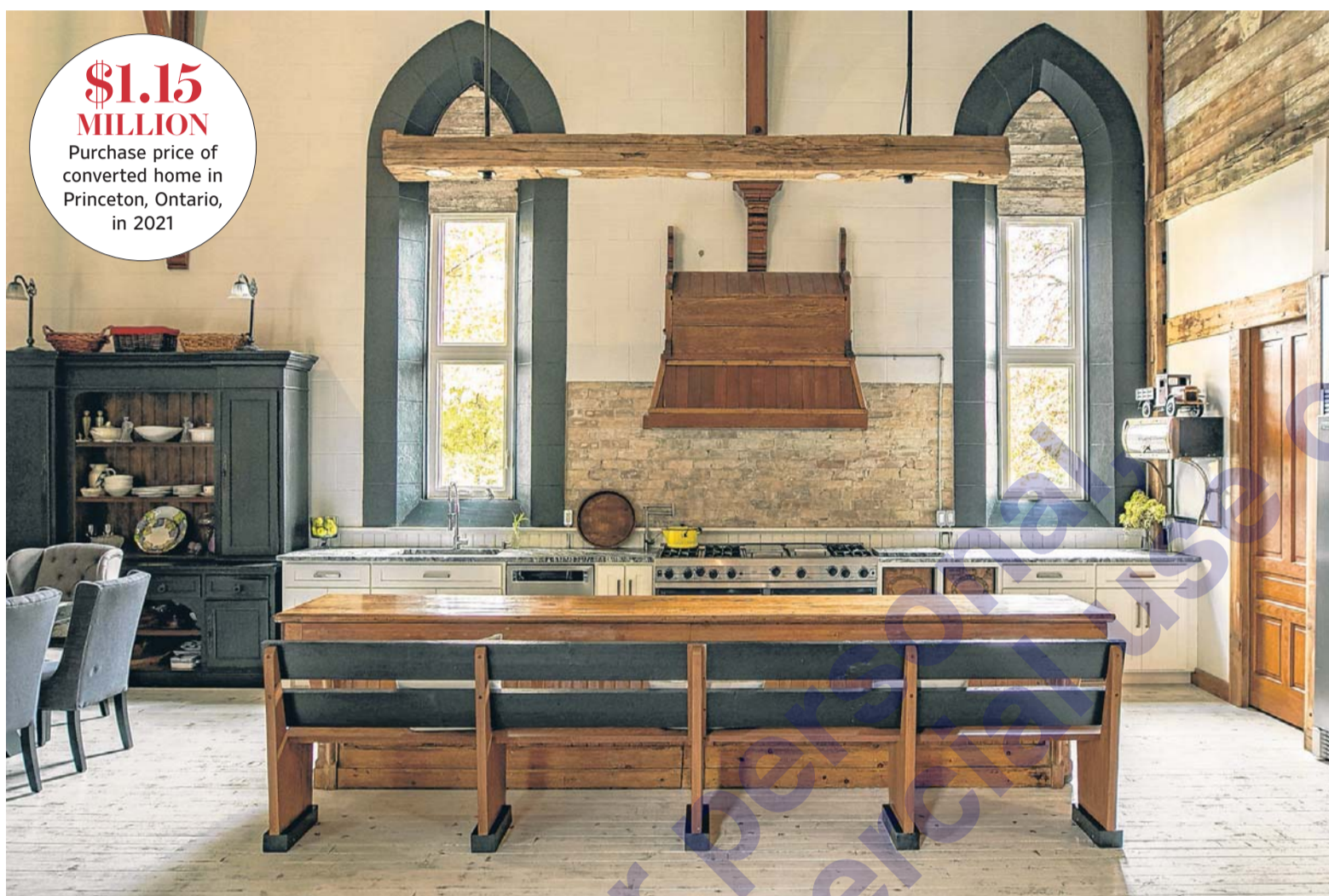
"To move into a space like this, you wonder, 'Am I making the right decision?'" she says. "But when we saw those things, they were like little signs saying, 'This is a good fit.'"

With big extended families on

MANSION



Dave and Julie Carswell were primarily looking for more space to entertain their friends and large extended families when they bought a former Catholic church in Canada. They liked how its rustic interior made it feel more homey. Below, a church pew is used for seating by a kitchen island.



\$1.15 MILLION
Purchase price of converted home in Princeton, Ontario, in 2021



both sides, the Carswells enjoy having a great room that can fit large groups. They recently hosted an 80-person baby shower and a similar-size engagement party.

Dave Carswell, 59, an independent home contractor, is currently transforming the basement into a recreation room, with a pool table, a poker table, a ping-pong table, a big-screen TV and a putting green.

The ground-floor entryway leads to the rustic main space, which includes a kitchen, dining room, living room and bar. A bedroom, two bathrooms and a laundry room are on the same level.

Above, a mezzanine loft is furnished with conversation seating and offers a bird's-eye view of the great room. Although it is a wide-open space, the Carswells say certain touches, such as exposed beams and chipped-paint floors, make it homey.

The third level has two bed-

rooms and a bathroom. In the hallway, a rope hangs from the ceiling attached to the original church bell, housed in the tower above.

"We ask that our guests not pull the rope at random," says Julie Carswell. "We save ringing the bell for special occasions, like Christmas Day."

Going to church on Christmas has taken on new meaning for family and friends. "It's not just our house, it's everyone's," she says. "And that's what a church is."

The home has challenges. Like the Pecks, the Carswells consider it an event to change lightbulbs. Replacing a spent exterior light required the rental of a scissor truck, and reaching the top of the 31.6-foot ceiling in the great room calls for scaffolding. They can't even dust everything without a ladder.

In the colder months, the Carswells rely on two furnaces.

The home's 18-inch walls, how-

ever, keep the inside air cool during the warmer months, eliminating the need for air conditioning.

"There have been two churches close to us for sale recently," says Dave Carswell. "They're beautiful, but they're more modern and the finishes are perfect. The thing I like about ours is that it's rustic."

Ayars of Denver

Alex Ayars, 46, co-founder and head of product at a software startup, opted for a more classic renovation in Denver, Colo. She and her partner bought their three-bedroom, four-bathroom converted Catholic church in 2021 for \$3.15 million from listing agent Hendley of Compass Denver.

"We didn't want just a normal house," says Ayars, who was raised Catholic but doesn't consider herself religious. "I've always been drawn to [places] like converted warehouses and industrial lofts."

Known as The Sanctuary, the three-level, 5,358-square-foot, free-

standing building is the anchor of its condominium community, which includes two townhomes known as The Rectory and six units referred to as The Condos.

The 1902 building has been renovated more than once since the congregation moved a few blocks away in 1952.

Newspaper clippings show it served as a community center for the church, Ayars says. It also was a dance and art studio.

The structure was turned into a home in the 1990s, last renovated in 2010. Ayars also discovered through clippings that a time capsule was placed in the cornerstone when the church was built and that the current rose window was originally from a church in Iowa.

The basement has a bedroom, bathroom, theater room, laundry area and wine storage.

The ground floor features a great room anchored by a stone fireplace and an exercise area. The former apse now holds a gourmet

kitchen, with a dining room off to the side. An office, a bedroom and two bathrooms are near the entrance.

The third level consists of the main, choir-loft bedroom, which has a fireplace and ensuite bath.

The home's bright and airy space pays tribute to the building's former incarnation, as does the 8-foot, stained-glass rose window in the loft bedroom. Suspended travertine marble staircases add contemporary luxury.

"It's an intimidating structure," says Ayars of her home. "I've never taken care of a building this large before. And it's about 120 years old, so there are some maintenance challenges. But we figured it was just part of the cost of living here."

Ayars describes her home as peaceful. "It really is a sanctuary," she says. "Coming home off the streets where it can be pretty hectic, it's like instant decompression."



\$3.15 MILLION
Purchase price for the Denver, Colo., home in 2021



Alex Ayars was looking for a more classic redesign for the three-bedroom, four-bathroom home she bought with her partner.

MANSION

IN THE TRENCHES | AMY GAMERMAN

He Gifted His Wife A Penthouse. She Hated It.

Q Have you ever worked with a client who bought a home as a surprise?

JASON SCHOMMER
Associate broker, the Corcoran Group, Bridgehampton, N.Y.

The wife had been looking for a vacation home in Sag Harbor for a couple of years. I was doing an open house at a very traditional shingle-style home, with five bedrooms and a pool.

She came and looked at it. Then she brought her husband and her three young kids. I could tell she had really fallen in love with this house. Her husband liked it but didn't seem quite ready to commit, like, "I'm not sure, let's keep looking." The next day, he calls me. "I

want to buy the house. I don't want you to tell my wife, so just communicate with me," he tells me. "I want it to be a surprise."

Even though he had only seen it once, he knew the house was what they had been looking for. So we go through the process, we get signed contracts. Then the house updates online as "under contract." Of course, his wife sees this and is completely heartbroken. It was her dream house.

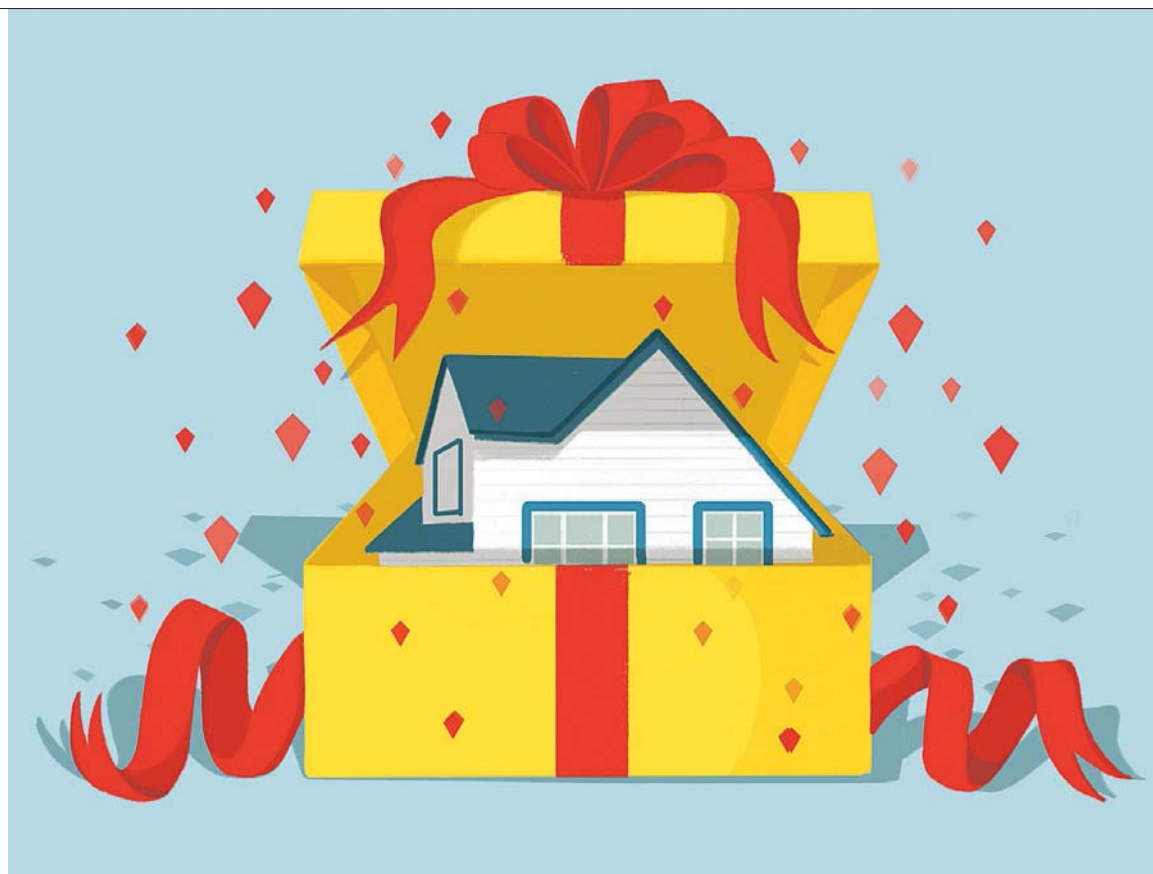
A week from closing, he calls and says, "I'm telling her that you said to come see the house, in case it doesn't work out with the other buyer." He had to force his wife to

come because she was so heartbroken. She was like, "No, I can't even drive by it."

They all pull up—her parents are there, too—and we walk inside the house. The husband says, "Do you

really love it? Because it's yours—I bought it. We're the ones who are in contract." She burst into tears. The three little kids look at mom and start freaking out. Then they start crying.

He got it for just under \$2 million. It isn't like one of those \$20 million-sale stories. But it gave me every bit as much pleasure, if not more. It's what you dream your job as a real-estate broker will be like.



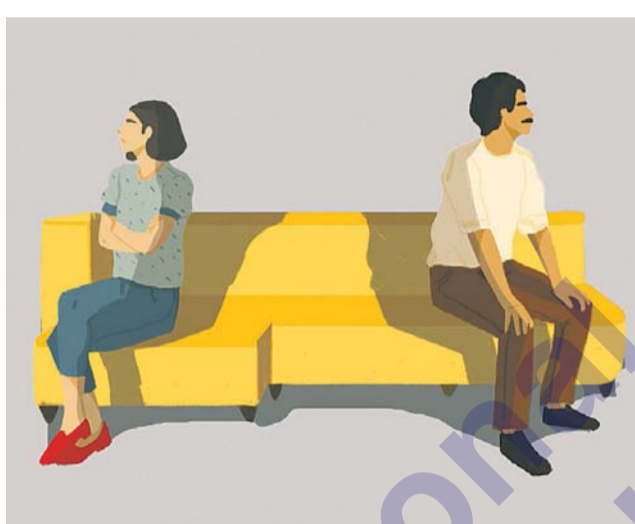
METE BASAKINCI
Associate broker, Leven Real Estate, New York City

I was working with a husband and a wife from South America who were looking to buy a Manhattan apartment—a pied-à-terre. The wife and her daughter had a rental apartment and they loved New York. The husband was always busy working. He didn't want to spend much money, even though he had a lot of it.

The wife wanted to be in Chelsea or the West Village. Everything she liked was \$4 million or \$5 million. Every time the listing agents gave the price, the husband would whistle, or I'd see him cringe. He finally said, "I'm not spending this type of money." He was very macho: short, stocky, very masculine.

Four or five months went by, and then I heard he was coming for a few days by himself. He knew what the wife wanted, but he wanted to spend under \$3 million. I told him, "Look, you can buy what you want for \$2.5 million, but it's going to be a different neighborhood, not the area she wants."

I showed him a few things and he liked one of them—a penthouse on the Upper East Side. Totally different from Chelsea, but the price was right. In his mind, it was, "You can just take a cab down-



town." He put the money down and said, "Don't tell a soul." It was a gift for his wife—a surprise.

About a week after the closing, they gave me a call and asked if I could meet them at the new apartment. I had heard through the grapevine that the wife wasn't happy. I knew it wasn't going to be a positive meeting. I walked into the apartment and they were sitting on an L-shape couch, one at each end.

It was bad. There was so much tension you could cut the air with a knife. They gestured at me to sit in the middle. They wouldn't look at each other. The husband was staring out the window and his

face was red. The wife started talking, saying this isn't what she wanted, the area was like a no-man's-land. There were no supermarkets or a Whole Foods anywhere close by. She went on like this for at least half an hour, staring at me the whole time. I'd just nod. She was really talking to the husband, and he was just looking out the window. He was a mouse at that point. The macho went away.

Finally, she said, "How much can you rent it for? I'm not living here." The husband didn't say anything. He may have just nodded. It was over.

They are still together; they're a good couple. But it wasn't what she wanted. I put it on the market the next day.

—Edited from interviews

ADVERTISEMENT



BOCA RATON, FLORIDA

Lotus Palm, the next generation of contemporary living by GL Homes features cutting-edge home designs. Upscale onsite amenities like resort-style pools, dining, and fitness plus access to the best restaurants, shopping, beaches and top-rated schools, make it easy to enjoy the best lifestyle South Florida has to offer. Discover the hottest new homes in Boca Raton today!

\$1.3 million to \$3 million LotusBoca.com

GL Homes
phone: 800.616.0416



HEBER VALLEY, UTAH

Uinta Ridge at Red Ledges features spacious homesites with stunning views, perfect for the next phase of luxury custom residences. Red Ledges is the ideal private community for access to golfing, biking, skiing, tennis and more - only 15 minutes from Deer Valley Resort in Park City and 45 minutes from SLC International Airport.

From \$1 million
KW Park City Keller Williams – Red Ledges
Nancy Seraphin
phone: 435.657.4090 email: Sales@RedLedges.com



ROGERS, ARKANSAS

Stunning Lake Views & 2 Boat Slips. Exceptional 5-bed, 6.5-bath, 8,321 sq ft masterpiece on 6 acres in Rogers. Built in 2022, this home boasts 2 boat slips on Beaver Lake. Enjoy luxury living, a pool, pergola, greenhouse and incredible entertaining space, just 10 mins from Downtown Rogers. Unmatched lake views await in your dream home!

\$4,995,000
Duley Group, Keller Williams Market Pro Realty
Cody Duley
phone: 479.616.4663



55+ LIVING IN 4 GREAT FLORIDA LOCATIONS

The Florida lifestyle of your dreams can be yours at Valencia, where gorgeous new homes, world-class amenities, and an exciting lifestyle await! Enjoy a magnificent clubhouse, resort-style pool, pickleball, and so much more. Single-family homes include luxury standard features. 4 amazing locations – Boynton Beach, Naples, Port St. Lucie and Tampa. Experience the best today! Call or visit for more.

From the \$400s to \$1.5 million ValenciaLiving.com

GL Homes
phone: 800.495.6406



CHERRY HILLS VILLAGE, COLORADO

Residing on 2 acres overlooking the Cherry Hills Country Club Golf Course, this visually striking property enjoys privileged views of the Rocky Mountains. Designed by renowned Chicago architect, Gregory Maire, the residence boasts 8 bedrooms, 14 baths, plus meticulously carved and hand-painted ceilings reminiscent of a 14th Century French Country home.

Price Upon Request
Kentwood Real Estate
Gina Lorenzen and Kara Couzens
phone: 303.570.2042 gina@kentwood.com



NEWPORT, RHODE ISLAND

A magnificent 6-bedroom residence with spectacular views of Goose Neck Cove and the Atlantic. Nestled on a secluded four+ acres, this newly built custom gem features a Great Room with cathedral ceilings and exposed beams, stone fireplace, library, chef's kitchen, 1,300 sq ft primary suite with ocean views, and roof-top deck. Located in Newport's estate area, offering proximity to restaurants, clubs and marinas.

\$9,475,000 GustaveWhite.com
Gustave White Sotheby's International Realty
phone: 401.849.3000

202.944.5000



WFP.COM



VA COUNTRYSIDE \$19,500,000
12410 Cove Ln.
Hume, VA
Kathryn Harrell 703-216-1118
Robert Hryniewicki 202-243-1620



WESLEY HEIGHTS \$14,250,000
2425 Foxhall Rd. NW
Washington, DC
Margot Wilson 202-549-2100



EASTERN SHORE \$12,500,000
8620 Bozman Neavitt Rd.
St. Michaels, MD
Doc Keane 202-441-2343
Robert Hryniewicki 202-243-1620



LANGLEY FARMS \$10,450,000
6622 Malta Ln.
McLean, VA
Piper Yerks 703-963-1363
Penny Yerks 703-760-0744



KENT \$9,995,000
3131 Chain Bridge Rd. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



COMING SOON

WESLEY HEIGHTS \$9,750,000
4526 Hawthorne St. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



SOLD

MASS AVE HGHTS \$9,000,000
2860 Woodland Dr. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



KENTSDALE ESTATES \$7,995,000
10408 Stapleford Hall Dr.
Potomac, MD
Anne Killeen 301-706-0067
Robert Hryniewicki 202-243-1620



COMING SOON

CLEVELAND PARK \$7,500,000
3126 38th St. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



SOLD

SPRING VALLEY \$7,300,000
4833 Rockwood Pkwy NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



WATERVIEW CONDOS \$6,950,000
1111 19th St. N #2901
Arlington, VA
HRL Partners
Robert Hryniewicki 202-243-1620



KENT \$6,825,000
3065 University Ter. NW
Washington, DC
Ben Roth 202-465-9636
The Roth Team



GEORGETOWN \$6,700,000
1342 28th St. NW
Washington, DC
Nancy Taylor Bubes 202-386-7813
Liz D'Angio 202-427-7890



FOREST HILLS \$6,694,500
2838 Chesterfield Pl. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



WESLEY HEIGHTS \$6,195,000
3024 44th St. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



DOWNSCREST \$6,100,000
1015 Basil Rd.
McLean, VA
Ted Gossett 703-625-5656



FOREST HILLS \$5,999,000
5030 Linnean Ave. NW
Washington, DC
Jennifer Thornett 202-415-7050
Robert Hryniewicki 202-243-1620



AVENEL \$5,998,000
9837 Avenel Farm Dr.
Potomac, MD
Marsha Schuman 301-943-9731
Betsy Schuman Dodek 301-996-8700



LANGLEY FOREST \$5,499,000
6705 Sorrel St.
McLean, VA
Piper Yerks 703-963-1363
Penny Yerks 703-760-0744



COUNTRYSIDE \$5,150,000
903 Countryside Ct.
McLean, VA
Ted Gossett 703-625-5656



MCLEAN \$4,999,000
7201 Old Dominion Dr.
McLean, VA
Piper Yerks 703-963-1363
Penny Yerks 703-760-0744



UNDER CONTRACT

SPRING VALLEY \$4,100,000
3615 49th St. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



BALLANTRAE FARMS \$3,900,000
1284 Ballantrae Ln.
McLean, VA
Piper Yerks 703-963-1363
Penny Yerks 703-760-0744



UNDER CONTRACT

CLEVELAND PARK \$3,795,000
3306 Highland Pl. NW
Washington, DC
Margot Wilson 202-549-2100



WOODLEY PARK \$3,575,000
2735 Cathedral Ave. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



COLONY HILL \$3,495,000
1816 45th St. NW
Washington, DC
Eileen McGrath 202-253-2226



PALISADES \$3,250,000
5833 Potomac Ave. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



CHEVY CHASE VILLAGE \$3,250,000
17 W Irving St.
Chevy Chase, MD
Liz Lavette Shorb 301-785-6300



COUNTRY CLUB HILLS \$3,200,000
3201 N. Wakefield St.
Arlington, VA
Daryl Judy 202-380-7219



GEORGETOWN \$2,999,500
3525 Winfield Ln. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



KENT \$2,795,000
4836 Loughboro Rd. NW
Washington, DC
Lauren Pillsbury 301-213-9230
Ben Roth 202-465-9636



SALONA VILLAGE \$2,789,000
1443 Waggaman Cir.
McLean, VA
Marianne Prendergast 703-626-7500
Will Prendergast 703-434-2711



BRADLEY FARMS \$2,750,000
9706 Logan Dr.
Potomac, MD
Anne Killeen 301-706-0067



DUPONT CIRCLE \$1,995,000
2002 Massachusetts Ave. NW #R-3
Washington, DC
Margot Wilson 202-549-2100



UNDER CONTRACT

LOGAN CIRCLE \$1,995,000
1442 T St. NW
Washington, DC
HRL Partners
Robert Hryniewicki 202-243-1620



CHEVY CHASE \$1,950,000
7222 47th St. #R5
Chevy Chase, MD
Matt Cheney 202-465-0707



SHAW \$1,895,000
952 Westminster St. NW
Washington, DC
Mary Saltzman 202-579-4662



GEORGETOWN \$1,690,000
1315 30th St. NW #1A
Washington, DC
Nathan Guggenheim 202-333-5905
Robert Hryniewicki 202-243-1620



SOLD

GEORGETOWN \$1,345,000
1405 28th St. NW
Washington, DC
Christine Terrell 202-365-9326



FOR LEASE

NAVY YARD \$6,900
1000 S. Capitol St. SE #PH164
Washington, DC
Matt Cheney 202-465-0707

VIEW ALL OUR VIRTUAL TOURS AT WFP.COM

BRINGING YOU THE FINEST

AGENTS • PROPERTIES • EXPERIENCE



PRIVATE PROPERTIES

Aviator Nation Founder Lists Home

Paige Mycoskie, founder of the Aviator Nation clothing brand known for its colorful vintage-style sweats, is listing her Austin, Texas, home for \$15 million.

Mycoskie, who launched the company in California in 2006, moved to Austin around 2018 to build a retail store there, she said. She bought the roughly 4,000-square-foot house overlooking Lake Austin for about \$1.47 million in 2019, records show.

The home is in a gated subdivision off a cove on the lake, about 10 minutes from downtown, said listing agent Kumara Wilcoxon of Kuper Sotheby's International Realty. The five-bedroom home sits on a quarter of an acre with a pool, and the property is steps from a deeded boat slip, she said.

"Living on the lake has always been my goal," said Mycoskie, who was on the water-ski team in college.

Mycoskie said she gutted the house, building three ipe wood

FOR SALE
\$15
MILLION
4,000 sq. ft.,
5 bedrooms



decks and a pergola, and adding as many windows and vaulted ceilings as possible. In all, she said she spent around \$5 million on the project.

Mycoskie said she covered nearly every surface inside the house with clear-cut cedar, lining up the wood seams on the walls and ceilings to create the appear-

ance of uninterrupted wood. "I really just wanted it to feel like a kind of treehouse, so I added windows everywhere and lots of tropical landscaping," she said.

Outside, the pool deck is grass, and there are hot and cold plunges and an outdoor shower. "It's all green," Mycoskie said. "It has this kind of earthy feel."

She expanded the primary bedroom, tripling the size of the closet to about 300 square feet. "I need a giant closet since I'm a fashion girl," she said. She also comes from a fashion family—her brother, Blake Mycoskie, founded TOMS shoes.

Mycoskie said she is selling because she bought a lakefront

home that she is renovating.

Some of Austin's most-expensive real estate is located on Lake Austin, and prices there have more than doubled since Mycoskie purchased her home, Wilcoxon said.

—E.B. Solomont

► See more photos of notable homes at [WSJ.com/RealEstate](https://www.wsj.com/RealEstate).

ADVERTISEMENT

Distinctive Properties

To advertise: email sales.realestate@wsj.com or [WSJ.com/classifieds](https://www.wsj.com/classifieds)

MULTI STATE

Hagen Bergstrom

LUXURY PROPERTY SPECIALISTS • \$1 BILLION+ IN CAREER SALES

UNDER CONTRACT

2101 Connecticut Ave NW #58
Kalorama
Offered at \$7,000/Mo

700 New Hampshire Ave NW #1212
Foggy Bottom
Offered at \$595,000

4428 Irish Heights Dr
West Virginia
Offered at \$19,500,000

2153 California St NW #402
Kalorama
Offered at \$1,350,000

Marin Hagen & Sylvia Bergstrom

<p>MARIN HAGEN 202.471.5256 marin@cbrealty.com</p>	<p>SYLVIA BERGSTROM 202.471.5216 sylvia@cbrealty.com</p>
---	--

HAGENBERGSTROM.COM

Sylvia Bergstrom has been a top producing agent since starting real estate in 1973, and Marin Hagen joined her mother's successful real estate practice in 2007. Their business is nearly 100% repeat and referral, a testament to their high ethical standards, strong negotiating skills, energy and discretion. Sylvia and Marin consistently rank among the top 3 Coldwell Banker teams in the Mid-Atlantic, among over 2,000 associates in 30 offices.

Not intended as a solicitation if your property is already listed by another broker. ©2023 Coldwell Banker Realty. All Rights Reserved. Coldwell Banker Realty fully supports the principles of the Fair Housing Act and the Equal Opportunity Act. Owned by a subsidiary of Anywhere Advisors LLC. Coldwell Banker, the Coldwell Banker logo, Coldwell Banker Global Luxury and the Coldwell Banker Global Luxury logo are service marks registered or pending registration owned by Coldwell Banker Real Estate LLC.

AUCTIONS

LUXURY GROUP AUCTIONS™
A Division of Williams & Williams Worldwide Real Estate Auction

In Cooperation With

SAN ANGELO LUXURY HOME FOREMAN'S HOME, & ACREAGE

2401 Reece Road • Luxurious 4BR 3.5BA 5,779+/-sf on 230.754+/- ac.
2335 Reece Road • 3BR 2BA 1,900+/-sf foreman's home on 142.052+/-ac.
144+/- ac, San Angelo, TX 76904 • Vacant Land

View: 1-4pm Sun Nov 5 & 12
Auctions: 12pm CT Thur Nov 30 at 2401 Reece Rd or bid online at [auctionnetwork.com](https://www.auctionnetwork.com)

800.801.8003 • [LuxuryGroupAuctions.com](https://www.LuxuryGroupAuctions.com)

TX NEWLIN & COMPANY, INC. JANET LANCASTER RIDGWAY, LIC. NO. 651046. 5% BUYER'S PREMIUM.

NY NEW YORK STATE

French Chateau With Underground Sports Court

25 Copperleaf Terr Sl, NY 10304
347-472-1472
Sarah Allen
THE DREAM TEAM

THE WALL STREET JOURNAL.

NOTABLE COMMERCIAL PROPERTIES

EVERY WEDNESDAY

(800) 366-3975
sales.realestate@wsj.com
For more information visit:
[wsj.com/classifieds](https://www.wsj.com/classifieds)

© 2023 Dow Jones & Company, Inc. All Rights Reserved.

INSPIRE

3.35 MILLION AFFLUENT WSJ READERS

HAVE PLANS TO BUILD/BUY A HOME IN NEXT 12 MONTHS

YOUR PROPERTY HAS A HOME IN MANSION.

For more information on advertising opportunities, please contact: sales.realestate@wsj.com

MANSION | THE WALL STREET JOURNAL.

Source: Ipsos Affluent Survey USA Spring 2022 Adults 18 or older, HHI \$125,000+.
© 2023 Dow Jones & Company, Inc. All Rights Reserved.

THE WALL STREET JOURNAL.

DISTINCTIVE PROPERTIES

SELECT RESIDENTIAL LISTINGS **FRIDAYS IN MANSION**

LIST YOUR PROPERTY TODAY
(800) 366-3975 | sales.realestate@wsj.com
For more information visit: [wsj.com/classifieds](https://www.wsj.com/classifieds)

© 2023 Dow Jones & Company, Inc. All Rights Reserved. DOW JONES

NORTH TEXAS' #1 LUXURY BROKERAGE

Nothing compares to what's next.

Will real estate ever get back to 'normal'? Our Russ Anderson knows what it will take.

Briggs
Freeman

Sotheby's
INTERNATIONAL REALTY

BRIGGSFREEMAN.COM

It's a little like the movie *Groundhog Day*. Quarter after quarter this year, we wake up to the same market dynamics: The combo of historically low inventory and unusually high demand makes for a competitive landscape — sending new listings into contract quickly and keeping median sale prices well above this time last year.

WHAT THE CEO SAYS



And then there are the interest rates. Significantly higher mortgage rates are impacting many buyers' purchasing power and influencing the decision process for potential sellers. To bring more homes into the real estate market, mortgage rates will need to come down.

Some good news? We appear to be on that track. Fluctuations in mortgage rates traditionally align with inflation, though they lag a bit behind. Inflation is down significantly from last year and mortgage rates haven't yet caught up to this downward trend — but they will.

More good news: Pending contracts in many of our markets are entering positive territory compared to this same time in 2022. In September, the uptick was the largest yet.

So, what's next? Our newest Market Updates could help answer that. Come see them at briggsfreeman.com/market-updates and my full analysis of it all at briggsfreeman.com/blog. We've got the sales numbers for your area — and that data could help you make some fortuitous decisions.

It's time to put *Groundhog Day* on pause.

RUSS ANDERSON
President and CEO
Briggs Freeman Sotheby's International Realty
randerson@briggsfreeman.com



Fine places. Fine properties. Fine people. Your home. You're home.

Whether you're buying or selling, you need a winning team backed by a winning brokerage. A team who knows the market. A team who views clients as partners. A team whose members boast six decades in the business between them. You need the Foster Greco Team.

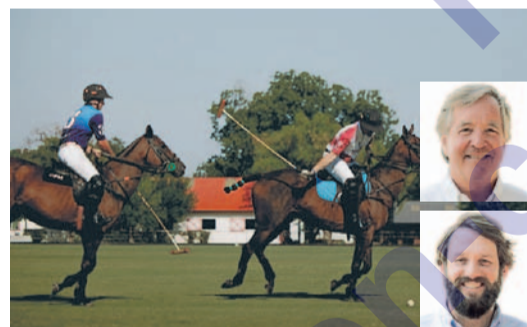


Joey Greco
214-226-6648
jgreco@briggsfreeman.com

Jon Stitt
601-248-5816
jstitt@briggsfreeman.com

Vicki Foster
214-642-8966
vfoster@briggsfreeman.com

GROSS ROADS, TEXAS / DENTON COUNTY / 111+ ACRES
Mayer Ranch Polo / \$20,000,000



DAVID BURGHER / 214-213-8715 / dburgher@briggsfreeman.com
HARLAN RAY / 214-908-7770 / hray@briggsfreeman.com

PRESTON HOLLOW / DALLAS, TEXAS
4515 Glenleigh Drive / \$5,495,000



JOAN ELEAZER / 214-537-5923 / jeleazer@briggsfreeman.com

OAK LAWN / DALLAS, TEXAS
4330 Gilbert Avenue #G / \$850,000



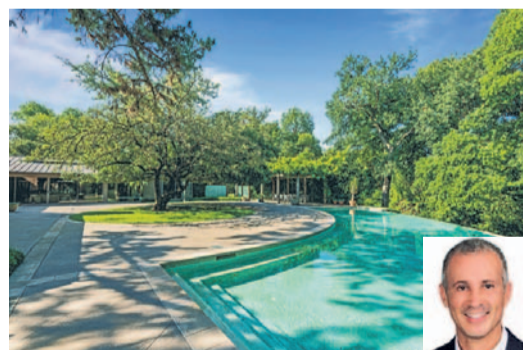
KATHERINE ROBERTS / 214-457-7878 / kroberts@briggsfreeman.com

UNIVERSITY PARK / DALLAS, TEXAS
3137 Southwestern Boulevard / \$2,895,000



ANN SHAW / 214-532-4824 / ashaw@briggsfreeman.com

PRESTON HOLLOW / DALLAS, TEXAS / 2.92 ACRES
9785 Audubon Place / \$7,500,000



FAISAL HALUM / 214-240-2575 / fhalum@briggsfreeman.com

LAKEWOOD / DALLAS, TEXAS / 1.06 ACRES
3503 Hillbrook Street / \$4,200,000



ALEX TRUSLER / 214-755-8180 / atrusler@briggsfreeman.com
KARLA TRUSLER / 214-682-6511 / ktrusler@briggsfreeman.com

NORTHWOOD HILLS / DALLAS, TEXAS / RICHARDSON ISD
7431 Stonecrest Drive / \$1,275,000



MALINDA ARVESEN / 214-354-7029 / marvesen@briggsfreeman.com
DAVID ARVESEN / 214-354-6142 / darvesen@briggsfreeman.com

MIDWAY HOLLOW / DALLAS, TEXAS
3915 Durango Drive / \$1,690,000



JL FORKE / 214-695-8255 / jforke@briggsfreeman.com
JENNIFER SHINDLER / 214-215-5181 / jshindler@briggsfreeman.com

UNIVERSITY PARK / DALLAS, TEXAS
3829 Amherst Ave / *Listed for \$1,989,000*



CLAIR STOREY / 214-507-1388 / cstorey@briggsfreeman.com

© 2023 Sotheby's International Realty. All Rights Reserved. Sotheby's International Realty is a registered trademark and used with permission. Each Sotheby's International Realty office is independently owned and operated, except those operated by Sotheby's International Realty, Inc. The Sotheby's International Realty network fully supports the principles of the Fair Housing Act and the Equal Opportunity Act. All images are a combination of photography and artist renderings. The artist representations and furnishings are provided for illustrative purposes only. Prices and features are subject to change.

214-350-0400

FIND US ON SOCIAL MEDIA @BRIGGSFREEMAN AND #BRIGGSFREEMAN



MANSION

HOUSE CALL | SHAUN WHITE

An Obsession With Evel Knievel Led to Snowboarding Gold

The Olympian and 'Airborne' author on his early fight for survival and becoming a millionaire at 15

As a kid, I loved being up in the air. I'd watch tapes of Evel Knievel, the 1970s motorcycle daredevil. I thought he was so cool soaring over buses and attempting to jump the Snake River Canyon in Idaho. I was obsessed.

Whenever my mom pulled out the camera or camcorder, I'd jump off stuff. When I'd see it back, I'd think, "I bet I can go even higher." At a certain point, the family bought a trampoline for the backyard. Bouncing higher and higher in the air took hold of me. It was like flying.

My family lived in Del Mar, San Diego County, in a cream-colored tract house in a suburban neighborhood.

My dad, Roger, worked for the city repairing the infrastructure of utilities. My mom, Cathy, worked as a waitress at the local Sheraton Hotel. They were outdoorsy. Dad grew up surfing and Mom lived a bohemian life in Hawaii for years.

Shortly after I was born, I had two heart surgeries. In my unconscious, I fought hard to survive. Later, I was told by doctors to take it easy. But that only made me want to prove I belonged in this world just like anyone else. I compartmentalized fear and did stuff other kids were frightened to do. My parents had confidence in me, and if they weren't freaked out, I wasn't freaked out.

I'm the youngest of four kids. My sister, Kari, is two years older. Jesse, who is seven years older, was from my mother's first marriage and lived with us. Jessica is from my dad's first marriage. She lived with her mom.

Dad had a skateboard, and then



my brother started skateboarding. I climbed on one when I was 4. I was on my knees, using the board just to get to my friend's house. Soon, my father put small ramps in the front yard.

In the winter, Dad liked to ski. So we all went off to the mountains to learn. One day, when I was 6, Jesse said, "I don't want to ski. I'm going to snowboard." Snowboarding was still new. My

parents bought Jesse a board. Kari was next, then my parents started doing it and I wanted one. But they didn't make kid snowboards yet.

Mom called around and found Jake Burton. He was one of snowboarding's inventors. He had a small one. The sport quickly became competitive for me. But staying at resorts in California and Colorado was too costly. Mom liked to stretch a dollar, so she went down to Tijuana and bought a used van that once belonged to the border patrol. We converted it into a small RV.

In school, I loved science and math. But as my event schedule intensified, the principal urged us to figure out a solution. I studied independently with a teacher who gave me packets of work to complete while away. I graduated from high school that way.

Friends went off to college, but I already knew what I wanted to do. And if I made the Olympic team, there was a college scholarship program.

Sponsorships began for me at age 7. Jake Burton provided me with gear and travel expenses in exchange for Burton signage on my clothes. To help pay the family expenses, my parents took out a second mortgage on the house.

I turned pro at 13, and the financial endorsements and sponsorships poured in. I paid off my parents' loan. I was a millionaire at age 15.

In 2006, when I was 19, I qualified for the Olympic team. I won gold medals in the halfpipe event in 2006, 2010 and 2018.

I won't be competing at the 2026 Games. I hope to be there in some capacity and will support the



Shaun White in New York in September, left, and, above, at age 6, competing at California's Big Bear Mountain Resort in 1992.

team any way I can.

Today, I live with my girlfriend, actress Nina Dobrev, in a redbrick ranch built in the 1960s that is on an acre in southern Nevada. I've put a lot of work into fixing it up.

I'm not big on aging. It has been hard letting go of physical things that once were easy. I'm going into this new phase gracefully, thanks to Nina. It's a humbling part of life.

—As told to Marc Myers

Shaun White, 37, is a former pro snowboarder and the winner of three Olympic gold medals in halfpipe snowboarding. He is the subject of the Max docuseries "The Last Run" and is the author of "Shaun White: Airborne" (Rizzoli).

SHAUN'S CRIB

What went first in your house? The original owner's salmon-colored carpeting.

Design? I gutted the place and put in a concrete floor and white walls.

Favorite space? My music room. I have low, midcentury chairs that you fall into.

Coollest thing? A cream-colored 1975 Cadillac Eldorado Biarritz with a red interior. It's very "Casino."

FROM LEFT: ANDREW ARTHUR; SHAUN WHITE (FAMILY PHOTO)

ROSEWOOD
RESIDENCES
HILLSBORO BEACH

INTIMATE
OCEANFRONT
LIVING

Unparalleled Oceanfront & Intracoastal Residences
on Hillsboro Mile

RESIDENCESHILLSBOROBEACH.COM

INQUIRE 754 812 3361
1180 Hillsboro Mile, Hillsboro Beach, FL 33062 Info@ResidencesHillsboroBeach.com



ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

New York Residents: THE COMPLETE OFFERING TERMS ARE FOUND IN A CPS-12 APPLICATION AVAILABLE FROM THE OFFEROR. FILE NO CP23-0067.
WARNING: THE CALIFORNIA DEPARTMENT OF REAL ESTATE HAS NOT INSPECTED, EXAMINED, OR QUALIFIED THIS OFFERING.

1180 HILLSBORO MILE CONDOMINIUM (the "Condominium") is marketed as Rosewood Residences Hillsboro Beach and is developed by Hillsboro Mile Property Owner, LLC ("Developer"), which uses the marks of The Related Group, Dezer Development, and of Rosewood Hotels and Resorts, LLC under license agreements. Rosewood Hotels and Resorts, LLC is not the offeror and makes no representations with respect to any aspect of the Consult the Prospectus of Developer to understand the amenities, proposed budget, terms, conditions, specifications, fees, Unit dimensions, site plans, and to learn what is included with purchase and by payment of regular condominium assessments. 2023 © HILLSBORO MILE PROPERTY OWNER, LLC, with all rights reserved.