BUSINESS; Visa fails to get out of suit over child porn; Payments giant must face claims it profited from a Pornhub video shot when plaintiff was 13, a judge rules.

Los Angeles Times

August 2, 2022 Tuesday

Final Edition

Section: MAIN NEWS; Business Desk; Part A; Pg. 1

Length: 701 words

Byline: Jenny Surane, Surane writes for Bloomberg.

Body

Visa Inc. must face claims that it profited from child pornography by processing payments for the parent company of Pornhub.

U.S. District Judge Cormac Carney in California denied parts of **Visa**'s motion to be dismissed from claims brought by a woman who is suing both the payments giant and MindGeek, the parent company of Pornhub, over a sexually explicit video taken of her when she was 13.

"It is simple," Carney said in his ruling late Friday. "**Visa** made the decision to continue to recognize MindGeek as a merchant, despite its alleged knowledge that MindGeek monetized child porn. MindGeek made the decision to continue monetizing child porn, and there are enough facts pled to suggest that the latter decision depended on the former."

Visa said it believes it's an "improper defendant" in the case.

"**Visa** condemns sex trafficking, sexual exploitation, and child sexual abuse materials as repugnant to our values and purpose as a company," the San Francisco company said in an emailed statement. "This pretrial ruling is disappointing and mischaracterizes **Visa**'s role and its policies and practices. **Visa** will not tolerate the use of our network for illegal activity."

The lawsuit is the latest turn in a long-running controversy between **Visa** and Pornhub. The payments giant and rival Mastercard **Inc**. both began reviewing their ties to MindGeek after a New York Times column in December 2020 accused Pornhub of distributing videos depicting child abuse and nonconsensual violence.

Immediately after the review, Pornhub announced it had removed 80% of its content.

Mastercard ultimately said it won't allow its cards to be used on Pornhub, and it later announced that banks will have to ensure that sellers require "clear, unambiguous and documented consent" in adult content. **Visa**, for its part, reinstated card-acceptance privileges for MindGeek sites other than Pornhub.

At the center of the California case is Serena Fleites, who says her boyfriend posted on Pornhub a sexually explicit video of her he filmed when she was in eighth grade. The video already had 400,000 views by the time Fleites discovered it.

She alerted MindGeek, which then took weeks to remove the video. By then, the video had been downloaded and then uploaded again several times, with one version garnering an additional 2.7 million views, according to the lawsuit.

Fleites, who filed the case along with nearly three dozen other anonymous victims of sex trafficking, said her life spiraled out of control because of the video. She became addicted to heroin and attempted suicide several times.

"Although Serena is now sober, the long-term effects of Pornhub's wrongdoing continue to this day," according to the original lawsuit. "The original Pornhub videos of Serena continue to be disseminated through other platforms, including on MindGeek affiliated sites and other pornography sites. Serena remains estranged from certain family members. Throughout various stages of the past five years she was homeless and lived in her car."

Visa, in its motion to dismiss the claims, said that if the lawsuit was allowed to continue it would "upend the financial and payment industries." The company said the suit would encourage misdirected litigation because it doesn't have the ability to investigate the circumstances of each of the billions of transactions it processes every year.

Future litigants could apply this lawsuit's "reasoning to injuries caused by guns, prescription drugs, tobacco, soda, furs and myriad other products -- all on the theory that a **Visa** card was used somewhere along the way and that **Visa** should have somehow stopped conduct by unrelated actors," **Visa** said.

Carney disagreed. He said he's keeping **Visa** in the case because plaintiffs are alleging that the payments giant continued recognizing MindGeek as a merchant even after it learned the company's websites hosted child pornography.

"**Visa** is not being asked to police 'the billions of individual transactions it processes each year,' " he said. "It is simply being asked to refrain from offering the tool with which a known alleged criminal entity performs its crimes. That is not a tall order and does not spell out an existential threat to the financial industry."

Graphic

PHOTO: **VISA** said the lawsuit would "upend the financial and payment industries," but a federal judge disagreed. PHOTOGRAPHER:Richard Drew Associated Press

Load-Date: August 2, 2022

Telus wants to charge fees for credit card payments

North Bay Nugget

August 13, 2022 Saturday

Final Edition

Section: BUSINESS; Pg. B5

Length: 396 words

Body

Telus Corp. is asking the Canadian Radio-television and Telecommunications Commission to allow it to charge customers a credit-card processing fee as of Oct. 17.

In a letter to the federal regulator, the Vancouver-based telecom company said the fee will be set at 1.5 per cent of the payment amount made with a credit card plus taxes. It will be applicable to new and existing Telus mobility and home services customers.

The company provided an example of how the fee will be calculated for a customer, laying out a 1.5-per-cent fee of $1.58 (plus $0.08 GST on that fee) for a bill of $100 for services and $5 GST. Instead of paying a total of $105, the customer would pay $106.66.

"This fee helps us recover a portion of the processing costs we incur to accept credit card payments and the average cost will be around $2 for most customers," Telus said in an email statement. The company said the fee applies to one-time and pre-authorized credit card bill payments and is not higher than the fee it pays to accept credit-card payments.

It said customers can avoid this fee by selecting another bill payment option such as one-time bank payment, pre-authorized debit, **Visa** Debit, **Visa** Prepaid and Mastercard Prepaid cards.

The CRTC confirmed receiving the letter, dated Monday, and said Canadians can express their concerns by filing an intervention comment by Sept. 7.

"The CRTC is currently assessing the application and will consider the concerns of Canadians when making its decision," it said in an email, adding that the process is generally 30 days for comments and Telus will have 10 days to reply.

If approved, Telus said it plans to notify customers of the new fee in mid-August. The letter pointed to a 2018 class action lawsuit settled with **Visa Inc**. and Mastercard **Inc**. that resulted in the credit-card giants agreeing to modify their "no-surcharge rules" to allow merchants to surcharge their customers, up to a cap, starting Oct. 6, 2022.

The Canadian Federation of Independent Business said this change will allow businesses to choose to pass on their added merchant credit card fees to customers.

The group said that while "very few" merchants are expected to add surcharges for card acceptance, the option to do so will give them additional clout in pushing back against future fee hikes. Financial Post

Load-Date: August 13, 2022

Business Digest

St. Louis Post-Dispatch (Missouri)

July 29, 2022 Friday

FINAL EDITION

Section: NEWS; Pg. A8

Length: 606 words

Body

First Trader Joe's union approved: Employees at a Trader Joe's supermarket in Massachusetts on Thursday became the latest workers at a major company to approve a labor union.

The store, about 80 miles west of Boston, is the first Trader Joe's with an employees union, although workers at two other company locations have initiated unionization efforts.

The union vote, counted by National Labor Relations Board agents in front of witnesses from management and employees, passed 45-31 with one void. Eighty-one store workers - called crew members or merchants in company lingo - were eligible to vote.

The company has seven days to file an objection. A company spokesperson did not indicate whether there would be one.

Feds say US Bank workers faked accounts: For more than a decade, US Bank pressured its employees to open accounts in their customers' names in order to meet unrealistic sales goals, the Consumer Financial Protection Bureau said Thursday, in a case that is deeply similar to the sales practices scandal uncovered at Wells Fargo last decade.

The CFPB alleged that US Bank accessed consumers credit reports to open checking and savings accounts, credit cards and lines of credit without their permission. Employees were encouraged to do so, in order to meet the bank's goals of selling multiple products to each customer with the bank.

The scale of US Banks's fake accounts scandal was not disclosed immediately by the CFPB, but the bank was forced to pay $37.5 million in fines and penalties and will have to refund customers any fees they paid for the fake accounts.

A spokesman for US Bank said the bad sales practices were a legacy issue at the bank dating back to 2016, and that the bank has made significant improvements to its sales practices since then.

New source for avocado imports: U.S. consumers will finally get the chance to try avocados from Jalisco after 25 years in which neighboring Michoacan has been the only Mexican state authorized to send the green fruit to the U.S. market.

That just may help with prices, which have soared this year to over $2 per fruit amid a dip in production in Michoacan.

Growers and packers in Jalisco, just northwest of Michoacan, expressed hope that their state can provide more consistent production levels and stability for prices for avocados, which have fluctuated widely amid seasonal supply shortages.

Consumers in the United States won't immediately recognize the difference: Jalisco avocados won't bear any special tag, and will be labelled simply as "avocados from Mexico" - a phrase promoted for years by producers in Michoacan.

Visa's profits up: **Visa Inc**. said Tuesday that its fiscal third quarter profits rose 32% from a year earlier, helped by yet another double-digit rise in the amount of money processed on its credit and debit card network.

The payment processing company said it earned a profit of $3.4 billion, or $1.60 a share, compared to a profit of $2.57 billion, or $1.18 a share, in the same period a year earlier.

The company processed $2.939 trillion on its network last quarter, up 12% from a year earlier. **Visa** earns a small fee from every transaction that crosses its network, depending on the type of transaction and the merchant who used it.

Most notably cross-border payments were up 40% from a year earlier, a signal that consumers are returning to their pre-pandemic traveling habits.

"Consumers are back on the road, visiting various corners of the world, resulting in cross-border travel volume surpassing 2019 levels for the first time since the pandemic began in early 2020," said Al Kelly, chairman and CEO of **Visa**, in a statement.

From wire reports

Load-Date: July 29, 2022

Visa Inc. Q3 Profit Increases, beats estimates

CE Noticias Financieras English

July 26, 2022 Tuesday

Length: 145 words

Body

Visa Inc. (V) revealed earnings for its third quarter that increased from the same period last year and beat the Street estimates.

The company's bottom line totaled $3.41 billion, or $1.60 per share. This compares with $2.58 billion, or $1.18 per share, in last year's third quarter.

Excluding items, **Visa Inc**. reported adjusted earnings of $4.21 billion or $1.98 per share for the period.
Analysts on average had expected the company to earn $1.74 per share, according to figures compiled by Thomson Reuters. Analysts' estimates typically exclude special items.
The company's revenue for the quarter rose 18.8% to $7.28 billion from $6.13 billion last year.

Visa Inc. earnings at a glance (GAAP) :
-Earnings (Q3): $3.41 Bln. vs. $2.58 Bln. last year.
-EPS (Q3): $1.60 vs. $1.18 last year.
-Analyst Estimate: $1.74
-Revenue (Q3): $7.28 Bln vs. $6.13 Bln last year.

Load-Date: September 7, 2022

End of Document

Airbnb shares fall as bookings miss analyst estimates

CE Noticias Financieras English

August 3, 2022 Wednesday

Length: 596 words

Body

Airbnb **Inc**. shares retreated after the company missed estimates for the number of bookings, highlighting high investor and analyst expectations for companies in the travel sector as the end of pandemic restrictions boosts demand for travel and stays away from home.

The San Francisco-based home-rental company said Tuesday that nights and experiences booked in the second quarter rose 25% to 103.7 million, below analysts' estimate of 106 million. Second-quarter sales rose 58% from a year earlier to $2.1 billion, matching Street estimates. The stock fell 5%.

Although it has been reporting increased activity due to the travel boom, investors have been punishing the company, causing shares to fall about 30% this year.

The $2 billion buyback, the first in history, will offset dilution from an employee stock program. Although the company is forecasting a record third quarter, the slowdown in the global economy as a backdrop means the company has been reluctant to use the demand windfall to introduce a change in investment strategy.

"During the height of the pandemic, we made many difficult decisions to reduce our expenses, which made us a more efficient and focused company," Airbnb said in a letter to shareholders. "Since then, we have maintained this discipline, allowing our hiring and investment plans to remain unchanged since the beginning of the year. Airbnb is well positioned for what lies ahead."

The platform expects sales of between $2.78 billion and $2.88 billion in the third quarter, with the lower end of that range matching the average in a Bloomberg survey of analysts. Airbnb posted its highest daily revenue on July 4, indicating that demand continued in the current quarter.

CEO Brian Chesky and other industry executives have been expecting travel demand to surpass 2019 levels, weathering the strains of new COVID variants, a pickup in inflation and Russia's invasion of Ukraine.

Gross bookings, the total value of transactions on the platform, rose in the second quarter to US$17 billion, barely beating analysts' estimate of US$16.9 billion.

Long-term stays were the fastest-growing category, gaining nearly 90% from three years ago, suggesting that the pandemic advantage is spreading as people who can work from anywhere continue to seek longer stays in remote locations.

The enthusiasm for travel has empowered hosts to set prices, with average daily rates at US$164 in the second quarter, 40% higher than three years ago. Airbnb expects a slight year-over-year uptick in average daily rates in the third quarter to drive an increase in the value of gross bookings.

Airbnb's announcement Tuesday dovetails with **Visa Inc**.'s report last week that cross-border transactions rose 28% in the fiscal third quarter, beating analysts' estimates and one of the first signs in the current reporting period of travel strength.

Airbnb's expectation of revenue growth in the current quarter includes "a significant headwind from currency fluctuations relative to last year."

The strong dollar has been an issue for U.S. tech giants, with Microsoft Corp. and Netflix **Inc**. reporting successful results. About half of Airbnb's revenue comes from overseas, Booking makes about 90% of its sales abroad and Expedia's share is about 25%.

The severe disruption in the airline industry could also influence future travel. United Airlines Holdings **Inc**. and Delta Air Lines **Inc**. are among the airlines that have cut flights to cope with staffing shortages, rising fuel costs and a flood of passengers crammed onto planes now that COVID travel restrictions have been relaxed.

Load-Date: September 7, 2022

Buying stronger companies in times of weakness can give investors edge; A great way to build wealth is to ride 'super compounders,' Tom Bradley writes

National Post's Financial Post & FP Investing (Canada)

July 23, 2022 Saturday

Final Edition

Section: FINANCIAL POST; Pg. NP8

Length: 809 words

Byline: Tom Bradley, Vancouver Sun

Body

You may have heard investment managers talk about "high grading" a portfolio. They're likely referring to the idea that there's an opportunity to increase the average quality of your holdings in a market where all stocks are down. The implication is that the market isn't differentiating enough between the strong and weak and, as a result, there's little or no valuation gap between high-quality companies and their weaker brethren.

High grading has an intuitive appeal. Leading companies that have strong balance sheets can maintain their profitability in a slower economy, and are able to be counter-cyclical when others can't. They can raise money at reasonable rates, even if they don't need it immediately. They can hire great people when bonuses are down and stock options are worth less. They can expand when engineering and building costs are lower and less disruptive to their business.

And, like a good investor, they can provide liquidity when others desperately need it. That means buying a competitor when few if any bidders are at the table, or acquiring products, facilities and customers for pennies on the dollar.

A great way to build wealth is to ride what I call the "super compounders," companies that come out of each down cycle stronger than they went in. In Canada, I'm talking about the likes of Premium Brands Holdings Corp., Ritchie Brothers Auctioneers **Inc**., Constellation Software **Inc**., Canadian National Railway Co. and Franco Nevada Corp.

The list from south of the border is much longer and would include **Visa Inc**., Danaher Corp., Coca-Cola Co., Procter &; Gamble Co., tech giants such as Apple **Inc**., Alphabet **Inc**. and Microsoft Corp., and, of course, Warren Buffett's company, Berkshire Hathaway **Inc**.

There are definitely times when quality is on sale and I like the strong-get-stronger strategy, but the execution is more nuanced than it sounds. The price of highly profitable, well-financed companies may be down, but not by as much as the speculative stocks that got crushed. This year, for instance, companies that are struggling to achieve profitability and/or highly levered are down far more than the overall market.

Also, success is highly dependent on the length and depth of the economic malaise. Since the financial crisis in 2008, setbacks have been brief, with the United States Federal Reserve and other central banks coming to the rescue with lower interest rates. The economic declines were modest, and investors knew the Fed had their back.

In short and shallow slowdowns, everyone lives to fight another day and the biggest moves off the bottom are stocks that were left for dead. The quality stocks that held up better also rebound, but don't have as much recovery potential.

Buying stronger companies in times of weakness can give investors edge; A great way to build wealth is to ride 'super compounders,' Tom Bradley writes

It would appear the economy is now in decline. If this slowdown is severe and drags out (that is, a recession), the weaker players may not survive, and those that do will be at the mercy of investors when they need to recapitalize. If they can issue more debt, the interest rate will be higher, and any equity raises will be at lower prices, which will cause severe dilution for existing shareholders.

To build a portfolio of leading companies, there are things you must do. You need to watch that their greatness is sustainable (and hopefully expandable), be careful you're not paying too much, and be prepared to stay patient when other companies are in vogue and roar ahead.

At this stage of the current cycle, investing in the strongest companies may maximize your returns over the next few years, but there are two huge benefits even if it doesn't.

First, the risk of permanent capital loss diminishes when paying a reasonable price for companies that provide something that's sure to be needed in five years and are likely to have a stronger competitive position after the slowdown. Some purchases may prove to be early, but you know you own a valuable asset.

Second, it helps you deal with the emotion and risk aversion that get in the way of making sound investment decisions. Like everyone, you want to take advantage of periods of market weakness, but it's extremely difficult to do when your portfolio is down and the economic outlook is grim. Buying bulletproof companies makes it a little easier to do what you promised yourself you would do, namely, buy low.

This behavioural crutch may not sound like much, but consider that most investors struggle with being counter-cyclical. They can't bring themselves to buy when stocks are on sale.

If you're wavering, perhaps buying strong companies will make you a little stronger in more ways than one. Financial Post Tom Bradley is chairman and co-founder of Steadyhand Investment Funds, a company that offers individual investors low-fee investment funds and clear-cut advice. He can be reached at tbradley@steadyhand.com

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Christinne Muschi, Bloomberg Files; By "high grading" your portfolio, you can increase the average quality of your holdings, says Tom Bradley. He says the likes of Canadian National Railway and Constellation Software are examples of companies that emerge from each down cycle stronger than they went in.;

Load-Date: July 23, 2022

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National Post's Financial Post & FP Investing (Canada)

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Early Edition

Section: FINANCIAL POST; Pg. NP8

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Byline: Tom Bradley, Ottawa Citizen

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Load-Date: July 23, 2022

Strong companies in weak times can be an opportunity

National Post's Financial Post & FP Investing (Canada)

July 23, 2022 Saturday

National Edition

Section: FP INVESTING; Pg. FP6

Length: 808 words

Byline: Tom Bradley, National Post

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Load-Date: July 23, 2022

Tom Bradley: Buying stronger companies in times of weakness can give investors the nerve to be countercyclical

Postmedia Breaking News

July 22, 2022 Friday

Web Edition

Section: FP INVESTOR

Length: 974 words

Byline: Tom Bradley, Tom Bradley

Body

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It would appear the economy is now in decline. If this slowdown is severe and drags out (that is, a recession), the weaker players may not survive, and those that do will be at the mercy of investors when they need to recapitalize. If they can issue more debt, the interest rate will be higher, and any equity raises will be at lower prices, which will cause severe dilution for existing shareholders.

To build a portfolio of leading companies, there are things you must do. You need to watch that their greatness is sustainable (and hopefully expandable), be careful you're not paying too much, and be prepared to stay patient when other companies are in vogue and roar ahead.

The great normalization has crushed investor sentiment - and that may be a sign the worst is over(https://financialpost.com/investing/the-great-normalization-has-crushed-investor-sentiment-and-that-may-be-a-sign-the-worst-is-over)

A dose of much-needed optimism amid all the market negativity(https://financialpost.com/investing/a-dose-of-much-needed-optimism-amid-all-the-market-negativity)

Tom Bradley: How investors can cut through the noise to maintain their chances of success(https://financialpost.com/investing/tom-bradley-how-investors-can-cut-through-the-noise-to-maintain-their-chances-of-success)

At this stage of the current cycle, investing in the strongest companies may maximize your returns over the next few years, but there are two huge benefits even if it doesn't.

First, the risk of permanent capital loss diminishes when paying a reasonable price for companies that provide something that's sure to be needed in five years and are likely to have a stronger competitive position after the slowdown. Some purchases may prove to be early, but you know you own a valuable asset.

Second, it helps you deal with the emotion and risk aversion that get in the way of making sound investment decisions. Like everyone, you want to take advantage of periods of market weakness, but it's extremely difficult to do when your portfolio is down and the economic outlook is grim. Buying bulletproof companies makes it a little easier to do what you promised yourself you would do, namely, buy low.

This behavioural crutch may not sound like much, but consider that most investors struggle with being countercyclical. They can't bring themselves to buy when stocks are on sale.

If you're wavering, perhaps buying strong companies will make you a little stronger in more ways than one.

Tom Bradley is chair and co-founder of Steadyhand Investment Funds(https://www.steadyhand.com/), a company that offers individual investors low-fee investment funds and clear-cut advice. He can be reached at tbradley@steadyhand.com(tbradley@steadyhand.com).

Load-Date: July 22, 2022

Visa's quarterly profit soars on rampant consumer spending

CE Noticias Financieras English

July 26, 2022 Tuesday

Length: 199 words

Body

Jul 26 (Reuters) **- Visa Inc**, the world's largest payments processor, reported a 33% rise in third-quarter profit on Tuesday thanks to strong consumer spending, showing no signs of slowing despite fears of an economic downturn.

Visa's results are similar to those of American Express, which benefited greatly from record card spending, helping it raise its annual revenue forecast.
The world's largest payments processor posted higher revenues as payment volumes rose 12% during the third quarter, thanks to a 40% rise in cross-border volumes.

"**Visa** is obviously exposed to consumer spending in general, but the biggest near-term issue for **Visa** is cross-border volume, as they charge much higher fees on cross-border transactions," said Brett Horn, senior analyst at Morningstar.

Earlier this month, a UK parliamentary committee asked **Visa** and Mastercard to justify recent hikes in their card transaction fees, after the country's payments regulator expressed concern.
Net profit amounted to $3.4 billion, or $1.60 per share, in the three months ended June 30, up from $2.58 billion, or $1.18 per share, a year earlier. (Reporting by Mehnaz Yasmin in Bengaluru Edited in Spanish by Javier Lopez de Lerida)

Load-Date: September 7, 2022