

# [***Forbes Daily: The Winners And Losers Of Instacart s $9.9 Billion IPO***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6973-2WD1-JBCM-F01W-00000-00&context=1516831)

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**Highlight:** Elon Musk's brain computer chip; Ford strikes deal with Canadian union; Subway's new owner; Google integrates Bard into apps; Seasonal retail hiring; and more

**Body**

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Good morning,

The concept of a**computer chip inside your brain**sounds like it s straight out of a science fiction movie. But it just became one step closer to reality, as Neuralink, Elon Musk s brain implant company, announcedit is recruiting participantsfor its first in-human clinical trial.

The company has been working to create a fully implantable, wireless brain-computer interface for people with paralysis. A robot will be used to surgically place the implant s ultra-fine and flexible threads into the brain, and the implant is supposed to record and transmit brain signals wirelessly to an app that decodes movement intention, per Neuralink.

The study will take about six years to complete, according to its brochure.

Let s get into the headlines,

**BREAKING NEWS**

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United Auto Workers members walk the picket line at the Ford Michigan Assembly Plant in Wayne, Mich., Monday, Sept. 18, 2023. (AP Photo/Paul Sancya)

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Ford and Canadian labor union Uniforreached a tentative deal in order to avoid a strikeby auto workers in Canada that**would have cost the automaker an estimated $10 million per day.**In the U.S., the United Auto Workers are striking against Ford, General Motors and Stellantis after failing to agree to a deal last week.

TheFTC warned five tax preparation companies **including H&R Block, Intuit (owner of TurboTax) and TaxAct** that they could face civil penalties if they use or disclose confidential taxpayer data for other unrelated purposes, such as advertising, without first obtaining consumers consent. In a recent class action lawsuit against Google, users of tax prep websites claimed the companies sent private tax return information to Google using Google Analytics technology.

**BUSINESS + FINANCE**

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(Photo Illustration by Thiago Prudencio/SOPA Images/LightRocket via Getty Images)

SOPA Images/LightRocket via Getty Images

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Grocery delivery startupInstacart began trading on the Nasdaq on Tuesday, and a 12% rally in its first trading session sent the company s market capitalization to over $11 billion. While the flashy IPO gave some early investors a massive victory, it**went public at a far lower valuation than it fetched during the pandemic**, leaving others holding the bag.

The now-bankrupt FTXsued the parents of its founder Sam Bankman-Friedover millions of dollars worth of**gifts they allegedly received during the cryptocurrency exchange s heyday**. FTX, whose former CEO Bankman-Fried is facing federal criminal charges, accused Joseph Bankman and Barbara Fried of receiving a $10 million cash gift from their son and the deed to a $16.4 million property in the Bahamas, both paid for using funds from FTX and its sister hedge fund Alameda Research. Attorneys for Bankman and Fried denied the allegations.

In the class action lawsuit industry, corporations settle, and law firms collect generous fees for bringing cases against corporations**on behalf of thousands or millions of victims, who are left with a tiny recompense.**Ted Frank, 54-year-old co-founder of the nonprofit Hamilton Lincoln Law Institute,wants to protect consumers and investorsfrom the plaintiff lawyers who purport to speak for them. And a majority of the time, he and the lawyers working with him have secured at least a partial victory in asking a judge to reduce the pay to the plaintiff lawyers, increase the compensation to the victim class or just throw the whole case out.

**WEALTH + ENTREPRENEURSHIP**

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Neal Aronson of Roark Capital.

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Neal Aronson, founder and managing partner of Roark Capital, outbid some ten other suitors to**acquire Subway by offering more than $9.7 billion.** Roark already owns sandwich sellers like Jimmy John s, Arby s, Sonic and Hardee s, but in Subway,Aronson faces his biggest fast-food challenge yet. About 2,000 Subway shops have shuttered since 2020, forcing the company to relinquish the title of biggest U.S. restaurant company to McDonald s.

Federal prosecutors are probing whether Tesla s company resources were used to supplypersonal benefits to CEO Elon Musk as early as 2017,**farther back then previously known**, the**Wall Street Journal** reported**.**The widened investigation comes after federal prosecutors and the SEC began probing a secret Tesla project known as Project 42 that employees described as a glass house for Musk in the Austin, Texas, area near Tesla s factory, the**Journal** reported in August.

**TECH + INNOVATION**

Google has integratedits AI chatbot, Bard, into apps like YouTube, Gmail and Drive as the company**competes with OpenAI, the Microsoft-backed creator of ChatGPT.**Bard can access multiple applications at once through a single conversation, said Yury Pinsky, Bard s director of product development. For example, if a user is planning a trip, Bard can check Gmail to see what dates work best, then check flight and hotel information. The chatbot can then look at Google Maps for directions to the airport and YouTube for suggested videos of things to do during the trip.

In a 2020 email chain,Microsoft leaders discussed potentially acquiring rival Nintendo, unredacted documents from the**ongoing legal battle between the FTC and Microsoft revealed**. The documents also show Microsoft is preparing to release a new version of its Xbox Series X and Series S consoles, along with a redesigned Xbox controller.

MORE: Addressing the leaks,Xbox chief Phil Spencer saidin a post on X, formerly known on Twitter, that**Xbox s plans have since changed**and that it will share the real plans when ready.

**MONEY + *POLITICS***

The GOP-controlled House Oversight Committee willhold its first hearingin the**impeachment probe of President Joe Biden next Thursday**, where the committee will hear from three credible witnesses, Chair James Comer (R-Ky.) said. There has been no evidence publicly presented that Biden broke the law or financially benefited from his son s work.

**SPORTS + ENTERTAINMENT**

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Tropicana Field in St. Petersburg, Florida, has been home to the Tampa Bay Rays since 1998.

PHOTO BY MIKE EHRMANN/GETTY IMAGES

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The**Tampa Bay Rays struck a deal with local governments**tobuild a new, $1.3 billion stadiumin St. Petersburg after years of speculation about whether they would leave the area. But theteam has among the lowest attendance in baseball, stadium revenue has been in a slump for years, and team owner Stuart Sternberg is being sued by three of his limited partners.

Pop star Katy Perry saw her wealth take off like a firework when she sold the rights to five of her albums for a reported $225 million in**one of the biggest music sales of the year**. With the sale,her net worth increases to an estimated $340 million, making her one of the richest self-made women in America.

**SCIENCE + HEALTHCARE**

After declaring bankruptcy, British digital health startupBabylon Health sold one of the core parts of the business, its U.K. telemedicine service, for just $620,000 a little over two years after it went public at a $4.2 billion valuation. These**British operations were the origins of Babylon s business**, which at one point had contracts with the U.K. s National Health Service to provide family doctors via phone and online appointments. However, according to bankruptcy filings, by the time of the bankruptcy it accounted for less than 6% of the group s total revenue.

**TRENDS + EXPLAINERS**

Students for Fair Admissions, the group that brought the lawsuits against Harvard and UNC that led the Supreme Court to abolish affirmative action at most U.S. colleges, isnow suing the U.S. Military Academy at West Pointfor considering race in its recruitment decisions.**The high court exempted military academies from its June ruling**, and the U.S. solicitor general argued last year that military academies need to take race into consideration because having a diverse makeup of troops is a critical national security imperative.

In a speech Monday, Canadian Prime Minister Justin Trudeau accused agents of the Indian government of killing Hardeep Singh Nijjar, a Canadian Sikh community leader and prominent member of the Khalistan movement whose**death has sparked a geopolitical feud between the countries.**Themovement seeks to create an independent Sikh countrycalled Khalistan, or Land of the Pure, carved out of the Punjab state of India, as well as parts of the surrounding area, and has caused tensions within India and throughout the Sikh and Punjabi diaspora.

**DAILY COVER STORY**

**For Founder Apoorva Mehta, Instacart s $9.9 Billion IPO Is The End Of The Road**

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Apoorva Mehta in 2021.

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**TOPLINE** Instacart s $9.9 billion IPO is a**new chapter for the grocery delivery giant**, and one that founder and former CEO Apoorva Mehta is walking away from.

Mehta hasn t given an interview since stepping down as CEO in July 2021, when he handed the company reins to Fidji Simo, the longtime Meta executive who ran the Facebook app. He s been serving as executive chairman since then, with the intention of leaving the board after Instacart listed on the public markets.

On Tuesday, when Instacart went public, raising $660 million in a $9.9 billion IPO, he made good on that promise. And in an exclusive interview with**Forbes**, Mehta addressed controversy that has long swirled around his departure.

A lot of people have said that perhaps I was pushed out of the company. The reality is,**if I wanted to be the CEO of Instacart, I would be the CEO of Instacart.** He left, he says, because his new startup, a still-unlaunched digital health company called Cloud Health Systems, demanded his singular focus.

Going public was a dream Mehta may or may not have wanted, depending on who you ask.**Mehta still stands to make a fortune**, though his net worth has fallen with Instacart s valuation drop.

Instacart achieved a longtime Silicon Valley dream that had eluded the tech industry since the dot-com bubble: on-demand grocery delivery. Eventually, it became a pandemic darling, and the company s business grew 400% as the pandemic ballooned, Mehta said.

That success which also came with controversies around sourcing protective equipment for its shoppers and bait-and-switch tipping scams helped**vault Instacart to a $39 billion valuation in 2021**. But the luster began to fade as lockdowns ended and people began to venture out into the world again.

Now the company is going public at only 25% of that valuation, with its IPO priced at $30 per share. Instacart shares opened 40% higher than their list price, and ended the day up 12%.

**WHY IT MATTERS**  This is the first time Mehta has addressed the circumstances around his departure, stepping down in 2021 after he clashed with Sequoia's former top boss Michael Moritz over the future of the company, says**Forbes**senior writer Richard Nieva. As Instacart goes public, it faces a new set of challenges, including**slowing growth and formidable rivals.**The company is the latest tech firm to IPO in recent weeks, behind Arm holdings, which re-entered the public markets last week, and Klaviyo, expected to go public this week.

**MORE**Instacart Survived Covid Chaos But Can It Keep Delivering After The Pandemic?

**FACTS AND COMMENTS**

Like other retailers,**Amazon and Target are ramping up hiring** ahead of the upcoming holiday shopping season. But seasonal hiring is expected to fall to its lowest total since 2008 due to rising costs, according to Reuters:

**350,000:** The combined number of employees Amazon and Target will add for the holiday season

**$1.3 billion:**How much Amazon will invest to increase the hourly wage for customer fulfillment and transportation employees

**$17 to $28:** The hourly pay for the new Amazon roles, depending on the location

**STRATEGY AND SUCCESS**

Next month, $24 billion in federal funding for childcarevia the American Rescue Planwill expire this**so-called childcare cliff is a concerning issue for business leaders**. Remote work has been revolutionary for all working parent employees, butespecially women, who still shoulder at least 65% of unpaid domestic labor. Women s workforce participation reached a historic high of 77.6% by May 2023, and return-to-office mandates could jeopardize those gains.

**VIDEO**

https://www.forbes.com/video/6337387371112/

**QUIZ**

In more than 20 states, residents are automatically registered to vote, which research has shown increases registration and the number of people who actually vote.**Which crucial swing state**became the latest to add automatic voter registration at the DMV ahead of the 2024 election?

A. Ohio

B. North Carolina

C. Wisconsin

D. Pennsylvania

Check your answer.

**ACROSS THE NEWSROOM**

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