

# [***Forbes Daily: A Handful Of Companies Are Powering Earnings Growth***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BWB-RRJ1-DXVP-51Y8-00000-00&context=1516831)

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**Highlight:** Wednesday's edition of Forbes Daily covers Tesla's unexpected stock rally, TikTok's lobbying spend, a ban on most new noncompete agreements and more.

**Body**

**This is a published version of the Forbes Daily newsletter, you can sign-up to get Forbes Daily in your inbox here.**

Good morning,

Since the Supreme Court s affirmative action decision,**DEI initiatives have come under a microscope**in education and the workplace.

Employers are facing criticism for DEI programs that aim to level the playing field for workers who historically have been underrepresented and underpaid. But recognized employersthat are continuing to prioritize DEI despite this landscape in its ranking of America s Best Employers For Diversity 2024.

Five-hundred companies, including employers like Intel, Humana, Lilly and Intuit, made the list.

**BREAKING NEWS**

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Binance founder Changpeng Zhao

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Federal prosecutors said Binance founderChangpeng Zhao should be sentenced to three yearsin prison, according to a court filing Tuesday, after he**pleaded guilty last year to violating federal money laundering** laws and sanctions. DOJ lawyers said Zhao, who will be sentenced on April 30, should also be expected to pay the $50 million fine he agreed to as part of a plea deal.

More than 4 million additional salaried workers will be required to receive overtime pay undernew eligibility rules announced by the Department of Labor, a move cheered by labor groups but that has already raised the specter of legal challenges from critics. Under current law, salaried workers making more than $35,568 annually are exempt from mandated overtime pay unless their jobs don t include executive, administrative, or professional duties. The Department of Labor s final rule**will increase that threshold to nearly $43,888 on July 1**, and then in January to $58,656.

**BUSINESS + FINANCE**

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Major stock indexes rose Tuesday,recouping some of their lossesfrom what s been a brutal April for many investors, as the market braces for a major round of earnings reports. Still,**earnings growth remains highly concentrated**: The 495 companies listed on the S&P not named Alphabet, Amazon, Microsoft, Meta or Nvidia are expected to report a 6% decline in profits for the first quarter of 2024, according to FactSet.

Tesla searnings fell far short of expectations for the first quarterin its highly-anticipated report, with -12% year-over-year revenue growth, **its first top line contraction since 2020**.But its stock rallied considerably, which appeared to be linked to the company s affirmation it will introduce new and more affordable products on its way to profitable growth.

Robinson Helicopter, the country s largest non-military chopper maker,acquired small drone maker Ascent AeroSystems, and Robinson CEO David Smith plans to quickly scale up the ability to manufacture hundreds of Ascent drones a month. He s **eyeing a large potential customer: the Pentagon**, which launched an ambitious initiative called Replicator last August to build thousands of autonomous systems in the next two years.

**TECH + INNOVATION**

Axon, a $22 billion police contractor best known for manufacturing the Taser, launched anAI tool that it says can transcribe audiofrom body cameras and automatically turn it into a police report. These reports, though, are often used as evidence in criminal trials, and critics are**concerned that relying on AI could put people at risk** by depending on language models that are known to hallucinate, or make things up, as well as display racial bias, either blatantly or unconsciously.

**MONEY + *POLITICS***

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CFOTO/Future Publishing via Getty Images

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The Senate passed legislation **that could ultimately ban TikTok**if its China-based parent company doesn't sell the app,part of a $95 billion foreign aid packageof funding to Israel, Ukraine and Taiwan. President Joe Biden has said he will sign the legislation into law.

**MORE:**As the possibility of a ban looms, TikTok parent company ByteDance and the platform itselfhave spent over $7 million combined on lobbying Congressand advertising in swing states so far this year.**TikTok has pushed back against efforts to ban the app,**arguing it would trample the First Amendment rights of 170 million Americans.

**SPORTS + ENTERTAINMENT**

The Department of Justice reached a $138.7 million settlement on Tuesday topay hundreds of victims of convicted USA Gymnastics doctorLarry Nassar, including Olympic gold medalists Simone Biles and Aly Raisman, over**allegations the FBI failed to investigate accusations of sexual misconduct** and abuse. Benjamin Mizer, Acting Associate General for the DOJ, said while the settlements won t undo the harm Nassar inflicted, our hope is that they will help give the victims of his crimes some of the critical support they need to continue healing.

**TRENDS + EXPLAINERS**

The FTC voted Tuesday to approve a finalrule that would ban most new noncompete agreements, which**prohibit workers who sign them from working for a direct competitor,**or creating their own, after leaving an employer. The decision is expected to face legal action, and the U.S. Chamber of Commerce said in a statement that it plans to challenge the ruling in court.

**DAILY COVER STORY**

**Meet The Fintech Billionaire Making A Fortune Rewarding Home Renters**

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Bilt Rewards founder and CEO Ankur Jain

ALEKSANDR KARNYUKHIN FOR FORBES

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**TOPLINE**Serial entrepreneur Ankur Jain, founder of fintech Bilt Rewards, has become a billionaire by creating a membership rewards program for house and apartment renters across the country.

Jain founded Bilt Rewards in 2019. When a friend with experience in the hospitality industry mentioned how much hotels and airlines actually make from their rewards programs, Jaingot the idea to bring that to the rental industry. After all, it s a huge opportunity:**44 million U.S. households pay rent,**often their highest expenditure each month. But what if they could earn the equivalent of frequent flier miles or American Express points?

His creation has caught on with renters, property owners and rewards partners. While he won t disclose how many people are using its app,**Bilt says it has signed up property owners with a total of 4 million rentals**(apartments and single family homes) in thousands of cities plus more than a dozen airlines, several large hotel chains, gyms and restaurants. And it has turned Jain into a new billionaire.

In January, Bilt Rewards raised $200 million from venture capital investors, who valued the company at $3.1 billion. With his 36% stake in Bilt plus other investments, the**34-year-old CEO is worth an estimated $1.2 billion.**

That $3.1 billion is a fat valuation for a rather young company, but Jain sees lots of room to grow, having signed up less than 10% of the nation s rentals so far and with plenty of other potential partners to pursue.

Despite its strong start,**not everyone is happy with the fintech.**Dozens of disgruntled Bilt customers have taken to Reddit to air their complaints.Last year, it was mainly about long waits for not very helpful customer service. Earlier this month, they were upset about an email sent in error telling some members their accounts were being shut down. Jain says the company has ramped up its customer service. And Bilt gave 250 points to the people who received the erroneous email.

**WHY IT MATTERS**  It s a nice perk for renters, many of whom could use a hand, says**Forbes** assistant managing editor Kerry Dolan. The**U.S. tax code supports homeowners more so than renters** homeowners can deduct from their income the interest paid on their mortgage, for example. One opt-in service Bilt offers: reporting customers monthly rent payments to the three credit bureaus Experian, Equifax and TransUnion for free; the goal is to help renters increase their credit score. Traditionally, renters on-time payments haven t been taken into account when determining the credit score.

**MORE** Businesses Love Rewards Credit Cards. This Startup Is Making Them Easy To Launch.

**FACTS AND COMMENTS**

Apple ssmartphone sales in China fell in the first quarter, revealing challenges for the iPhone maker as it loses ground to local rivals in the**world s biggest smartphone market:**

**19.1%:** Apple s Q1 decline in smartphone sales in China, according to a report from Hong Kong-based Counterpoint Research

**15.7%:**The share of smartphone sales in China that iPhones accounted for in Q1, dropping Apple from first to third place

**2020:** The first quarter slump is Apple s worst performance in the Chinese smartphone market since 2020

**STRATEGY AND SUCCESS**

There are a plethora ofapps that offer to help you build credit, some that are free and some that charge a fee. But it s**hard to say whether they ll actually help your credit score**: In some cases, adding new information to a credit report could bring down your score. The old-fashioned way of building credit over time is still effective, and some credit cards are even geared toward people with no credit history.

**VIDEO**

https://www.forbes.com/video/0bd41a08-af52-4c31-a950-f46f8ea487cc/

**QUIZ**

The FTC has asked a judge for permission to fine a home goods company $3.17 million for labeling products imported from China as Made in the USA. **Which company is facing the penalty**, the largest ever proposed for such violations?

A. HomeGoods

B. At Home

C. Williams-Sonoma

D. Crate & Barrel

Check your answer.

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