

# [***Forbes Daily: A Particularly Inopportune Moment For A Potential Government Shutdown***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:68WX-9Y41-DXVP-533F-00000-00&context=1516831)

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**Highlight:** Jeopardy to continue; severe weather on East Coast, Berkshire Hathaway stock surge; DHS uses facial recognition; student loan plan challenged; Wiz AI security

**Body**

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Good morning,

**Jeopardy!**fans may have something to celebrate: The iconic trivia show**will move forward with its 40th season**this fall, despite the ongoing Writers Guild of America strike,by reusing questions from previous seasonsas well as already-written material that never aired.

Showrunner Michael Davies also confirmed season 40 won t feature new**Jeopardy!** contestants out of fairness, given the non-original questions. Still TBD:**the show s host**.

Not TBD, the rest of today s headlines, let s get into them,

**BREAKING NEWS**

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Storm clouds darken the sky over the Washington Monument in Washington.

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A 15-year-old was one of at least two people killed as several states along the East Coast werestruck by severe stormson Monday evening. The extreme weather caused**more than a million homes to lose power**, and nearly 480,000 homes remained without power early this morning. Additionally, 1,759 flights were canceled across the country on Monday, a majority due to the storms, according to FlightAware.

Berkshire Hathaway stock surged Monday to thehighest levels on recordafter Saturday s earnings report, which saw the conglomerate run by billionaire Warren Buffett posting an unprecedented operating profit,**pushing the company's profit to $35.9 billion**in the second quarter of 2023.

**BUSINESS + FINANCE**

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A government shutdown, coupled with a recent credit downgrade, further muddies the U.S. economic outlook.

Getty Images

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The looming threat of a possible government shutdown beginning October 1 would occur **at a particularly inopportune moment** for the U.S. economy and stock market, economists say, furthermuddying the macro outlookafter Fitch ratings agency last week lowered its grade for some U.S. issued debt from AAA to AA+.

Paramount Global struck a deal on Monday tosell off publishing giant Simon & Schusterto private equity firm KKR for $1.62 billion, the media company announced, two years after a colossal deal to sell the publisher fell apart due to antitrust issues. In a statement, KKR said the company plans to expand Simon & Schuster s domestic publishing across genres and **accelerate growth internationally**.

PayPal shares rose nearly 3% after the San Francisco Bay-area company becamethe first online payment giant to enter the cryptocurrency arena byrolling out a stablecoinpegged to the U.S. dollar. CEO Dan Schulman says PayPal wants to**make crypto part of the overall payments infrastructure,** and the company says that users can buy, sell, keep or transfer the stablecoin directly on its mobile app or website and can send it as a payment to friends without incurring any fees.

**WEALTH + ENTREPRENEURSHIP**

The standouts in**Forbes'**annual coverage of**Asia's Best Under A Billion list** which recognizes 200 small and midsized publicly traded companies in the region are concentrated inchipmaking and related industries. Demand for semiconductors skyrocketed in the past three years with the accelerating adoption of AI technologies. Other top performers include companies delivering IT solutions that underpin the digital transformation of healthcare, logistics and manufacturing.

Share price gains by Chinese EV maker Li Auto havegenerated a second billionairefrom the eight-year-old business. Stock held by Fan Zheng, a company director, was worth**approximately $1.9 billion on Friday**, based on company shareholding figures. Li Auto s Nasdaq-traded shares have more than doubled from a 2023 low of $21.35 on March 15. CEO Li Xiang had a fortune worth $8.2 billion on**Forbes** Real-Time Billionaires List at the end of last week.

**TECH + INNOVATION**

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Facial recognition used to solve child exploitation cold cases An unprecedented HSI operation is trying to solve thousands of historical child exploitation cases. Clearview facial recognition is at the center of the task force's work.

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The Department of Homeland Security is using facial recognition tools like Clearview AI to**find child abusers and rescue victims**in amajor new operation underwayto solve thousands of cold cases. Jim Cole, a former investigator from the DHS unit, told**Forbes**that facial recognition should only ever be used for intelligence leads, not as a reason to make an arrest. Facial recognition can never be the basis for probable cause. That s a pretty major safeguard, Cole said.

**MORE**: A Detroit woman sued the city after being wrongfully arrested when**she was mistakenly identified using AI facial recognition**, a technology that has prompted debate about the inaccuracy and racism of the algorithm. The incident, which happened in February while Porsha Woodruff was heavily pregnant,became public last weekfollowing the legal filing

**MONEY + *POLITICS***

A pair of conservative nonprofits ischallenging the Biden administration's planto cancel $39 billion in student loans, saying that the Department of Education has **no authority to manipulate the payment history**of borrowers. The two groups filed the lawsuit in a Michigan federal court, and asked a judge to declare the "backdoor attempt" at student loan cancellation illegal.

When 2024 presidential candidate Nikki Haley last served in office, her family's finances were a mess. Her parents were in danger of losing their home, and Haley had**loaned them hundreds of thousands of dollars**in the past with her husband. But in the years since Haley resigned from her role in the Trump administration in 2018, her net worth has ballooned from less than $1 million to an estimated $8 million and thestory of her financeshas roots all the way back to her childhood.

**SPORTS + ENTERTAINMENT**

E-commerce sports platforms Fanatics and Panini have each filed lawsuits accusing the other of unfair business practices in afight over licensing rightsfor NBA and NFL trading cards. Panini accused Fanatics of engaging in a "calculated, intentional, anticompetitive conduct" when it bought card maker Topps last year and later won the exclusive rights to produce cards for the NBA and NFL. In a countersuit, Fanatics says that Panini **launched a campaign of dirty tricks** in an attempt to block Fanatics' hard-earned success.

YouTube starMrBeast is being suedby the company that runs MrBeast Burger, a virtual restaurant chain and its ghost kitchens, for failing to honor his contractual obligations and interfering with business. The suit alleges MrBeast whose real name is Jimmy Donaldson made **disparaging comments about MrBeast Burgers**, and comes just one week after Donaldson sued Virtual Dining Concepts seeking to end their relationship.

**DAILY COVER STORY**

**Nobody Beats Wiz: Meet The Aggressive, $10 Billion Startup Shaking Up Cloud Security**

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Assaf Rappaport, Wiz's cofounder and CEO

GUERIN BLASK FOR FORBES

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**TOPLINE** As corporations move more of their apps and data to the cloud, the**$500 billion market for security services and tools is growing**at a healthy 20%-plus clip but that security has always been a challenge. The mainstreaming of AI has only made it more so. Companies embracing AI tools like Open­AI s ChatGPT upload vast data sets to the cloud in order to train them. But in this new world, malicious hackers have AI tools of their own.

**Enter Wiz**, which connects to storage providers and scans everything it stores in the cloud,**flagging and prioritizing security risks**. Wiz isn t the only player capitalizing on the cloud security boom it fa­ces a revitalized publicly traded giant in Palo Alto Networks and well-funded startup rivals nor was it even among the first. But it is indisputably the player of the moment.

CEO Assaf Rappaport and his cofounders suicide plan, as they call it **to speed-run company building**by hiring fast, raising vast sums of capital and targeting top-of-market corporations first sent seismic tremors across the industry. Wiz customers already include Fox, Morgan Stanley and LVMH, whose CEO, the world s sometimes-richest man, Bernard Arnault, was so impressed by Rappaport s ambition that he wrote Wiz a personal check. Annual recurring revenue passed $100 million in 18 months, the fastest any software company has reached that milestone. It hit $200 million nine months later, helping it land at No. 15 on**Forbes** annualCloud 100 list.

Rappaport knows he s bucking current corporate wisdom. But the startup graveyard is filled with promi­sing technology that never got to market fast enough, he says and, he adds, the**winner of the cloud security race will be a $100 billion company**. So while others conserve and retreat, Wiz doubles down. The possibilities are bigger for us in this position, Rappaport says. Is it safe? Definitely not.

**WHY IT MATTERS** For its next battlefield, look no further than the tech topic du jour, AI, where the sprint to move data to the cloud to feed into models like ChatGPT means**an even more competitive race to secure it**. Wiz recently found 33 terabytes of training data exposed to the world by one customer, Rappaport says. There s a lot of food for all these vendors in the AI rush, says Wedbush analyst Dan Ives. No one is going hungry.

**MORE:**This German Unicorn Is Trying To Take On Google Translate And ChatGPT

**FACTS AND COMMENTS**

Treasury Secretary Janet Yellen and IRS Commissioner Danny Werfel announcedplans to digitize the IRS as part of its "paperless processing initiative." In addition to encouraging more electronic filings, by filing season 2025, the IRS will digitize all paper-filed returns when received:

**76 million:**Total paper tax returns and forms the IRS receives annually

**81.2%:**Percentage of all filings that were done electronically last year

**$40 million:**Annual cost of storing the IRS' more than 1 billion historical documents

**STRATEGY AND SUCCESS**

Data shows that 82% of consumers want the**values of the brands they buy to align with their own**, and when they don t, three quarters of consumers report parting ways with a brand.Therein lies the problem for Bud Light, which reported a 10.5% plunge in second quarter sales after its attempt at inclusive marketing with Dylan Mulvaney. Conservative consumers were outraged, and consumers in support of the transgender community were angered by Bud Light s failure to protect Mulvaney both sides found it in conflict with their values.

**VIDEO**

https://www.forbes.com/video/6332568838112/

**QUIZ**

College football got a major shakeup last week, as teams seemingly fled the Pac-12 to new conferences, throwing the 108-year-old West Coast stalwart into a crisis.**Which of the following football programs left the Pac-12**and was unanimously accepted into the Big Ten?

A: University of Colorado

B: University of Oregon

C: Arizona State University

D: University of Utah

Check your answer here

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