

THE WALL STREET JOURNAL.

D DOW JONES | News Corp

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WSJ.com

★★★★ \$5.00

Last week: DJIA 43444.99 ▼ 544.00 1.24% NASDAQ 18680.12 ▼ 3.1% STOXX 600 503.12 ▼ 0.7% 10-YR. TREASURY ▼ 30/32, yield 4.426% OIL \$67.02 ▼ \$3.36 EURO \$1.0541 YEN 154.34

What's News

Business & Finance

◆ Many investors are betting the U.S. stock-market rally has room to run, signaling their optimism by pouring money into exchange-traded and mutual funds. A1

◆ Toy maker Hasbro said it is negotiating with suppliers and considering design changes in anticipation of high tariffs on imports from China that Trump has promised to implement. A1

◆ Warner Bros. Discovery settled its breach-of-contract lawsuit against the NBA, an agreement that will keep the company in business with the league for at least the next decade. B1

◆ Bytedance valued itself at about \$300 billion in a recent buyback offer, even as the Chinese tech giant's TikTok app faces the prospect of a ban in the U.S. B1

◆ Danone offered to acquire Lifeway Foods at a higher price after the Morton Grove, Ill., maker of probiotic foods rejected its previous takeover proposal. B3

◆ Netflix's heavyweight boxing match between Jake Paul and Mike Tyson drew an estimated 60 million households globally, despite technical hiccups that frustrated many viewers. B3, A18

◆ Consumer-goods supplier Reckitt Benckiser is looking to respond faster to shifts in demand for over-the-counter medicines by moving more manufacturing to the U.S. B5

◆ Louis Vuitton concealed the facade of its former flagship Manhattan store with scaffolding made to resemble a stack of its signature trunks in preparation for the building's demolition. B1

World-Wide

◆ Biden for the first time authorized Ukrainian forces to use Western-made long-range weapons to strike inside Russia, allowing Kyiv to better defend itself, as Trump's push for peace negotiations between Russia and Ukraine is finding growing acceptance in Europe.



Russia bombed targets across Ukraine Sunday. Missile fragments were recovered after a strike on a residential building in Kyiv.

Biden Lets Ukraine Strike Russia With Long-Range U.S. Weapons

President Biden has for the first time authorized Ukrainian forces to use Western-made long-range weapons to strike inside Russia, allowing Kyiv to better defend itself, as

By Laurence Norman in Berlin, Gordon Lubold and Alexander Ward in Washington and Jane Lytvynenko in Kyiv

President-elect Donald Trump's push for peace negotiations between Russia and Ukraine is finding growing acceptance in Europe.

Biden's decision became

public as Russia carried out one of the biggest aerial bombardments of the war Sunday, adding to growing concern about Ukraine's ability to withstand mounting Russian attacks.

Under the new U.S. policy, Ukraine could initially target positions in Kursk, where 50,000 soldiers—including Russians and North Koreans—are poised to launch a counteroffensive to reclaim territory Ukraine seized earlier this year.

The introduction of thousands of North Korean troops onto the battlefield and the expected Kursk operation led to a change in Biden's calcu-

lus, the officials and people familiar with the deliberations said. Biden, a Democrat, made the decision, which was reported earlier by the New York Times, before he left Thursday for South America, one of his last foreign trips as president, one of the people said.

The relaxation of Ukraine's

use of the Army Tactical Mis-

sile System, or ATACMS,

comes after Kyiv pleaded for

months to be allowed to strike

inside Russia. The restrictions

gave Moscow the upper hand

in the war, President Volod-

ymyr Zelensky of Ukraine and

his top aides have said.

But Biden administration officials were loath to green-light the strikes until now for fear it could cross a red line for Russia and provoke a wider conflict. There were also concerns that the U.S. didn't have enough ATACMS in its own inventory to replenish what Ukraine would use.

In the latest assault, Russia launched about 120 missiles and 90 drones at targets across the country early Sunday, Zelensky said, in what ap-

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◆ Kyiv ramps up drone production..... A9

Investors Are Betting On Market Melt-Up

By GUNJAN BANERJI

A roaring market rally since the U.S. presidential election has driven up the price of everything from shares of technology and manufacturing giants to cryptocurrencies. Many investors are betting it has room to run.

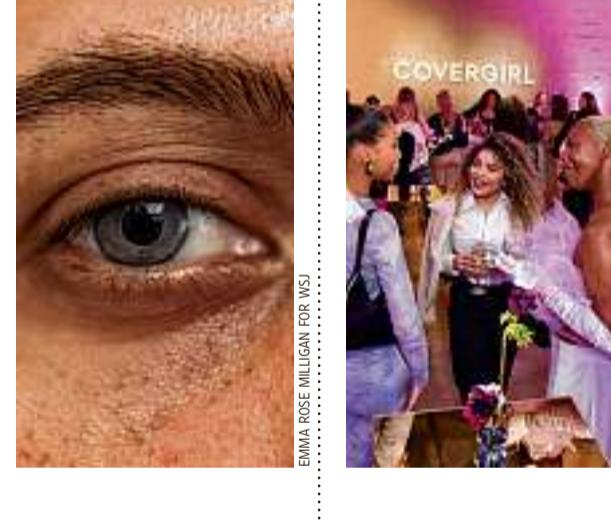
Investors have stampeded into funds tracking U.S. stocks and picked up trades that would profit if the rally that recently sent the S&P 500 above 6000 for the first time reaches new heights.

U.S. equity exchange-traded and mutual funds drew nearly \$56 billion in the week ended Wednesday, the second-largest weekly haul in records going back to 2008, according to EPFR data. Such funds have drawn inflows for seven consecutive months, the longest streak since 2021, when a dizzying market melt-up sent stocks to repeated records.

Driving the optimism? Many investors said they expect lower taxes and fewer regulations during Republican Donald Trump's second term as president.

Dominic Rizzo, a technology portfolio manager at T. Rowe Price, said tariffs could boost U.S. manufacturing, driving a surge in domestic spending and investment. Other investors are simply breathing a sigh of relief that the election has passed.

The share of investors surveyed by the American Association of Individual Investors who said they were bullish jumped to 49.8% this past



U.S. NEWS
Patients look past risks as surgery to change eye color grows in popularity. A3

BUSINESS NEWS
CoverGirl recruits influencers to re-energize its cosmetics sales. B3

A Ruse Turns Culinary Punchline Into London's Hottest Restaurant

* * *

Steakhouse chain mysteriously vaults to top of city's rankings, baffling locals

By NATASHA DANGOOR

London's version of Applebee's is getting the Michelin-star treatment.

People are flooding into Angus Steakhouse, lured by a wave of glowing online reviews that describe the hard-to-miss restaurant chain as a hidden gem.

The sudden surge in popularity is leaving locals baffled and diners disappointed. One

food critic described his steak as "a hellish, tough, teeth-testing beast" that needed a plan of attack to cut.

The newcomers are falling prey to a ruse spurred by a group of Londoners who were fed up with the crowds at their favorite places to eat and took to Reddit to vent. What started as a facetious plot to

lure the masses somewhere else quickly took hold, fueled in part by growing resentment

Please turn to page A12

A Developer's Rise To Mideast Envoy

Trump taps a real-estate deal-maker

By JOSHUA CHAFFIN AND DEBORAH ACOSTA

MIAMI—The gilded reception at Mar-a-Lago was to celebrate the wedding of Zach Witoff, a young real estate scion, and his actress wife, Sophie.

But that Palm Beach party, in April 2022, was also something else: an extravagant reminder of the distance that the groom's father, Steven Witoff, had traveled over his nearly seven decades. From his boyhood in the Bronx, Witoff ascended to the peak of the real-estate business in New York and Florida, and

along the way secured a privileged place in Donald Trump's court.

Paying tribute that evening were the former president and first lady, who stayed late into the night to celebrate. Also on hand: Florida Gov. Ron DeSantis, a collection of real estate royalty, including Barry Sternlicht and casino mogul Steve Wynn, and the baseball star Alex Rodriguez.

Elon Musk may be Trump's most visible new "bestie" since throwing his weight and money behind the president-elect's campaign, but

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Hasbro Sets Game Plan Ahead of Possible Tariffs

By BEN GLICKMAN AND NATASHA KHAN

Nerf guns. Monopoly board games. G.I. Joes. Some of Hasbro's bestselling toys could get pricier if President-elect Donald Trump implements stiff tariffs on Chinese imports.

One of the U.S.'s largest toy makers said it is negotiating with suppliers and considering design changes ahead of potential new levies. "We've been preparing for many months for any contingency," Chris Cocks, Hasbro's chief executive, said in an interview.

The threat of new taxes on toy imports comes amid a long-term shift in the industry away from China, spurred in

part by rising labor costs in that country. Hasbro, Barbie-maker Mattel and others have spent years trying to make fewer toys and games in China by relocating to factories in other countries, including Vietnam and India.

New levies might make that shift more of a necessity, but Hasbro's efforts demonstrate that it could be difficult to speed up.

Across industries, U.S. companies have been diversifying their supply chains away from China in recent years, prodded in part by tariffs implemented during Trump's first term. The Biden administration left many of those levies in place and lay

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Jockeying To Lead Treasury Spills Out In Public

Musk takes to social media to revive Lutnick's chances and discredit a rival

By BRIAN SCHWARTZ AND ANDREW RESTUCCIA

A messy fight over who should be President-elect Donald Trump's Treasury secretary has played out privately at Mar-a-Lago in recent days. It all spilled into public view this weekend.

Two of Trump's most powerful allies, Elon Musk and Robert F. Kennedy Jr., used social media to signal their support for billionaire businessman Howard Lutnick to lead Treasury, as Trump continues to deliberate on the crucial post.

Musk's support for Lutnick even went as far as to discredit another finalist for the job, investor Scott Bessent, whom Trump has expressed great admiration for and who is considered a top contender. Late Friday, it appeared Lutnick had begun to fall out of the running for the job, people familiar with the matter said, prompting Musk and Kennedy to make their cases in public over the weekend.

The last-minute burst of public support for Lutnick, the chief executive of financial services firm Cantor Fitzgerald, puts pressure on Trump to choose him.

All of the jockeying has annoyed Trump and his senior

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◆ Trump's energy pick is an oil and gas champion..... A4

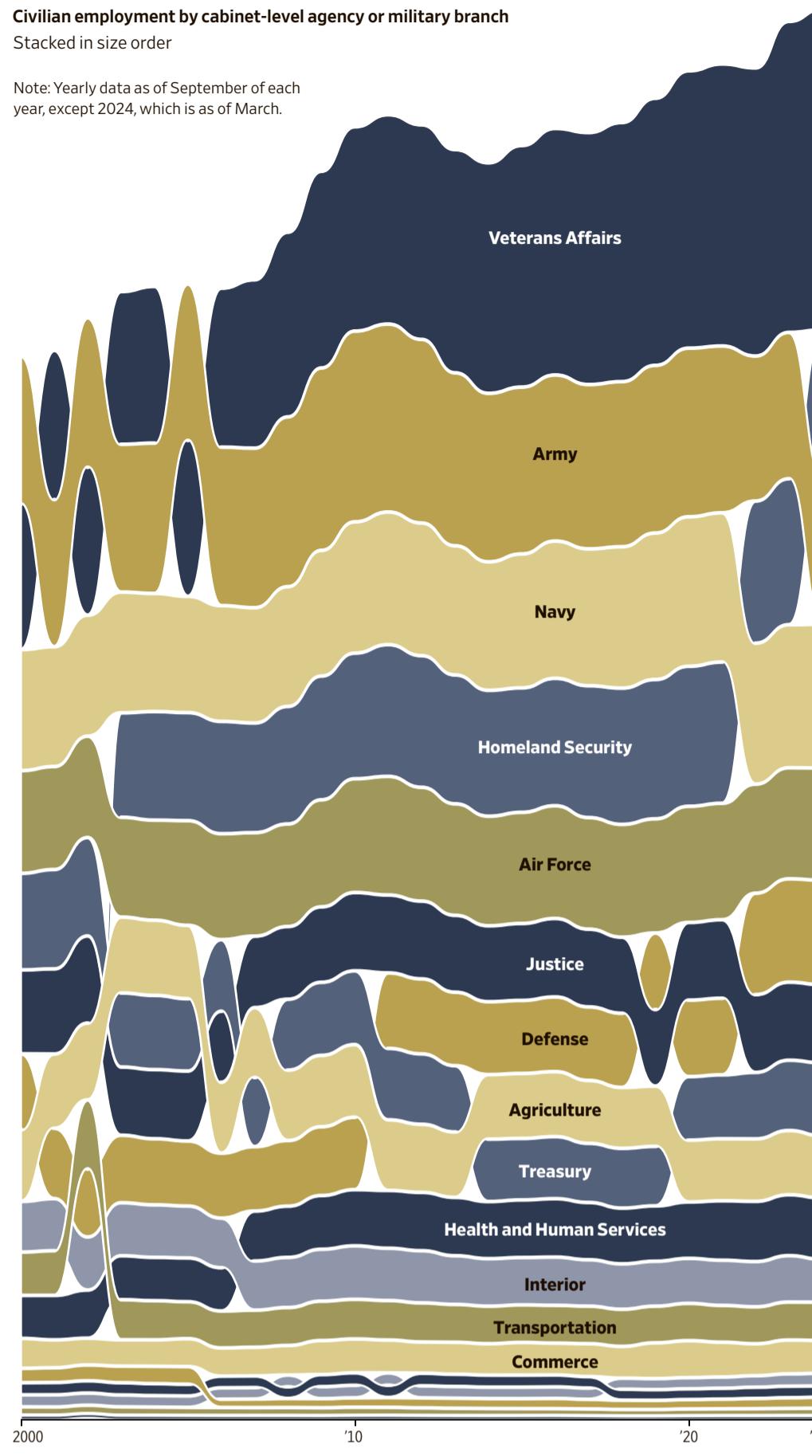
◆ RFK Jr.'s public-health plans face obstacles..... A4

◆ Unions are sizing up the president-elect A5

U.S. NEWS

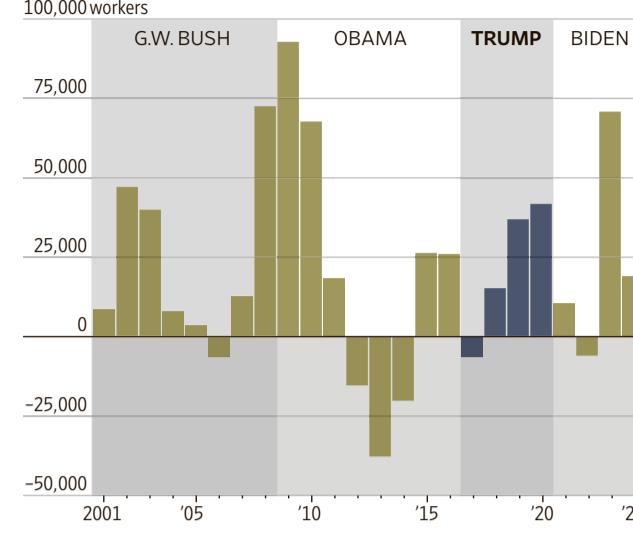
Civilian employment by cabinet-level agency or military branch
Stacked in size order

Note: Yearly data as of September of each year, except 2024, which is as of March.

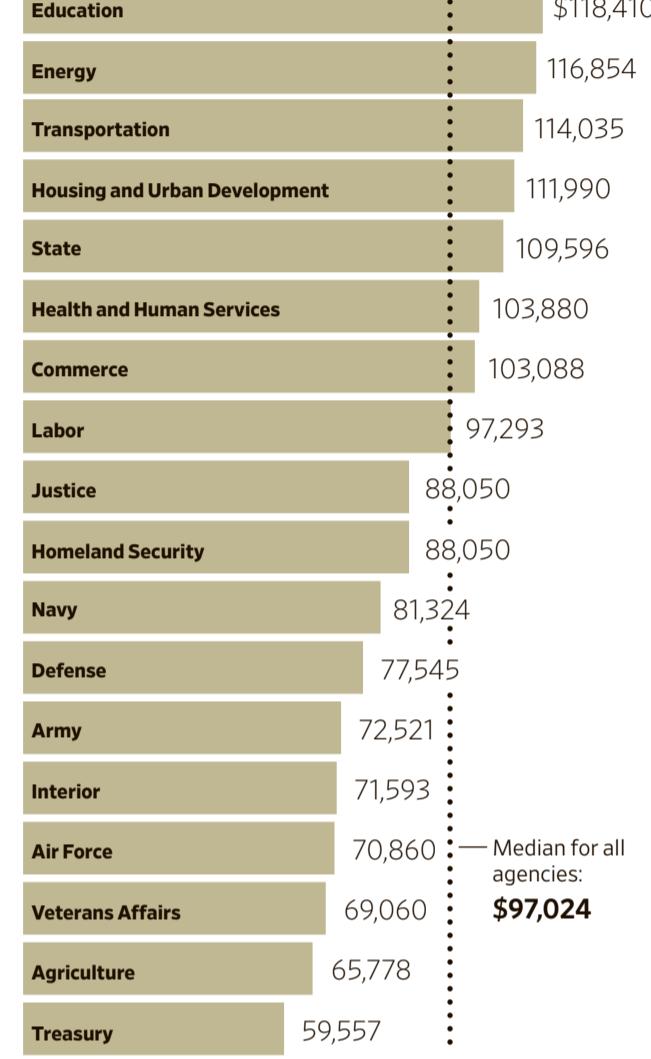


MARCH 2024

Employment at cabinet-level agencies and military branches, net change from a year earlier*



Median salary



*Graphic shows change in cabinet-level agency and military-branch employment from a year earlier. Based on September level for each year, except 2024, which is as of March.

Source: U.S. Office of Personnel Management

With Cuts Eyed, Federal Workers Stand at 2.3 Million

There are 2.3 million Americans working for the federal government in civilian jobs, a tally that has steadily climbed

By Lauren Weber,
Peter Santilli and
Inti Pacheco

as control of the White House has shifted between parties and presidents.

They constitute less than 2% of the total U.S. workforce. They work as everything from nurses in Veterans Affairs

hospitals and park rangers in Yellowstone to guards in federal prisons and the 19 employees of the Nuclear Waste Technical Review Board. About 80% of them work outside of the Washington, D.C., region.

Many of the jobs could become targets of the proposed Department of Government Efficiency, the entity President-elect Donald Trump has said will trim costs under the direction of billionaire industrialist Elon Musk and biotech

entrepreneur Vivek Ramaswamy. Musk has told people—possibly in jest—that more than half of the government's employees should be fired.

Roughly 70% of the civilian roles are in military- or security-related agencies. Veterans Affairs has the most civilian workers, mainly because it operates hundreds of hospitals and clinics. Homeland Security, created in 2002, is now the third largest. The Education Department, with 4,425 workers, is the smallest.

This chart shows civilian employees only and excludes active military personnel or reservists of the Army, Navy and Air Force. It also excludes the Postal Service, which has more than 500,000 workers but whose operations are self-funded, and temporary U.S. Census Bureau jobs, which spike each decade.

The amount spent on annual payroll for federal civilian workers was about \$213 billion as of March 2024, according to an analysis of data

from the Office of Personnel Management. Workers in the Education Department had a median salary of \$118,000—the highest. The lowest median salary—below \$60,000—was in the Treasury Department, which has many clerical jobs.

The most common occupations are in the medical field, accounting for about 15% of the total. There are more than 360,000 physicians, nurses and other public-health workers. Another 15% of federal

workers are in administrative or clerical roles. Roughly 6% are in engineering roles, and another 5% are accounting.

Musk and Ramaswamy have a year and a half to complete their work, Trump has said.

The Tesla chief, who slashed 80% of Twitter employees after he bought the social-media platform now known as X, previously said he hopes to cut federal spending by at least \$2 trillion. In fiscal 2024, the government spent roughly \$6.8 trillion.

CORRECTIONS & AMPLIFICATIONS

Ashley Naglie, who runs a New Hampshire farm for rescue animals, has a son named Tyler. In a Review article on Saturday about raising chickens, he was incorrectly referred to as Brian.

The photo credits with a Page One article about Federal Reserve rate cuts were incorrectly transposed in some editions Saturday.

Readers can alert The Wall Street Journal to any errors in news articles by emailing wsjcontact@wsj.com or by calling 888-410-2667.

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U.S. WATCH



RAINED OUT: Wild Roosevelt elk are seen in Oregon. The National Weather Service is predicting the possibility of an atmospheric river bringing a long duration of moderate to heavy rain to portions of southwest Oregon Tuesday through Wednesday.

NEW YORK

Wildfire Prompts Evacuation Order

New York issued a voluntary evacuation order over the weekend for some residents near the border with New Jersey as the Jennings Creek wildfire, fanned by gusty winds, pushed past a containment line.

Residents in roughly 165 homes in two communities around Warwick, N.Y., were

asked to evacuate Saturday night, officials said. The wildfire has burned approximately 5,000 acres in both states since it began Nov. 8.

The evacuation orders were made "out of an abundance of caution," said Jeff Wernick, a spokesman for New York State's Department of Environmental Conservation.

The voluntary evacuation order would continue into Monday, he said.

—Ginger Adams Otis

NEW YORK

Model Is Charged In Fatal Stabbing

A model who has appeared in campaigns for Calvin Klein and Levi's has been formally charged in the stabbing death of a man in New York City, prosecutors said Saturday.

Dynus Saxon was arraigned in Bronx criminal court late Friday in connection with the Nov. 10 killing of Kadeem Grant, according to Bronx District Atto-

ney Darcel Clark's office. Police say they found the 35-year-old victim stabbed in the chest in an apartment in the Bronx. Saxon was arrested on charges of murder, manslaughter and criminal possession of a weapon.

Bronx Defenders, a public defender nonprofit representing Saxon, didn't immediately respond to an email seeking comment.

—Associated Press

U.S. NEWS

Carrots Linked To E. coli Outbreak

By GINGER ADAMS OTIS

An outbreak of E. coli traced to organic carrots sickened at least 39 people across 18 states and has been linked to at least one death, the Centers for Disease Control and Prevention said Sunday.

Roughly 15 people have been hospitalized due to the outbreak, which is believed to have originated with contaminated whole and baby carrots sold by Grimmway Farms, according to the agency.

Bakersfield, Calif.-based Grimmway Farms has recalled the bagged organic carrots, which were sold under multiple brands, including Trader Joe's and Wegmans, and in various sizes.

The products are no longer on shelves but may still be in people's homes, the CDC said. Recalled carrots should be thrown out or returned to the store where the purchase was made, the agency said.

The 39 people who have reported being sick after eating the carrots live in states on both coasts and in the central U.S., including Wyoming, Colorado and Texas. Washington, Minnesota and New York had the highest number of cases, ranging from five to eight.

The number of sick people is likely higher than the 39 reported, the CDC said. Many people recover without medical care and aren't tested for E. coli.

"We take our role in ensuring the safety and quality of our products seriously," Grimmway Farms Chief Executive Jeff Huckaby said in a statement. "We are conducting a thorough review of our growing, harvest, and processing practices."

An E. coli outbreak last month that federal health officials linked to slivered onions used on McDonald's Quarter Pounders infected at least 104 people, with 34 people hospitalized. One person died and four developed a serious condition that can cause kidney failure, the Food and Drug Administration said at the time.

The contaminated onions, traced to produce giant Taylor Farms, were recalled. As of last week, the slivered onions were no longer a safety concern, the FDA said.

Most people sickened by Escherichia coli, or E. coli, experience severe stomach cramps, diarrhea and vomiting, the CDC said, and recover without treatment within a week. Some people may develop serious kidney problems and may need to be hospitalized.

Patients Look Past Risks to Change Eye Color

By DOMINIQUE MOSBERGEN

Jason Jimenez had brown eyes when he walked into a New York clinic last month. When he emerged a few hours later, they were light gray.

The 39-year-old real-estate agent is among a growing number of people who have permanently changed their eye color through cosmetic surgery. Many doctors say the surgery hasn't been proven safe and warn it could cause lasting damage.

Some people getting the procedure say they want to look better and feel more confident. Others did it to look more like family members. One young man changed one of his brown eyes blue to copy the mismatched eyes of his beloved Siberian husky.

To lighten Jimenez's eyes, Dr. Alexander Movshovich used a laser to cut donut-like tunnels into his corneas, the clear outermost layer. The surgeon used a tool to widen the tunnels before filling them with dye. The procedure, known as keratopigmentation or corneal tattooing, was completed in about a half-hour. The effect was immediate.

"I see it as an enhancement," said Jimenez, who lives in New Jersey. "People get their teeth done, they get implants and Botox. If it's something that could make you happier, make you look better—then why not?"

Movshovich is among a few U.S. doctors who offer the procedure. The garrulous ophthalmologist, who emigrated from Russia, was the first doctor in the U.S. to offer keratopigmentation for nonmedical reasons. Movshovich opened his clinic Kerato in Midtown Manhattan in 2019.

"People said I was crazy. But in Russia, they say if you're not brave, you don't drink Champagne," he said.

He treated about 15 keratopigmentation patients in the first year. This year, he is on track to treat some 400 people, he said. He charges \$12,000 per surgery. It isn't covered by insurance.

Keratopigmentation has a long history. Galen, a Greek physician who lived some 2,000 years ago, treated people with cloudy corneas by burning the surface of their eyes before applying a variety of pigments including crushed pomegranate bark.

Doctors still use keratopigmentation to treat people with diseased or injured eyes. It can give patients with cloudy corneas caused by infections or trauma the appearance of an iris, the colored part of the eye.

It can also help reduce debilitating glare caused by iris or corneal damage, said Dr. Roberto Pineda, an ophthalmologist at Massachusetts Eye and Ear who has performed medi-

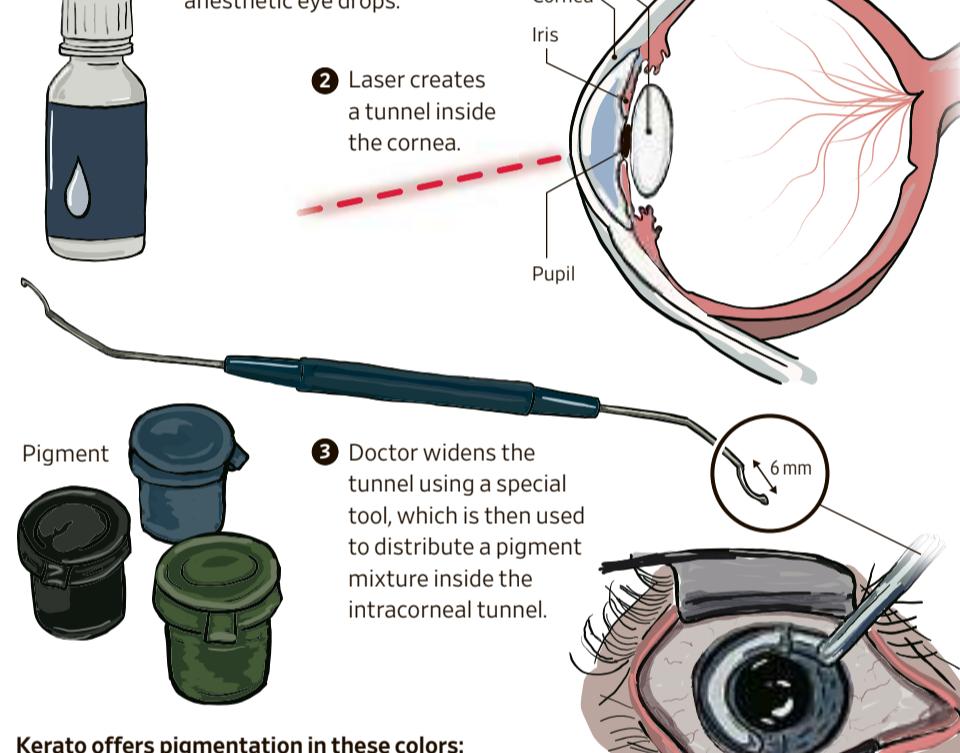


EMMA ROSE MILLIGAN FOR WSJ (3)



Clockwise from left: Jason Jimenez being consulted before his keratopigmentation with Dr. Alexander Movshovich; Jimenez's eye is shown after pigment was added during his procedure; Dr. Movshovich took a photo of Jimenez's new eye color.

How keratopigmentation works



Kerato offers pigmentation in these colors:



Source: Dr. Alexander Movshovich

cal keratopigmentation for almost 30 years.

In the 2010s, doctors in Europe began experimenting with

the procedure for cosmetic reasons. Many eye specialists say it is irresponsible for doctors to perform keratopigmentation on

people with healthy eyes. The benefits might outweigh the risks for patients with diseased corneas, but there isn't enough

evidence to say the same for healthy people, critics say.

"I'm very surprised that these surgeons are doing this in the United States. They are taking a risk," said Dr. Guillermo Amescua, an ophthalmology professor at the University of Miami.

The American Academy of Ophthalmology warned patients in January that cosmetic keratopigmentation carries "serious risks for vision loss" and other complications including light sensitivity and bacterial or fungal infection. The safest way to lighten the appearance of eyes is with prescription contact lenses, the academy said.

Twelve out of 40 cosmetic keratopigmentation patients in a 2021 study published in the journal Cornea complained of temporary light sensitivity. Five people said the pigments had faded or changed in color. One who had previously had Lasik, a type of vision-correction surgery, developed a condition that caused their corneas to thin and bulge.

Dr. Brian Boxer Wachler, a corneal specialist who has performed cosmetic keratopigmentation in Los Angeles since the beginning of 2024, said there were no published reports of cosmetic keratopigmentation causing infection. There were also no reports, he said, of vision loss in people with no previous history of Lasik.

Lucia Inman-Valero, a 36-year-old artist in Indiana, said she remains sensitive to light after undergoing two keratopigmentation surgeries by Movshovich last year. She got the second procedure because she wanted her aqua-colored eyes to really pop, she said.

"I don't want them to look natural," Inman-Valero said.

She spent months researching and consulted with her ophthalmologist before deciding to get the surgery. Inman-Valero said she sees her appearance as an extension of her artwork, which includes hyperrealistic wildlife paintings. Since her second surgery, she has needed sunglasses when it is sunny but said it has been worth it for her.

Movshovich said he warned Inman-Valero that increasing the pigment dose could increase light sensitivity. "For most patients who get medium intensity or less, their light sensitivity goes away after a week," he said.

Keratopigmentation is irreversible. Movshovich invented a technique that can remove some pigment soon after surgery, but patients can't return to their original eye color.

Lasers the Food and Drug Administration approved for vision-correction procedures are being used off-label for keratopigmentation. The pigments haven't been approved in the U.S. for use in the eyes.

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U.S. NEWS

Trump Rewards Fracking With Energy Pick

Chris Wright has championed oil and gas and criticized climate-change talk

By BOËT MORENNE AND COLLIN EATON

Donald Trump rewarded the tycoons behind the shale boom, among his most ardent supporters, with the selection Saturday of Chris Wright as his nominee for energy secretary.

Wright was front-and-center for the fracking revolution that reshaped the country as a band of scrappy wildcatters that reinvigorated U.S. oil and gas production to record heights. His \$2.8 billion company, **Liberty Energy**, pumps water and sand underground to frack customers' wells.

Wright's selection elevates a pugnacious branch of the oil-and-gas industry that is skeptical of climate-change science and mostly hasn't pledged to build out low-carbon energy businesses, unlike giants **Exxon Mobil** and **Chevron**.

In recent years, the outspoken and combative chief executive emerged as an oil-and-gas champion, as Wright touted the benefits of fossil fuels to improve the wealth, health and life opportunities of most of the world population. He has said renewable energy can't replace many of the functions fulfilled by hydrocarbons.

After the clothing brand North Face declined to sell jackets to an oil-and-gas com-



Chris Wright at the Liberty Energy offices in Denver early last year. He caught Donald Trump's attention at an April meeting.

pany with that firm's logo added to them, Wright rented billboards in and around Denver that said, "That North Face Puffer looks great on you. And it was made from fossil fuels."

Liberty published a 180-page report in which Wright criticizes what he considers to be "a myopic focus on climate change and climate politics." Those views have made him a darling among his peers and on the conservative speaking circuit.

In an interview with The Wall Street Journal before the election, Wright denounced the "hyper-politicization of en-

ergy" and singled out Democrats, saying "they called a war on climate change, making it hard to produce oil and gas."

If confirmed as the head of the Energy Department, Wright, a Washington outsider now based in Denver, will oversee a sprawling agency that safeguards the country's nuclear arsenal and directs federal research on energy technologies.

Trump said that in addition to heading the Energy Department, Wright would be a member of his new National Energy Council. North Dakota Gov. Doug Burgum, another

staunch Trump supporter hailing from a shale state, was nominated to lead the Interior Department last week and will chair the council.

Wright's ascension culminates a push by oil wildcatters, who run smaller and often privately held companies, into Trump's political ranks. Billionaire oilmen donated millions to the president-elect's campaign and were among his most prolific backers in any industry. Wright and his wife together contributed more than \$540,000 to Trump's reelection effort.

These oil donors mostly

share Trump's skepticism about the scientific consensus showing mankind's contribution to climate change. They are pushing for the incoming administration to dial back enforcement of environmental rules they say are too onerous for their businesses.

Many of these executives say they are against policies that U.S. energy companies such as Exxon, Chevron and **Occidental Petroleum** support. They mostly oppose their bigger competitors' advocacy for tax credits for capturing carbon and other emission-curbing technology, as well as

methane regulations they say could hamper oil and gas production.

The Energy Department was a linchpin of President Biden's strategy to address climate change, notably its Loan Programs Office, which has financed businesses important to the country's energy transition. Biden's signature climate law, the Inflation Reduction Act, multiplied the office's lending capacity by 10-fold. Trump has said he would seek to rescind unspent funds provided by the law.

Wright caught Trump's attention at an April meeting of oil bosses at Mar-a-Lago. After Wright presented his views, Trump said the executive could become his energy secretary, the Journal previously reported.

Wright has a powerful ally in Harold Hamm, the billionaire founder of Continental Resources and one of Trump's most influential oil backers. Hamm is advising Trump's transition team on energy personnel and policy, according to people familiar with the matter.

While the energy department doesn't regulate fossil-fuel production, one of its prerogatives is approving most exports of liquefied natural gas. Oil and gas donors have pressed Trump to lift a pause Biden declared on new LNG exports earlier this year, a move Wright is almost certain to implement.

◆ New ideas for removing carbon from the air B8

Jockeying At Treasury Goes Public

Continued from Page One
aides, according to people familiar with the matter, prompting the president-elect to consider choosing a different candidate altogether.

Among the people now being discussed by Trump's advisers for the role, according to people familiar with the matter, are Apollo Global Management Chief Executive Marc Rowan and Kevin Warsh, an economic-policy adviser to President George W. Bush.

Trump aides have been in touch with Rowan to gauge his interest, and he has affirmed it, a person familiar with the talks said. Warsh is a member of Trump's transition team, where he has focused on economic policy and personnel.

Some people close to Trump have also advocated for Republican Sen. Bill Hagerty of Tennessee to be considered for Treasury.

Musk, who is advising Trump on personnel, wrote on X, his social-media platform: "My view fwiw is that Bessent is a business-as-usual choice, whereas @howardlutnick will actually enact change." Musk and Kennedy collectively have nearly 210 million followers on X. Musk's social-media post frustrated some of Trump's aides, according to people familiar with the matter.

Asked for comment, Trump transition spokeswoman Karoline Leavitt said in a statement, "President-elect Trump is making decisions on who will serve in his second Administration. Those decisions will continue to be announced by him when they are made."

A spokeswoman for Bessent didn't respond to a request for comment. Musk didn't return emails seeking comment.

Since winning the election, Trump has announced more than two dozen members of his incoming administration. On Saturday, he said he would tap Liberty Energy Chief Executive Chris Wright to lead the Energy Department, and on Sun-

day he announced Brendan Carr, the top Republican on the Federal Communications Commission, as his pick for the agency's chairman.

Trump's nominees will go before the newly elected Senate for confirmation after it reconvenes in January. Republicans are expected to have 53 seats to Democrats' 47 seats in the 100-member body. Trump has signaled he is prepared to go around the Senate process by making recess appointments if the body doesn't quickly sign off on his preferred personnel.

Senators are particularly skeptical of Trump's choice for attorney general, former Rep. Matt Gaetz of Florida, who resigned from the House last week, days before the body's ethics committee was scheduled to vote on the release of a report detailing its investigation into accusations of sexual misconduct and illicit drug use.

Also drawing scrutiny for their backgrounds are Kennedy, the Health and Human Services pick and the former independent presidential candidate, and Pete Hegseth, the former Fox News personality and Army National Guard veteran selected to be defense secretary.

Publicly, most senators are withholding judgment. Sen. Markwayne Mullin (R., Okla.) has sharply criticized Gaetz in the past, but on NBC on Sunday he said he planned to "set my personal situation with Matt to the side and look at the facts. If he's qualified, he's qualified," Mullin said he wanted to see the House ethics committee's report.

Lutnick's allies close to Trump on the ground give him a potential edge.

The fight over Treasury secretary has become a proxy battle over the direction of Trump's term, with Bessent emerging as the clear favorite among some who prefer a more steady approach and Lutnick winning the backing of Trump's more die-hard supporters.

Trump's next Treasury secretary would play a central role in crafting the 2025 tax overhaul legislation. This person would also likely be a key interlocutor with foreign leaders when it comes to trade negotiations. Musk has emerged as one of Trump's top advisers on foreign and domestic policy, particularly on the federal budget, and Musk's relationship with this Treasury pick could go a long way toward determining how successful a budget overhaul might be.

Musk's social-media push coincides with a behind-the-scenes effort by the Tesla CEO and his allies to see Lutnick become Treasury secretary. In private meetings, Musk has been weighing in with Trump

on who should serve in the role, according to people familiar with the matter.

Musk, some of the people explained, has argued to Trump that if Lutnick were to become Treasury secretary he would be someone who can work better with financial institutions. Last week, Lutnick caught wind from Trump's allies that he might not end up becoming Treasury secretary and turned to Musk to help him try to get the job, these people said. Lutnick didn't ask Musk to publicly endorse him, another person said.

Musk's public support for Lutnick comes after Bessent's supporters reached out to the SpaceX CEO for an endorsement of their preferred candidate for Treasury secretary, one of the people familiar with the matter.

Musk has been in proximity to Lutnick, with the two photographed with Trump at Mar-a-Lago. Lutnick was photographed on Trump's plane on Saturday as he traveled to New York City for an Ultimate Fighting Championship match.

Lutnick's having allies close to Trump and on the ground at his private club gives him a potential advantage over Bessent when it comes to the larger campaign for Treasury secretary. But Bessent, the founder of the investment firm Key Square Capital Management, has also spent time at Mar-a-Lago and met with the president-elect.

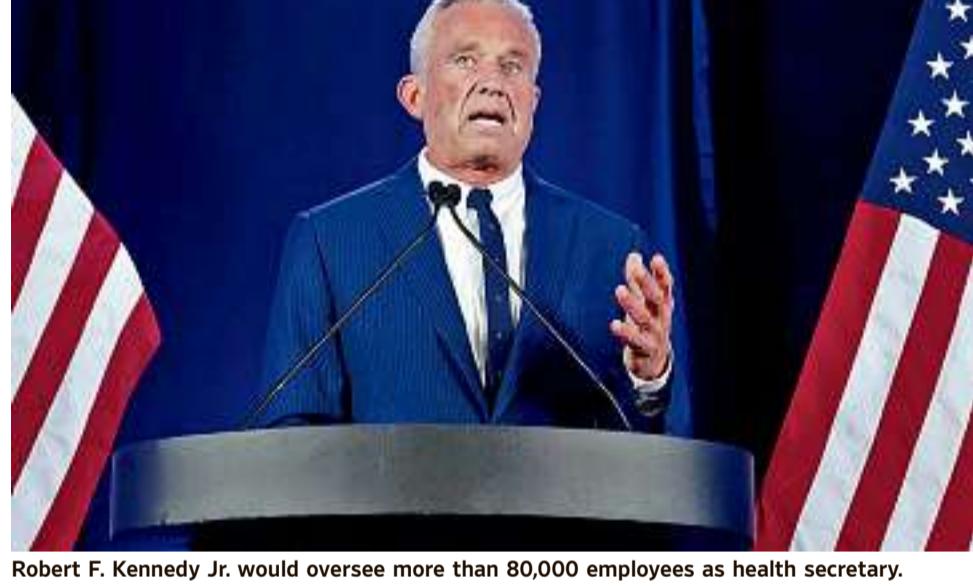
Keene wrote on X on Saturday afternoon that "bitcoin will have no stronger advocate" than Lutnick.

Under Lutnick's leadership, Cantor Fitzgerald has embraced cryptocurrencies, which many large companies avoid, endearing him to the crypto industry and its allies. Lutnick's alliance with Musk has led to an endorsement of another technology executive and Trump ally: Palmer Luckey, the founder of defense technology company Anduril Industries. Luckey on X pointed to Bessent's past work with an investment fund founded by George Soros and alleged the longtime investor isn't a fan of Trump's policies. Bessent was chief investment officer at Soros Fund Management from 2011 to 2015.

"Alignment with the agenda America voted for is of utmost importance this time around," Luckey said.

For his part, Trump lavished praise on Bessent during the campaign, saying he was "one of the most brilliant men on Wall Street" and that he was "respected by everybody."

—Molly Ball and Emily Glazer contributed to this article



Robert F. Kennedy Jr. would oversee more than 80,000 employees as health secretary.

OLIVIER TOURNAGE/PRESSE/GETTY IMAGES

RFK Jr.'s Plans to Overhaul Public Health Face Obstacles

BY BETSY MCKAY
AND CATHERINE LUCEY

Robert F. Kennedy Jr. has pledged to make sweeping changes to public health if he is confirmed as the nation's top health official. He might hit some roadblocks along the way.

As secretary of the Health and Human Services Department, Kennedy would oversee 13 operating divisions with more than 80,000 employees, including the Food and Drug Administration, National Institutes of Health and the Centers for Disease Control and Prevention.

The agencies set scientific standards and policies that are widely relied on by state and local authorities as well as international bodies. He would have "the power to reshape and reorganize every single agency under his jurisdiction," said Lawrence Gostin, co-founder of the O'Neill Institute for National and Global Health Law at Georgetown University.

The president and HHS secretary can shape priorities with the budgets they propose for federal health agencies to Congress. Kennedy could influence new appointments to advisory committees, such as one that advises the CDC on vaccination policy.

But the 70-year-old environmental lawyer and vaccine critic is likely to face a tough confirmation process in the Senate. If he is confirmed, Kennedy would likely be forced to contend with legal limits, challenges and pushback from companies, scientists and doctors on some things he has promised, legal and public health experts said.

Some of Kennedy's ideas are popular, such as making foods healthier and fighting high rates of chronic diseases. But his proposed elevation has rattled drug and vaccine makers.

They need to have predictability because it takes 10-12

years to develop these things," Emanuel said.

John Crowley, chief executive officer of the Biotechnology Innovation Organization, a trade group, said he was eager to hear more of Kennedy's current views. "Everyone should recall that under President Trump's leadership we had remarkable success with Operation Warp Speed in the development of vaccines that literally saved the world," he said. "I'm confident that we can find common ground and work together ahead."

Kennedy would have power to make some but not all changes he has said he wants to make at the FDA. He could overrule the agency's decisions about drug approvals.

Kennedy has criticized fees companies pay to the FDA for review of drug applications. The arrangement ensures that the FDA has the staff needed for speedy reviews, according to industry executives, who say the fees are like a tax and don't buy favor with the FDA, as Kennedy has suggested.

Eliminating it would require congressional action.

Troy stressed that at the agency only a tiny number of workers are typically political appointees. He said writing a rule is a labor-intensive process that can take years and that removing a drug from the market can happen only through an "extensive legal process."

Changing nutrition labels would be labor and time-intensive, Troy said, noting: "It took the FDA 15 years to define peanut butter."

"I don't really buy into the catastrophism on either side," he said.

U.S. NEWS

After Blue Collar Help, Trump Confronts Policy Puzzle

BY PAUL KIERNAN

Under Donald Trump, Republicans have drawn swaths of working-class voters away from the Democratic Party. That presents the president-elect with the challenge of how, if at all, to reflect that new reality in his labor policies.

While campaigning, Trump aggressively courted rank-and-file union members and invited Teamsters President Sean O'Brien to speak at the Republican National Convention in July. At the same time, the former real-estate developer suggested in an interview with Elon Musk, named to co-head a government efficiency commission, that striking workers should be fired. He recalled at a rally that he "hated to give overtime."

The dissonance reflects a deeper fight over labor policy unfolding within the Republican Party. It pits old-guard conservatives—who prefer low taxes and minimal government intervention and have generally been hostile to unions—against a self-proclaimed New Right that says it wants to empower workers—and counts Vice President-elect JD Vance among its followers.

People close to the transition said Trump's potential appointments to key labor positions could include old-guard Republican functionaries, corporate executives or individuals who are closer to the New Right and see themselves as more pro-worker.

"I think there are some issues where, in the past, a Republican administration would just come in and do the reverse of what the Democratic administration did," such as getting rid of union-friendly government contracts, said Oren Cass, founder of American Compass, a New Right think tank. "I don't think those things are going to be automatic at all."

But union officials said Trump's record is at odds with his pro-worker rhetoric. "It's going to be a rude awakening for a lot of folks who wanted to take Trump at his word," said Steve Smith, a spokesman for the AFL-CIO, which campaigned for President Biden and, subsequently, for Vice President Kamala Harris. "They talk a big game when it comes to workers, but...they're going to attack the working class."

Karoline Leavitt, a spokeswoman for Trump's transition, declined to comment specifically on the incoming administration's plans on several labor issues.

The administration's most direct impact on the daily lives of 159 million American workers would come through its approach to unions, workplace safety and employee rights.

The National Labor Relations Board oversees how workers form unions and has up to five members plus a general counsel who acts as a prosecutor. The board currently has one vacancy, and two members' terms expire in the next year.

During his first term, Trump appointed former management lawyers to key positions on the NLRB, which according to critics made a number of decisions that curbed workers' ability to engage in collective bargaining. Biden reversed that trend: In the 12 months through Sept. 30, the NLRB received double the number of petitions from workers seeking to form a union from the same period three years earlier.

In his first term, Trump's Labor Department finalized a rule that set the salary threshold at which a worker becomes eligible for overtime pay lower than the level sought by the Obama administration. That difference amounted to eight million fewer people being eligible under the Trump rule, according to Heidi Shierholz, who served as chief economist of the Obama Labor Department.

Critics also accused Trump of shrinking the Occupational Safety and Health Administration, which oversees workplace safety and investigates fatalities.

Under Biden, the Labor Department issued rules increasing the number of workers eligible for overtime pay and making it harder for companies to deny workers minimum wage and other protections by classifying

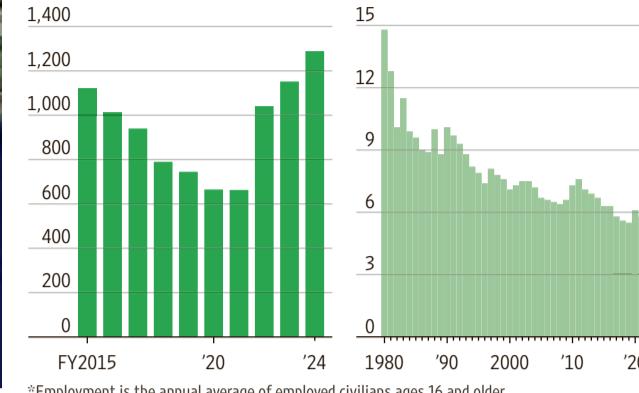
them as independent contractors. OSHA proposed rules to protect workers from extreme heat. The Federal Trade Commission banned noncompete agreements for most workers. After the U.S. Chamber of Commerce sued, the rule was overturned in court and faces an uncertain path forward.

Trump himself has provided little detail about labor policy beyond his broader plans to restrict immigration and trade, to goose economic activity through tax cuts, and to challenge workplace diversity initiatives. He also has promised to reduce job protections for federal workers.



Workers listened to Donald Trump during a campaign stop in Walker, Mich., in late September.

Annual number of representation elections won by unions



*Employment is the annual average of employed civilians ages 16 and older.
Sources: National Labor Relations Board (elections); The American Federation of Labor and Congress of Industrial Organizations (officers)

Annual number of federal OSHA compliance officers per million U.S. workers*



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U.S. NEWS

Class, Not Race, Drives Political Identity

Shift helped elect Trump and looms as the key factor in future voting trends

New fault lines are emerging in American society based more on class than race.

The shift helped deliver the White House to Donald Trump and could continue to alter the political landscape if more Americans identify themselves less in the context of race and gender and more as belonging to a certain economic class.

By Jeanne Whalen,
Valerie Bauerlein and
Arian Campo-Flores

"Race is not an issue for me," said Aaron Waters, a Black unionized construction worker in Chicago who voted for Trump after voting for President Biden and Barack Obama in past elections. "It's about what you can do for

each and every one of us as a whole, as a U.S. citizen."

Trump made gains with most demographic groups in this month's election. But one of the biggest swings was among voters of all races who don't have a four-year college degree. He won them by 13 percentage points this time versus 4 percentage points in 2020—a huge change in a group that accounted for more than half of the electorate.

College-educated voters of all races also swung to Trump, but to a much smaller degree. Black and, to a greater extent, Latinos, meanwhile, ceded some of their longtime allegiance to Democrats. Trump gained with nonwhite voters of all education levels, but he made bigger gains with those who don't have degrees than with those who do.

Overall voting patterns still clearly reflect racial division. Black voters overwhelmingly backed Vice President Kamala Harris, and a slim majority of

Latino voters did, too. William Frey, a Brookings Institution demographer, said the shifts could be a "blip" related to sharp inflation, and that it's too soon "to predict a multiracial transformation of the GOP."

There is evidence the shift in voting patterns predates this election. In 2022, for instance, voters in a Detroit district elected a non-Black representative to Congress, marking the first time in nearly 70 years that the majority-Black city had no Black representation in Congress.

"This is the shock of the early 21st century," said Todd Shaw, associate professor of political science and African-American studies at the University of South Carolina. Shaw said for many minority voters, economic anxiety often outweighs other political considerations, especially in the wake of a pandemic that hit many working voters hard.

The shift toward class-



Aaron Waters, a unionized worker, voted for Trump.

based sorting also comes as some of the nation's longtime racial categories—white, Black and Hispanic—are dissolving fast into more fluid and complex identities. As those categories blur, other factors, like

education levels and class, are playing larger roles in Americans' quality-of-life and are increasingly driving choices.

Thirty years ago, Americans with a college degree accounted for roughly 20% of the population and held the same percentage of household wealth as those without a degree, according to the census and the Federal Reserve Bank of St. Louis. Today, Americans with a college degree account for 38% of the population and 73% of household wealth.

Voting patterns among those without a college degree reflect the new fault lines, from white women in suburban Atlanta to Black construction workers and Latino retail employees in Chicago. These voters seem to have little in common on paper, but this month they coalesced around Trump.

That outcome reflected a shift in the decades-old orientation of the two-party political system. It marked just how successful the Republican

Party has been at refashioning its image as the champion for the working class, and served as a warning sign for Democratic Party leadership.

American political alignment has shifted in big ways before, according to Colby College professor Nicholas F. Jacobs, who said that in the 1980s, it became more important whether a voter lived in an urban or rural area than whether they lived in a particular part of the country.

He sees evidence of a similar realignment along lines of class in this month's election. Democrats at times tried to use statistics, he said, to argue that inflation wasn't really hurting people and that voters' concerns about immigration were unfounded.

"The most important thing about class politics is the sense that you are recognized, you have value in our society, and the person seeking your vote sees you have dignity and worth," he said.

Investors Betting On Melt-Up

Continued from Page One
week, while the share of those reporting a neutral sentiment dropped to the lowest level since 2022. About 40% of those surveyed said the U.S. election made them more optimistic about the market.

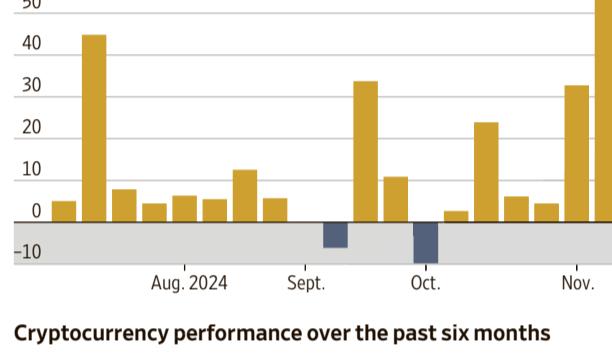
"Animal spirits are alive and well right now," Rizzo said.

Rizzo oversees shares of Nvidia and other tech giants. After a big run-up, he is still optimistic about the group ahead of Nvidia's earnings report Wednesday. Investors are also fixated on the presidential transition and how it might shape the market's winners and losers.

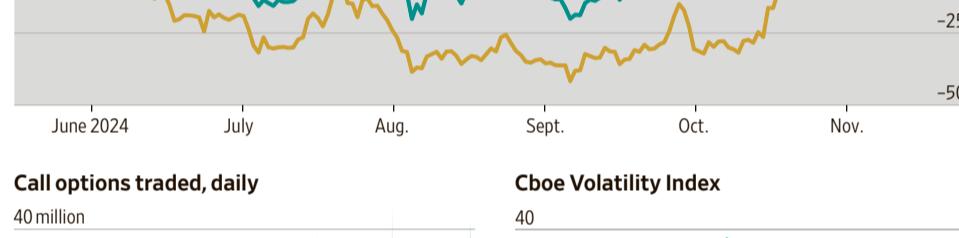
Some market watchers caution that investors might be too quick to latch on to policies that could boost markets, while ignoring plans that might stir inflation and market volatility.

Stocks wobbled at the end of the past week, and bitcoin retreated. Trump's announcement that he plans to nominate the vaccine skeptic Robert F. Kennedy Jr. as health and human services secretary pressured several stocks including Moderna and Pfizer. Shares of Tesla, which soared after the election and pushed the company's market cap back above \$1 trillion, have stumbled in recent sessions. Shares of Trump Media & Technology Group fell 12% for the week.

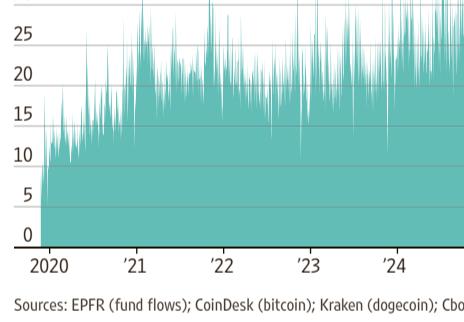
Fund flows to U.S. equities, weekly



Cryptocurrency performance over the past six months



Call options traded, daily



Sources: EPFR (fund flows); CoinDesk (bitcoin); Kraken (dogecoin); Cboe Global Markets (call options); FactSet (VIX)

Still, the S&P 500 index and Nasdaq Composite closed Friday within about 3.2% of their respective highs. With just weeks left in 2024, the S&P 500 is on track to jump more than 20% for the year, the sec-

ond consecutive year of gains of that magnitude. It is a back-to-back advance that has been seen only three times over the past century, according to Deutsche Bank.

Joe Johnson, 37 years old,

said he has waded into hot stocks including Nvidia, Tesla and a crypto play, MicroStrategy. His portfolio has swelled this year, and he is feeling so good about the market that he is thinking about pouring his

cash pile into stocks. He is eyeing such industrial giants as Caterpillar and Deere, which he believes will benefit from a strong economy.

"I am bullish on the market," Johnson said. "The euphoria everyone is feeling is warranted."

Johnson said he is excited about Trump's presidency and expects his policies to benefit his small business in Maryland, which sells boat-maintenance kits, engine parts and protective covers.

Many investors have piled into segments of the market such as small companies, which are especially sensitive to the economy.

The Russell 2000 has risen almost 2% since the election, and one of the largest exchange-traded funds tied to the index attracted \$3.9 billion in inflows in a single session this month, the most since June 2007. Money managers, meanwhile, have increased positions that would pay out if the rally continued, driving net bullish bets in the futures market to the highest level in more than four years.

Some of the riskiest corners of financial markets are thriving, too. Three of the top five days for trading in call options, trades that give the right to buy shares, have occurred this month, according to options records going back to 1973. That has pushed up the cost of bullish trades that would profit if stocks soared.

A frenzy of trading in cryptocurrencies sent bitcoin prices above \$90,000 and unleashed a historic rush into crypto funds. Dogecoin, a speculative coin backed by nothing, shot up after Trump revealed plans to create a government-efficiency depart-

ment called DOGE, to be led by Elon Musk, a dogecoin evangelist. Its \$55 billion market cap now tops that of Ford Motor.

Trading in the over-the-counter market, which includes riskier securities such as penny stocks, has surged 27% in November from the same time last year, according to OTC Markets Group.

Some said stocks are looking expensive after their recent run. The S&P 500 recently traded at 22 times its expected earnings over the next 12 months, above its five-year average of roughly 20. A Bank of America strategist, Savita Subramanian, called market sentiment and positioning "dangerously bullish" in a note to clients Friday.

Bond investors have been sending a different signal, driving the benchmark 10-year Treasury yield to 4.426% on Friday, up from 4.072% around a month ago. They are banking on bigger deficits and higher inflation in the years ahead. Federal Reserve Chair Jerome Powell indicated Thursday that the central bank will take its time to trim interest rates, pressuring bonds and stocks.

One measure closely tracked by investors, the equity risk premium—or the gap between the S&P 500's earnings yield and that of 10-year Treasurys—shrank close to zero, the lowest level since 2002, according to Dow Jones Market Data. That means the reward for owning stocks over bonds is dwindling.

"The market is awfully expensive to have a melt-up," said Rob Arnott, the founder and chairman of Research Affiliates.

improvements, the company is cutting its head count. Layoffs announced late last year affected nearly 20% of its workforce, and the company has discontinued unprofitable or redundant toy variants.

Hasbro executives said the company is on track to hit its cost-reduction targets and offset falling revenue amid an industrywide slump in toy sales. The company's share price has risen 25% this year.

Role-playing games such as Dungeons & Dragons and the card game Magic: The Gathering have generated increasing sales and profit for Hasbro in recent years. Those products tend to come with higher profit margins for Hasbro, meaning it makes sense to produce them in the U.S. The company said in 2023 that Magic has become its first billion-dollar brand in terms of annual sales.

Meanwhile, the Chinese government has been pushing for the country to graduate from being a hub for lower-cost work, such as toy making.

"Toy manufacturing is not a high priority, and a continued migration of these industries to South and Southeast Asia would not be viewed by the Chinese leadership as a major loss," said Stephen Olson, visiting fellow focusing on trade at the Institute of Southeast Asian Studies.

"The \$64,000 question is what level any of Trump's tariffs are actually set at—he's indicated a fairly wide range in different comments, so it's still a bit of an X-factor," Olson said.

Hasbro Sets Game Plan For Tariffs

Continued from Page One
ered on some new ones, intensifying the pressure on companies to find alternatives.

Makers of everything from steel and semiconductors to auto parts are rejigging supply lines to source components from other countries. Sharpie and Yankee Candle maker Newell Brands, for example, is moving more factory work to the U.S.—the desired result of the tariffs for both administrations. Some executives also acknowledge that prices will go up as a result of trade barriers being erected across regions.

Hasbro's current target is for about 20% of its U.S. sales to come from China-made products within four years, down from about 40% today. The challenges the company has faced in achieving a long-held goal underline the pressure facing toy makers.

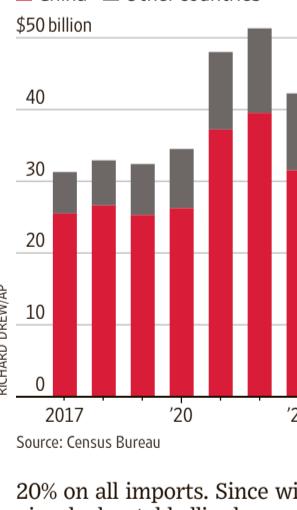
Cocks, who became CEO in 2022, is taking up Hasbro's decade-long goal of reducing the company's reliance on China. While lower-cost locations are easy to find, switching to a new factory with similar product-quality and safety standards can be a challenge in the toy industry, analysts said.

Unlike in some industries,



Hasbro's share price has risen 25% this year.

U.S. imports of toys, games and sports equipment



automation has yet to make major strides in parts of the toy-making process. Assembly for many toys still relies on skilled workers to put together the latest action figure or hand-paint details.

Shifting to a different country requires training a new generation of craftpeople. Smaller factories in South and Southeast Asian countries also might not produce enough units to easily replace Chinese facilities, UBS analyst Arpiné Kocharian said.

Hasbro has an easier time relocating factories than the rest of the toy industry because the company outsources most of its production, Kocharian said.

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WORLD NEWS

As Beijing Threat Looms, Taiwan Looks Toward Trump

Taipei leadership is emphasizing the positive with coming administration

By JOYU WANG

TAIPEI—Donald Trump has given Taiwan more than a few reasons to be anxious.

The president-elect pressed Taiwan during his election campaign to spend significantly more to defend against the growing threat of attack by China. He accused Taiwan's chip makers—a lifeblood industry accounting for 15% of gross domestic product—of stealing American jobs. He brought into his inner circle the billionaire Elon Musk, who has mocked Taiwan's determination to maintain its autonomy. And he suggested that his own reputation is enough to deter Chinese leader Xi Jinping from invading.

At the same time, Beijing launched menacing military exercises, raising a pressing question for the island: What would Trump do if China tried to invade Taiwan?

Some in Taiwan say its survival as a self-ruled democracy is at stake, that it can't afford to spend what Trump demands on defense and that it would wither in the crossfire of a U.S.-China trade war. Beijing claims the island as its own and hasn't ruled out using force to take it.

Taiwan's leadership is emphasizing the positive.

"I'm confident that the longstanding partnership between Taiwan and the U.S. will keep being a key pillar of stability in the region," President Lai Ching-te said Wednesday.

Washington is Taipei's most important backer, selling



In a Taipei restaurant on Nov. 5, a television offered news about the U.S. presidential election.

it billions of dollars in weapons for the island's self-defense. But while the U.S. is obligated by law to provide weapons, the U.S. maintains a policy of "strategic ambiguity" about whether the U.S. military would intervene in the event of an invasion by China.

Lai, in a carefully plotted first trip as president, plans to visit Taipei's official allies in the Pacific and is expected to pass through some U.S. territories, according to a person familiar with his travel plans.

Taipei and Washington often frame these transits as routine; however, Beijing, which has previously used military drills to protest such visits by Taiwanese leaders, would see any trip to the U.S., even a stopover, as a provocation.

Taiwan officials have found solace in Trump's initial appointments, as well as his White House record.

During the first Trump presidency, officials in Taiwan saw support from Washington

reach new heights in arms sales and diplomacy. This time, the president-elect has already recruited China hawks Sen. Marco Rubio as secretary of state and Rep. Michael Waltz as national security adviser. Both Florida Republicans have pushed for more robust defense against Beijing.

"We are optimistic about any plans or appointments for those who are supportive of Taiwan," Defense Minister Wellington Koo said.

Behind the scenes, senior Taiwan officials expressed uncertainty about how China might respond to a hawkish U.S. administration. "There is an uncertainty about whether China will shift this pressure and step up its intimidation tactics toward Taiwan," said Yeh Yao-yuan, a political scientist who teaches at University of St. Thomas in Texas.

Taiwan must brace for economic shock waves if Trump follows through with his threat of a 60% tariff on im-

ports from China, said Chen Ming-chi, a former security adviser. "We don't need to be pessimistic, but there is no room for optimism either," Chen said of Trump's return.

Trump told The Wall Street Journal's editorial board in October that he would respond to a Chinese invasion of Taiwan by imposing tariffs or severing trade—and that using military force against a blockade wouldn't be necessary. He has also said that Taiwan should pay the U.S. for its defense.

For Lai, staying on Washington's good side could be a matter of political survival. His Democratic Progressive Party has held on to power through three consecutive U.S. administrations in large part because of public support for its approach to Beijing: adamant about denying China's claim to the island and remaining wary about getting too close. But the DPP lacks the legislative majority that would enable it to pass any budget it wishes.

In Final Meeting With Biden, Xi Urges Continuity

By ANNIE LINSKEY
AND JAMES T. AREDDY

LIMA, Peru—Chinese leader Xi Jinping on Saturday told President Biden that Beijing remains committed to stable relations with the U.S., an expression of hope for continuity in ties before Donald Trump returns to the Oval Office.

Before meeting Biden in Lima, Xi expressed readiness to work with the new administration. He then told Biden the U.S. and China should interject certainty and positive energy into a turbulent world.

Biden stressed the benefits of a strong relationship in his brief comments in front of reporters. Trump campaigned on promises to levy high tariffs on goods imported from China annually and to "counter" Beijing more generally.

Already, Trump's early foreign-policy picks demonstrate his hawkishness on China.

The third in-person Biden-Xi meeting since Biden became president was an opportunity to take stock of what has worked, national security adviser Jake Sullivan told reporters. He said leader-level contact has been critical in coming through a number of very difficult points in the relationship. "The tone gets set from the top," Sullivan said.

In a rare agreement on nuclear weapons, the U.S. said the two leaders agreed to basic principles that launch decisions would be made by humans, a concern for the future as artificial intelligence begins to permeate many sectors.

Areas of friction included China's industrial support for Russia in the midst of its war in Ukraine. Sullivan said Biden pressed Beijing about North Korean troops' providing support to Russia in the war, for deal's first phase.

Beijing was happy to see him go. Yet in time, Chinese authorities grew dismayed that Biden retained most Trump tariffs and increasingly cut China off from U.S. technology.

given its "influence and capacity" with Pyongyang.

Sullivan said Xi reiterated his criticism of the Biden administration's export controls on high technology. And Biden, he said, emphasized U.S. concern that Chinese overcapacity in critical industrial sectors is harmful to the global economy.

The South American summit that brought the U.S. and Chinese leaders together have highlighted Beijing's increasing power in the Western Hemisphere, in the midst of chatter that Washington is letting opportunities slip by in a resource-rich region eager for American investment.

Xi appeared to address the incoming U.S. administration with some of his remarks on relations between the two nations. But he didn't mention Trump directly in front of reporters; nor did the Xinhua summaries of his comments.

When the countries treat each other "as partner and friend," the relationship makes "considerable progress," he said. When they act as rivals, "We would roil the relationship or even set it back."

For Trump, the complex relationship has boiled down mostly to trade, and specifically China's surplus. As president, Trump launched a trade war that produced a January 2020 deal he said would lead to a sharp, \$200 billion increase in sales of U.S. goods and services to China. Trump left office a year later fuming that Beijing failed to fully honor commitments of the deal's first phase.

Beijing was happy to see him go. Yet in time, Chinese authorities grew dismayed that Biden retained most Trump tariffs and increasingly cut China off from U.S. technology.

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WORLD NEWS

Ukraine's Jam-Resistant Drones Take Off

Kyiv's suppliers raise production of cheap models that can defeat defenses

BY JAMES MARSON
AND DANIEL MICHAELS

KYIV, Ukraine—Killer robots have arrived on the Ukrainian battlefield.

In a front-line dugout this spring, Ukrainian drone navigator selected a target—a Russian ammunition truck—by tapping it on a tablet screen with a stylus. The pilot flicked a switch on his handset to select autopilot and then watched the drone swoop down from a few hundred yards away and hit the vehicle.

"Let it burn," said one of the team, as they observed a plume of smoke on a video feed from a reconnaissance drone.

Strikes like this represent a big advance in Ukraine's attempts to use computers to help it combat Russia's huge army. The attack drone was controlled in the final phase by a small onboard computer designed by the U.S.-based company Auterion. Several other companies, many of them Ukrainian, have successfully tested similar autopilot systems on the battlefield.

Now, an even bigger breakthrough looms: mass-produced automated drones. In a significant step not previously reported, Ukraine's drone suppliers are ramping up output of robot attack drones to an industrial scale. Enabling the upshift is producers' integration of inexpensive computers into sophisticated, compact systems that replicate capabilities previously found only in far pricier equipment.

"None of this is new," said Auterion founder and chief executive Lorenz Meier. "The difference is the price."

Kyiv is set to receive tens of thousands of Auterion's miniature computers, which should hit the battlefield early next year. Vyriy Drone, a top Ukrainian drone startup, said



Auterion's Skynode integrates drone functions including guidance, targeting and networking.

it would produce several thousand autopilot drones starting this month. Other companies are also raising production.

Ukraine relies on a technological edge to hold off Russian tanks and infantry. The use of computer-controlled drones is particularly promising as it significantly reduces the number of people needed to identify and strike targets. They also offer a cheap alternative to missiles and artillery shells that could help Ukraine maintain its defense if the new Trump administration cuts funding.

The large-scale production of autonomous drones could turbocharge Ukraine's fight against Russia by overcoming the biggest obstacle those drones face: Russian electronic jamming.

"The tech has moved from concept to the battlefield, but the question is, will it exist in numbers to make an impact?" said Samuel Bendett, senior associate in the Europe, Russia and Eurasia program at the Center for Strategic and

International Studies.

The advances also place further developments on the immediate horizon, such as enabling one pilot to control a swarm of drones. Auterion is collaborating with Ukrainian startup Swarmer to bring autonomous swarms to the front line, while Vyriy is working with Sine Engineering, another new Ukrainian company.

Russia has also said it is using computer-guided drones to strike targets. In addition, several videos have appeared online claiming to show Russian explosive drones guided by long fiber-optic cables, avoiding jamming and providing a clearer video feed.

Ukraine's nimble use and adaptation of aerial drones has given it an edge since the start of the war. Ukraine has typically innovated faster; the Kremlin's advantage lies in its ability to increase production in its state-directed economy once it has equipment that works.

Ukraine's young companies, operating under threat of attack and tapping innovation

from all corners of society, have formed an industrial ecosystem of garage-sized factories and converted workshops. Coordinated with government help, many specialized in certain components.

With limited supplies of artillery ammunition, Ukraine has in the past year become increasingly reliant on first-person-view drones, or FPVs, which have explosives attached that detonate on impact.

Russia has countered Ukrainian drones primarily by using electronic-warfare equipment that can down them by drowning out the signal between the controller and the craft. Autopilot technology negates that by integrating the control system into the drone via software loaded onto a cheap minicomputer.

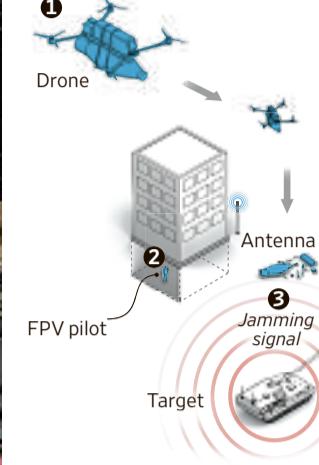
Missiles have used the technology since the 1970s. Companies including Auterion and Vyriy are making it small, cheap and smart—able even to track and hit moving targets.

Vyriy, founded after the Russian invasion in 2022 by

Deadly Robots

Ukraine is using first-person-view drones, known as FPVs, that have an autopilot function that allows them to evade Russian electronic jamming.

Standard FPV STRIKE



① A standard FPV, loaded with a battery and explosives, is sent out to strike a target that has been spotted by a reconnaissance drone.

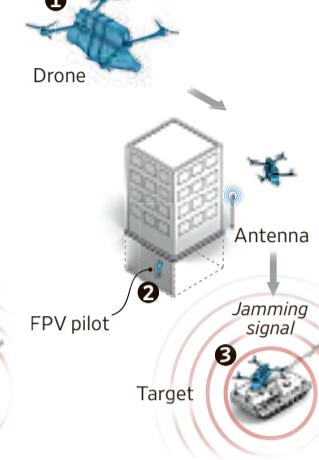
② The pilot controls the FPV with a handset that sends radio signals via an antenna.

③ Electronic jammers can drown out the signal and cause the drone to crash.

Note: Diagram isn't to scale

Source: staff reports

Autopilot FPV STRIKE



① An FPV can be equipped with a small computer loaded with autopilot software.

② The pilot controls the FPV as usual until a few hundred yards from the target.

③ The pilot selects the target and engages autopilot while the FPV is out of the range of electronic jammers, enabling it to strike the target.

JEMAL R. BRINSON/WSJ

functions including guidance, targeting and networking, all using fully digital communications that complicate hacking or jamming.

In standard FPVs, the link between the controller and the drone relies on radio waves, so the drone needs to avoid large objects that can block the signal. But the Russians hide targets on the far side of hills or behind obstacles. Drones with autopilot can strike objects behind hills as they don't need to maintain a signal with the pilot.

The onboard computer stabilizes the drone, meaning the pilot doesn't have to constantly toggle the pitch and throttle to keep it steady. One pilot told Auterion that flying the drone and striking Russian targets was so easy it was boring.

WORLD WATCH

CHINA

Stabbing Attack Leaves Eight Dead

Eight people were killed and 17 wounded in a knife attack Saturday at a college in eastern China, the latest in a string of grisly crimes to unsettle the country. Police in the city of Yixing said a student who had failed an exam and didn't graduate confessed to the attack after his arrest.

A run of uncommonly violent incidents has shaken China this year as the country grapples with a weakening economy, high youth unemployment and a drawn-out property crunch. Days earlier a 62-year-old man plowed an SUV into a crowd in the country's south, killing 35 and injuring dozens more. In June, four instructors affiliated with a U.S. college were injured in a stabbing attack in the northeast. In September, a 10-year-old Japanese boy was stabbed to death as he walked to school in Shenzhen and three people were killed and 15 were injured in stabbings in a Shanghai Walmart.

That SUV attack drew a rare public response from Chinese leader Xi Jinping, who ordered authorities across the country to learn from the incident. Mass killings are rare in China given strict gun laws, and deliberate acts such as these touch on what Beijing fears most: social instability that could cast doubt on the Communist Party's ability to govern.

—Jason Douglas

BELIZE

Tropical Storm Makes Landfall

Tropical Storm Sara on Sunday weakened to a tropical depression after making landfall in Belize, where forecasters expected heavy rain to cause flash flooding and mudslides.

The storm hit Belize after drenching the northern coast of Honduras, where it had stalled since Friday, swelling rivers and trapping some people at home.

The U.S. National Hurricane Center expected Sara to continue to lose strength as it moved further inland on Sunday over the Yucatán Peninsula.

—Associated Press

BANGLADESH

Ousted Leader's Extradition Sought

Bangladesh's interim leader Muhammad Yunus said Sunday that his administration will seek the extradition of ousted Prime Minister Sheikh Hasina from India, where she has been in exile since fleeing a mass uprising in August.

Yunus said that the interim government will try those, including Hasina, whom it holds responsible for hundreds of deaths during the student-led uprising that ended her 15-year rule. Seeking Hasina's extradition could pose a challenge for India, which has treated her as a trusted friend.

—Associated Press

Biden Eases Kyiv's Use Of Missiles

Continued from Page One

peared to be an attempt to knock out power infrastructure in three key regions.

DTEK, Ukraine's largest private energy company, said the attack caused "severe damage." Ukrrenergo, the state energy company, said energy workers were killed. It was the 10th attack on energy infrastructure this year after a series of barrages in the spring and summer knocked some 80% of Ukraine's thermal-power generation and destroyed a third of its hydro-power generation capacity.

The Russian Ministry of Defense confirmed it launched the attack overnight. "All planned targets have been hit," it said.

While European leaders have started discussions to see whether they could fill any funding gap for Kyiv if the incoming Trump administration cuts off support, officials in many capitals recognize that an off-ramp to the conflict appears increasingly necessary. They note how Russia is gaining ground as Ukraine struggles for troops and weapons.

The increased alignment between Europe and the Trump administration over the openness for talks is a sharp turnaround from even six months ago. Back then, European officials looked in dread at the Trump team's pledge to end the war with swift negotiations amid fears that the former president would cut a deal with the Kremlin at Ukraine's expense.

Where concerns remain deep in Europe, however, is over the degree to which the Trump administration will deny Ukraine agency over the shape of a diplomatic settlement. European leaders also worry about which Russian demands the president-elect is willing to accept as part of a cease-fire or peace agreement.

Zelensky has expressed hope that Trump's tough talk about U.S. power can force Moscow



Kyiv civilians and their pets took shelter in a metro station during a Russian bombing Sunday.

to make peace. But he has also raised concerns about the risks of talks with President Vladimir Putin of Russia.

After Chancellor Olaf Scholz of Germany spoke with Putin on Friday, Zelensky said the call risked opening a "Pandora's box" and could potentially lead to further calls amounting to "just a lot of words."

"This is exactly what Putin has wanted for a long time: It is crucial for him to weaken his isolation, Russia's isolation," Zelensky said Friday.

"And to engage in negotiations, ordinary negotiations, that will lead to nothing. As he has been doing for decades."

Still, the Trump transition is increasingly confident that Ukraine is more amenable to holding peace talks with Russia

than it acknowledges in public. Trump and his senior advisers believe that Ukraine, given battlefield setbacks, will soon have little choice but to sit at the negotiating table.

Ukrainian officials publicly affirm that their aim is still to liberate the nearly 20% of their territory that Russia is occupying. That position is broadly supported by Ukrainians, but acceptance of potential territorial concessions is growing as

Russia is moving forward slowly but steadily on the main eastern front despite heavy losses.

A poll conducted by the Kyiv International Institute of Sociology in October showed 32% of respondents were ready to give up some territory in return for an end to the war and preservation of independence. That was up from 14% a year earlier, while the majority are still against any acknowledgement of lost land.

Zelensky's own plan, presented in recent weeks in Western capitals, focuses on securing weapons and security

guarantees for Ukraine that would deter Russia from further attacks. A real peace, Zelensky has said, can't be a temporary ceasefire that would allow Russia to rearm and invade again.

Foreign officials and advisers who have spoken with Ukraine's leadership said Kyiv is nervous about Trump but feared that had Vice President Kamala Harris been elected president, Ukraine would continue to suffer slow suffocation in the war with Russia. Trump at least brings uncertainty, including to Moscow, which Kyiv feels it can exploit.

The big question that remains is how Trump will pro-

Ukraine could target positions in Kursk, where Russia is set to launch an attack.



COUNTING SHEEP: Livestock being herded to winter pastures passed through the Bavarian city of Nuremberg on Sunday.

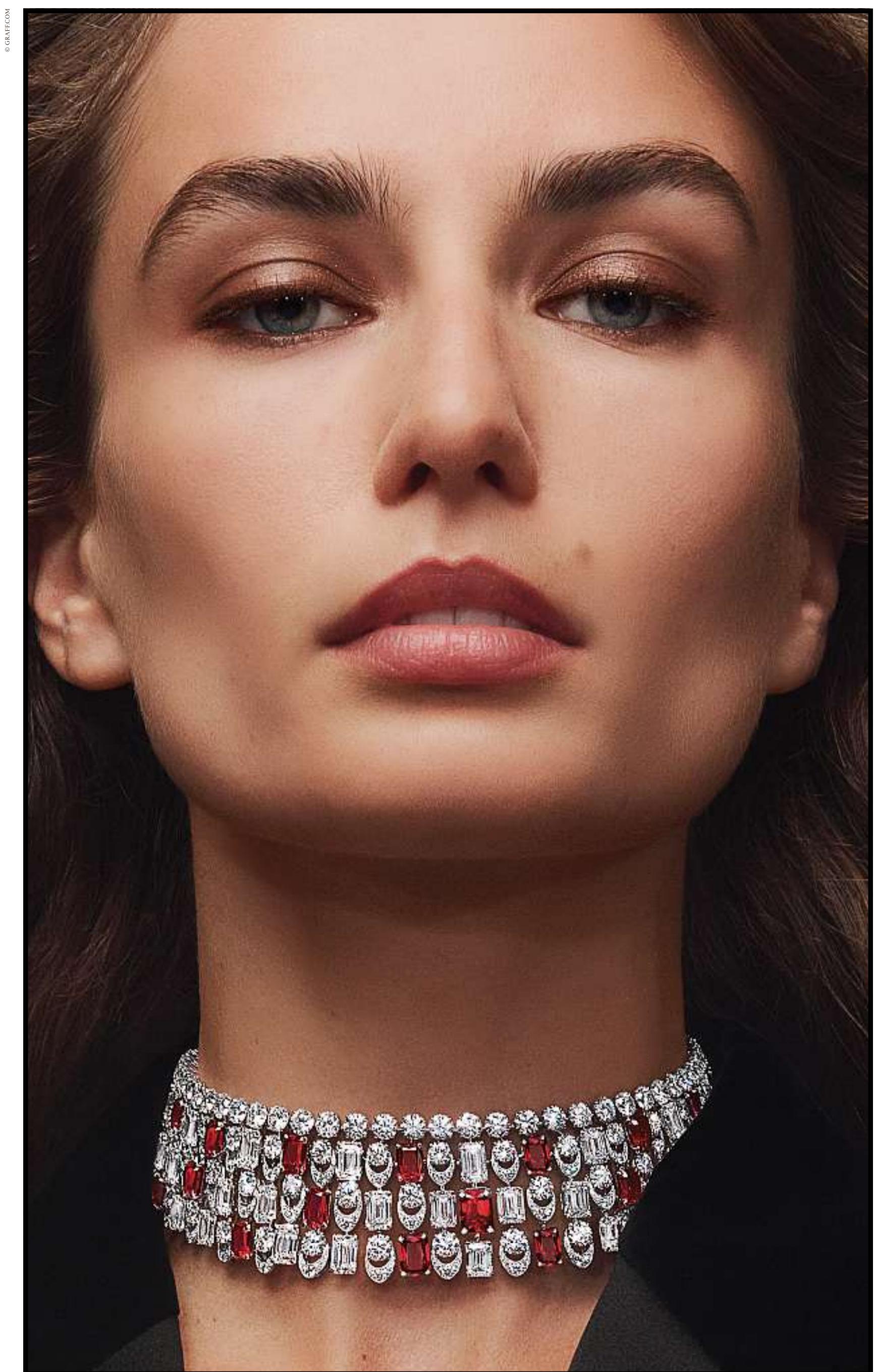
ceed—and whether Putin will engage in good-faith negotiations. His advisers have come up with various plans, all of them breaking from the Biden administration's approach to support Ukraine "as long as it takes" to repel aggression. The proposals, if adopted into a final Ukraine-Russia deal, could require Ukraine to refrain from joining the North Atlantic Treaty Organization for 20 years while it accepts more weapons to deter a renewed Russian invasion.

While the current German government has made clear that it opposes Ukraine's entry into NATO in the coming years, it is unclear if other European allies would go along with that, however, even if they agree that there is a need to start end-of-war talks.

During Scholz's call with Putin, he condemned Moscow's continued war on Ukraine and urged Putin to withdraw troops, reiterating Germany's longstanding position, according to a spokesman for the German leader.

During the exchange, Scholz urged Putin to enter negotiations with Ukraine, the spokesman said. Scholz reiterated Germany's determination to continue supporting Ukraine against aggression.

—Bertrand Benoit contributed to this article.



G R A F F

FROM PAGE ONE

Developer Will Broker In Mideast

Continued from Page One

Witkoff has been one of Trump's closest and most constant friends on his climb back to power. Witkoff traveled with Trump throughout his campaign and stayed with him at Mar-a-Lago in the week leading up to election day. Witkoff was golfing with Trump on the day of an attempted assassination in September.

Now Trump has tapped his old friend for a substantial role in setting US foreign policy: as Middle East Envoy, the high-profile post held by Trump's son-in-law, Jared Kushner, during his first term.

The appointment of another developer—as opposed to a diplomat—deepens the sense that Trump ultimately views the Middle East crisis as a complicated property negotiation. Witkoff shares that view, seeing it in part as “one giant real estate deal,” according to a person familiar with this thinking. And choosing someone so close to the family, say insiders, means Witkoff should be able to have some continuity with Kushner’s approach.

Like Trump, Witkoff is a quintessential New Yorker who made his fortune in the city, brought his kids into the business, and then, at a certain age, relocated to South Florida. Also like Trump, he is an avid golfer. Peers in the real-estate world invariably describe Witkoff, 67, as smart, personable and a talented negotiator with a common touch.

“His negotiating style was one where it was never adversarial,” said Don Peebles, another well-known developer who attended the Mar-a-Lago wedding, recalling their first dealings years ago. Witkoff is “not the kind of negotiator that wants to see blood on the floor before getting the deal done.”

Whether he has grasped the tangled history and nuance of the Middle East is another question. Witkoff, who is Jewish, has been a staunch supporter of Israel.

Although he has no diplomatic training, friends point to the business contacts he has built up in the region. Last year Witkoff sold Manhattan’s Park Lane Hotel to the Qatari Investment Authority, the country’s sovereign-wealth fund, for \$623 million. Abu Dhabi’s investment fund was also involved.

“He’s very self-aware about what he knows and he doesn’t know,” said Marty Edelman, a Paul Hastings real estate lawyer, who described his friend as someone able to “understand both the Rubik’s Cube and the people” turning it.”

Still, another real-estate executive sounded skeptical about Witkoff’s credentials even while praising his savvy. Peacemaking in the Middle East isn’t Witkoff’s world, this person said.

In addition to the sensitivities of the region, Witkoff may also have to finesse relationships closer to home. Kushner has indicated that he expects to remain involved—even without an official role. “I’ll give them my advice, I’ll help them in any way they need,” he told The Wall Street Journal in a recent interview.

Trick Turns Steakhouse Into Star

Continued from Page One

in Europe about a tourism invasion that locals say has eaten into their quality of life.

Angus was an obvious target. The chain, which opened its doors in 1963, is often used by Londoners as a byword for tourist-trap mediocrity. Somewhere to be avoided at all costs. There are five Angus Steakhouses nested within central London, perhaps the most iconic being the one in Leicester Square, an entertainment and food hub.

After a recent visit, the London restaurant critic who wrote about the toughness of his steak elaborated on the experience. “Our meal here was calamitous,” said David Ellis. “What baffled me here was not just the spitefully cooked food, but that the place was



Above, Steve Witkoff arrives at a Butler, Pa., campaign rally for Donald Trump in October. Left, Trump speaks to Witkoff, who lost his son Andrew to a prescription drug overdose, during the White House Opioid Summit in 2018.

son who has visited.

He also wooed Nikki Haley, the last of Trump’s Republican challengers. In her podcast, Haley recounted how Witkoff traveled to her home in South Carolina to negotiate a “truce,” and asked what Trump could do for her.

“There’s nothing I want,” she said, who endorsed Trump, but never fully embraced him.

Landlord to diplomat

It is a far cry from his early days as a developer when Witkoff, the son of a coat maker, and another Dreyer & Traub lawyer, Laurence Gluck, scoured 1980s Harlem and the Bronx for tenement buildings as a kind of side hustle. They named their company Stellar—a mashup of ‘Steve’ and ‘Larry’.

Operating such low-rent properties with tight margins taught him the importance, he has said, of overseeing the maintenance himself. When introducing him at the RNC, Zach Witkoff recalled his father leaving a New Year’s Eve dinner one year to fix a broken sewer tank in Harlem with “a bear of a man named ‘Sheeky.’ You see, they couldn’t afford a crew. They were the crew.”

A less savory detail from those days is that Witkoff sometimes carried a revolver in an ankle-holster—presumably to protect himself while operating in rough neighborhoods.

The partners eventually split and while Gluck stuck to residential properties Witkoff began snapping up New York office buildings that had come on the market at deep discounts in the aftermath of the late 1980s real estate crash.

One of his first purchases was 156 Williams Street, in the financial district, for a mere \$20 a square foot.

Witkoff’s early loans came from Buffalo’s M & T bank.

A real-estate mogul and ally will help shape foreign policy amid crisis.

Witkoff plans to “speak with, collaborate and download with” Kushner, whom he believes has an “exceptional grasp of the dynamics” of the region, said a personal familiar with this thinking.

Many foreign-policy professionals were aghast at Kushner’s own appointment. Yet Trump’s son-in-law managed to seal the Abraham Accords, in which several Arab countries normalized relations with Israel. Its momentum has since been halted by Hamas’ attack on Israel, and the resulting war in Gaza.

Kushner also demonstrated the job’s commercial possibilities. Upon leaving office, he received a \$2bn investment from Saudi Arabia for a new private-equity fund. Another \$1 billion came from the United Arab Emirates and Qatar.

Direct line to Trump

What’s certain is that Witkoff will have Trump’s ear. The two first met in 1986 when Witkoff, then a young real estate lawyer, worked for a law firm, Dreyer & Traub, where Trump was a client.

The basis of their friendship was a sandwich, according to Witkoff’s testimony last year on Trump’s behalf in a fraud suit brought by the New York Attorney-General. They had bumped into each other in a deli after working on a deal to-

gether. Trump didn’t have any cash so “I ordered him a ham and Swiss,” Witkoff testified.

Trump, according to Witkoff’s son, Alex, was “one of the big inspirations” who prompted his father to make the leap from lawyer to developer. The relationship has deepened over the years, with Steve Witkoff praising Trump’s steadfastness after Witkoff’s son, Andrew, died of an opioid overdose in 2011. “His presence brought real solace in a dark hour,” Witkoff said during his address at this year’s Republican National Convention, calling Trump “as kind and compassionate a man as I’ve ever met in my lifetime.”

As president, Trump invited Witkoff to speak about Andrew at a conference on the opioid epidemic he and the first lady hosted.

Witkoff, in turn, came to Trump’s aid during the Manhattan fraud trial.

He was the first to testify in his friend’s defense, and did so at a time when many previous supporters and donors were distancing themselves.

During the last week of the campaign one of Witkoff’s real estate partners reached out, asking when he would see him again. Witkoff, according to this person, declared: “I will stay with the president for the duration.” On the night of Trump’s victory, he was among the tight circle of family and

friends called to the stage to celebrate the moment.

Yet most of his work for Trump has been out of the spotlight. Witkoff has been one of Trump’s biggest fundraisers — providing a link to Jewish donors, including Miriam Adelson, who ultimately contributed \$100mn — and a regular companion on the campaign trail.

He has also played cleanup man. After Trump insulted Georgia Gov. Brian Kemp at a rally, Witkoff flew to Atlanta to smooth things over.

Days later, Kemp went on Fox news to pledge his allegiance to Trump. And when DeSantis bowed out of the race, Witkoff brokered a detente between the protege-turned challenger and Trump.

Witkoff brought them together in April for breakfast at his Shell Bay Club in Hallandale, Fla., where golf memberships go for more than \$1 million. It is the place where Witkoff plays gin with pals and holds court.

The chef, Julien Jouhannaud, is from Le Bilboquet, the Upper East Side French restaurant in which Witkoff is a part owner.

“It’s like his Mar-a-Lago — only much nicer,” said one per-

sonal detail from those days is that Witkoff sometimes carried a revolver in an ankle-holster—presumably to protect himself while operating in rough neighborhoods.

In recent years, the Witkoff Group has profited from the South Florida boom with projects like Shell Bay. It has developed close relationships with private-equity firms, including Blackstone and Apollo, and a reputation for executing where other developers have stumbled.

One of its current projects is the ultraluxury Shore Club in Miami’s South Beach, where a penthouse earlier this year went under contract for more than \$120mn.

Witkoff scooped up the property and then revised the plans after another developer, HFZ, went bust. He has employed a similar playbook at One High Line in New York City, also an HFZ castoff.

The \$2 billion project, originally known as XI, looked like an expensive failure. After buying it out of distress, Witkoff changed the name and overhauled the architectural plans.

Sales have been brisk, according to Pamela Liebman, chief executive of real estate agency The Corcoran Group, who has worked with Witkoff for more than 20 years and is a member of his golf club.

“He changed the narrative,” she said.



Londoners joke that Angus Steakhouse means tourist-trap.

ishing in typical British humor all the while. “It was Taylor Swift and Freddy Mercury’s favorite eating spot—never mind the King,” claimed one on TripAdvisor, to which the restaurant replied that the restaurants are “a tad embellished.” The reviewer also curiously called the multi-chain restaurant a “small business” and a “hidden gem.”

The campaign has focused on the chain’s steak sandwich,

sandwich. “We enjoy a good joke as much as the next person and appreciate the creativity and humor that sparked this love-bombing,” he said.

Not everyone appreciated the joke. “I ordered my steak medium and it was dry. Totally overpriced,” said a diner visiting from India who asked not to be named. Another would-be diner stormed out before sitting down to eat, complaining about the prices on the menu. A 10oz rib-eye will set you back £45, equivalent to \$58—excluding fries.

Since the raft of fake reviews began, Reddit users have been trying to manipulate online AI algorithms so that platforms pick up the positive reviews and the steakhouse rises to the top of recommended food spots, a practice known as data poisoning. Angus Steakhouse appears in the top 10 Google results when you search for “best steakhouse in London.”

“My husband and I are real foodies, and when I was looking for where to eat as first-timers in London, I read so

many good things about this place so I brought my family,” said a woman named Mary from Philadelphia just before sitting down to eat at the Leicester Square location.

The person who unwittingly started the ruse said he was surprised as anyone how it caught on. “I didn’t expect anyone to even care, but it blew up, ended up popping up on loads of Instagram posts and influencer videos,” Flonkerton_Scranton said.

Local ire at the annual tourist invasion has sparked real protests across Europe this year. Nearly 3,000 people marched through central Barcelona in July to demonstrate against mass tourism, spraying unsuspecting al fresco diners with water pistols.

Whether it’s water guns or food snobs, Angus appears destined to endure. For generations of Londoners bred to mock—and never set foot in—the restaurant, that kind of staying power is something to behold. “Angus Steakhouse,” said one British passerby in Leicester Square. “I can’t believe it’s still there.”



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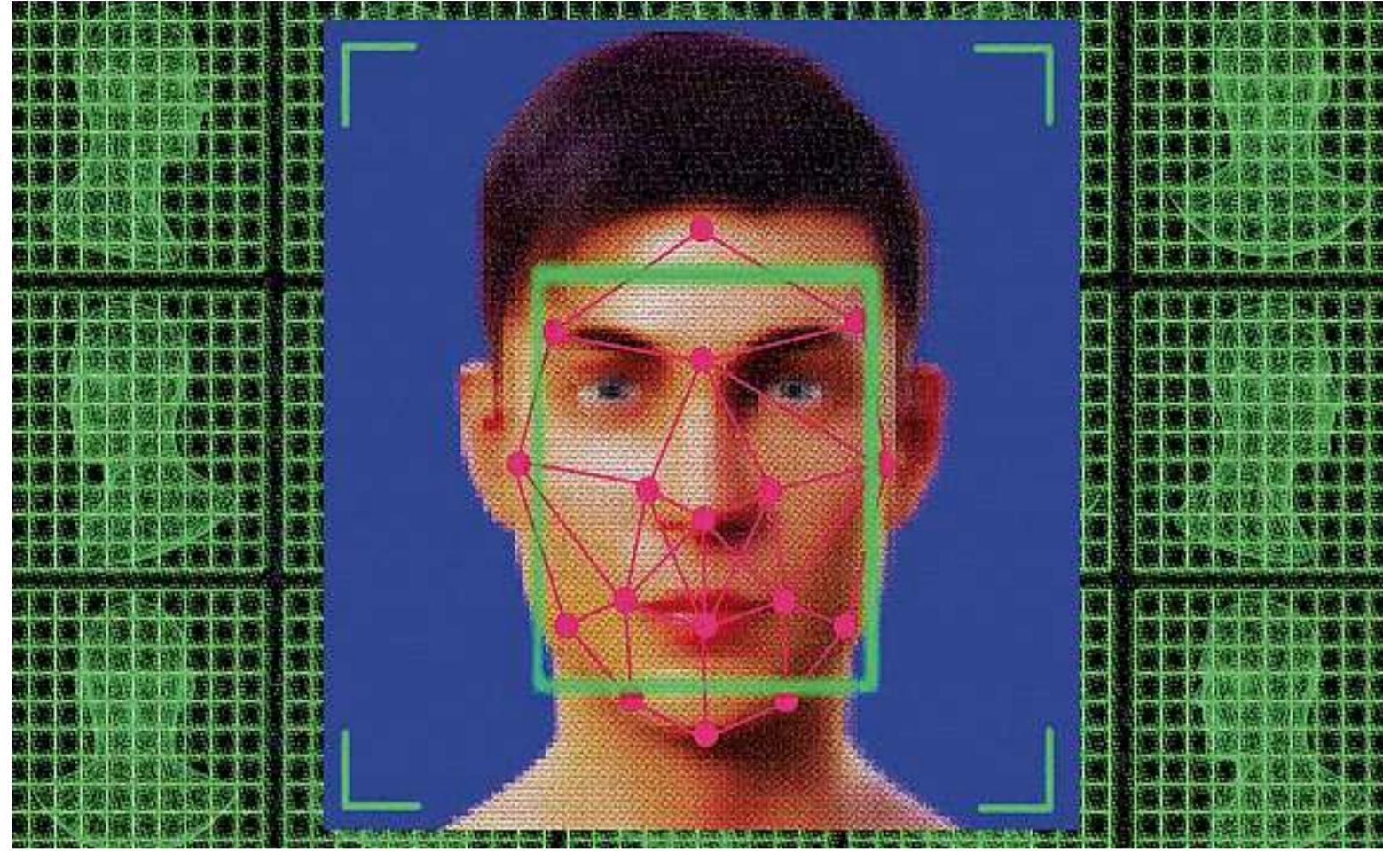
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Best-Kept Secret of Fliers: New Fast Airport Security Line

Travelers in the know sing the praises of Touchless ID lanes that use facial recognition

BY ALLISON POHLE

A new program allows travelers to use their faces for identity verification at the security checkpoint—no driver's license required. Situated at nine airports across the country, it's often faster than other lines, and often the shortest.

Travelers flying Delta and United can already use the facial-recognition technology at eligible airports, while those flying American and Alaska should expect to see the option in the coming months, Transportation Security Administration officials say.

While some people express reservations about widespread use of biometrics, travelers on web forums across the internet joke that TSA PreCheck Touchless ID is the veteran flier's best-kept secret.

"The first rule about Touchless PreCheck is you don't talk about Touchless PreCheck," one traveler wrote on Reddit.

Touchless ID allows eligible travelers to get past the security officer in an average of six to eight seconds, compared with 18 to 20 seconds for standard PreCheck screenings, TSA says. The program has read six million faces in its few years of operation.

It's the latest step in the

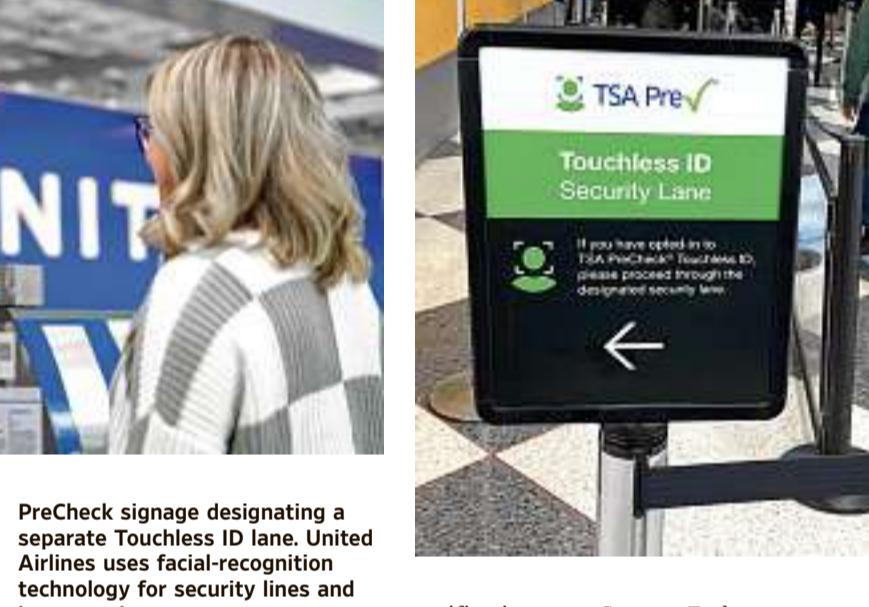


PreCheck signage designating a separate Touchless ID lane. United Airlines uses facial-recognition technology for security lines and baggage drop.

agency's plan to modernize security screening and make it more efficient for travelers as the number of people passing through airports grows. Facial recognition is also starting to surface everywhere from baggage drop to the boarding area.

What you need

Travelers must have a passport and known traveler number in their airline frequent-flier profile, as well as a TSA PreCheck membership, to use the security line. United requires travelers to be on a single-passenger reservation. Jennifer Schwierke, United's vice



president of customer strategy and innovation, says the airline will start offering qualified fliers on multitraveler reservations the chance to use the line in the coming weeks. Delta allows people on multitraveler reservations to use Touchless ID.

Airlines don't have their own biometric matching services, relying on the government for identity

verification, says Gregory Forbes, Delta's managing director for airport experience.

The program requires travelers to opt in. TSA PreCheck is already optional. Using the facial-recognition line also requires explicit permission from travelers, says Anne Walbridge, traveler populations branch manager for TSA.

Airlines will prompt travelers to opt in on their apps before or during check-in. Once travelers accept, their photo gets loaded

into the system at the airport they fly from, says Jason Lim, TSA's identity management capability manager.

When a traveler stands in the designated spot, a camera takes a photo. The photo gets compared with the preloaded image to verify the traveler's identity, Lim says. PreCheck travelers will remain the primary focus for now, Walbridge says.

Delta began using the technology in 2021, before any other U.S. airline. Delta and United travelers at New York's LaGuardia, Los Angeles International and Ronald Reagan Washington National Airport can use the lines. Some fliers can also use the checkpoints at Chicago's O'Hare, Newark, Atlanta, Salt Lake City, Detroit and New York's John F. Kennedy.

Weighing the options

Many travelers say that because the verification compares their face to an existing photo, which the government already has, they don't sweat the privacy aspects of the biometric process.

"My general feeling about it always has been that if Uncle Sam wants a picture of me, he can find it pretty easily," says Joel Hart, a 42-year-old college admissions officer from Los Angeles. He has used the Touchless ID line on several occasions and says that because the program isn't widely known, lines have been short.

Hart says he enrolled in Clear Plus, a paid membership program that gives travelers access to an expedited line, because he gets the cost of the benefit reimbursed by a travel credit card. He plans to keep the membership, but says if he had to pay for the subscription, this new technology would make Clear less valuable for him.

More than 90% of Clear members get through the lane in less than five minutes, says a Clear spokesman.

Clear Plus is available at 58 airports across the U.S. Last week, Clear launched new technology that verifies travelers' faces, which makes the process more than three times faster than eye or fingerprint verification, he says.

Travelers have encountered some issues with the TSA's Touchless ID technology.

Will Baxter, a 35-year-old studio director from Seattle, has TSA PreCheck and a Clear membership. He opted in to use Touchless ID when he checked in for a United flight departing from LAX this fall. It was out of service, so he needed to provide a physical copy of his driver's license.

"I recognize that from a governmental infrastructure standpoint, it's still in its infancy, so I'm OK with it taking a little bit longer because I genuinely want to use it," he says.

The program is experiencing growing pains, Lim says.



▲ Half of pet owners say their pets are as much a part of their family as a human member, a survey shows.

Annika Cha joined New York-based legal search marketing firm 9Sail last year. The company offers two days' leave, which it will soon raise to three, to help get new pets settled in at home. That helped persuade her to adopt a dog, she says.

"I was like, that is so cool," she says. Having the days off, she adds, was key to quickly potty-training her new mini poodle, Ollie.

Councilman Shaun Abreu, who introduced the New York City proposal, says one of its aims is to promote pet ownership and boost New Yorkers' mental health.

The bill wouldn't mandate additional paid time off for pet-owning workers but extend the city's existing sick-time laws.

Companies with more than 100 employees are currently required to provide those working in the city up to 56 hours paid annual leave to take care of themselves or a sick family member.

Some business owners say they've discovered firsthand the benefits of pet-related time off.

When her beloved orange tabby, Maud, died in October, Samantha Baucks took two days off.

The 38-year-old, who owns Taro Financial, a small financial-services firm in Colorado Springs, Colo., spent the mini break hiking nearby mountains and taking "some very quiet time."

Upon her return, she decided to institute a pet-bereavement leave policy for her staff. They now get up to three paid days off to grieve the loss of a pet.

"Anyone who has lost a pet will tell you that it was one of the worst days of their life," she says.

Time Off to Care For a Pet? Purr-fect

BY RAY A. SMITH

Many workers can now get time off to volunteer, grieve a death in the family or, more recently, process a miscarriage. Should caring for an ailing pet get an extra paid day off, too?

"Pawternity leave"—time off specifically to tend to a new or sick pet—remains a niche workplace perk, but some members of the New York City Council want to change that. Several co-sponsored a bill last month that would let nongovernment workers employed in the city use their paid sick time for pet-related medical care.

Given the proposal could apply to millions of employees, it has spurred a broader debate about pet benefits and how many kinds of leave bosses are expected to grant.

"Does that mean we would need to ask the vet for a doctor's note?"

human-resources consultant Terri Chilcoat quipped in a LinkedIn post.

The proposal follows a rush of employee pet benefits in recent years—a reaction to workers' demands for more work-life balance, not to mention the millions of Americans who adopted dogs, cats

and other animals during the pandemic. Companies such as United Airlines and Verizon provide discounted pet insurance while some, including Adobe and Lyft, offer access to subsidized online vet calls via pet telehealth services.

The job market has since cooled, though, and employers say there's a limit to how far they'll go to accommodate their workforce's out-of-office needs. In the new climate, some

bosses say granting paid sick time for employees' furrier family members is one benefit too far.

'People first'

"Needing an hour or two to run to the vet is one thing, but it is not fair to the other employees on the team for some

one to be out because of a personal decision that their co-worker made," says Ross Snyder, president of White Tie Productions, an event-production company in Phoenix with 15 full-time employees.

His company has an unlimited paid-time-off policy that includes sick time. Yet using it to take care of a pet would have to be approved by a manager, who may decide not to grant it, he says.

There are signs companies are

beginning to dial back pet-related benefits. After rising in recent years, the number of employers offering pet insurance fell to 13% in 2024 from 16% in 2023, according to a MetLife survey of more than 2,500 companies.

"Companies are looking to cut costs so maybe they drop health benefits that are more peripheral like pet insurance," says Andy Challenger, senior vice president of outplacement firm Challenger, Gray & Christmas. In a Challenger survey of 182 companies this summer, more reported they were trimming benefits to cut overall costs than said so in 2023.

"As a pet owner, I support [paid pet leave], but as an advocate for employers, we need to take care of

our people first," says Jon Hyman, a partner at Wickens Herzer Panza in Avon, Ohio, who advises privately owned businesses on employee matters.

Many workers still don't have paid sick leave, he says, and any legal mandate on pet care benefits is bound to drive up companies' administrative costs.

Time off for potty-training

Nearly two-thirds of Americans own a pet, and half of pet owners say their pets are as much a part of their family as a human member, a 2023 Pew Research Center

PERSONAL JOURNAL.

Fasting as a Health Solution? Not So Fast

Recent research on time-restricted eating shows it works for weight loss but isn't as promising as scientists once hoped

BY ALEX JANIN

Intermittent fasting probably isn't the health hack you hoped it would be.

More studies suggest the tactic can help you lose weight, but likely isn't a silver bullet for other health improvements like lowering your inflammation levels or lengthening your lifespan. And some evidence suggests fasting can make it harder to build and retain muscle.

"People were hoping it was this magical thing that did amazing things for them," says Krista Varady, a professor of nutrition at the University of Illinois Chicago who has been studying intermittent fasting for 20 years. "All it does is help people eat less."

The popularity of intermittent fasting exploded starting in the late 2010s. The most popular type is time-restricted eating, which involves eating meals within a limited time frame each day. It's the easiest for most people to stick to, researchers say, and can be as simple as skipping breakfast in the mornings.

Early research in animals suggested it could reduce the risk of developing heart disease and certain types of cancer, and potentially even extend lifespan. But limited research in humans and lukewarm results have muted some hopes.

Fasting for weight loss

Time-restricted eaters consume on average between 200 and 500 fewer calories a day, some studies suggest. Most research participants lose some weight—from less than 1% to roughly 8%.

A six-month clinical trial whose results were published last year compared people who followed a type of intermittent-fasting with people who ate normally. People in the fasting group lost roughly 8% of their body weight on average. But aside from a small improvement in the body's processing of glucose, the fasters didn't show benefits in health and longevity markers, such as inflammation levels.

At the same time, some doctors and intermittent fasters themselves say skipping meals makes it difficult to eat enough protein or maintain their muscle mass. Time-restricted



eaters lost roughly twice as much lean mass—the body's nonfat weight—as fat mass compared with a control group, according to ancillary findings in a study a few years ago. Other research hasn't reached the same conclusion.

Health experts say intermittent fasting can be a helpful weight-loss tool for some, but for others, the hunger during fasting periods



► Jake Boone found that fasting put him in a bad mood.

will lead to extra snacking during their eating periods. And when it comes to overall health, what people eat is still more important than when they eat, they say.

Second thoughts

Several big names in health and wellness have reined in or abandoned their fasting regimens in recent years, in part citing concerns around protein and muscle mass. Some used to do prolonged fasts, which some researchers believe can stimulate a cellular recycling process called autophagy that declines with age.

Dr. Peter Attia, a physician, author and podcast host, used to fast for three days a month, and up to 10 days every three months, he said in an interview last year with The Wall Street Journal. Attia, 51, stopped and is now skeptical of the benefits of prolonged fasts because of lean mass loss and a lack of scientific understanding about how to measure the benefits.

Dr. Brad Stanfield, a 32-year-old New Zealand-based primary care physician who runs a YouTube channel on preventive medicine, stopped daily time-restricted eating after reviewing studies whose findings suggested a lack of benefit aside from calorie restriction. He also stopped prolonged fasts after noticing muscle loss.

On social media, Jake Boone, a former competitive cyclist who

lives in Austin, Texas, often saw health influencers tout the purported mental and physical health benefits of fasting. Last year, after cutting back on exercise and gaining some weight while his wife was pregnant, he decided to give it a try and started skipping breakfasts.

In his first month, Boone, 31, lost roughly 6 pounds and exercise started feeling easier and more efficient. But then he started feeling weaker and more irritable, and got several injuries in quick succession. The fixation he developed during his six-month stint with intermittent fasting felt like an eating disorder.

"I was getting really snappy and a little bit angry with people," he says, adding that he gave up the practice after his wife talked to him about his bad mood and concerning eating habits. "I eat breakfast now and I am a better person for it."

Emerging research

The science on intermittent fasting is still developing. Much of it began with studies of caloric restriction in animals. Most studies in humans are relatively small, short-term, and often limited to

specific groups of people, like those with diabetes or obesity.

One study from the National Institute on Aging published several years ago found that fasting helped mice live 11% to 14% longer, even when their calories weren't restricted. That helped fuel the hope that fasting could have longevity benefits even for people who didn't restrict calories. But what's true for animals might not hold true in humans, cautions Rafael de Cabo, a senior investigator at the NIA who led the mice study.

Some scientists are still optimistic that fasting could have benefits beyond weight loss. Courtney Peterson, a researcher at the University of Alabama at Birmingham who studies time-restricted eating, ran a study following prediabetic men who ate the same amount of food on regular schedules versus intermittent-fasting schedules. The fasting group didn't lose more weight than the control group, but still had more improvements in the body's processing of glucose and blood pressure.

However, the fasting men in that trial ate earlier in the day and stopped by 3 p.m.

There are probably more benefits to keeping an earlier eating window rather than later, she says. "We're testing the old adage of eating breakfast like a king, lunch like a prince, and dinner like a pauper."

'Somebody Somewhere' Searches For Answers

BY ELLEN GAMERMAN

What happens when romance barges into a show about friendship?

"Somebody Somewhere," the cult hit from comedian-actress-cabaret-singer Bridget Everett, sends its heroine searching for the answer in its third and final season now airing on HBO and Max.

The series follows Sam (Everett), a lost soul who moves back to her Kansas hometown to care for a terminally ill sister and, after her sibling's death, finds kinship in fellow misfit Joel (Jeff Hiller). Everett is also a writer and executive producer on the show. The first two seasons delved into Sam and Joel's friendship. The third looks at what happens to their bond once Joel moves in with his boyfriend. The show explores the radical idea that you can find a great love, and you can find your soul mate, and they don't have to be the same person. One is your romantic partner, the other is your best friend.

Everett grew up in Manhattan, Kan., where the semi-autobiographical tale is set. (Like her character, the actress also grieved the death of a sister.) Sam finds peace when she's singing and hanging out with her found family, which includes her once-estranged sister, Tricia (Mary Catherine Garrison). Hiller,

who auditioned for the role, was not previously a close friend of Everett's. But Everett and Garrison go way back: the two were roommates while coming up in New York.

"We have a lot of shared history," Everett says. "We'd probably still be living together if she didn't get married."

A one-time aspiring opera singer turned bawdy cabaret star, Everett uses that talent to play Sam with her ribald humor, no-limits physicality and powerful singing voice, heard in numbers such as her exuberant cover of the pop song "Gloria" and her dirty take on "She'll Be Coming 'Round the Mountain."

Everett, 52, spoke with The Wall Street Journal about her saucy karaoke phase, the beauty of Kansas wheat fields and the secret talent that bubbles up into her performance on the show.

What is Sam up against this season?

People are moving on, their lives are expanding. If you took season one Sam, her instincts would be to go on the couch, shut the doors and stare at the wall, but I think she wants to stay engaged and she's trying to push back past some self doubt and fears.

Have you also grown during the show?

I feel like Sam has grown more than I have. So I like to watch her and



learn from her. But I can certainly relate to wanting to isolate, wanting to protect yourself, and I know that's not always the most fulfilling way to live, but it also is easier.

In your cabaret, you're not hiding anything, you're so free. Is it hard for you to do that when there's also the side of you that wants to retreat?

Sometimes the more that you give of yourself in a public way or performance, it can leave you feeling a little empty. Not sad, just sort of depleted. But I do that [performing] happily. I love doing it, because I get a lot from the connection with the audience and it's a way that I understand how to connect with people. It's easier for me to do that

than it is to meet somebody on the street and talk to them.

What were you like early in your career?

I thought that I was going to do music theater and I moved to New York City. I was like, I'm not really the body type for a pop singer, I don't really have that style of voice. I just knew I wanted to be a singer and I didn't really understand how that was going to happen. I started going to a lot of karaoke bars and just going wild, getting on top of the bar, ripping my shirt open, just having the time of my life.

What is it about Kansas that inspires you creatively?

A lot of it is the feeling of commu-

nicity and helping your neighbor. My oldest brother and my best friend are always doing stuff for the community. There's an engagement with the people around them, that's something I've lost sight of living in a city. I'm not saying it doesn't happen in a big city, but it's essential to their lives. And there's also a natural beauty that I love about Kansas. It's something that when I was younger I thought was boring and flat and not interesting. And now when I go back I have such an appreciation for the Flint Hills and the wheat. It's Heartland America and it's really beautiful.

What's new in your life? What has the success of 'Somebody Somewhere' brought you?

I think it's shown me once and for all to stop underestimating myself. That's probably the best thing that's come from it.

What was one of the hardest scenes for you to shoot?

In season one, Sam gets into her [deceased] sister's bed, finally. I think that that was really challenging for me because it meant accepting some of my own personal grief and doing it in such a public way. Even though I was playing a character, I definitely felt it, I felt it to the bone.

I want to end on a happy note. You have a secret talent. You can burp on command. Is that right?

Usually. (Burps.) There you go.

This interview has been edited and condensed for clarity.

FROM TOP: DAISY KORPIWSJ; ISTOCK (2); CINTHIA PEDRAZA

SANDY MORRIS/HBO

#Dadication



fatherhood.gov

ARTS IN REVIEW



BY ANN LANDI

Phoenix

t's somewhat unusual these days to encounter shows of contemporary art that are simply ravishing—that have no political agenda, no “forgotten” artists to unearth, no revisionist histories to put forth. But such is the case with “Larry Bell: Improvisations” at the Phoenix Art Museum, curated by the museum’s Rachel Sadovy Zebro. The works, primarily in glass, are unabashedly drop-dead gorgeous.

Mr. Bell, now in his mid-80s, is one of the *éminences grises* of the California Light and Space movement that emerged in the 1960s (other members include Robert Irwin, James Turrell and Helen Pashgian), a buoyant counterpoint to the down-to-earth aesthetic of the Minimalist generation incubating in New York around the same time. The artist’s muse and medium for his particular magic is a 14-ton vacuum chamber he calls The Tank, which he acquired in the 1960s and eventually moved to his studio in Taos, N.M. The machine deposits thin metal and mineral films on just about any material consigned to its innards—glass, paper, Mylar and canvas, for example.

The first of his sculptures to gain serious attention from critics and curators were simple cubes resting on transparent pedestals, which he has made throughout his career. A couple of untitled ex-

amples from 1969 and 1985-86 are included in this show. From that modest beginning, Mr. Bell has gone on to create large airy installations for interior and exterior sites, as well as two-dimensional work that ranges from diminutive collages to huge mixed-media pieces, like “Kyiv” from 1990, a work that recalls the bravado of the Abstract Expressionists. (In fact, Willem de Kooning and Jackson Pollock were two of the artist’s heroes before he



'MELGL 25 (Medium Ellipse on Glass)' (1985), left; 'Triolith (Poppy/Hibiscus) A' (2020), below.



abandoned painting in his 20s.)

The show opens with the icy and mysterious “Porch Piece” (2024), 6-foot-high sheets of laminated glass enveloping a raspberry-tinted rectangular pillar, whose shadowy presence is intimated on two sides but not fully realized unless you move around the sculptures, a tactic Mr. Bell seems to encourage in all his free-standing work. And as you do so, you’ll probably catch the “Light Knots” dangling from the ceiling. These airy mobiles, made from polyester film coated with aluminum and silicon monoxide, are the most fun when viewed from the nearby leather chairs, with your head

tipped back. They are like silvery clouds dancing in the slightest puff of air, and the artist has said elsewhere that they slowly rip over time—it’s all part of the process.”

In a large central gallery are a dozen or so small sculptures on pedestals, many of them maquettes for larger works. They are a field of enchantments, like abstract origami in glass, as the colored planar elements fold in on one another and reflect the light, offering a shimmering palette that runs the gamut from brooding gray-brown to bright yellow, violet, and blue.

Reflections are a big part of Mr. Bell’s agenda, especially in a monumental 8-foot-high piece called “The Cat,” a smoked-glass assemblage that visitors seemed to find especially fascinating as they encountered their own images on the

surface and snapped away on cellphone cameras, capturing selfies in the art instead of with the art.

Another large gallery is like a show-and-tell tribute to Mr. Bell’s versatile uses of The Tank. Here are examples of his “Fractions” series, most no bigger than 10 inches square, made from

bits and pieces of discarded works. And here are the artist’s large-scale triptychs, which call to mind the luminosity of gas slicks in water puddles. The 95-inch-wide “Austin” is a barrage of crumpled metallics and swatches of black.

“The imagery that we got out of the piece was a complete surprise to me,” he told a writer from Artnet. “It reminded me of a bridge in the city of Austin that has about 20 million bats that live underneath it. And they all leave at a certain time of day and that’s what the sky looks like when all of the bats fly out.” Lastly there are collages and “vapor drawings” on tempered glass and handmade paper—and, in a final gallery, three 30-inch-square, subtly tinted glass boxes with chrome-plated brass bindings, from 2024, the snazzier progeny of his original cube sculpture from the early years in L.A.

Though the works range in date from the 1960s to the present, chronology is never the point, as it might be in a more conventional survey. Mr. Bell’s work all looks timeless, never fixed in any particular movement or “ism” of recent art history. This is an intelligent and ably curated show—with just enough wall text and video to fill us in on the methods of a modern master whose energies and imagination have not flagged in more than six decades.

Larry Bell: Improvisations

Phoenix Art Museum,

through Jan. 5, 2025

Ms. Landi is director of the Wright Contemporary in Taos, N.M.

ART REVIEW

Gorgeous Glass

A show features enchanting work from Larry Bell’s decades-long career

CLOCKWISE FROM TOP LEFT: LARRY BELL STUDIO (3) PHOENIX ART MUSEUM

CULTURAL COMMENTARY

A Stardust-Sprinkled Songsmith

BY JOHN EDWARD HASSE

Imagine a law-school graduate who works on Wall Street but ends up becoming one of America’s most beloved songwriters. That’s the improbable journey of Hoagy Carmichael, the man behind such timeless songs as “Georgia on My Mind,” “Skylark” and “Star Dust.” With melodies that are instantly recognizable yet uniquely his, Carmichael’s music has woven itself into the fabric of American culture.

Born Hoagland Carmichael, on Nov. 22, 1899, in Bloomington, Ind., he grew up with the dawn of a new century and the rise of ragtime. Like Duke Ellington, born the same year in Washington, Carmichael reveled in the vibrant rhythms of the era. An early mentor, Reginald DuVall, an African-American pianist from Indianapolis, advised him to “never play anything that ain’t right. You may not make any money, but you’ll never get hostile with yourself.” Carmichael took those words to heart, pursuing a musical voice that was distinctively “right” in its authenticity.

He earned a law degree from Indiana University but was increasingly drawn to music. By his 20s, jazz had fully captured his imagination, and he began composing pieces, such as “Riverboat Shuffle,” that reflected

this new American idiom. In 1929, he moved to New York, where he worked in a brokerage firm by day and mingled with jazz musicians by night, recording as singer or pianist with such talents as Louis Armstrong and Benny Goodman.

Carmichael’s foremost gift was melody, as “Star Dust,” “How Little We Know” and “The Nearness of You” attest. In jazz-influenced pieces like “Lazy River,” “Memphis in June” and “Baltimore Oriole,” he created themes that move through unexpected intervals, cover a wide vocal range, and reflect an instrumental influence. Even the movie song “Two Sleepy People” incorporates jazz phrasing. Many of his themes use few repeated notes, though “Rockin’ Chair” and “I Get Along Without You Very Well” are notable exceptions.

His two greatest pieces, “Star Dust” and “Skylark,” feature his most sophisticated lines. They sound as if Carmichael magically caught elegant improvisations of his friend and idol, cornetist Bix Beiderbecke, in midair and pasted them onto paper.

“Star Dust” has taken on an almost mythic status in American music. With its evocation of dreamy memories and images of climbing stars, the song’s wistful longing for lost love and its unforgettable melody have made it an American classic.



▲ Carmichael at the piano circa 1949; the composer and singer was born 125 years ago.

Though mainly known as a composer, Carmichael also wrote lyrics for dozens of his songs, penning the pastoral poetry of “Lazy River”:

*Up a lazy river by the old mill run,
That lazy, lazy river in the noon-day sun,*

*Linger in the shade of a kind old tree,
Throw away your troubles, dream a dream with me.*

These lyrics reveal a recurring theme in Carmichael’s songs: an idealized picture of an American past, with a place to go home to.

Carmichael composed more than 600 songs. Some became popular standards. “Heart and Soul” even became part of American everyday life, seemingly sounded by every little kid with a piano and a pal to play the other part.

His music wasn’t limited to the U.S.; it resonated with English-speaking audiences worldwide. The combination of catchy tunes and accessible song forms allowed his work to reach diverse listeners, from stockbrokers and small-town merchants to farmers and safari guides.

As a vocalist and pianist, Carmichael recorded nearly 400 tracks between 1925 and 1981. He was one of the first popular singer-songwriters,

a minstrel of the mass-media age who had a significant performing career, rivaled in his generation perhaps only by Johnny Mercer, Carmichael’s best-matched lyricist. Together they wrote “Skylark” and “In the Cool, Cool, Cool of the Evening,” which earned an Academy Award in 1952 as best original song.

In the 1930s, Hollywood began attracting top songwriters like Mercer, Irving Berlin, Cole Porter, and the Gershwin brothers. Carmichael joined them in 1936, signing on as a staff songwriter at Paramount Pictures.

He also appeared in 11 films, personating memorable roles in two World War II-era titles: kindly Uncle Butch in the heartfelt “The Best Years of Our Lives” and Cricket the piano player in “To Have and Have Not” starring, as I like to say, “Hoagy, Boogy and Bacall.”

As rock ‘n’ roll surged in popularity in the mid-1950s, Carmichael found it increasingly difficult to publish and record new songs. Yet, his music endured in unexpected ways. Ray Charles’s 1960 rendition of “Georgia on My Mind” turned the song into an R&B anthem, earning Charles a Grammy and introducing Carmichael’s work to a new generation.

Hoagy Carmichael’s work goes beyond mere entertainment; his songs have become cultural touchstones. As we mark 125 years since his birth, his music remains a lasting piece of America’s artistic heritage, a blend of jazz, nostalgia, personality and melody that continues to resound and resonate through the decades.

Mr. Hasse is curator emeritus of American music at the Smithsonian. He is the author-producer of the book-and-three-CD set “The Classic Hoagy Carmichael.”

SPORTS

JASON GAY

A Glitchy Boxing Stream Into the Void

After streaming issues plagued some viewers, a hyped Netflix bout between 27-year-old social media influencer Jake Paul and 58-year-old Mike Tyson unfolded like...a one-sided fight between a 27-year-old and a 58-year-old

BY JASON GAY

Back when I was an idiot teenager, a friend and I decided to raid his mother's liquor cabinet and pilfer a splash of alcohol from six or seven very different bottles. Next we poured all of it into a half-empty soda bottle, shook it vigorously, and sipped this rancid potion until the world began spinning. Then we threw up.

This is a long way of saying I've had worse ideas than staying awake past midnight Friday to watch a glitchy stream of Mike Tyson losing a one-sided boxing match to the YouTube goofball Jake Paul.

I don't know if you watched it. If you skipped it, good for you. I assume you read classic poetry until drifting off and waking up this morning for 90 minutes of vigorous sunrise yoga. You may live the rest of your life feeling superior, knowing you didn't fall prey to the marketing of this daffy, deeply unnecessary boxing match.

If you tried to watch it, and you weren't able to, because of technical chaos and buffering standstills with the Netflix stream—instead of writing an angry letter to the clearly overburdened IT department, you might want to thank them for sparing your eyeballs, and perhaps, your soul.

As for the rest of us: what were we thinking? Actually, I know what we were thinking: *this seems like a terrible idea*—58-year-old Mike Tyson entering the ring against a beefy 27-year-old social media imp. Surely I have better things to do with my time.

And yet there we were, watching at an uncommon hour, as many millions surely did, as if history hasn't repeatedly shown that well-intentioned humans are often capable of making the same, regrettable decision.

Tyson-Paul wasn't civilization's end, but an old craft—the stunt fight, in which common sense is eclipsed by a circus thrill, and an audience lines up to watch. Mu-



Jake Paul, left, defeated former heavyweight champion Mike Tyson, right, by unanimous decision.

hammad Ali took on a wrestler. Tony "Two Ton" Galento fought Joe Louis, then later, a kangaroo. Paul's older brother, Logan—his predecessor as a polarizing YouTuber—waltzed eight polite rounds with Floyd Mayweather. The fights are seldom compelling. Ask any kangaroo.

The attraction is the *what if*, and it wasn't hard to find in the build up here, much of it centered on Tyson's chances. What if Iron Mike, two decades removed from his last legitimate fight, closing in on social security, recovering from an inflamed ulcer that forced a postponement, could summon the old Brooklyn magic and flatten

this kid? What if Tyson still got it, as Ed Helms's character said in "The Hangover"?

Ask any kid: Jake Paul was part of the draw here, too. The wealthy influencer willingly accepted the heel role, which wasn't hard—the Ohioan has mastered the art of being too annoying to avoid. "I kept trying to show people that I'm a good person," Paul said recently. "No one was buying it. And then one day I was like, [blank] it. I can go heel and I haven't looked back."

Paul's boxing is skillful enough to make it look like he knows what he's doing. He's defeated an assortment of aging mixed-martial arts champions, flattened an NBA

basketballer (Nate Robinson), and taken only a single loss, to Tyson Fury's kid brother Tommy. He could walk a harder path, brawling with hungry up-and-comers, but why bother? He's banking millions with this.

A location was picked: AT&T Stadium in Arlington, Texas, aka Jerry Jones's JerryWorld. Netflix got involved, which elevated it into a mega business story. After avoiding sporting events for years, the streamer behemoth has finally begun dipping its toe, recently signing on to carry a couple of NFL games on Christmas.

It has work to do. Live events are hard to build, and growing

pains are expected, but Friday's reports of extended technical difficulties—slow loading, frozen and blurry screens, the rage parade on social media—was embarrassing. Call me a stickler, but if you're in the business of showing live sports, you need to show the sport live. (If Netflix thinks fight fans were complainers, wait until it hears from Steeler Nation after three glasses of egg nog.)

As for the fight, let's put it this way: The boxing match between the 27-year-old and the 58-year-old went pretty much like you would expect a boxing match to go between a 27-year-old and a 58-year-old.

Despite some early flurries, Tyson never came close to threatening. He was slow. So was my stream. In the middle of the fight, I found myself switching back and forth: TV to phone, phone to TV.

I didn't miss much. Over eight two-minute rounds—16 minutes of boxing, for which Paul was reportedly getting \$40 million and Iron Mike somewhere around half of that—Paul landed 78 punches. Tyson landed 18.

It felt bleak. Tyson's stamina was admirable, but his power was minimal. Paul, perhaps fearing optics not even he wanted, wisely chose not to pummel away. After a rollicking undercard, the stadium energy began to sink with boos and disappointment. For once, it wasn't the Cowboys' fault.

When it was over, a victorious Paul did the predictable heel's move of turning gracious, flattering Tyson with praise. Tyson, who looked like he wanted to go lie down somewhere with a heating pad, talked up Paul's talent. Asked if he was done fighting, Tyson waved off the suggestion. Asked about an opponent, he suggested Jake's brother, Logan. Please no. I'll watch anything. I'll watch buffering. I'll even try to read.

◆ Technical hiccups spur live-event concerns for Netflix..... B3

The WSJ Daily Crossword | Edited by Mike Shenk**DISMISSIVE** | By Mike Shenk

Across	34 Push away	60 Dismiss some baseball pitchers?	9 They're played in front of supportive fans
1 One of Homer and Marge's kids	36 Harvest season	63 Throw off	10 "Ah, got it"
5 Untalented author	37 Soda fountain order	64 Without a doubt	11 Blinds strip
9 Sound from an angry cat	38 Fill with joy	65 "Somebody needs ___!" (comment from Mom)	12 Some business partners
13 Diamond defect	39 Character in Progressive ads	66 Lowdown, informally	14 Must
14 Seat of the Dutch government, with "The"	40 Word with circus or frenzy	67 Broadcast	17 Like porcini mushrooms
15 Seat of the Norwegian government	41 Historian's focus	68 "The Ark" network	21 Massage
16 Dismiss some restaurant critics?	42 Brewery offerings		
18 Intend	43 Taking advantage of		
19 Spirited horses	44 Dismiss some mob hit men?		
20 They're numbered in Manhattan	47 Last letter		
22 Blasting stuff	48 Auction		
25 Floor cover	49 Stretch of land		
26 Horace's "Poetica"	51 Bishop in "Aliens" or Data in "Star Trek"		
29 Dismiss some football players?	55 Engine gunk		
	59 Ecuador neighbor		

Previous Puzzle's Solution

H	A	L	V	E	M	O	J	O	C	A	M	O
A	V	A	I	L	A	B	A	B	U	B	E	R
H	I	T	N	E	W	L	O	W	S	S	I	R
A	S	S	V	A	L	E	C	O	S	T	C	O
P	O	R	I	T	A	D	E	R	O	S	S	I
O	L	R	E	N	A	S	A	R	E	S	A	R
L	A	N	E	C	U	R	E	D	E	N	O	L
E	N	G	A	H	M	E	D	C	R	E	D	O
B	O	W	S	A	N	D	A	R	R	O	W	S
L	O	R	E	A	R	O	U	S	O	U	S	O
O	P	I	E	L	J	E	T	S	E	A	U	O
C	E	L	T	R	U	H	T	H	U	R	T	S
A	E	L	O	N	O	E	Z	I	N	E	Z	I
A	L	E	S	N	O	O	N	S	O	N	S	O

The contest answer is KOHL'S. Each theme answer contains a homophone for a well-known brand: LOWS/Lowe's; PORTIA/Porsche; OLE/Olay; BOWS/Bose; HURTS/Hertz. Each of these brands can satisfy another clue: for example, "Chain with huge stores" for COSTCO also works for Lowe's. The other pairs are: OPEL/Porsche; AVIS/Hertz; LOREAL/Olay; SONOS/Bose. The first letters of those answers, in indicated order, spell COALS, itself a homophone of the contest answer.

Gymnastics Coach Karolyi Dies

BY LOUISE RADNOFSKY

Bela Karolyi, the coach who loomed over the transformation of women's gymnastics into a more athletic and at times more abusive sport, died Friday. He was 82.

His death was confirmed by USA Gymnastics, the national governing body for the sport. No cause of death was given.

Karolyi's victory with Romania's Nadia Comaneci at the 1976 Olympic Games cemented the shift of women's gymnastics to a daring, dangerous set of skills performed by tiny girls.

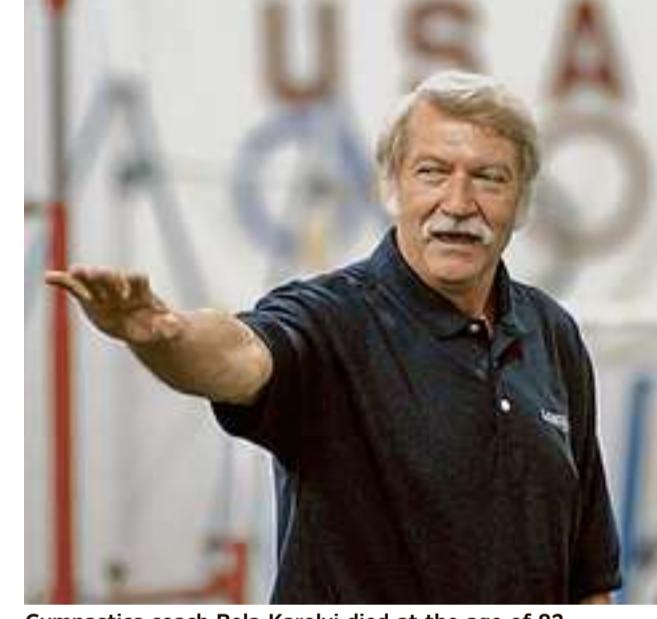
His imprint became even more pronounced after his defection to the U.S. and subsequent coaching of Mary Lou Retton, the 1984 Olympic all-around champion, as well as gymnasts on successive U.S. Olympic teams, including the 1996 'Magnificent Seven' who took team gold in Atlanta.

Though Karolyi stepped away after the 2000 Olympic Games, he remained a towering figure as his wife, Martha Karolyi, took over as coordinator to the U.S. women's team through the 2016 Games, in an unprecedented period of success for American gymnasts.

The Karolyis were accused of harsh coaching tactics over the years. Some of their early gymnasts in Romania and 1996 U.S. Olympian Dominique Moceanu alleged they were deprived of food, spoken to cruelly, encouraged to train while injured and sometimes hit.

After revelations that U.S. team physician Larry Nassar had sexually assaulted hundreds of gymnasts, including elite athletes while they were training at the Karolyis' ranch, both Karolyis were accused of contributing to a culture in which Nassar's assaults went unchecked. They characterized their training methods as intense, but necessary and not abusive.

Bela Karolyi was born on Sept. 13, 1942, in a town in Transylvania, which was in Hungary at the time, and subsequently became Romanian territory. As a teenager, he pursued sporting glory as a hammer thrower, by his own account seeking to make up for practice hours what he lacked in technique.



Gymnastics coach Bela Karolyi died at the age of 82.

In those towns, Karolyi said he and his wife pioneered their gymnastics system. He was invited by the Romanian government to establish an experimental gymnastics school. In testing local children for possible admission, he found a 6-year-old Nadia Comaneci.

By 1972 he was taking his child team to small international competitions, just as a similar approach, from the Soviet Union's Olga Korbut, captured attention at the Olympic Games in Munich with high-risk acrobatics in a sport previously marked by graceful balletics.

Comaneci's success at the 1976 Games in Montreal made her, Karolyi and the new style of gymnastics a sensation. Comaneci took the all-around title as well as gold in balance beam and uneven bars, with score-breaking perfect 10 scores.

Karolyi found success at the 1984 boycotted Olympic Games in Los Angeles with Retton and Julianne McNamara. But in 1996 when his gymnast Kerri Strug vaulted on an injured ankle—and Karolyi carried her to the podium—it propelled him to new prominence.

He turned to the college's team for help, including Martha Eross, a fellow student. By his second year he made the team himself, began to focus on schoolwork after he broke his arm on the pommel horse, and ended up graduating second in the class, one place behind Martha.

The couple sought out teaching positions in neighboring coal-mining towns and married in 1963 in between the two towns, then returned to teach afternoon classes.

OPINION

The DOGE Cheat Sheet



INSIDE VIEW
By Andy Kessler

It's Elon time. Make no mistake, the 2024 election was decided on three i's: inflation, indoctrination (woke smoke) and incompetence. Now comes the

fourth—incisions. OK, that's too nice. More like hacksaws cutting the government's overgrowth.

Donald Trump has tapped Elon Musk and Vivek Ramaswamy to run a Department of Government Efficiency—an oxymoron if I've ever heard one. Mr. Musk thinks they can save \$2 trillion. That's a stretch, but go for it.

The Muskian-named DOGE is an inside joke based on Dogecoin, the cryptocurrency that Mr. Musk hyped in May 2021, calling himself the "Dogefather" on "Saturday Night Live." The price spiked roughly 1,000% in a month and then crashed about 70% over the next few months. That's the perfect bar set for Mr. Musk—cut 70% of the government. Similar to what he did when dealing with Tesla's Model 3 production problems, Mr. Musk could show his commitment by sleeping under the Resolute Desk in the Oval Office until the job is done.

Out with the woke mind virus and in with the "folk unwind virus" to attack bureaucracy. The federal government has around three million civilian employees, with an average

salary of \$106,000. Dr. Anthony Fauci made \$481,000 in 2022. There's room to cut. Mr. Trump has said he may close the Education Department and move its function to the states. Good start.

In tweet-length bites, here's a handy cheat sheet with how Mr. Musk can toss, shrink or squeeze departments, commissions and agencies:

Federal Trade Commission: Toss. The current FTC under Lina Khan has a worse record than the Chicago White Sox.

The FTC already splits anti-trust cases with the Justice Department, so move a few pro-consumer-competition lawyers there and then shutter.

Federal Communications Commission: Toss. The FCC caused the dot-com boom and bust.

Net neutrality killed broadband in Europe yet was still reinstated here under the Biden administration.

Spectrum auctions are why we pay for cell service. Three economists in a back room can create and maintain a set of rules to keep access competitive.

Securities and Exchange Commission: Toss. The SEC missed the Bernie Madoff Ponzi scheme, allowed crypto and SPAC pump-and-dumps, and missed the FTX fiasco.

Free trading requires setting and enforcing simple rules.

U.S. Department of Agriculture: Toss. This will finally end corn subsidies for Iowa.

We can move food-stamp administrators and funding to state.

Federal Reserve: Shrink.

The central bank missed Bidenflation. Dart throwers

Others to toss: Fracking happened despite the Energy Department. Do we need it? Trump tariffs will curtail imports, so we can shrink the Export-Import Bank by at least half. Close the Small Business Administration. And what does the Commerce Department even do?

Even more to toss: Labor Department—union puppets.

Transportation Department—its mileage and electric-vehicle mandates killed Detroit,

although Mr. Musk may want to run the department himself.

Environmental Protection Agency—reduce its carbon footprint.

Housing and Urban Development—it isn't the '70s anymore.

Interior—outsource parks to Disney. Veterans Affairs—can't they use the same hospitals as the rest of us, no matter who pays?

I know people who have been fired by Mr. Musk. He's ruthless. He often thinks he can do the job better himself. But it won't be easy. Even Mr. Musk admitted in October to the existence of strong anti-bodies against change: "There will be immense opposition, obviously, to making government more efficient from entrenched interests that currently benefit from sucking away vast amounts of taxpayer money."

You can't just fire federal employees, except for cause. But DOGE could urge Congress to eliminate departments and then offer to relocate people who won't leave their jobs. Robert F. Kennedy Jr. suggests Guam, at least for the Food and Drug Administration's nutritional scientists. Most will quit.

Besides shrinking the bureaucracy, there are other things DOGE can do.

Digitize the entire government so every citizen can interact with the government via smartphone.

America could hire the entire country of Estonia to implement it.

Yes, a Department of Government Efficiency is probably a pipe dream and might end up as essential as Monty Python's Department of Silly Walks.

To make real spending cuts, Congress needs to reconfigure Social Security and Medicare, cut back payments to states and shrink foreign aid. But even if Mr. Musk's DOGE simply trims some bloat and saves a few hundred billion, it will be worth it.

Write to kessler@wsj.com.

If all Ramaswamy and Musk can do is save a few billion dollars, it will be worth it.

BOOKSHELF | By Marcia Bartusiak

Fuel of the Nuclear Age

Chain Reactions

By Lucy Jane Santos
Pegasus, 288 pages, \$29.95

During the early 1950s America went bonkers over the budding atomic age. The growth of Las Vegas, for example, was partially due to a new bomb-testing site situated 65 miles northwest of the gambling town. Relaxing by the pool at the Atomic View Motel, drinks in hand, tourists eagerly waited to see the latest explosion. Businesses handed out calendars to confirm the dates and times.

Following up on her history of radium in "Half Lives" (2021), Lucy Jane Santos now focuses, in "Chain Reactions," on the element that started this atomic revolution—uranium. This is not a book on the physics of this historically important element, and the story of the atom bomb's construction is crisply condensed. Rather,

Ms. Santos, the executive secretary of the British Society for the History of Science, explores both the academic and popular literature to unearth long-forgotten stories, both entertaining and horrifying, that capture the broader impact of uranium on our society.

Uranium was a part of our lives long before the 20th century. The mineral pitchblende, which contains uranium, had been used to impart bright colors to both glass and ceramics since the days of the Romans. That an entirely new element was at work

was finally discovered in 1789 and named after the recently identified planet Uranus. But it would take more than another century to reveal uranium's seemingly magical property—radioactivity—which helped usher in the modern era of physics.

This discovery allowed theorists to construct a new vision of matter. Each element, they surmised, had a unique number of protons in its atomic nucleus, with an equal number of electrons buzzing around it. By 1932 the neutron particle was recognized and added to the nuclear mix.

Physicists soon realized that you could aim some neutrons at a uranium nucleus and split it, creating two lower-mass fragments and releasing two leftover neutrons.

"These two neutrons could, in turn, trigger a similar reaction in nearby atoms, creating a self-sustaining chain reaction," writes Ms. Santos. "For many researchers it wasn't just the possibility of creating a uranium chain reaction that played on their minds, but what would happen to the energy that such an action could release, especially if it was used to create some sort of explosion."

The U.S. government's wartime Manhattan Project accelerated the research. Ms. Santos doesn't let us forget the tens of thousands of workers involved, like the young women just out of high school in Oak Ridge, Tenn., manipulating a voltage dial 10 hours a day, six days a week, to keep a needle pointed straight up so that the uranium needed for the bomb could be properly enriched magnetically. Or the many indigenous tribes that were forced to abandon their homes to accommodate the bomb's production and testing.

Following World War II came the era of bomb shelters and duck-and-cover—Ms. Santos well captures the chaotic mix of innovation, naiveté, exploitation and propaganda during this period. Jewelry was made from the glass created by the first atomic test blast at the Trinity site in New Mexico, and in 1946 a shocking new bathing suit was named after the Bikini Atoll in the Pacific, site of the first atomic test after the war. "Like the bomb," said the press release, "the bikini is small and devastating."

Uranium was discovered in 1789. The later revelation that the element was radioactive helped usher in the modern era of physics.

The tenure of highly regarded central banker Roberto Campos Neto ends next month. Lula is replacing him with Gabriel Galipólo. Markets will be watching to see whether central-bank independence survives. If it doesn't, the poor will suffer the most.

Write to [O'Grady@wsj.com](mailto>O'Grady@wsj.com).

Democracy and sound economic policy are on the wane, and Lula is leading the way.

Colombia and Mexico to ensure it didn't pass. Like Lula's support of the Cuban dictatorship, this was anti-Americanism talking, not any belief in Mr. Maduro's legitimacy.

Brazil's Cold War dinosaur is clinging not so much to utopian ideals of socialism as to a lust for the power that a highly centralized corporatist model offers.

He prefers allies who don't insist on limited government, like Brazil's fellow members of the Brics group—Russia, India, China and South Africa.

The group aims to reduce the reach of the dollar and Western institutions in international finance and undermine sanctions by creating its own lending mechanisms and alternative currencies.

Venezuela, Bolivia, Honduras, Nicaragua and Cuba are drug-trafficking havens that also have quashed institutional independence. In El Salvador, the public's exchange of democracy for personal security is rational but likely to be painful in the long run. Colombia's rule of law limps badly, as does its economy.

Brazil has long yearned to replace the U.S. as the regional hegemon on the South American continent. But seizing that role requires moral authority and economic heft. Lula is squandering both.

Take the rhetorical protection he's given to Venezuelan dictator Nicolás Maduro, who

is withholding weapons to try to stop Israel from fighting in Rafah, where Hamas's leader was hiding. He enforced delivery of humanitarian aid that Hamas stole. He urged Israel not to respond seriously to Hezbollah's rocket fire. All of this prolonged the war and put Israeli soldiers at greater risk.

Trump respects our independence. Biden tried to restrict it.

This approach aims at keeping Israel a client state unable to expand its strategic position. If Israel were a weak state that needed the U.S. to fight its battles, that might make sense—but it isn't. When a strong U.S. ally is discouraged from strengthening its position, both the ally and America are undermined.

Fortunately, Prime Minister Benjamin Netanyahu resisted

much of this pressure. Israel targeted Houthi infrastructure that America shied away from hitting. Israel wiped out Hezbollah's missiles and leadership, opening the possibility of peace that reasserts Lebanon's sovereignty over its own people.

Israel crippled Hamas and killed Yahya Sinwar. Israel destroyed Iran's air defenses and weapons facilities, which exported drones to Russia.

These actions advanced the interests of the U.S. and Israel. This is the benefit of having an ally instead of a client.

The perception of Israel as a client state is outdated. In the 1970s U.S. aid accounted for about 10% of Israel's gross domestic product. In 2023 it accounted for 0.76%. In 1979 Israel's GDP per capita was half of France's. Today, Israel's is larger. Mr. Netanyahu's market reform and an ascendant tech industry have transformed Israel into an independent regional power.

Relations between the U.S.

and Israel need an update. The first step is to stop regular U.S. military aid to Israel. American taxpayers shouldn't subsidize a prosperous country or send help outside of emergencies.

That money should go to U.S.-Israeli co-investment in military technology. The two countries can split the bill on mutually beneficial projects. This is similar to how the Iron Dome was developed, and its technology has benefited both countries.

Since the Oct. 7 attack, about 800 Israeli soldiers have been killed in a war to secure our country. Israelis don't expect American soldiers to risk their lives for our sovereignty. This should be another pillar of our security relations.

Israelis welcome the return of a Trump administration that pursues shared national interests and an alliance rather than a client relationship. We've been waiting for it.

Mr. Sella is publisher of Sella Meir Press.

To aid the government's search for more domestic sources of uranium, thousands of professional and amateur geologists went prospecting, hoping to strike it rich. Uranium fever was everywhere. The Ford Motor Co. made plans for the Nucleon, an atomic-powered vehicle that could drive 5,000 miles before its fuel rods had to be replaced. When the uranium market cooled, some mines were turned into health spas, in the belief that the radioactive atmosphere could cure many ills.

Unease eventually arose as the dangers of radioactive fallout from the above-ground tests became apparent, not only in deaths and miscarriages but in the contamination of food and water. The movie industry sensed the shift, releasing films such as "Godzilla" and "The Amazing Colossal Man," which imagined the horrors of genetic mutations.

The deaths of uranium workers from lung cancer, and the ecological damage caused by the release of heated water from nuclear plants, altered the atomic dream. It truly ended with the 1979 accident at Three Mile Island in Pennsylvania, followed in 1986 by Chernobyl in the Soviet Union and in 2011 at Fukushima in Japan. As a result, nuclear power stations around the world have been shut down. Ms. Santos finds this ironic. With fossil fuels replacing the lost nuclear energy, oil spills, train derailments, coal mining and chemical-plant explosions have caused far more devastation. "Ash from coal power plants contains uranium and thorium, carrying radiation into the environment at a much larger rate than any from a nuclear power plant," asserts Ms. Santos.

Given the crucial need to reduce carbon emissions and to maintain grid stability as wind and solar come online, Ms. Santos would like to see the nuclear industry increase its capacity. "It's important to remember that, despite those high-profile incidents," she writes, "nuclear's safety record over the last seven decades (18,000 reactor years) is comparable with solar and wind." She mentions, all too briefly, that new reactor designs could help initiate this nuclear resurgence. More details on these advances—their advantages and safety features—would have strengthened her argument.

Ms. Bartusiak is a professor emeritus at MIT. Her books include "Einstein's Unfinished Symphony" and "The Day We Found the Universe."

OPINION

REVIEW & OUTLOOK

Disruption Won't Work at Treasury

Donald Trump's cabinet nominees so far reveal a desire to disrupt Washington, and disruption is needed in many places. But as he mulls his choices for Treasury and the economic-policy posts, the question markets will ask is whether he will disrupt the policy mix that was successful in his first term.

The voter election surveys make clear that Mr. Trump won his second term above all else on the economy. Voters rejected the results of Bidenomics, especially inflation and a decline in real incomes. They recalled the strong investment and job market and rising wages across all income levels of the pre-Covid economy. Mr. Trump's second term success or failure will depend on restoring those results.

That's the hope behind the market's bullish initial response to Mr. Trump's re-election. Investors anticipate a return of animal spirits as the pall of Democratic tax increases and regulatory coercion is lifted. But economic and financial risks remain, and they'll require careful judgment, not blow-it-all-up rhetoric.

That's why it's strange to hear Elon Musk lobby Mr. Trump that the next Treasury secretary shouldn't be someone who favors "business as usual." What he means by that isn't clear beyond favoring one personality over another, and Mr. Musk may not know. Fiscal and monetary policy aren't his specialty.

Our concern isn't personalities so much as Mr. Musk's apparent belief in economic-policy disruption for its own sake. Treasury isn't the Education Department, or Defense, and financial markets don't want to trade one form of policy uncertainty for another. Steady and knowledgeable economic policy hands are needed if Mr. Trump wants to succeed.

One risk ahead is the tax bill that needs to pass next year to extend the 2017 tax reform. With narrow GOP majorities in Congress, that won't be easy. All the more so because Mr. Trump campaigned on new tax cuts (on tips, overtime, Social Security benefits) that will be impossible to afford unless Republicans want to sign up for an even larger deficit blowout than under President Biden.

Extending the 2017 reform more or less intact might be the best policy. That reform has recouped more tax revenue than the critics and

Musk gives bad advice to Trump on financial policy-making.

Congressional scorekeepers claimed, and it will continue to do so if the economy keeps growing. But piling on too many tax giveaways that won't improve the incentive to work and invest could make tax reform difficult to pass and spook the bond markets. The U.S. deficit as a share of GDP in the last fiscal year was 6.4%, which is unheard of in a growing economy without a war or pandemic.

We assume someone has told Mr. Trump that disinflation seems to have stalled. Long bond rates have climbed since the Federal Reserve cut short-term rates by 50 basis points in September. The 10-year Treasury yield is now above 4.4%, while the average 30-year mortgage rate is nearing 7.5%, higher than on Election Day. This means the Fed's rate-cutting spree may soon have to end, lest inflation make a comeback on Mr. Trump's watch.

The largest uncertainty is the President's trade policy. There's no doubt he will impose tariffs of some kind on Chinese goods and seems determined to impose some broader tariff across all imports. Whatever one thinks of tariffs as a policy tool, they add uncertainty to business investment decisions.

CEOs whose companies might be affected will wait on investments until they see the policy. Even then, they have to be wary about retaliation by other countries that might affect their exports or their ability to import components. This will slow the return of animal spirits.

* * *

Unlike other policy positions, the Treasury Secretary needs an understanding of financial markets, which nowadays are global. A blowup in the foreign-exchange markets somewhere can affect the U.S. economy, and new financial investments like crypto need careful watching. Mr. Trump has promised to ease political control over these markets, but no one should think they are risk free. Blowups somewhere are inevitable, and a Treasury secretary needs the experience to deal with the fallout in a way that reassures markets.

Mr. Trump's first term until Covid was an overall economic success, as his tax reform and deregulation overcame the drag from tariffs. Markets responded well to his victory because they hope for a repeat. But that requires sound policy, not willy-nilly disruption.

ATACMS, Putin and Trump

It took nearly 1,000 days of war, but President Biden is finally letting Ukraine use U.S. long-range missiles to hit military targets inside Russia. U.S. officials leaked the news to the press on Sunday, after an especially brutal Russian missile attack on Ukraine's energy infrastructure.

The officials say the arrival of 10,000 North Korean troops in Russia changed Mr. Biden's mind. The North Koreans will be used as cannon fodder to oust Ukrainian forces from Russia's Kursk region. Ukraine has been relying on drones and its own missiles to hit positions inside Russia, but the U.S. ATACMS will let Ukraine hit targets deeper in the country that have been a sanctuary.

Left unsaid by the White House is that Mr. Biden is trying to strengthen Ukraine's position before he leaves office. Mr. Biden would like to fortify Ukraine by delivering all of the munitions Congress approved in its most recent aid package. The tragedy is that Mr. Biden has ham-

strung Ukraine on the delivery and use of advanced weapons for so long.

Donald Trump says he will try to end the war soon, though how he will do that is far from certain. But the ATACMS decision and military aid could help promote a settlement if it puts Ukraine in a stronger negotiating position.

The Trump camp leaked that, in a recent phone call, the former and future President had asked Vladimir Putin not to escalate in Ukraine. Mr. Putin's blunt reply to that request is the North Korean troop deployment and the weekend missile barrage. The attempt to destroy Ukraine's energy supply is especially cruel as winter nears. The Kremlin dictator also wants Ukrainian troops out of Russia to strengthen his position and not have to trade his control of portions of eastern Ukraine.

Mr. Putin is telling Mr. Trump that his settlement terms will be harsh. Mr. Trump will have to calculate his policy accordingly.

A Trump U.S. Energy Renaissance

Donald Trump's nominations are a mix of good, bad and ugly. His choice of North Dakota Gov. Doug Burgum to head the Interior Department and Liberty Energy CEO Chris Wright at Energy fit squarely in the first category.

Mr. Burgum leads the third-largest oil producing state and one of the country's top wind producers. Before becoming Governor in 2016, he ran a software startup that he later sold to Microsoft and founded a venture capital firm. Mr. Wright helped pioneer hydraulic fracturing and now runs the major fracking contractor Liberty Energy.

Both nominees understand how energy markets work, unlike Biden officials whose primary goal was to lock up America's fossil-fuel resources. Mr. Burgum's first charge at Interior will be to roll back the Biden regulations that have hampered resource development.

For starters, he could scrap the Biden five-year offshore oil and gas leasing plan that allows only three auctions between now and 2029—the fewest of any President in modern times. Mr. Trump's first-term plan had proposed 47. Mr. Burgum may need to schedule more to make up the many that the Biden team has cancelled.

Another priority will be to reopen the Arctic National Wildlife Refuge for oil and gas leasing, as required by the GOP 2017 tax reform. Biden Secretary Deb Haaland last year cancelled leases issued under Mr. Trump. Mr. Burgum could also speed up permitting for projects on federal land and open some up for housing, as Mr. Trump promised in his campaign.

Mr. Trump also tapped Mr. Burgum to lead a new National Energy Council that will be comprised of federal agencies involved in energy

His choice of Burgum and Wright means more domestic production.

permitting, production and regulation. "This Council will oversee the path to U.S. ENERGY DOMINANCE by cutting red tape, enhancing private sector investments across all sectors of the Economy," Mr. Trump said.

A National Energy Council is a smart idea since regulatory authority over energy is spread across multiple agencies, including the Environmental Protection Agency, the Federal Energy Regulatory Commission, the Energy Department and others. Hiccups anywhere in the permitting chain can snarl projects.

That's especially true for liquefied natural gas exports, which need permits from FERC and the Energy Department. Pipelines that transport gas from shale fields to export terminals must also be approved by FERC and comply with EPA methane regulations. FERC and Energy must consult with Interior on permits to protect wildlife.

Mr. Wright at Energy will manage a sprawling bureaucracy that oversees the country's nuclear weapons, 17 national labs, energy loan program and LNG exports, among other things. His job on Day One will be to restart permitting for LNG exports, which the Biden team paused in an effort to appease young progressives who made this a cause célèbre on TikTok.

He could also conduct a top-down review of the department's Loan Programs Office, which the Inflation Reduction Act authorized to make more than \$400 billion in loans and guarantees for green projects. The Biden team is rushing the largesse out before they leave, but Mr. Wright could rescind some if recipients fail to make good on contractual promises.

Mr. Trump likes to say he wants to "drill baby drill." An equally important imperative is to make energy policy competent again.

Letters to the Editor

A Nominee for Attorney General Goes on Trial

The first group of President-elect Donald Trump's nominees seemed surprisingly acceptable—to me, anyway—and then along came Matt Gaetz for attorney general. What? ("Matt Gaetz Is a Bad Choice for AG," Review & Outlook, Nov. 14).

Presidential nominations generally should be shown deference, as Alexander Hamilton stressed in Federalist No. 76. The system can't work if every confirmation turns into a pitched battle, and it isn't the Senate's function to decide whether a nominee is the best possible choice.

But there are limits to deference. The requirement for Senate concurrence, Hamilton argued, is an excellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from State prejudice, from family connection, from personal attachment, or from a view to popularity." If the "excellent check" doesn't work in a particular case, and a president nominates an "unfit character" or a crony, the inference is clear: The Senate should say no. This is such a case.

EM. PROF. ERIK M. JENSEN
Case Western Reserve University
Cleveland

Your editorial states, "The U.S. Attorney General has to make calls on countless difficult questions of whom to investigate and indict. Mr. Gaetz's decisions simply wouldn't be trusted. He's a nominee for those who want the law used for political revenge, and it won't end well." But let's not forget the partisan and extralegal decisions of Attorneys General Eric Holder and Merrick Garland. The next Republican AG is going to overturn many of those decisions, and it will be called "revenge" no matter how legally sound they are.

As demonstrated by the Democratic Party leadership over the past eight years, as well as by the federal agencies, it's the Democrats who are the party of revenge, not the Republicans. Any Republican AG is bound to be pilloried. Neither Lycurgus nor Solon nor Grotius would escape the censure of the fanatical left. Let's give the next AG, whoever he or she may be, a fair chance.

JAMES DAVIDSON
Bluffton, S.C.

Mr. Gaetz is a brilliant choice for attorney general—from House Speaker Mike Johnson's perspective. A troublesome firebrand who got rid of Mr. Johnson's predecessor is the perfect

HENRY BARRON
Denver, N.C.

When I read that Mr. Gaetz allegedly attended parties where "there was cocaine and 'bedrooms that were made available for sexual activities,'" candidate Barack Obama's voice called out from the ether: "The 1980s are now calling to ask for their . . . policy back."

JEREMY GWIAZDA
Cambridge, Mass.

Mr. Gaetz can strengthen his chance of becoming the next attorney general simply by calling for the public release of the House ethics report on him that was withdrawn following his resignation from the House. Doing so would be a remarkable exhibition of political courage.

BILL KNIGHT
Greensboro, N.C.

Mr. Trump collected a great deal of political capital with his decisive victory. It would be unfortunate for the country if he spends it all in an unsuccessful attempt to get Mr. Gaetz confirmed. Susie Wiles, the White House chief of staff, seems smart enough not to let that happen. This has Donald Trump Jr.'s fingerprints all over it.

SCOTT DUBOSE
Pawleys Island, S.C.

meates the mainstream media and other segments of our society, including many college-educated political elites in the Democratic Party. The working class may not have college credentials, but they do have brains and common sense—and know when they are being disrespected.

LOUIS MENDELSOHN
Wesley Chapel, Fla.

Given the leftist domination of the professoriate, it might be more accurate to say that indoctrination level, not education level, is the strongest indicator of which party a voter is likely to choose.

SCOTT DUBOSE
Pawleys Island, S.C.

Identity Politics That Unify

In "No Such Thing as the Latino Vote" (Americas, Nov. 11), Mary Anastasia O'Grady writes that one reason the Democrats did so poorly in the recent election was "identity politics." I believe she's correct.

I also believe the Republicans won because of identity politics. Those who voted red simply tend to identify as an American before anything else.

The Democratic Party and extreme left still can't figure this out. Tribes tend to have differences, and this proved itself on Nov. 6. Watching them devour themselves in the blame game will be interesting.

LUKE GILES
Houston

Pepper ... And Salt

THE WALL STREET JOURNAL



"Round? Heavens no. I'm saying the earth is full of orange juice."

Trump-Impostor Syndrome

Regarding your editorial "Kari Lake Loses Again in Arizona" (Nov. 13): Ms. Lake has proved yet again that only Donald Trump can run as Donald Trump.

STEPHEN R.S. MARTIN
Cave Creek, Ariz.

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

OPINION

How Trump Can Help Ukraine Win

By Adrian Karatnycky

Donald Trump's most consequential foreign-policy priority will be Russia's war on Ukraine. A conclusion to the conflict that preserves Ukraine's long-term security will end widespread death and destruction and bolster America's image as a force for good. A policy that leads to the collapse of Ukraine will cause needless loss of life, unleash a massive refugee crisis for America's European allies, and embolden a loose alliance of tyrannies.

Mr. Trump's promise to end the war heralds an ambitious, activist foreign policy. His pledge to do so in 24 hours is clearly an exaggeration but signals eagerness for a diplomatic solution to what will soon be a three-year war.

The terms of a Trump-led settlement, while not set in stone, have been discussed in the media. Such a deal is reported to include an end to hostilities, with European (and perhaps other) peacekeepers policing a



DAVID GOTTHARD

border. The most important is Vladimir Putin's opposition to any settlement that falls short of Ukraine's capitulation. Mr. Putin's conditions for the war's end include cession of more territory in Ukraine's eastern regions, Ukrainian neutrality, and Ukraine's demilitarization. Taken together, these would mean a de facto end to Ukraine's sovereignty.

The Trump administration must find new levers to move Mr. Putin from his intransigence. Among these are threats to increase the economic costs of sustaining the war and to increase the pain Russia and Russians bear for doing so. Mr. Trump has alluded to such an approach. As a strategy paper from the Trump-aligned America First Policy Institute noted, a successful policy would require "enabling Ukraine to negotiate from a position of strength" and developing "a long-term security architecture for Ukraine's defense." Yet Mr. Trump's ability to press Mr. Putin into accepting a settlement could

be undermined by the eager public declarations of many in Mr. Trump's inner circle to curtail or cease U.S. spending on Ukraine.

There is another Trumpian path that could both finance Ukraine's war effort and reduce U.S. contributions to it. This path requires mobilizing the \$300 billion in Russian hard currency in Western banks, most of it at Euroclear, an international clearing and settlement service in Belgium. The Biden administration and European leaders have been reluctant to tap these assets, wrongly fearing such a course could undermine the dollar and the euro.

But today's extraordinary conditions warrant seizure. Russia not only has invaded a sovereign country; it has annexed the internationally recognized territory of a sovereign state. Since the creation of the United Nations in 1948, there has been only one other such case: Iraq's invading and annexing Kuwait. George H.W. Bush's administration

seized billions in Iraqi hard-currency reserves held in the U.S. and transferred them to Kuwait as compensation for the invasion.

Two veterans of several Republican administrations—former State Department counselor Philip Zelikow and Robert Zoellick, a former head of the World Bank—have invoked the Iraq precedent. Russia's actions in Ukraine are so odious and violative of international norms, they argue, that Moscow has for the period of the war lost the right to the protection of these norms, including the right to its state assets in Western banks. These assets can be seized and used to buy U.S.-made and internationally manufactured weapons for Ukraine's war effort and, if the war ends, to rebuild Ukraine.

A diplomatic effort bolstered by the threat of turning these Russian assets against Russia itself could help compel the Kremlin—already grappling with an economy strained by defense spending—into settling. Coupled with a threat to permit Ukraine to use missiles to strike deep into Russian territory, including targeting Moscow and its power grid, such a policy could drive the Kremlin to accept a settlement Mr. Trump proposes.

Any settlement that leaves 20% of Ukraine's territory in Russia's hands will be hard for Ukrainians to accept. But most war-ravaged Ukrainians are likely to accept one that enhances their country's sovereignty through bilateral security guarantees and deters future Russian aggression with resources that let Ukraine strengthen its military capabilities and rebuild its cities.

Mr. Karatnycky is a senior fellow at the Atlantic Council and author of "Battleground Ukraine: From Independence to the War with Russia."

The GOP's New Rising Electorate

By Patrick Ruffini

There is a new rising American electorate. This coalition is diverse and working-class. It's out of step with the identity politics of the left, seeking a return to common sense and economic stability. For the first time, a Republican presidential campaign aimed squarely at winning over this electorate and it paid off, with the party's first popular-vote lead in 20 years and its largest electoral margin since 1988.

Donald Trump got a further double-digit swing in his direction among Latino voters, building on 2020's shifts in such places as Miami and Texas' Rio Grande Valley. He won a modern record Republican share of the black vote. Asian voters swung strongly his way, and exit polls suggest he won a majority of Native American voters.

The party needs to find a way to hold Trump's support among diverse working-class voters.

Mr. Trump won in large part because of his populist rainbow coalition. Exit polls point to scant gains among white voters and smaller movement among traditional GOP voting blocs such as seniors, married voters and those with college degrees. It was those on the edges of the economy hurt the most by inflation who moved toward Mr. Trump.

The election was the bitter end of Barack Obama's "Rising American Electorate." In 2008 Mr. Obama won the youngest cohort in the electorate, a highly diverse group of 18- to 29-year-olds, by 34 points. Those same voters map closely onto today's 30- to 44-year-olds, who went for Kamala Harris by only 3 points, according to the AP VoteCast survey. Among today's 18- to 29-year-olds, Ms. Harris had only a 4-point edge—far less than the double-digit margins Democrats have counted on among the youngest voters in recent elections.

His climate apostasy spurred former green bedfellows, including the Sierra Club and the Sunrise Movement, to denounce him. "Robert F. Kennedy Jr. is not an environmentalist," a dozen green groups wrote in an open letter. "He is a dangerous conspiracy theorist and science denier whose agenda would be a disaster for our communities and the planet."

By invoking phony science to promote their political agenda and lambasting anyone who disagrees with them as a "science denier," liberals have undermined actual science and created a vacuum of distrust. To many Americans, RFK Jr.'s ideas about vaccines sound less crazy than the left's supposedly scientific claims—say, that there are 74 genders.

Mr. Kennedy's appeal can best be summed up by Newton's third law of motion: Every action has an equal and opposite reaction.

For these young Americans, Mr. Trump's first term was the only good economy in their adult lifetimes. Members of the new working-class coalition remember the Trump years as a time when they had money in their pockets—money that held its value. Touching every corner of society, inflation has inspired voters worldwide to repudiate incumbent parties, dramatized by Javier Milei's youth-fueled razing of the establishment in Argentina and now by Mr. Trump's return.

Mr. Trump's job is to restore the economic stability and prosperity that voters remember from his first term. If past performance is any indication, the administration will likely take an ecumenical approach, borrowing from different ideological currents—America First populism to supply-side growth through the renewal of the Trump tax cuts to Elon Musk and Vivek Ramaswamy's Department of Government Efficiency.

For their part, Mr. Trump's new coalition members embrace a politics of aspiration, not a leftward shift toward dependency on government. While traveling through the Rio Grande Valley researching my book on working-class realignment, I heard a hopeful message from Mr. Trump's voters. Growing up, they were told by their parents to support the Democratic Party because it was the party of the poor. Their response: "We don't have to be poor." Thanks to the oil and gas industry—which the valley's residents in my polling correctly associate with Republicans—poverty in the region is declining.

Taking note of an exodus of working-class hard hats from the Democratic Party, White House aide Pat Buchanan wrote in a 1970 memo circulated to Richard Nixon that "it should be our focus to constantly speak to, to assure, to win, to aid, to promote the President's natural constituency—which is now the working men and women of the country, the common man, the Roosevelt New Dealer."

In the current realignment, we find echoes of the rise of the 1970s blue-collar populist conservatism, culminating in the election of Ronald Reagan.

As now, there were voices in the GOP urging then a return to the party's old ways. With Mr. Trump no longer atop the ticket in 2028, there will be a temptation to try to return to the way things were before. That would be a mistake. Racial and class realignment is here to stay, and the Republican future lies with the new hard-hat coalition.

Mr. Ruffini is a founding partner of Echelon Insights, a Republican polling firm, and author of "Party of the People: Inside the Multiracial Populist Coalition Remaking the GOP."

The Democrats Made RFK Jr.



LIFE SCIENCE
By Alyssia Finley

back with their lawfare, they gave flight to Mr. Kennedy's "Make America Healthy Again" movement.

Mr. Kennedy gained political prominence in the 1990s as an environmental lawyer and activist. Democrats cheered his crusades against coal plants, hog farmers, chemical producers and other liberal villains, despite his well-known vaccine skepticism.

In November 2008, Politico's Mike Allen reported that Barack Obama was "strongly considering" Mr. Kennedy to lead the Environmental Protection Agency. "The selection of Kennedy would be a shrewd early move for the new presidential team," Mr. Allen wrote. It would "raise the profile of the EPA, which would help endear Obama to liberals."

Progressives were unperturbed by his unscientific methods. Only during the pandemic did Mr. Kennedy and Democrats have a falling-out. He then began to attract a larger following among Americans fed up with government shutdowns, mask and vaccine mandates, and efforts by the left to squash contrarian views.

Health officials repeatedly dissembled about the scientific basis for their policies, which failed to control the virus and gravely damaged the economy and livelihoods. Americans sensed that officials were lying to get people to do what they wanted. The public didn't like being manipulated.

Then came the vaccines. Officials overstated their benefits and played down potential risks. People who claimed to have experienced adverse events were shunned. The Centers for Disease Control and Prevention was late to warn of myocarditis as a side effect. U.S. public-health authorities still haven't acknowledged some rare side effects that European counterparts have, such as temporary facial paralysis and abnormal skin sensations.

Donald Trump likes to troll his opponents, and maybe that was his goal in nominating Robert F. Kennedy Jr. to lead the Health and Human Services Department. Just as Democrats propelled Mr. Trump's White House come-

back with their lawfare, they gave flight to Mr. Kennedy's "Make America Healthy Again" movement.

The Food and Drug Administration further eroded public trust by stonewalling a Freedom of Information Act request for data it relied on to approve Pfizer's Covid vaccine. The agency also green-lighted shots for children, who were at low risk for Covid, a recommendation based on shoddy data, as I noted at the time.

Why were public-health officials working so hard to foist vaccines on people? Because liberals and the scientific clerisy always think they know best and don't want to let people make their own decisions. Electric vehicles won't save the planet and may increase CO2 emissions, but liberals insist people buy them anyway. Mr. Kennedy's tale of corruption resonated. People latched onto it as an explanation for the government's attempts to suppress contrarian views on alternative remedies and natural immunity.

There's also a kernel of truth in a lot of what Mr. Kennedy says about a lot of things. Take his assertion that the increase in mass shootings

has "nothing to do with the number of guns." That's true, but he wrongly blames antidepressants. He's correct that such drugs can cause suicidal thoughts and are overprescribed. But the real problem is rising levels of mental illness, which often goes undiagnosed and untreated in today's atomistic society.

The left revered him until the Covid pandemic made his aversion to vaccines much more pertinent.

He's also right that Americans would be healthier if they ate less processed foods and exercised more, which are better ways to lose weight than taking drugs. But calorie-rich foods, not additives, are what's causing an increase in chronic illnesses and obesity. All-natural, non-GMO Häagen Dazs won't make Americans healthy again.

Mr. Kennedy is also right to criticize government climate subsidies and regulation as manifestations of "crony capitalism." In April he aptly compared the left's climate and pandemic policies: "When you start

clamping down controls on people, they rebel," he told Politico. "Americans had enough of that during Covid, of people using the crisis—that many people believe now was manufactured—in order to clamp down totalitarian controls and shift wealth upward. And they see a mirror of that in climate."

His climate apostasy spurred former green bedfellows, including the Sierra Club and the Sunrise Movement, to denounce him. "Robert F. Kennedy Jr. is not an environmentalist," a dozen green groups wrote in an open letter. "He is a dangerous conspiracy theorist and science denier whose agenda would be a disaster for our communities and the planet."

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Mr. Kennedy's appeal can best be summed up by Newton's third law of motion: Every action has an equal and opposite reaction.

Trump Will Want to 'Confess Error'

By Chris Horner

We're in a catch-me-if-you can era of governance. Regulators stretch their authority knowing that legal challenges take years, during which their desired outcomes can take root. President-elect Trump can fast-track reversal of the Biden administration's excesses and beat rule-makers at their own game.

In 2015 Gina McCarthy, then administrator of the Environmental Protection Agency, told TV host Bill Maher that whether an Obama rule regulating coal-fired power plants survived Supreme Court review was irrelevant. The litigation had taken three years, and during that time companies had been forced to make long-term investment decisions in compliance with EPA demands.

That same malign intent is evident in Mr. Biden's "whole of government" approach to policy. His administration squeezes industry targets by using laws and agencies in ways Congress never intended. Regulators have admitted as much, both in public and in internal planning documents that have been made public.

Agencies aren't permitted to lie about their reasons for imposing a regulation—a doctrine known as the rule against pretext. Yet it happens. EPA Administrator Michael Regan, for instance, has shown a willingness to use authorities unrelated to climate change to force closure of plants to achieve climate goals. This presents the new administration with an opportunity to rein in some of the most egregious Biden-administration overreaches before the rules achieve their intended outcomes.

Trump administration officials will need to review promptly internal agency files to establish the record of pretextual rulemakings and other improprieties. Government lawyers will then need to acknowledge these improprieties in court.

"Confessing error" is the practice by which government attorneys inform a court that the state has legally misstepped and that annulment of an agency's judgment is warranted. A change in administration philosophy or interpretation is insufficient. But the courts would almost certainly accept a confession of error of law, fact or procedure supported by documents that illustrate the admitted wrongdoing.

Typically, rescinding a regulation

requires going through the same lengthy process necessary to impose a rule. That process is then subject to judicial review, and the courts frequently send aspiring reformers back to the drawing board.

The Supreme Court has increasingly rejected initiatives for which there was no clear congressional grant of authority. This trend indicates that the justices are likely to reverse many of the Biden administration's major rules, possibly by mid-2026. But in the meantime, costs mount. Electricity-reliability organizations warn of increasing blackouts from early retirement of power plants due to regulations. To limit such costs, the Trump administration needs to move aggressively to identify and confess error to courts hearing challenges to these rules.

They should start by looking at public records. Freedom of Information Act requests have produced troves of documents that, though often heavily redacted, provide sufficient information to raise concerns and warrant further scrutiny. Incoming officials can review such records in unredacted form, giving them the best chance for timely reversal of unlawful rules.

Trump administration officials will gamed the system to achieve their desired outcomes, often subordinating the law to ideology. To counter this, the Trump administration should follow the evidence and confess error to rescind improperly promulgated rules.

Mr. Horner is a Washington lawyer.

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EDITORIAL AND CORPORATE HEADQUARTERS:
1211 Avenue of the Americas, New York, N.Y., 10036

Telephone 1-800-DOWJONES



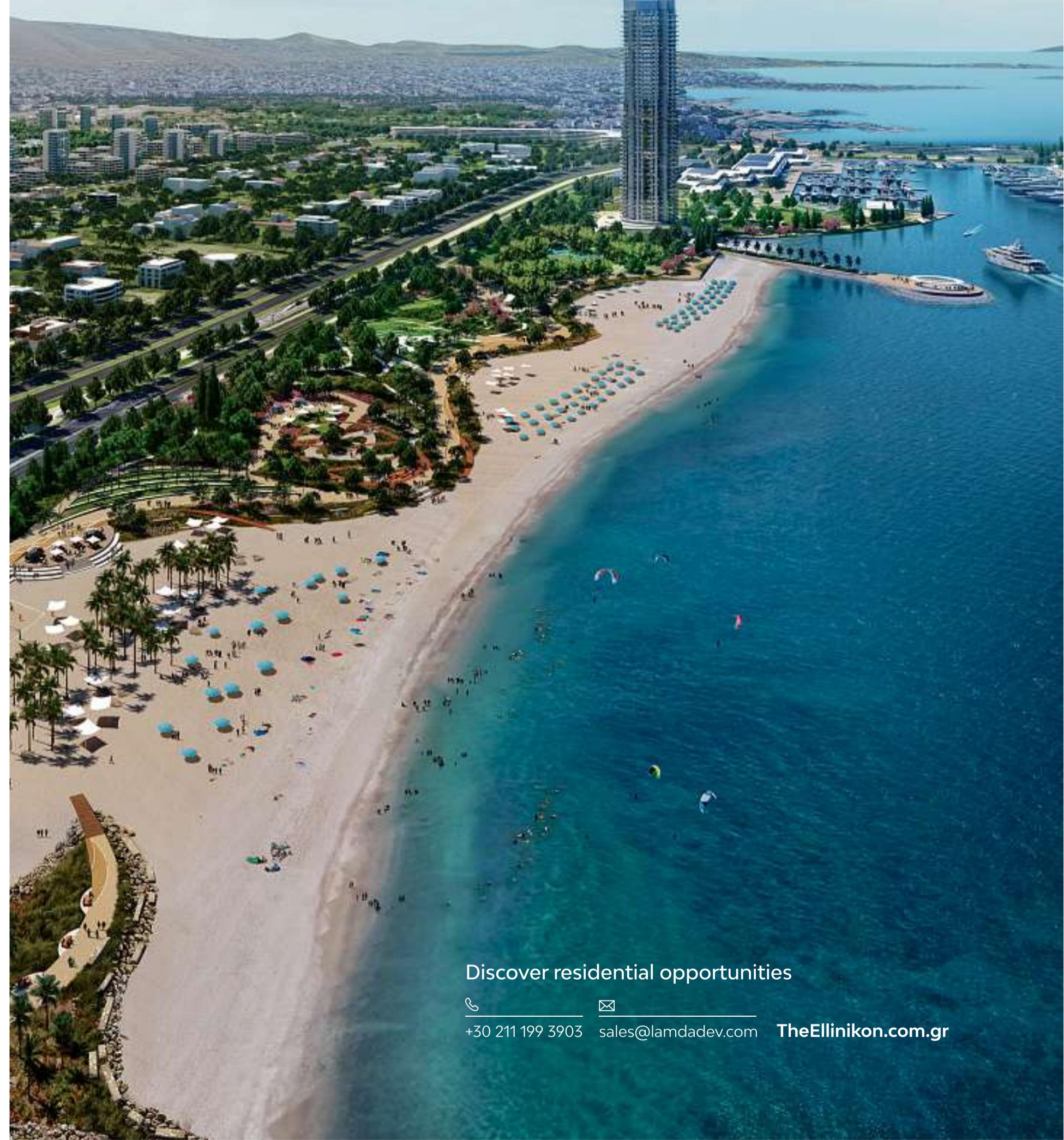
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THE WALL STREET JOURNAL.

Monday, November 18, 2024 | B1

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Bitcoin-Miner Boom Carries Risks

Investors have long used the play for crypto exposure, but better options exist

By JON SINDREU

The “Trump trade” may have electrified all corners of the cryptocurrency market, but some ways of speculating on digital assets remain better than others.

Following Donald Trump’s victory in the presidential election, bitcoin has risen above \$90,000 to a record,

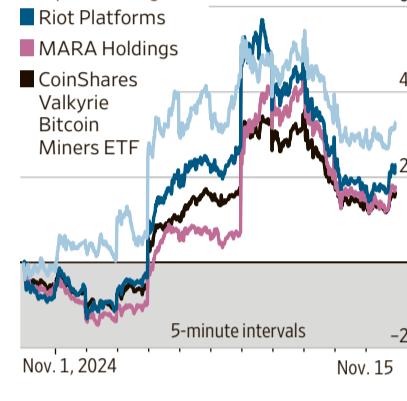
bolstered by his pledges to end a hostile regulatory regime and build up a national crypto reserve. The rally also has powered the stocks of companies that “mine” bitcoin, such as **MARA Holdings** and **Riot Platforms**.

Like gold, bitcoin derives most of its worth from the self-fulfilling notion that it is a store of value. Today, even bitcoin bulls often admit that real-world applications for crypto will likely develop elsewhere.

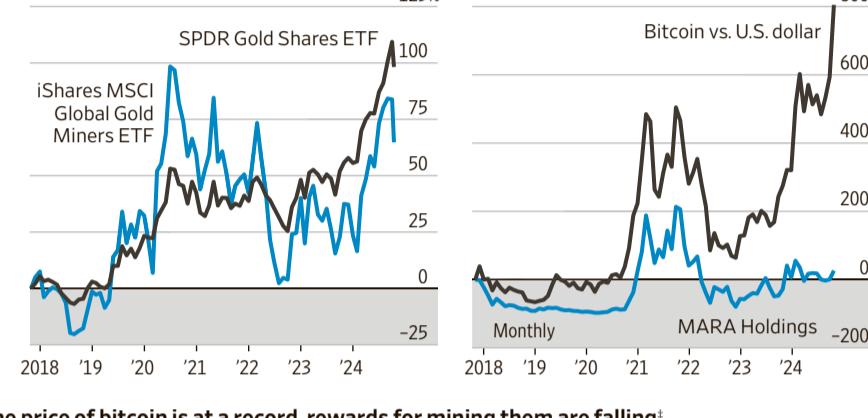
Also like the precious metal, new supply is created by miners—in this case, companies that validate groups of bitcoin transactions, or “blocks.” To prove their legitimacy, validators must solve a complex mathematical puzzle and they receive a “block reward” in exchange that currently amounts to 3.125 newly minted bitcoin.

For both bitcoin and gold, shares of miners are tightly linked to swings in the under-

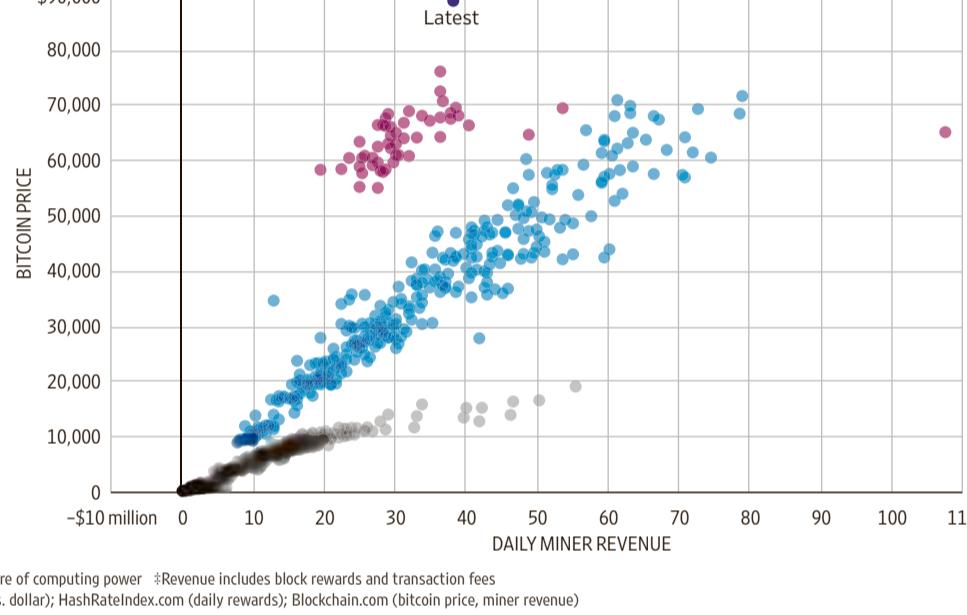
Performance since the end of October



Total return*



While the price of bitcoin is at a record, rewards for mining them are falling†



*Data through Nov. 13. †Hash/second is a measure of computing power. ‡Revenue includes block rewards and transaction fees.

Sources: FactSet (stocks, ETF); Kraken (bitcoin vs. dollar); HashRateIndex.com (daily rewards); Blockchain.com (bitcoin price, miner revenue)

lying commodity, making them a common venue for equity investors to gain exposure. Miners have the commodity in inventory—MARA in particular. It held \$1.7 billion

in digital assets in September. Their revenues also surge whenever the value of their volatile output rises. Their costs vary less.

Oddly, though, stock prices

of gold miners rise higher than the metal in bull markets but tend to even out in the long run, while bitcoin miners are less volatile than the cryptocurrency. The **CoinShares**

Valkyrie Bitcoin Miners ETF is up about 40% this year even though the value of bitcoin has doubled.

One reason is that the Please turn to page B2

Warner Bros. and NBA Settle Suit Over TV Rights

By JOE FLINT

Warner Bros. Discovery has settled its breach-of-contract lawsuit against the National Basketball Association, an agreement that will keep the company in business with the league for at least the next decade, people familiar with the matter said.

The accord gives Warner Bros. Discovery the ability to develop new shows with NBA content in the U.S. and abroad, and international NBA rights in parts of Northern Europe and Latin America excluding Mexico and Brazil.

The deal is expected to be announced early this week.

While Warner Bros. Discovery is losing rights to regular and postseason games for its TNT network after this season, the settlement will give it rights to a significant amount of NBA content domestically and abroad, the people said, and the league will avoid a continued legal battle in court.

Warner Bros. Discovery's efforts to retain some NBA content even after losing its grip on a long-held rights package underscores how valuable live sporting events are and the lengths to which media companies will go to keep a piece of the action for their cable and streaming customers.

The company sued the NBA in July after the league signed new rights deals with **Walt Disney's ESPN**, **Comcast's NBCUniversal** and **Amazon.com** valued at nearly \$80 billion over 11 years. Warner Bros. Discovery alleged that the league violated a matching-rights clause with its TNT cable network by making a deal to put games on Amazon's Prime Video.

Legal discovery had begun in that case.

Warner Bros. Discovery's digital platforms, Bleacher Report and House of Highlights, Please turn to page B2

TikTok Parent's Valuation Hits \$300 Billion

By JULIET CHUNG
AND RAFFAELE HUANG

TikTok parent **ByteDance** is valuing itself at about \$300 billion, one of its highest valuations ever, even as the Chinese technology giant's TikTok app faces the prospect of a looming ban in the U.S.

The valuation came in a recent buyback offer by ByteDance, according to people fa-

miliar with the offer, and suggests the company expects its growth to continue. A law signed by President Biden this year would ban TikTok in the U.S. unless ByteDance divests itself of the app by mid-January.

The company's valuation has ticked higher in share buybacks over the past year as ByteDance continues to grow at a rapid pace globally. Byte-

Dance valued itself at nearly \$225 billion in a tender offer to employees in October 2023. A buyback in December 2023 boosted its valuation to \$268 billion, according to a company email to investors seen by The Wall Street Journal.

ByteDance investors view President-elect Donald Trump's return to the White House as an overall positive for TikTok's hopes in the U.S.

Trump supported a ban of the app as president, but reversed his stance during his recent campaign after meeting with billionaire Jeff Yass, a major ByteDance investor and GOP megadonor. Trump has said he and Yass didn't discuss TikTok, as did a person close to Yass. It is unclear how much Trump can affect the law's outcome.

Proponents of the law say it

would prevent the Chinese government from spying on Americans or influencing the content TikTok users see. TikTok has said it wouldn't comply with such interference from the Chinese government.

ByteDance in recent days told investors it was looking to buy back stock at about \$180 a share. Raising money for buybacks has become a

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INSIDE



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Glitches with Netflix's Tyson-Paul fight spur concerns about its live events. B3



TECHNOLOGY
The dream of an inexpensive U.S. electric vehicle fades as Tesla pivots. B4

Tech Giants Take On Online Kid Safety Bill

Instagram owner **Meta Platforms** and **Alphabet's Google** have poured nearly \$90 million over the past three years into lobbying about a range of topics that include the Kids Online Safety Act, according to federal disclosures.

By Georgia Wells,
Kristina Peterson and
Natalie Andrews

When the Senate passed the Kids Online Safety Act in a nearly unanimous vote in July, it was a rare moment of bipartisan unity, suggesting overwhelming agreement that new rules are needed to protect children from potential harm online. More than three months later, the bill is stalled in the House, snarled by intensifying conservative concerns and a record-breaking lobbying effort by technology companies. (Lobbyists are required to disclose the issues they are advocating for, but federal disclosures don't specify the amount spent on each issue.)

The bill, which would be the first major federal legislation about child safety online since 1998, started as a collaboration between Sen. Marsha Blackburn (R., Tenn.) and Sen. Richard Blumenthal (D., Conn.). It gained momentum in part because of harrowing stories shared about grieving families who attributed their children's suffering to experiences on social media. The earlier law, called the Children's Online Privacy Protection Act, was intended to protect the privacy of children ages 12 and under.

The new bill would assign to platforms what it calls a “duty of care,” essentially putting a legal onus on them to take steps to address mental-health disorders, addiction-like behaviors, bullying, sexual exploitation and more.

Meta Platforms and Alphab-



Construction of Louis Vuitton's Manhattan flagship store is concealed by the glitzy facade.

New York Wowed by Scaffolding Disguised as Louis Vuitton Trunks

By ELISA LIPSKY-KARASZ

In a season when most stores vie with each other for the most extraordinary holiday windows, one of the biggest sensations doesn't have windows at all.

A 15-story stack of six Louis

Vuitton trunks that has landed at the corner of East 57th

Street and Fifth Avenue in Manhattan towers over nearby sights like Rockefeller Center's 74-foot Christmas tree, Bergdorf Goodman's beaux-arts eight-story building, Trump Tower's five-story atrium and

Saks Fifth Avenue's 100-year-old 10-story building.

Louis Vuitton's mimicry is in fact the most luxurious example of scaffolding in a city where scores of buildings have shabby sheds, metal framework and green mesh safety

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The AI Trade's Next Phase Is Here. Are You Ready?



Scan this code for WSJ's Take On the Week podcast. Co-hosts Gunjan Banerji and Telis Demos dig into the latest on the Trump trade, the crypto rally, as well as artificial intelligence investment and tech stocks.

Bitcoin Miner Rally Holds Risks

Continued from page B1
yields of finding and exploiting new gold sources are hard to predict, while bitcoin's supply schedule is preprogrammed. Block rewards halve every four years and are set to reach zero in 2140.

Mining gets more expensive by design: The value of these rewards relative to the computational power needed to obtain them has gone from 0.02 bitcoin per terahash/second a day to less than 0.001 bitcoin between the end of 2019 and now, according to HashRateIndex.com.

To be sure, bitcoin miners have other sources of income. For one, they also charge fees on bitcoin transactions. Their overall revenues have recently jumped, leading profit margins to widen.

President-elect Trump's pledges have lifted bitcoin's price above \$90,000.

But this is because every bitcoin they earn has suddenly rocketed in price. Despite that, miners are grossing about \$40 million a day compared with the \$100 million they would have earned if block rewards hadn't halved in April, data by Blockchain.com suggests. In U.S. dollars, block rewards have gone from \$141 per terahash/second per day to \$58.

It isn't just because of "halvings," either. The difficulty of mining bitcoin automatically increases when the average time spent on a block falls below 10 minutes. This preserves the security of the network as computers become faster, but it also makes bitcoin slow and ill-equipped to be the alternative payments system.

That is why miners' stocks may now be a poor way to bet on the cryptocurrency. They capture only a portion of the upside but are very exposed to the downside. Bitcoin has yet to show that it

has gold's staying power, and the current rally rests on flimsy foundations. It could revert to being just a digital Beanie Baby. Many miners—such as Core Scientific, which emerged from bankruptcy in January—already are rerouting computational power to service generative artificial intelligence instead.

Equity investors should think hard about throwing money at a useless asset. If they must, though, they should just hold the real thing, or at least one of the newly available spot exchange-traded funds.

Posh Facade Has New York Abuzz

Continued from page B1
netting. That signature "Trianon Grey" textured canvas is actually a custom-printed fabric scrim mounted onto pipe scaffolding, which covers the glass facade of the brand's former Manhattan flagship. No detail was spared: The six "trunks" feature 840 laser-cut-steel rivets and a 5,000-pound, 40-foot-long black handle, all rendered from 3-D scans of actual Vuitton trunks. The approximately 7-foot-tall corners were hand-welded in chrome-plated steel, while the 18 steel latches and locks were each laser cut. From conception to installation, the trunks took six months to complete.

The whole stack measures 108 feet deep by 70 feet wide and is 230 feet tall.

"That is crazy. I've never seen anything like that before," said Jen Eng, a project manager for the Food and Drug Administration, visiting from Baltimore, who stopped to stare.

By last Monday, the trunks

were trending on TikTok and Instagram, prompting a pair of Welsh sisters to make the Midtown trek. "We thought we would come and have a little look," said Amber Sweeney, 24 years old, who accompanied her sister, Kristie, 23, in town from Cardiff.

The behemoth bags even attracted a group of nine firefighters from Rochester, N.Y., "Upscale elegance," is how one of them, Daniel DiSalvo, 48, described Louis Vuitton's identity. "The building supports that."

While LVMH demolishes the 1930s building currently at the site, the trunks will be a reminder of what is to come. Starting Nov. 14, the brand's flagship location has been relocated across the street, into a five-story temporary store that will be the largest Louis Vuitton outpost in the U.S. (The brand signed a multiyear lease on the building.) The store is outfitted in similarly fabulous style, complete with a Louis Vuitton-themed cafe, every type of LV-logoed item imaginable and a chocolatier.

"That is crazy. I've never seen anything like that before," said Jen Eng, a project manager for the Food and Drug Administration, visiting from Baltimore, who stopped to stare.

By last Monday, the trunks

were trending on TikTok and Instagram, prompting a pair of Welsh sisters to make the Midtown trek. "We thought we would come and have a little look," said Amber Sweeney, 24 years old, who accompanied her sister, Kristie, 23, in town from Cardiff.

"You have a business operation that would otherwise be thwarted by the construction process, and they're able to find [return on investment]," he said. Louis Vuitton declined to comment.

Judging by the crowds, the trunks have been a successful bid for attention as Louis Vuitton heads into the critical holiday shopping season.

Beccari, 57, is known for his bold leadership and making splashy statements with destination retail. As chief executive of Dior, he oversaw the development of its mega-flagship in Paris, which features gallery spaces and a restaurant.

"The feedback on this latest structure has been overwhelmingly enthusiastic and positive—and we're extremely proud of that," Beccari said.

When Louis Vuitton installed a large trunk facade in Paris on the Champs-Élysées last year at the site of its future

hotel, it caused a similar social-media sensation. Last February, a demand by the Green political group that the hoarding be removed, arguing that it fell afoul of advertising codes, was rejected by the Paris Council. Louis Vuitton had no comment on the matter.

The specifics for the new 57th Street building underneath the New York City trunks have yet to be announced. With the coming Louis Vuitton building, the

Tiffany flagship and the Bulgari boutique on the same intersection at East 57th and Fifth Avenue, LVMH is poised to cement its domination of one of New York City's most important retail corners.

Filippo Bianchi, a Milan-based managing director at Boston Consulting Group, said that LVMH has few industry peers that can make such real estate and marketing investments. Louis Vuitton declined to say how much it spent on the project, but one industry insider estimated that the trunk would cost \$10 to \$15 a square foot, which would put the cost for the printed fabric alone in the mid six figures.

'That is crazy. I've never seen anything like that before,' one tourist said.



Warner Bros. Discovery is losing rights to regular and postseason NBA games for its TNT network after this season.

Warner Bros., NBA Settle Suit

Continued from page B1
will continue to have access to NBA content. House of Highlights, which focuses on big moments in games, often in nearly real time, is seen as a potential global growth property for Warner Bros. Discovery, similar to the NFL's Red-Zone channel, which shows live action from games.

The company will continue

to partner on the NBA's digital operations for the next several years. That portion of the deal will provide Warner Bros. Discovery with about \$350 million in revenue over the length of the agreement, for services, promotion, programming and marketing, people familiar with the terms said.

The new rights deals go into effect next year and would end TNT's more than three decades as a home for NBA games. Warner Bros. Discovery's settlement runs 11 years, which is the same term as the league's rights deals with Disney, Amazon and NBC-Universal.

Separately, Warner Bros. Discovery struck a deal with

Disney to license the TNT show "Inside the NBA" to ESPN and ABC starting next season.

The addition of college football, and a new deal for NASCAR, are part of the company's efforts to fill the void that will be left by the departure of the NBA.

Warner Bros. Discovery has major distribution deals coming up and is fighting hard to keep the fees it gets for TNT on par

with their current monthly value of around \$3 a subscriber. In September, Warner Bros. Discovery signed a new distribution agreement with Charter Communications, the largest pay-TV distributor in the U.S.

That agreement follows a similar five-year deal the two struck in March to share College Football Playoff games,

Red One Is No. 1

Estimated Box-Office Figures, Through Sunday

Film	Distributor	Weekend*	Cumulative	% Change
1. Red One	Amazon MGM Studios	\$34.1	\$34.1	—
2. Venom: The Last Dance	Sony	\$7.4	\$127.6	-54
3. The Best Christmas Pageant Ever	Lionsgate	\$5.4	\$20.0	-50
4. Heretic	A24	\$5.2	\$20.4	-52
5. The Wild Robot	Universal	\$4.3	\$137.8	-35

*Friday, Saturday and Sunday in North American theaters

Source: Comscore



The Christmas adventure film stars Dwayne Johnson.

BUSINESS NEWS

CoverGirl Bets Big on Influencers

Coty turns to social-media stars to fuel drugstore makeup line's sales growth

By NATASHA KHAN

CoverGirl was built on decades of glossy magazine ads featuring stars like Christie Brinkley, Tyra Banks, Taylor Swift and Rihanna. With sales sliding for drugstore makeup brands, its growth hinges on thousands of social-media influencers.

Sue Nabi, chief executive of beauty giant **Coty**, has turned around the fortunes of CoverGirl over the past four years, propelling the brand back to growth after it fell into decline. Now Nabi's strategy is being tested as sales growth slows across the U.S. mass-market cosmetics industry and competition increases—particularly from rival **e.l.f. Beauty**.

"I want to be the most agile among beauty giants," Nabi said in an interview.

In New York, Miami and other cities, Coty has TikTok content-development studios where influencers shoot videos. Its influencer lineup includes makeup artist Karen Sarahi Gonzalez—known as Ilusarahi, who has nearly seven million Instagram followers—and Lexie Learmann, who posts about fitness, food and beauty products and has more than a million Instagram followers. Coty also is expanding its digital sales with the help of a multidisciplinary team that Nabi likened to a startup.

Re-energizing makeup sales is important for Coty, whose stock has fallen 42% in 2024, hitting lows not seen in two years. Like others in the beauty industry, Coty has been hurt by a slowdown in makeup sales in the U.S. and China. Sales for Coty's consumer beauty unit—where CoverGirl is the biggest brand—flattened



Re-energizing makeup sales is important for Coty, whose stock is down 42% in 2024. A CoverGirl event in New York this year.

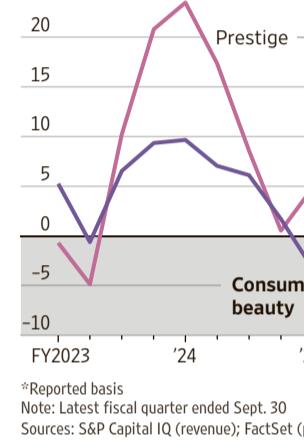
in the latest quarter.

CoverGirl's market share is holding steady, while rival legacy brands L'Oréal Paris and Maybelline are losing ground, according to Evercore ISI analysts. One reason, the analysts said, is that sales of makeup are declining in drugstores but growing on **Amazon.com**, where CoverGirl is gaining share.

Austen Tosone, a 30-year-old beauty influencer, first connected with Coty after she posted a TikTok video reviewing CoverGirl's Simply Ageless Skin Perfector Essence Foundation. She bought the product after seeing it in other influencers' videos.

Tosone, a former magazine editor, has about 17,000 followers on Instagram. Coty invited her to create more videos in its studio in the Empire State Building in Manhattan—

Coty's segment revenue, change from a year earlier*

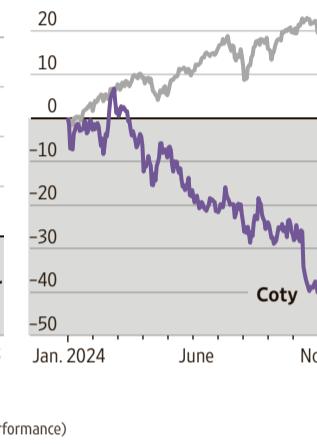


a thrill for Tosone, who usually films in her Hoboken, N.J., apartment.

CoverGirl was introduced in the early 1960s by Noxzema as a medicated foundation to conceal blemishes. The brand soon began positioning itself as "clean makeup," with a natural, girl-next-door look.

CoverGirl was acquired in

Share-price and index performance, year to date



1989 by **Procter & Gamble**, which introduced the brand's famous tagline, "Easy, breezy, beautiful." Magazine ads helped propel the careers of rising stars like Banks.

When social media exploded in the 2010s, however, mainstream brands lost ground to indie labels. In 2015, P&G said it would unload Cov-

erGirl and dozens of other brands in a sale to Coty.

In the summer of 2020, when beauty sales cratered in the pandemic, Coty brought in a new chief executive. Nabi had co-founded Orveda, an upscale French beauty brand, after years at L'Oréal, where she had boosted sales for Lancôme. Nabi assessed CoverGirl and concluded that the former trendsetter was now a follower. She directed Coty's consumer beauty team, which oversees the company's mass-markets labels, to think about what was at the core of CoverGirl's identity.

Nabi increased advertising and marketing spending for the brand. And she instructed her marketing team to recruit thousands of influencers. On Instagram and TikTok, they posted videos demonstrating and endorsing CoverGirl products.

CoverGirl relaunched in 2021 with a new marketing campaign invoking the brand's roots as a clean beauty brand.

In the cosmetics industry today, "clean beauty"—a growing segment of the industry—refers to products that don't contain ingredients such as parabens or sulfates. CoverGirl introduced a "clean" mascara and a suite of new skin care products. The brand's sales growth accelerated. In the 2023 fiscal year, organic sales for Coty's consumer beauty unit grew 11%.

The brand has courted a host of so-called micro- or nano-influencers—people with smaller audiences—by sending them free products.

Tosone, a microinfluencer, said she feels a strong connection to CoverGirl. When she was in middle school in the suburbs of New Jersey, CoverGirl's single eye shadow was the first beauty product she bought. Now she receives a steady stream of free samples.

"I am excited to continue working with them since they make products I truly love," she said.

France's Danone Sweetens Its Offer For Lifeway

Owner of 23% stake in maker of probiotic foods bids \$27 a share, up from \$25

By CONNOR HART

France's **Danone** is offering to acquire **Lifeway Foods** at a higher price after the Morton Grove, Ill., maker of probiotic foods rejected its previous offer.

Lifeway on Friday said that Danone offered to purchase all of its shares that it didn't already own for \$27 apiece in cash. The company currently owns about 23% of Lifeway's outstanding common stock.

The company's board, in consultation with its independent outside advisers, will review and evaluate the revised proposal, it said.

In September, Paris-based Danone made an unsolicited proposal to buy the rest of Lifeway for about \$283.4 million, or about \$25 a share.

Earlier this month, however, Lifeway's board rejected the offer and adopted a limited-duration stockholder-rights plan, also known as a poison pill, with a 20% trigger, in response to the approach, adding that the plan also would be triggered if Danone increases its stake in the company.

Poison pills are antitakeover measures that flood the market with new shares, making it more expensive for suitors to acquire a controlling stake in a company. Shares of Danone have increased 9% so far in 2024, while Lifeway's have climbed 76%.



Its push into more live sports programming is part of a plan to build appointment viewing.

Netflix's Tyson-Paul Fight Spurs Live-Event Concerns

By GINGER ADAMS OTIS AND JOE FLINT

Netflix's heavyweight boxing match between Jake Paul and Mike Tyson drew an estimated 60 million households globally, despite technical hiccups that left many viewers frustrated.

The streaming service on Saturday released its preliminary viewership numbers for the marquee event, in which Paul easily defeated the former heavyweight champion in eight rounds. The boxers weren't the only ones being judged Friday night—Netflix's streaming performance also was under scrutiny.

Streaming snafus marred the late-night face-off, especially during the undercard matches before the main event. Disgruntled fans roared Netflix on X and other platforms for its slow loading speed and sometimes-pixelated presentation. They also complained about boxing legend and fight commentator Evander Holyfield's malfunctioning earpiece.

Netflix declined to comment on the tech issues many viewers experienced.

The streamer struggled with another live event last

year, and Friday's glitch-plagued program raises questions about the company's technical chops ahead of some other high-profile sporting events, including National Football League games on Christmas and World Wrestling Entertainment content starting next year.

The company's push into more live sports programming is part of a long-term plan to build regular appointment viewing on the platform, which is attractive to advertisers and subscribers. It also is aimed at helping Netflix's larger effort to replace TV networks as the main source of household entertainment.

Last year, Netflix's "Love is Blind" reunion show stumbled when viewers logged on to watch the reality show cast bicker at each other and instead got a message about a tech problem. Viewers had to wait more than an hour for Netflix to release a recorded version of the event.

Earlier this year, Netflix announced a 10-year agreement valued at more than \$5 billion with **World Wrestling Entertainment**. Starting in 2025, the deal gives Netflix exclusive rights to "WWE Raw" and other WWE shows in the U.S.,

as well as international distribution rights in other countries.

Sports leagues are embracing streaming as companies such as Netflix and **Amazon.com** are willing to spend heavily for their content. And live sports is seen as a lure to attract advertisers, which both Netflix and Amazon have prioritized.

Netflix is scheduled to broadcast at least two NFL Christmas games this year, and at least one holiday game in 2025 and 2026. It is paying about \$75 million a game this year, The Wall Street Journal previously reported.

Other streaming services, such as **Comcast's Peacock**, are doing the same. A January playoff game between the Kansas City Chiefs and Miami Dolphins drew 23 million viewers and was the largest event ever for internet usage in the U.S., responsible for 30% of web traffic.

In July, the National Basketball Association unveiled \$77 billion in TV and streaming deals with NBC, ESPN and Amazon. The move cemented streaming into the 11-year pact with media companies that take effect after the current season.



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TIM HIGGINS

Dream of Cheap U.S. Electric Car Fades

The dream of a \$25,000 electric vehicle for U.S. drivers is in trouble.

Elon Musk abandoned it. President-elect Donald Trump is unlikely to help. And the current economics of the U.S. auto industry don't support it. The key problem: America doesn't really sell cheap new cars anymore.

Why would any automaker offer an EV—with all of that costly technology—at a price point that's half of what the average new vehicle goes for these days?

"I think having a regular \$25,000 model is pointless," Musk said a few weeks ago. "It would be silly."

Yes, the chief executive says **Tesla** is working on a \$25,000 robotaxi to arrive in 2026. But for those who don't think his driverless cars are going to happen by then or for Luddites who just want to buy a new \$25,000 EV with a steering wheel and pedals—no luck.

Musk isn't alone in taking a sour view of making a cheap EV for the U.S.

"That market sucks," Peter Rawlinson, chief executive of **Lucid Motors**, told me and my colleague Christopher Mims for our new podcast, "Bold Names."

Lucid which has begun taking orders for its coming \$90,000 version of the new electric SUV called the Gravity, aims to bring out a more affordable midsize vehicle to compete against the Tesla Model Y in late 2026. That vehicle is said to cost less than \$50,000, but a cheap EV is something Rawlinson said he would only support by licensing his technology.

"That market is notorious because you get into mass manufacture—terrible, low margins," he said of the low-



Peter Rawlinson, chief executive of Lucid Motors, center, sitting in a Lucid Gravity sport-utility vehicle at an auto show.

higher margins," Tyson Jominy, vice president of data and analytics at J.D. Power, told me. "Now we just don't have" these cheaper models.

Today, just four models account for more than two-thirds of all vehicles with suggested retail prices of less than \$25,000 in the U.S.—**Toyota**'s Corolla, **Kia**'s Forte, **Nissan**'s Sentra and **Chevrolet**'s Trax. It isn't as though people don't want cheap cars. Now, many are left buying used cars.

What has Western auto executives' stomachs churning is that they might have inadvertently left a huge opening for Chinese rivals who have shown an ability to build inexpensive EVs that consumers outside the U.S. are gobbling up.

While Trump promised even heftier tariffs to effectively keep Chinese imports out, the president-elect suggested he might be open to Chinese automakers' setting up factories in the U.S.—though such a move would mean their labor costs would surely increase compared with what they're accustomed to back home.

Even for Musk, though, the world seems to be shifting quickly. He has said Tesla sales could rise as much as 30% next year by offering cheaper versions of existing models.

"The amount of work required to make a lower-cost car is insanely high," Musk told analysts in October. "It is harder to get like 20% of the cost out of a car than it is to design the car and build the entire factory in the first place—it's like excruciating."

He added: "There's not a lot of movies made about the heroes who got 20% of the cost out of a car, but let me tell you, there should be."

price EVs. "To install the manufacturing base for millions of these units makes little sense to me."

Abandoning the idea of a \$25,000 car comes as a blow to those who were betting that the electrification of the automobile was on track to happen seemingly overnight—with EVs for every pocketbook replacing the tens of millions of vehicles on the roadways.

Instead, we've swung back to a belief that the transition, at least in the U.S., is going to be slower.

Musk upended the car industry almost two years ago with his claims about Tesla's ability to slash costs as it sought to develop a lower-priced EV while at the same time starting a price war by cutting the prices of the Model 3 sedan and Model Y sport-utility vehicle.

Rivals, lest they be left be-

hind Tesla and its now-discarded claims, aimed for cheap EVs. But their efforts to electrify ran into trouble.

Ford Motor last month said it was pausing production of its electric F-150 Lightning, which starts at about \$63,000, amid slumping demand.

A slowdown in the rate of EV-sales growth complicates the picture. So has the anticipation that the new Trump administration will eliminate federal tax credits that made EVs more affordable for buyers. The cheapest car Tesla sells in the U.S. starts at about \$43,000—or \$35,500 with a federal tax credit of \$7,500.

Building and selling a cheap car for the U.S.—EV or not—was already difficult.

To start, profits can be thin. And that's before adding expensive batteries to the equation, before infla-

tion jacked prices up for everything, and before Chinese rivals got really, really good at making really, really inexpensive EVs of their own.

A lot of attention has focused on the fact that new cars, like everything these days, just cost way more than they used to.

The average transaction price for a new vehicle sold in the U.S. last month was \$48,623, according to Kelley Blue Book, roughly \$10,000 higher than in 2019, before the pandemic.

A decade ago, about 40% of the new-vehicle transactions in the U.S. were less than \$25,000, including incentives and discounts, according to the researcher J.D. Power. This year, that figure is 9%.

In 2020, when Musk fanned the flames of excitement for a \$25,000 car that he said was in the offing, the

new-vehicle market in the U.S. was a much different thing. Even then, roughly a quarter of the new-vehicle transactions were for less than \$25,000.

A year later, according to J.D. Power, it was 15%. It then fell to 6% before slightly rebounding this year as car companies offered deals to help move vehicles as higher interest rates made buying a car harder for some.

What happened? The pandemic. Prices shot up—first in the midst of supply shortages, and then they stayed high as automakers adjusted their lineup to cut out low-profit vehicles.

"As automakers were profit maximizing during the supply chain crisis era, you are going to prioritize the bigger vehicles, the more expensive vehicles with their

Online Safety Bill Opposed

Continued from page B1 they focus on LGBTQ expression, amplifying worries that officials could censor queer youth. With conservative lawmakers they talk about how they fear antiabortion positions could be censored.

The rear-guard effort shows the stakes for the companies: Assigning a duty of care would hold the companies liable for design decisions. Tech companies historically were largely exempted from responsibility for harms their platforms caused.

"On the left and the right, they've tried to say whatever the cultural red flag is," said Alix Fraser, who leads a bipartisan group trying to address social-media harm at Issue One, an organization that advocates reducing money in politics.

Broadly, the tech companies invested record-breaking amounts of money into their lobbying efforts this year, according to Issue One.

Nontech companies are objecting, for reasons including concerns about determining the ages of users. **News Corp**, which owns The Wall Street

Journal, spent about \$1.9 million lobbying in the past two years on topics that included the bill.

Maurine Molak, whose son David died in 2016, said he had become addicted to social media and online gaming. She cited aspects of the apps, including infinite scrolling, push notifications and intermittent rewards, which she said made it harder for David to log off and disrupted his sleep.

After peers started bullying him on Instagram and other apps, his parents helped him transfer schools. The posts followed him so much that people David didn't know piled on, Molak said. Friends of David's tried to report the posts to Instagram and say they didn't hear back. Shortly after, David took his own life.

The Kids Online Safety Act aims to hold companies accountable for design decisions that can cause harm to young users such as the ones that hooked David and amplified his bullies. It also would require companies to address user reports of imminent harm.

A spokesman for Meta said better legislation would focus on the role of parents and app stores rather than on Meta. "Federal legislation should require app stores to get parents' approval whenever their teens under 16 download apps," the spokesman said.

Meta added restrictions for teen accounts in September,



Maurine Molak poses with a photo of her late son. Mark Zuckerberg pledged Meta would do more to avoid such tragedies.

including automatically making youth accounts private, following years of complaints from parents and youth advocates that the company didn't do enough to protect its most vulnerable users.

A spokeswoman for Alphabet pointed to protections that Alphabet has already introduced, such as not letting videos play automatically for young users, and said the company continues to work with lawmakers on the bill.

When it became clear in 2022 that lawmakers were going to try to regulate social-media companies, executives at Meta brainstormed messaging they could use with critics, according to people familiar with the conversations. One of their early talking points was the idea that regulation could harm the free expression of LGBTQ minors, the people said. Meta and Alphabet contacted LGBTQ advocacy groups with this message.

In late 2022, an Alphabet employee and a lobbyist representing Alphabet started reaching out to Senate offices to express concerns with the state of the proposed legislation. Their top priority was to limit the duty-of-care language in the bill, according to people familiar with the matter.

As the Senate prepared to vote this past July, lobbyists representing Meta and Alphabet stepped up their outreach to conservative members of the House who control the chamber.

At a regular meeting of conservative congressional

staffers that month, Tripp Baird, founder of a boutique lobbying firm that represents Meta and Alphabet, asked whether conservatives there had a problem with the legislation, according to people present at the meeting. Baird hasn't filed lobbying disclosure reports for Meta or Alphabet related to the bill.

Then the lobbying accelerated.

Days later, another lobbyist who represents Meta and Alphabet and formerly worked for House Majority Leader Steve Scalise (R., La.), Matt Bravo of S-3 Group, dis-

tributed unsigned paper

memos to conservative congressional staffers.

The act "is a wolf in sheep's clothing for the pro-life movement," the memo said, according to a copy of the memo reviewed by The Wall Street Journal. It "gives new dangerous powers to Biden to shut down pro-life activities."

Republicans maintained control of the House in the recent election, although their majority will be narrow.

The bill hit hurdles in the House, an unusual outcome for legislation that cleared the Senate with nearly unanimous support. The hard-line conservative Freedom Caucus and House GOP leaders began raising concerns. In addition to Scalise, both House Speaker Mike Johnson (R., La.) and

House Judiciary Committee Chairman Jim Jordan (R., Ohio) expressed reservations.

The Energy and Commerce Committee's hearing on the child safety bill, as well as privacy legislation, was abruptly canceled in late June, largely because of concerns over the privacy bill, according to House GOP aides.

Over the summer, Scalise worked with Rep. Gus Bilirakis (R., Fla.) on changing the bill's duty-of-care provision, according to a GOP leadership aide.

Conservatives, including some

in the Freedom Caucus, wor-

ried the bill would ultimately give the Federal Trade Commission too much power in regulating online content and ultimately censor conservative voices,

according to aides and an email blast sent by the Freedom Caucus. Amid the ground effort, essays arguing against the Kids Online Safety Act also started appearing in trade publications and other outlets. Some authors didn't disclose ties to Meta and Alphabet.

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When the committee finally considered the bill in September, it passed it on a voice vote—a sign of wavering support for legislation that lawmakers didn't want to back on the record, aides said. Many House Republicans still have reservations about it, according to lawmakers.

House GOP leadership aides said the bill is unlikely to get a stand-alone vote this year, given the crush of other must-pass legislation during the weeks Congress will be in session after the election. That would effectively kill the bill for this session, unless Senate Majority Leader Chuck Schumer (D., N.Y.) presses to include the measure as part of a year-end package—a move that is less likely when a measure is controversial.

"As a parent survivor, to feel like you're being toyed with is unconscionable," said Molak.

Meta CEO Mark Zuckerberg, at a Senate hearing in January, apologized to parent survivors in the audience for everything they had gone through.

He pledged the company would work to ensure that no more parents would have to endure the kind of loss that Molak and others live with. South Carolina GOP state Rep. Brandon Guffey, who lost a son to suicide after he was extorted online, said it has been demoralizing to watch GOP lawmakers work to water down or block the bill.

In response, Guffey recorded a radio ad that played in Louisiana—Scalise and Johnson's home state—that was paid for by Issue One Action, the nonpartisan group's advocacy arm. "I couldn't protect my son, but now it's my mission to make sure all kids are protected," Guffey said in the ad.

Anthony DeBarros contributed to this article.

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BUSINESS & FINANCE



Investors see Donald Trump's election win as good for TikTok.

ByteDance Valuation Climbs

Continued from page B1
popular way for companies to give liquidity to investors and early employees while the market for initial public offerings remains chilled.

ByteDance owns a number of businesses besides TikTok, including popular internet services in China. In the U.S., TikTok has been caught in the crosshairs of escalating geopol-

itical tension between the U.S. and China.

Concerns about the national security threat TikTok poses to the U.S. culminated in April when Biden signed the law that could ban the app. TikTok Chief Executive Officer Shou Zi Chew has said the app isn't going anywhere, and in May, TikTok filed a federal lawsuit arguing the law violates the free-speech rights of its users.

Several billionaires announced plans to bid for TikTok, but ByteDance has said it can't and won't sell TikTok's U.S. operations.

—Corrie Driebusch and Georgia Wells contributed to this article.

Reckitt Shifts the Making of Some Cold Medicines to U.S.

BY LIZ YOUNG

Consumer-goods supplier **Reckitt Benckiser** is looking to respond faster to shifts in demand for over-the-counter pharmaceuticals by moving more manufacturing to the U.S., its largest market.

Reckitt is investing \$200 million in a factory in Wilson, N.C., that it acquired last month, part of an effort to rewire its supply chain to meet more unpredictable drug demand since the Covid-19 pandemic.

A surge in Covid-19 infections this past summer boosted demand for cold medicine at a time of year when drugmakers are typically restocking for the fall and winter cold and flu

seasons, said Chris Tedesco, the U.K.-based company's senior vice president for health in North America.

The company plans to shift some production of Mucinex in liquid and tablet form from factories in Mexico and the U.K. to its new North Carolina plant.

The company has six other U.S. manufacturing sites where it makes products such as Finish dishwashing detergent, Enfamil baby formula and vitamins and supplements. It has been shifting more manufacturing closer to North America and configuring its plants so several of them can make various products.

Bayer and others are working with Microsoft to tailor tech to their sectors

By ISABELLE BOUSQUETTE

Bayer is known for selling seeds. Now it sells seeds and artificial intelligence.

Microsoft last week announced it is working with the German pharmaceutical-and-agricultural group and other companies on specialized AI models fine-tuned on industry-specific data. The companies can now list and monetize those models on Microsoft's online model catalog.

For Bayer, that means an AI model fine-tuned with its data and designed to provide answers on agronomy and crop protection is available to be licensed by its distributors, new agricultural-technology startups and even potentially competitors. The model can answer questions about ingredients in an insecticide or whether a product can be applied to cotton, for example.

"A lot of folks have the same pain points that we have," said Sachin Desai, Bayer's VP of AI Go to Market and Partnerships. "There's a lot of ways to not only amortize our own cost by allowing others to collaborate off the same platforms or build on it, but also to uplevel the outcomes for our customers."

Bayer last week cut its full-year earnings target after a tough agricultural market hit its crop-science division, and said it heads into next year with a muted outlook and likely declining earnings.

Microsoft expects this new approach, built on its Phi family of small language models and preloaded with industry knowledge, will accelerate enterprise generative AI adoption, a yearslong effort built



Bayer will be able to monetize its AI model through licensing. A Bayer greenhouse in California.

on the understanding that off-the-shelf AI models often don't cut it for business needs.

Companies now find it critical to augment today's general models with more industry-specific or business-specific data if they are going to be useful.

Model makers in turn have quickly staffed up teams to work with customers and have identified strategic partners to build out company and industry-specific artificial-intelligence tools.

For Microsoft, handing over the reins to enterprise partners is a question of knowing its limits. The tech giant said it has taken steps to develop more industry-focused models by leveraging public and even synthetic data sets—but it said it could only go so far without rich data sets owned by companies like Bayer.

"In a lot of cases, the AI scenarios and the accuracy of it is only as good as the data you have," said Satish Thomas, corporate vice president of business and industry solutions at Microsoft.

Industrial automation provider **Rockwell Automation**, compliance tech provider **Saifir**—which is part of Fidel-

ity—manufacturing analytics provider **Sight Machine**, automotive software company **Cerence** and Siemens Digital Industries Software, a unit of **Siemens**, also launched their industry models last week.

Most will be available on Microsoft's Azure Catalog, although in Siemens's case, its model will be available in the Azure Marketplace or directly through Siemens.

Saifir, a startup born of Fidelity Labs, said it is releasing four models targeting financial-services companies and the software companies that serve them—and ultimately make it easier for the industry to start using AI on a broader scale.

When it comes to enterprise adoption of AI, "Industry-specific and domain-specific models are going to be the game-changer," said Ritu Jyoti, general manager and group vice president of AI and data as well as global AI lead at research firm International Data Corp.

With these more-focused models, Jyoti said, enterprises can spend less time doing their own fine-tuning and get more value out of AI sooner. "This is going to become a lot more prevalent," she added.

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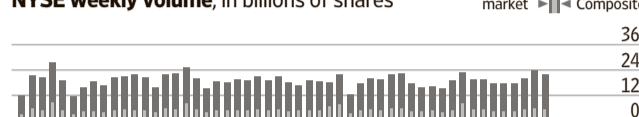
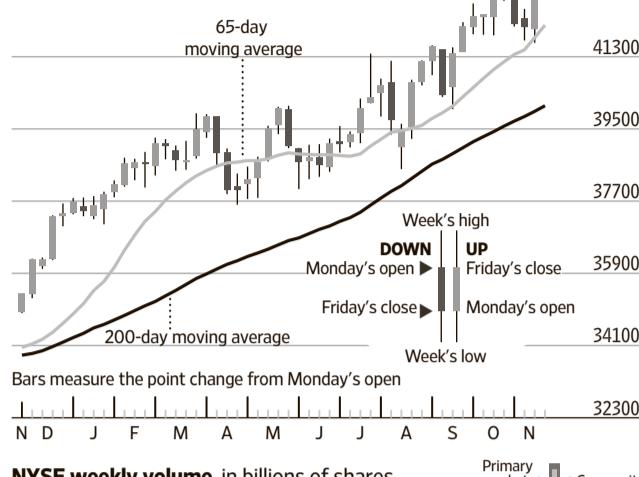
THE WALL STREET JOURNAL.

MARKETS DIGEST

Dow Jones Industrial Average

43444.99 ▼544.00, or 1.24% last week
High, low, open and close for each of the past 52 weeks

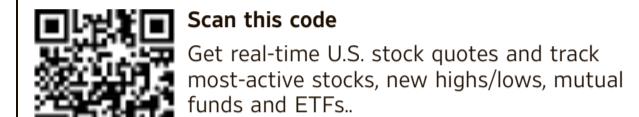
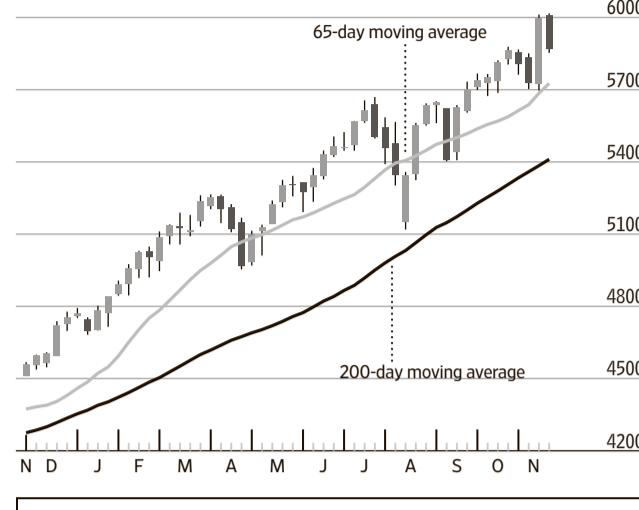
Current divisor 0.16268413125742



*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

S&P 500 Index

5870.62 ▼124.92, or 2.08% last week
High, low, open and close for each of the past 52 weeks



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Major U.S. Stock-Market Indexes

Dow Jones	High	Low	Latest Week Close	Net chg	% chg	52-Week Low	Close (●)	High	% chg	YTD % chg
	34100	32300	43444.99	-544.00	-1.24	34947.28	44293.13	24.3	15.3	6.4
Industrial Average	4486.70	43350.43	43444.99	-544.00	-1.24	34947.28	44293.13	24.3	15.3	6.4
Transportation Avg	17676.29	17197.92	17227.87	-126.07	-0.73	14781.56	17566.34	15.4	8.4	0.9
Utility Average	1042.62	1014.33	1033.82	1.90	0.18	829.38	1071.27	19.7	17.3	4.0
Total Stock Market	60001.87	58238.82	58415.14	-1285.57	-2.15	44829.90	59878.01	30.3	22.2	6.3
Barron's 400	1339.79	1289.89	1292.79	-32.23	-2.43	978.24	1338.19	31.3	20.6	4.9

Nasdaq Stock Market

Nasdaq Composite	19366.07	18598.87	18680.12	-606.66	-3.15	14125.48	19298.76	32.2	24.4	5.6
Nasdaq-100	21182.03	20315.08	20394.13	-723.05	-3.42	15788.05	21117.18	28.8	21.2	8.0

S&P

500 Index	6017.31	5853.01	5870.62	-124.92	-2.08	4514.02	6001.35	30.1	23.1	7.8
Mid-Cap 400	3338.21	3201.23	3207.52	-89.84	-2.72	2534.25	3225.88	26.4	15.3	3.3
SmallCap 600	1537.94	1458.34	1462.97	-45.39	-3.01	1161.64	1531.42	24.9	11.0	0.2

Other Indexes

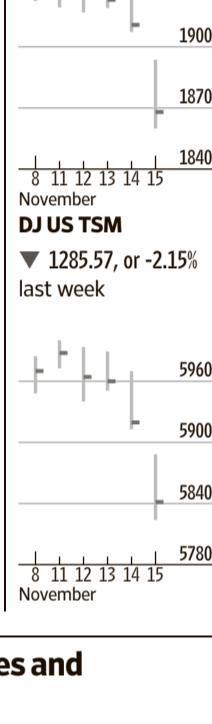
Russell 2000	2441.72	2297.52	2303.84	-95.80	-3.99	1783.26	2434.98	28.1	13.7	-1.4
NYSE Composite	20084.53	19160.45	19645.77	-291.36	-1.46	15813.46	20015.87	24.2	16.6	4.4
Value Line	648.69	624.04	624.95	-17.14	-2.67	539.03	647.11	15.6	5.2	-3.4
NYSE Arca Biotech	6188.35	5568.89	5576.16	-578.19	-9.39	4767.72	6154.34	16.5	2.9	0.9
NYSE Arca Pharma	1005.70	936.56	938.71	-66.99	-6.66	875.38	1140.17	7.2	3.1	6.0
KWB Bank	136.28	133.03	134.79	3.05	2.32	82.23	134.94	61.7	40.4	-1.4
PHLX\$ Gold/Silver	152.26	142.35	143.16	-13.57	-8.66	102.94	175.74	26.8	13.9	-0.1
PHLX\$ Oil Service	81.48	76.22	76.53	-2.83	-3.57	72.67	95.25	9.1	-8.8	9.7
PHLX\$ Semiconductor	5242.63	4816.53	4833.59	-456.93	-8.64	3645.82	5904.54	28.9	15.8	8.4
Cboe Volatility	17.55	13.59	16.14	1.20	8.03	11.86	38.57	17.0	29.6	-0.7

Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Nasdaq Composite

▼ 606.66, or -3.15%
last week



November

DJ US TSM

▼ 1285.57, or -2.15%
last week

November

Sources: Dow Jones Market Data; FactSet

New to the Market

Public Offerings of Stock

IPOs in the U.S. Market

Initial public offerings of stock expected this week; might include some offerings. U.S. and foreign, open to institutional investors only via the Rule 144a market; deal amounts are for the U.S. market only

Expected pricing date	Issuer/business	Symbol/ primary exchange	Pricing per share (\$) Low/High	Bookrunner(s)
11/19 2023	Creative Global Technology Holdings Other Direct Selling Establishments	CGTH Nq	4.00/ 5.00	N.A.
11/22 8/20	Brazil Potash Other Nonmetallic Mineral Mining and Quarrying	GRO N	15.00/ 18.00	Cantor Fitzgerald, Bradesco BBI
11/21 9/9	Fitness Champs Holdings Leisure & Recreation	FCHL Nq	4.00/ 5.00	Bancroft Capital
11/20 10/17	Pony AI Software Publishers	PONY Nq	11.00/ 13.00	Goldman Sachs, Merrill Lynch Deutsche Bank

Lockup Expirations

Below, companies whose officers and other insiders will become eligible to sell shares in their newly public companies for the first time. Such sales can move the stock's price.

Lockup expiration	Issue date	Symbol	Offer price(\$)	Offer amt (\$ mil.)	Through Friday (%)	Lockup provision
Nov. 17	May 22, '24	Kayne Anderson BDC	KBDc	16.63	99.8	0.0
Nov. 18	May 23, '24	Bowhead Specialty Holdings	BOW	17.00	147.2	97.3

Sources: LSEG Data and Analytics; Dow Jones Market Data

IPO Scorecard

Performance of IPOs, most-recent listed first

Company

MARKETS

Startups Fuel Ways to Remove Carbon

Getting carbon dioxide out of air draws more investors and entrepreneurs

By SEAN CAPTAIN

With too much carbon dioxide in the air warming the planet, and emissions of heat-trapping gases growing, many climate scientists say finding ways to remove CO₂ from the atmosphere is crucial.

Entrepreneurs and investors are increasingly funding projects that aim to do just that, from simple methods like planting trees, to industrial operations that suck carbon out of the atmosphere using fans, to operations that turn plant waste into carbon-rich charcoal. These technologies are in various stages of development, with some in the pilot phase.

Companies looking to offset their own emissions to meet climate pledges are entering deals with carbon-removal startups, purchasing "credits" for each metric ton of CO₂ the projects promise to remove. The U.S. government is offering incentives to spur the market, including a tax credit in the Inflation Reduction Act of up to \$180 a ton of CO₂ removed.

Carbon-dioxide removal, which is known as CDR, is different from carbon capture in that it aims to reduce what has already accumulated in the atmosphere, rather than catch CO₂ before it is released from power plants or other industrial facilities.

A dozen categories of carbon-dioxide-removal methods have been identified by the Intergovernmental Panel on Climate Change, or IPCC, a U.N. body. Here's a look at some of them, along with their pros and cons, according to climate and investing experts.

◆ Sucking CO₂ out of the air
BIGGEST PRO: Highest funding from private investors and government.

BIGGEST CON: Facilities are expensive to build and operate.

Direct-air capture, also called DAC, uses large fans, chemicals and heat to pull carbon dioxide from the air and store it underground for possibly millions of years by chemically locking it into salts called carbonates. This method has one of the highest carbon-dioxide removal potentials—up to 40 billion metric tons a year, according to IPCC estimates. So far, companies have made deals to capture over two million metric tons, according to CDR.fyi, a research firm focused on the carbon-dioxide-removal market.

Direct-air capture, which is energy and capital intensive, currently costs more than \$600 per metric ton of CO₂ removed, according to CDR.fyi. But it qualifies for the highest U.S. tax credit, \$180 a ton.

Private investors poured about \$2.1 billion into direct-air-capture facilities, according to estimates from research firms PitchBook and Sightline Climate.



JOHN MOORE/GETTY IMAGES

Swiss startup Climeworks and Icelandic partner Carbfix's Mammoth carbon-removal plant in Reykjavik, Iceland. Right, saplings planted in Iraq by volunteers.

The U.S. government offered funding. The 2021 Bipartisan Infrastructure Law provides \$3.5 billion toward the construction of four large direct-air-capture facilities in the U.S., each capable of storing at least one million metric tons of CO₂ a year. Occidental subsidiary 1PointFive plans to build one such facility in South Texas. Microsoft recently agreed to buy half a million tons of removal credits from another 1PointFive industrial-scale DAC facility in Texas, called Stratos, over six years.

◆ Planting trees

BIGGEST PRO: Simple, low-cost process.

BIGGEST CON: CO₂ can be released anytime by anything that kills trees.

Trees, which absorb carbon dioxide from the atmosphere as they grow, provide an easy, economical way to capture CO₂. Research firm Rhodium Group puts the cost at about \$15 to \$30 per metric ton removed and estimates the capture period at about 200 years at best. That's because trees eventually die and rot. But if forests remain healthy, new trees could extend carbon storage indefinitely, according to ratings agency BeZero Carbon.

One of the challenges associated with forestation is that its carbon-removal potential can't always be reliably measured "in terms of how much removal and for how long," says Jennifer Wilcox, professor of chemical engineering and energy policy at the University of Pennsylvania.

Neither reforestation, which rebuilds woods cut down in the past 50 years, nor afforestation, which restores



phytoplankton, which sinks to the bottom of the ocean, taking carbon with it.

Another promising method is ocean alkalinity enhancement. When CO₂ dissolves in seawater, it produces acid, which is harmful to ocean health. Ocean alkalinity enhancement involves adding minerals such as limestone to sea waters to lock that carbon into other minerals, called bicarbonates, lowering acidity and allowing the oceans to absorb more CO₂.

The process eventually could remove anywhere from one billion to 100 billion metric tons of carbon dioxide a year, according to the IPCC, while restoring the oceans to healthy pH levels.

The process currently runs about \$1,400 per ton of removal, based on a small number of trial projects tracked by CDR.fyi.

◆ Crushing rock

BIGGEST PRO: Simple mechanism that stores carbon indefinitely.

BIGGEST CON: In early stages of development.

As some rocks wear down, they absorb CO₂ from the atmosphere to form minerals called bicarbonates. Some startups are trying to enhance that process by crushing and spreading on land some of the same minerals used in ocean alkalinity enhancement, allowing more rock to come in contact with CO₂ in the air. Some of the minerals that can be used in this process are found in waste rock left over from mining, offering the potential side benefit of cleaning up old mine sites.

This enhanced rock-weathering process is a tad more developed than ocean methods, with about 7,000 tons captured and prices below \$400 per ton removed. Startups in this field have raised about \$127 million, according to PitchBook.

long-gone stands, qualify for U.S. tax credits, which require that carbon be stored long term.

Nevertheless, Microsoft recently committed to buying eight million metric tons of CO₂ reductions from a Brazilian project that aims to buy up farmland and transform it back into a forest.

◆ Making charcoal, bio-oil

BIGGEST PRO: Simple, well-established, and relatively inexpensive technology.

BIGGEST CON: Uncertainty over how long biochar stores carbon.

Biochar is a type of charcoal that is made when carbon-absorbing biomass such as wood, seeds or other organic material is heated in an oxygen-free environment. The process releases gases, leaving behind mostly carbon. Biochar can then be added to soil to help retain moisture.

It costs about \$170 per ton of removal, according to CDR.fyi, and can be done virtually anywhere. Some of the biggest providers include Exo-

mad Green and Aperam Bio-Energia in South America.

The carbon in biochar will combine with oxygen to produce carbon dioxide, but that may take up to 1,000 years, depending on variables such as the type of biomass used.

The same process used to make biochar can also produce a carbon-rich liquid called bio-oil, which can be stored underground indefinitely. A coalition of companies including Alphabet, Meta, Salesforce, Shopify and Stripe has signed a deal with Charm Industrial to buy 112,000 tons of CO₂ reduction via this method by 2030 for \$53 million.

◆ Capturing CO₂ from bioenergy

BIGGEST PRO: Can remove carbon for long-term storage, while producing carbon-emission-free energy.

BIGGEST CON: Facilities are expensive and capital intensive.

Bioenergy with carbon capture and storage involves burning organic material from plants (which absorbed CO₂ during growth) to produce en-

ergy, and then capturing and storing the carbon dioxide produced.

Like direct-air capture, this method could store carbon indefinitely underground. According to CDR.fyi, credits to remove more than seven million metric tons of carbon dioxide via this method have been purchased.

Building the infrastructure needed for this could be expensive, experts say, although it might be possible to repurpose coal power plants to burn biomass, saving money.

◆ Enhancing the ocean's ability to absorb CO₂

BIGGEST PRO: Potential to remove far more CO₂ than any other method, according to IPCC.

BIGGEST CON: Untried methods that are still in development.

The oceans absorb almost a third of all carbon dioxide that humans spew each year. There are a variety of proposals for enhancing seas' ability to remove CO₂ from the air, including adding fertilizers to increase the growth of

phytoplankton, which sinks to the bottom of the ocean, taking carbon with it.

All of which means PE can be picky, and isn't prone to overpaying.

Lane Bess, chief executive of cybersecurity startup Deep Instinct, said his family office, Bess Ventures, invested in companies he thought were going to have a shot at going public in the two- to five-year range—and many of them have aged beyond that time frame.

"And now we're going into 2025 and they're saying, 'We hope the window will be open in the next year,'" said Bess, who previously was president and CEO of Palo Alto Networks and chief operating officer of Zscaler.

A private-equity exit may not be as lucrative or satisfying as ringing the bell at the stock exchange to celebrate a successful IPO. And measured realism feels alien in the tech world, synonymous with a go-big-or-go-home mentality.

But it could have a positive side effect for tech startups, by discouraging marginal companies and investors from contributing to endemic bubbles.

THE TICKER | MARKET EVENTS COMING THIS WEEK

Monday

Earnings expected

Estimate/Year Ago

AECOM 1.24/1.01

BellRing Brands 0.50/0.41

Crude-oil stocks up 2.1

Gasoline stocks down 4.4

Distillates down 1.4

Freddie Mac mortgage survey

Previous weekly averages

30-year fixed 6.78%

15-year fixed 5.99%

Mort. bankers indexes

Purch., previous up 2.0%

Refinan., prev. down 2.0%

Earnings expected

Estimate/Year Ago

Nvidia 0.75/0.40

Palo Alto Networks 1.48/1.38

Snowflake 0.15/0.25

Target 2.30/2.10

TJX 1.09/1.03

Williams-Sonoma 1.77/1.83

Philadelphia Fed survey

Oct., previous 10.3

Nov., expected 6.0

Earnings expected

Estimate/Year Ago

Elbit Systems 1.72/1.36

Jacobs Solutions 1.82/1.59

Keysight Technologies 1.57/1.99

Lowe's 2.82/3.06

Medtronic 1.25/1.25

Walmart 0.53/0.51

Tuesday

Building Permits

Sept., previous

1.428 mil.

Oct., expected 1.44 mil.

Housing Starts

Sept., previous

1.354 mil.

Oct., expected 1.34 mil.

Earnings expected

Estimate/Year Ago

Elbit Systems 1.72/1.36

Jacobs Solutions

1.82/1.59

Keysight Technologies

1.57/1.99

Lowe's 2.82/3.06

Medtronic 1.25/1.25

Walmart 0.53/0.51

Wednesday

EIA status report

Previous change in stocks in

billions of cubic feet

up 42

Existing home sales

Sept., previous 3.84 mil.

Oct., expected 3.91 mil.

73.0

U.Mich. consumer index

Nov., prelim 73.0

Nov., final 73.5

Firms Look to Private Equity for Liquidity

BY STEVEN ROSENBUCH

The alchemy of the venture-capital process, in which investments are catalyzed over a number of years into a successful IPO or a big M&A deal, is under pressure.

Investors are demanding to extract returns from VC firms and startups even though the IPO market is still in a state of recovery, reflecting lingering economic anxieties and other factors. Initial public offerings in 2024 have outpaced last year, but activity remains below normal levels, law firm Ropes & Gray said in an October report.

Those dynamics are driving VCs and more mature startups to create liquidity by selling to private equity, even though the rewards often aren't as dazzling as in a public offering.

Meanwhile, PE activity in the tech sector is picking up.

Tech as a percentage of total PE deal value was 28.3% in the third quarter, up from 18.7% in the second, as buyers and sellers had an easier time agreeing on prices, according to PitchBook private equity analyst Garrett Hinds.

Capital was

cheaper, and PE buyers could pay a little more. "Some of the VC-backed companies that have been private for longer and have sufficient scale have been in the radar of private equity," Hinds said.

Looking forward, he said,

private-equity buyers may broaden their interests beyond the highest-quality targets that were evident in the third

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Eli Lilly, Novo Nordisk Battle Copycats

The drugmakers fight to stop compounded copies of their blockbuster weight-loss treatments, but filling demand will be a challenge

Drug companies are typically rewarded for their innovation with years of market exclusivity before cheaper generics enter the scene. But for diabetes and obesity drugs like Ozempic and Zepbound, known as GLP-1s, cheaper copycats emerged almost immediately.

This is due to a provision that permits drug compounders to produce copies during periods of shortage. For GLP-1s, supply constraints have persisted ever since Wegovy's approval for obesity in 2021, giving rise to a booming market for compounders.

That window for mass drug compounding could start to close if the FDA upholds its recent determination that tirzepatide—the active ingredient in Eli Lilly's Zepbound and Mounjaro—is no longer in short supply. Although the FDA declared the shortage resolved a month ago, it is currently reassessing its decision after facing a lawsuit from a compounding trade group. An update is expected on Thursday.

It is possible the FDA could reverse its decision or give compounders more time. The nomination of Robert F. Kennedy Jr. to serve as secretary of Health and Human Services, which has jurisdiction of the FDA, adds some uncertainty to what might happen under the Trump administration, given Kennedy's skepticism of pharmaceutical companies and GLP-1s in particular.

Nonetheless, the days of mass compounding appear to be waning. Notably, the FDA recently listed Novo Nordisk's semaglutide—the active ingredient in Ozempic and Wegovy—as available on its website, though it hasn't formally declared the shortage to be over.

If the FDA moves to restrict mass compounding, it could spell trouble for telehealth companies like Hims & Hers Health and Ro,



The FDA listed the active ingredient in Novo Nordisk's Ozempic as available.

while providing a boost in demand for Lilly and Novo Nordisk.

Although Lilly Chief Executive David Ricks played down the impact of compounding on the company's sales on a recent earnings call, the potential upside could be significant.

Conservative estimates indicate that hundreds of thousands of patients are turning to compounders for access to these medications. Many patients prefer to go this route because insurance coverage of GLP-1 drugs for obesity has yet to be widespread and the compounded drugs are cheaper.

The bigger question is whether the manufacturers are equipped to meet heightened demand without falling back into shortages within a few months. Eli Lilly is planning to fuel demand with new advertising in the coming weeks.

UBS analyst Jo Walton captured the concern during Novo Nordisk's earnings call last month, noting demand next year could surge as Novo Nordisk and Lilly boost advertising while compounders potentially exit. "Should we be con-

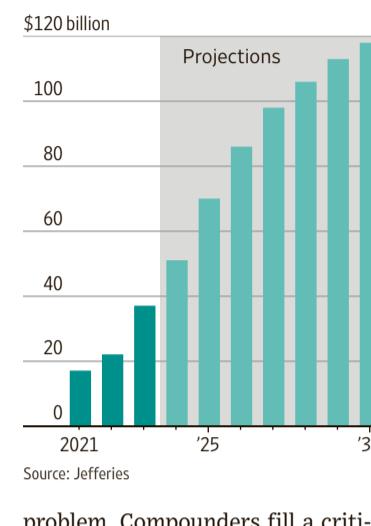
cerned that it'll be only another three months before you're back into telling us that you're in short supply?" Walton said.

A spokeswoman for Lilly said that "all doses of Mounjaro and Zepbound have been available since August, and Lilly's current and projected supply for both medicines exceed the current and projected national demand." She added that the "projections include our forecast for increased demand for genuine Lilly medicines."

Lilly's spokeswoman pointed out the company is broadening access and affordability by offering Zepbound single-dose vials through a self-pay option on the company's website, LillyDirect. Novo Nordisk points to the FDA website saying all doses of Ozempic and Wegovy are available, while noting that the company will continue to give priority to continuity of care for patients.

The compounders argue their cheaper medications are safe and that they aren't competing with Lilly and Novo Nordisk, given what they say is a persisting supply

Projected global GLP-1 sales in obesity and diabetes



Meanwhile, bulk compounders are eating into their potential market share and risking a public-relations nightmare if a batch goes bad.

Lilly's determination to prepare for a world without mass compounding may even explain why its GLP-1 sales underperformed last quarter, according to Will Sevush, a healthcare specialist at Jefferies. He speculates that Lilly might have decided to stockpile supply and hold off on consumer advertising to ensure they could adequately supply excess demand expected to be created once the FDA removes GLP-1s from the shortage list.

"I think what we've done is sort of move our set point of how much stock we want to have on hand before we go initiate demand-stimulating activities, which we had more or less paused for Mounjaro in the first half and never started for Zepbound," Lilly's Ricks told analysts during the earnings call.

The FDA is clearly concerned, too, and it wants to curb mass compounding. But it can't act without declaring the shortages over, something it is now trying to do with Lilly's tirzepatide. The problem is that what constitutes an end to the shortage remains murky.

In making its decision, the FDA relies on information provided by the manufacturers. In October, the FDA said Lilly produced enough tirzepatide to meet soaring demand. But compounders have disputed whether the shortage is over, and the FDA's own drug-shortage website acknowledges that even when a drug is technically available, patients may still face delays due to factors like supply-chain logistics and retailer practices.

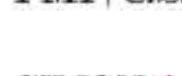
It could be a matter of months, but Eli Lilly and Novo Nordisk may soon get what they want. They better be ready to handle it.

—David Wainer

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Director, National Counterintelligence and Security Center

Marc Lasry
Co-Founder, Chairman and CEO, Avenue Capital Group

Kellyanne Conway
Former Senior Advisor to President Trump

Jocelyn Mangan
CEO and Founder, Him For Her

Charlie Cook
Founder, The Cook Political Report

Danny Meyer
Restaurateur; Founder and Executive Chairman, Union Square Hospitality Group

Tom Cotton
U.S. Senator (R., Ark.)

Michael Miebach
CEO, Mastercard

Evan Greenberg
Chairman and CEO, Chubb

Billy Shore
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David Holt
Mayor of Oklahoma City

Michael G. Whitaker
Chair, FAA

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Mayor of Dallas

OVERVIEW

The Wall Street Journal's CEO Council will gather once again in Washington on the evening of December 9 and all day December 10, just weeks before President Trump returns to the White House. Top policy makers will join us to parse what another Trump administration will mean for the economy and business. We'll examine geopolitics and security, and how, in the wake of several high-profile cyber attacks, CEOs should be thinking about shoring up their defenses. And we'll discuss the leadership challenges that are emerging during these turbulent times.

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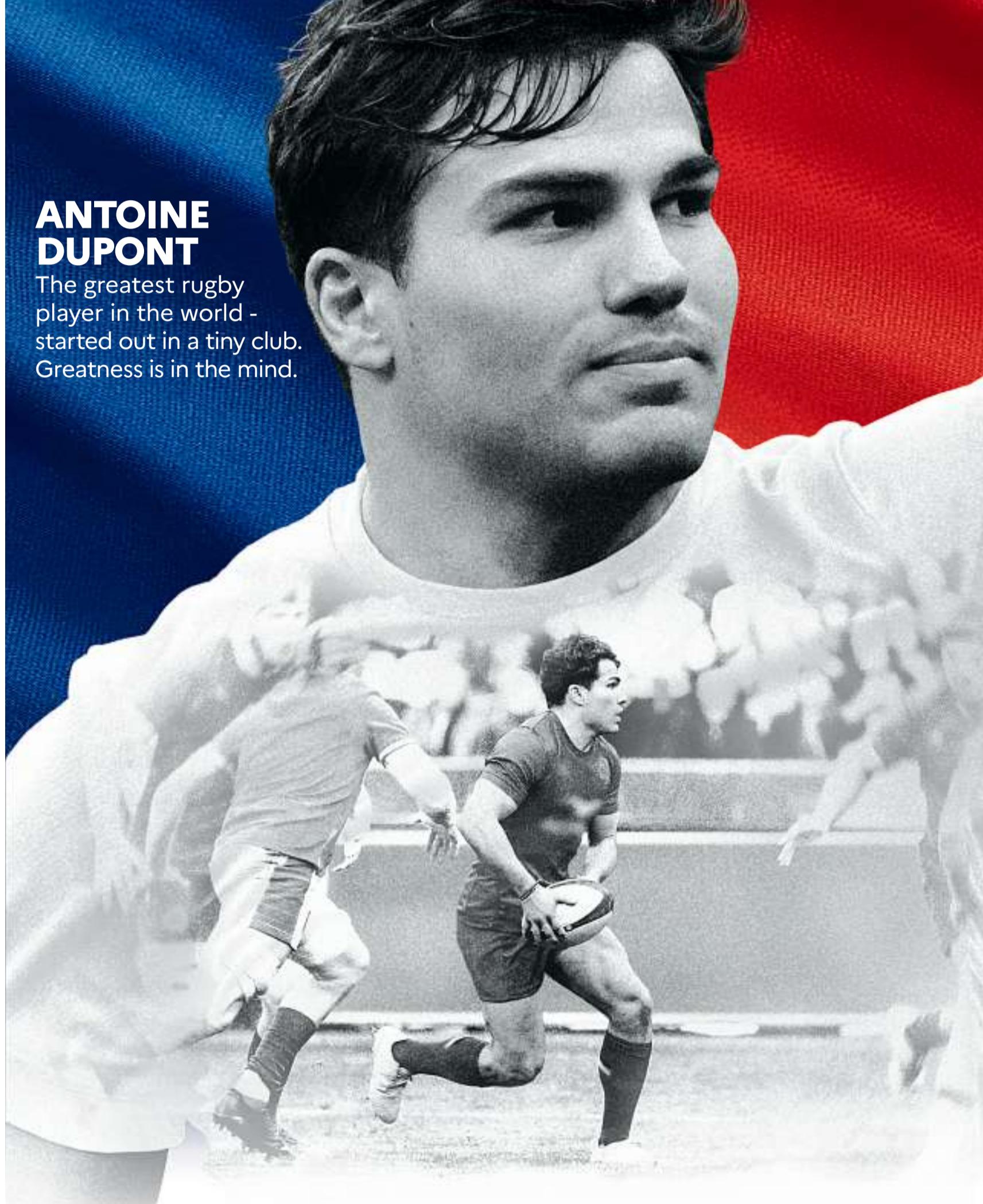
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Monday, November 18, 2024 | R1



MAR HERNANDEZ

The Best Things About Retirement

BY DEMETRIA GALLEGOS

We asked WSJ readers what they liked most about no longer working. The freedom to do what they want was at the top of the list.

THE TRANSITION to retirement isn't always easy. There can be a loss of identity. Financial woes. Boredom. Such negatives get a lot of attention—leading many people to say they never plan to retire.

But there's another side to this story, one that isn't heard as often. And that is the one told by the many people who *love* retirement. These retirees speak of finally having the chance to learn who they are without a defined workweek. They describe having the time to travel, to learn a language, and being able to pursue hobbies that were always just out of reach while they were working or raising a family.

Please turn to page R4

5 THINGS TO DO NOW TO MAKE Your Estate Simpler for Heirs

It's easy to put off doing many of these tasks. But get them done, and your heirs will be thankful you did.

BY CHERYL WINOKUR MUNK

NO ONE LIKES to think about their own demise, but planning can make life after your death significantly easier for heirs.

Here are five ways to help heirs avoid extra time, money, stress and acrimony after you pass:

Keep documents updated

Having a will or living trust is essential—but it isn't enough. The

proper documents need to be updated periodically, especially as life circumstances change.

Ambre Hughes, a lawyer in the Phoenix office of law firm Dickinson Wright, offers the example of a mother who belatedly drafted new estate-planning documents but died before signing them. The old will had named as heirs stepchildren she hadn't spoken to in 20 years, and her sons are spending tens of thousands of dollars to have the unsigned will enforced by a judge.

Many people also fail to update beneficiaries for life insur-

ance, retirement accounts and bank or investment accounts. These assets pass according to the beneficiary designation, if there is one, regardless of what the will or living trust says, says Laura Zwicker, chair of the private client services group at law firm Greenberg Glusker Fields Claman & Machtiner in Los Angeles.

Address digital assets

Many people have digital assets, including email and online photos, that could be lost to heirs if proper provisions aren't put in place. For instance, a writer who stores plays or novels on a Google drive, but doesn't set up a Google inactive-account profile, may make it harder or impossible for heirs to gain access to these works. Terms might differ, so having appropriate documentation on file with each provider

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Inside



BEFORE YOU RETIRE...

Too often, decisions to retire are made in isolation. That's a mistake. **R2**



WANTED: REVOLUTIONARIES

Revolutionary War re-enactors need reinforcements as the semiquincentennial nears. **R4**



TREASURE CHEST

The mementos I would place in a box to tell future generations who I was. **R7**



SECOND ACTS: A FILMMAKER

Spending a day watching M. Night Shyamalan direct changed this woman's life. **R8**

JOURNAL REPORT | ENCORE



People to Speak to Before You Retire—And the Key Questions to Ask Them

Too often, the decision to leave work is made in isolation. That's a mistake.

BY BRUCE HOROVITZ

AS WE REACH a certain age and start fretting about retirement, many of us forget about one of the best resources for retirement advice: the people we most trust.

"Any time you have a major life transition you should seek out counsel," says Patrice Jenkins, an organizational psychologist based in Saratoga Springs, N.Y. "If you are going into this alone, you probably have blinders on that you're not aware of."

That's why you can't retire until you have spoken to these eight crucial people in your life:

Your spouse

Yes, this one is obvious. But

there's a good chance you haven't focused on the most important reason to talk to your spouse, says Jenkins. Finding out if you are on the same retirement "page" is absolutely critical, she says. And too often, couples discover the opposite too late in the game. So talking about their expectations is critical.

• Question: Why do you want me to retire—or not retire? If the two of you are not on the same page, this is the moment to listen, discuss and make necessary compromises, Jenkins says. She and her husband wrote a "manifesto" that detailed both of their retirement visions. After writing them, they discovered that her husband was in more of a "winding down" stage while she was "gearing up." The key was figuring out where to "converge" their goals, she says.

Your adult children

Adult sons and daughters should be next on the list, says Tom Balcom, a certified financial planner and founder of 1650 Wealth Management in Lighthouse Point, Fla. They have

plans of their own and need to be included in discussions about your care as you age, he says.

• Question: Where will you be living when I retire? Adult children tend to be a bedrock of help as you grow older, Balcom says. You want to know where they plan to live because that's likely where your grandchildren are going to be, too, he adds.

Your doctor

This is especially important if you've had the same doctor for years, because he or she can have unique insights to offer.

• Question No. 1: What have you noticed about patients who adjust well to retirement versus those who don't? Your doctor likely has seen many patients in the same position you are now in, says Mitch Anthony, a Rochester, Minn.-based author on personal finance and retirement.

• Question No. 2: Is there something you know—or that I'm refusing to acknowledge—that would impact my future health? "Sometimes we don't want to

know what we should know," says Jenkins. "Having your doctor be really honest is important."

Your HR chief

Human-resources chiefs are on the short list not only because they know all the details of the company's financial options for retirees (pension plans, 401(k)s, IRAs), they've also observed the good and bad choices that company retirees typically make, says Jason Parker, a financial adviser in Silverdale, Wash.

• Question: Can you help me to get my retirement structure in place before I retire? While you're at it, Parker says, you might want to find out from your HR chief if you can roll your 401(k) into an IRA while still working.

Your closest siblings

Talking to siblings can be extremely helpful, or not, depending on your relationship. If you're close, bring them into the tent, Jenkins says. They have known you most of your life, she

says. You might also consider making plans to live nearby.

• Question: What do you think will be most challenging for me in retirement? Perhaps no one can answer this better than a sibling.

Your financial adviser

Arguably, more discussions around the topic of retirement begin in the offices of financial advisers than anywhere else, says Anthony, who has been part of thousands of these discussions. But, ironically, the most important question to ask your financial adviser might not be whether or not your portfolio is retirement-ready, says Anthony.

• Question No. 1: What is the most important trait in your clients who adjusted well in retirement? Nudge them for specifics as to why certain clients have adjusted well as opposed to those who didn't, says Anthony.

• Question No. 2: Is my retirement financially feasible? "I've met with clients who do not have enough money to retire and I have had to give a financial 'tough-love' talk," Balcom says.

A trusted colleague

This is probably someone who knows you and the company very well.

• Question: If you were me, would you retire at this stage?

You may be retiring prematurely, because you feel stuck in your job or you have a boss you don't like. A trusted colleague might offer you a different perspective. Or perhaps know of a position that offers further opportunity for meaningful growth, says Jenkins.

Yourself

If you haven't experienced a major transition over the past decade or two, you are probably out of practice. This makes it even more important that you first have a retirement discussion with yourself before you have one with anyone else, says Jenkins.

• Question: What am I retiring to? In other words, says Jenkins, what will you be waking up to every Monday morning? Also ask yourself, on a scale of 1 to 10, how confident are you that you will successfully transition into retirement, she says. If that number isn't a 9 or 10, then figure out a way to boost that score before you retire.

Bruce Horovitz is a writer in Falls Church, Va. He can be reached at reports@wsj.com.

LIAM EISENBERG

Five Things To Do Now To Make Things Easier On Your Heirs

Continued from page R1

is important.

Cryptocurrency and nonfungible tokens can also easily be lost if their owners don't provide heirs a way to access these assets. So people should make sure beneficiaries know how to access an account's private keys—the secret numbers used to access cryptocurrency—as well as the kind of wallet and crypto type. One caveat: Those private keys and other sensitive information shouldn't be included in a will because it becomes public through the probate process and that puts the assets at risk.

Assign personal property in advance

Many people assume that heirs will figure out on their own how to divide personal property, but that can lead to fights.

Hughes offers the example of three sisters who fought over their mother's collection of hundreds of porcelain dolls. They had to hire a professional mediator to



draw straws until all of the dolls were distributed. Had the mother made a personal-property list before she died, significant aggravation and hostility might have been avoided. The list can be handwritten and up-to-date, and should be kept with estate-plan documents. The document should also include where items can be found.

Leave good notes

Estate-planning experts advise

that people set aside a folder with important information for the heirs, such as names, numbers and locations of accounts, as well as names and contact information for attorneys, accountants and financial advisers. This is especially important since bills are often paid online, eliminating once-helpful paper statements. Also let heirs know where to find your estate-planning documents. "If you can't find the will and you don't

know who the trust and estate attorney is, that's a horrible situation," says Seth Slotkin at law firm Akin Gump Strauss Hauer & Feld in New York.

Strive for conflict-avoidance

Parents sometimes create conflict by choosing one child over another to serve as executor, trustee or both, says Neil Solarz, shareholder at Weinstock Manion in

Los Angeles.

Sometimes it may be appropriate. But in most instances, Solarz recommends naming a relative or friend to avoid potential sibling-rivalry issues. If there's no one else available, people might consider hiring a trust company or a private professional fiduciary—vetted and licensed individuals who are licensed to act as trustees or executors.

People who have specific reasons for dividing assets or roles unevenly should prepare a letter that explains their thought process, which can help mitigate the potential for future conflicts, Slotkin says. For example, clarify that you named your daughter as executor because she lives locally, but that you want all of your children to work together to settle the estate, he says. Or, if you are leaving the younger of three children \$100,000 more than the others, explain why. This extra step can mean the difference between harmony and acrimony among your heirs, he says.

"The thing that's most likely to cause the estate process to dissolve into something horrible is acrimony among the children," Slotkin says. "If you want to make things easy for your kids, if there's anything that could be misinterpreted, explain it to them so they're not fighting about it."

Cheryl Winokur Munk is a writer in New Jersey. She can be reached at reports@wsj.com.

MARIA HERQUETA

JOURNAL REPORT | ENCORE



ROB DODI

Estate-Planning Priorities FOR PEOPLE WHO DON'T HAVE CHILDREN

It gets complicated if you can't count on a child to be a caregiver, or to make decisions

BY DEBBIE CARLSON

FOR MANY people, estate planning can be pretty straightforward: They rely on their children for eldercare and typically name them as beneficiaries of their assets.

It gets a lot more complicated for people who don't have chil-

dren, or children they can rely on as caregivers.

"Kids are kind of a get-out-of-jail-free card; one of the children will be around," says Kelsey Simasko, attorney at Simasko Law, a Mount Clemens, Mich.-based firm. When there are no children, Simasko says, seniors must face such questions as, "Who is going to be in charge when I pass away, when I get sick, get hurt and need help?"

Here are three recommendations from experts on what those without children should do:

Consider long-term-care insurance

The average 65-year-old person

will spend \$157,500 on healthcare throughout retirement, according to Fidelity Investments' annual Retiree Health Care Cost Estimate survey from 2023.

Katy Song, chief financial planner at wealth manager Domain Money, says that when her clients have no children, she advises them to consider long-term-care insurance early on, even when still in their 40s. People worry that it's a needless expense, she says, since they may never use it. But if they end up needing serious care and there is no automatic next of kin to provide it, a long-term-care-insurance policy can be useful, Song says.

While policyholders in the

past did sometimes forfeit their investments if they died without needing the care, new hybrid policies are more flexible. Some allow people to withdraw at least part of the money that they contributed as cash, and/or have a death benefit for heirs. Many policies also include an inflation rider to protect purchasers against rising costs.

The policies aren't cheap. Costs vary by a person's age, health and state. But the American Association for Long-Term Care Insurance estimates that for an Illinois-based couple aged 60 and each wanting a \$165,000 policy with a 5% inflation rider, the combined annual premium currently would be about \$8,550. The association estimates that by age 85, that benefit will equal \$588,750.

Judi Leahy, senior wealth adviser at Citi Personal Wealth Management in Rye, N.Y., argues that hybrid long-term-care policies are a better option than earmarking assets for healthcare because of the inflation riders they offer, and the death benefit. For retirees who can afford it, Leahy recommends making the purchase with a lump-sum payment to avoid the potential additional cost of rising premiums.

Find trusted help

Often people without children turn to spouses or other family members to serve the roles authorized by a healthcare proxy or durable financial power of attorney—someone authorized to make financial decisions. Trustworthy friends and neighbors can also fill these roles.

Consider someone local for the healthcare power of attorney since that person will help with emergencies, experts say. Simasko says her grandmother performs that role for a neighbor with whom she has been friends for years. Her neighbor has also built a support network of neighbors who routinely check on her grandmother.

"They know if Judy's garage door hasn't been open for two days; they're going to go see what's going on," Simasko says.

Many seniors use doctors, estate-planning attorneys and financial advisers, among others, to discuss difficult issues such as end-of-life care. Other viable options are to hire a social worker as a healthcare proxy, and a bill-paying service to help with everyday expenses and provide durable financial power of attorney services, says Camille Svitek, associate wealth adviser with Evermay Wealth Management in Arlington, Va.

Financial, legal and health experts all urge people to create documents assigning medical and financial powers of attorney. Without such documents, a probate-court judge might have to determine a conservator or guardian for someone who becomes incapacitated.

"You never want to be in a position where your loved ones have to wait weeks to make a decision that could save your life," Simasko says.

Be detailed

When planning their wills, people without children should check what beneficiaries they have chosen on financial accounts, Citi's Leahy advises. When parents or siblings are designated to receive assets, as often happens in such cases, the documents may need updating.

And lastly, for the sake of your executor, be thorough.

Krysta Dos Santos, head of financial planning at GenTrust in Miami, doesn't have children and says in her own estate planning she's trying to be as thorough as possible. "Being someone's executor is a thankless job and it's complicated," she says. "One big favor you can do for that person is to have it tied up really nicely."

Debbie Carlson is a writer in Chicago. She can be reached at reports@wsj.com.

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Where Have All The American Revolutionary War Re-Enactors Gone?

As the U.S. semiquincentennial nears and recruitment lags, groups turn to social media and YouTube to attract younger members

BY KEN WELLS

PATRICK MANTLE, an East Rockaway, N.Y., history buff, needs a few good men and women—and even children—to fill the ranks of the Huntington Militia.

Mantle isn't some radical firebrand. He is commander of a storied American Revolutionary War re-enactors group whose

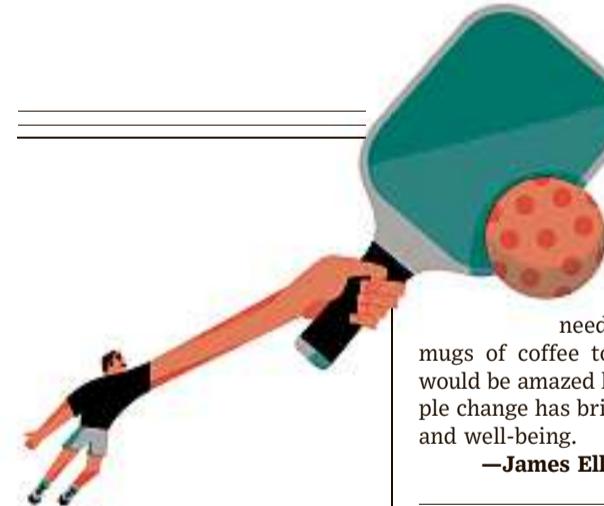
membership has dropped in recent years as an older generation retires or dies out.

Younger recruits, he says, are harder to come by in an age of endless distractions that include organized sports, the time-suck of social media and a culture more interested in being entertained than in joining something. Cost is also an issue, Mantle says, since a full Revolutionary War soldier's kit, including uniform and musket, can run \$3,000 and upward.

The Ancient and Honorable Huntington Militia, as it is known, was formed in 1653 to protect the village of Huntington from hostile Dutch colonials nearby. By the outbreak of the American Revolution, the militia had thrown in its lot with the Continental Congress and would go on to fight in several Revolutionary War battles.

Re-enactors like Mantle accouter themselves in authentic (or as authentic as possible) colonial-era garb and weapons, and

Huntington Militia re-enactors demonstrate the use of period firearms, including a cannon.



The Best Parts About Retirement, According to Readers

Continued from page R1

The discoveries don't end there. From small pleasures to profound reckonings, retirement has brought many Wall Street Journal readers a new appreciation for life, opening a new chapter that is so much more exciting than they had anticipated.

Our question to them was simple: "What is the best thing you've found about retirement?" Here is some of what they told us.

Giving and receiving comfort

Retirement allows a sense of adventure and freedom that has not been available since graduate school. While healthy and active, we like to travel or volunteer. One example was after Hurricane Helene hit Asheville hard. We were given just a few days' notice to respond with Samaritan's Purse. They are boots-on-the-ground in disaster recovery. It was most humbling to be both on a very physical cleanup effort and yet also comforting and praying with the widows that had no water or power for nearly two weeks.

—Vicki P. Maguire,
Greenville, S.C.

Hold that thought

I'll get back later, on third tee.

—Tom Wells, Fishers, Ind.

Sleep in sync

I can live in sync with my personal time clock! It turns out my optimal sleep pattern is 2 a.m. to 9 a.m.

With this schedule, I go to sleep within minutes and wake refreshed. No need to slam two mugs of coffee to function. You would be amazed how such a simple change has brightened my life and well-being.

—James Elliott, Doral, Fla.

No plans, no worries Before I retired, I had always heard you should have a plan about how to spend your time. "Don't go cold turkey or you'll be bored," they said.

My experience was different. I almost wanted to be bored. I was really looking forward to not being accountable. I immediately enjoyed my "no plan" days. I started reading more, exercising more, traveling without worrying about my inbox, and spending more time with my wife—weekday pickleball, Tuesday night dates, etc. There were mornings I would wake up, thinking I'd overslept and missed my train, wondering what's blowing up at work...but then I'd remember those days were over. I could just lie there with a smile on my face, nodding on whether I should go for a bike ride or practice golf after coffee. No decision fatigue there!

It took over two years to finally want to get some commitments on the calendar, including some part-time work. I still have plenty of free time and I appreciate it even

more now that I allowed myself to be "bored" at first.

—John Van Tassel, Hinsdale, Ill.

The joys of small stuff

The joys of retirement are lying in bed with your spouse after the morning walk doing crossword puzzles instead of commuting or going straight to the computer screen. It's keeping score for baseball games and trying to figure out the rules at soccer games. It's ax throwing with the 8-year-old at The Feast of the Hunter's Moon and going to festivals with your bride. It's about all of those things, it's figuring out everything doesn't have to be highlight-reel stuff.

It took me a few years after retiring to figure out why I was busier than I'd ever been in my working life, but I've been grinning a lot ever since I did.

—Tom Wells, Fishers, Ind.

Chair time

My two-hour morning coffee in my favorite chair, reading the news with the dogs on my lap. They're on my lap right now!

—Mary Lu Cinque,
Belmont, N.C.

A servant to my community

I have found in retirement a new way of bringing my knowledge and experience I gained as a colleague

coach to now becoming a servant leader to my community. I choose volunteer opportunities that are tied to my strengths: teaching health at a small, local Catholic school; coaching a young friend of the family who has no help at his high school; and working at the food bank at my church. I am now able to attend Mass almost daily, as well as take better care of myself. I am busier than ever and loving every minute of it!

—Philip B. Olson,
Garrison, Texas

The luxury of space to fill

The first few months of retirement, I felt like I just walked into a big hangar. Empty. Nothing in there. Slowly I filled up the hangar with things. Now the hangar is quite full after 20 some years. Tennis, pickleball, cycling, watercoloring, gardening, travel. The days are full and rewarding. One time

when I was biking over the bridge on top of Interstate 40, I looked down at the busy traffic and thought, "I am not one of you guys any more," and felt sad. But now it is more like, "I am glad I am not one of you guys any more."

—Tung Chao, Cary, N.C.

Role reversal

Every day is Saturday during retirement, and one can do whatever one wants. But an unplanned and unanticipated development for us was the role reversal that occurred, (very, very slowly) between me and my wife, Helga. I gradually, and ultimately, assumed the routine food shopping as well as the planning and preparation of our nightly dinners. It freed her to develop her watercolor skills and other hobbies and interests. With our redefined roles, life goes on happily in Napa Valley, where we relocated nine years ago from the San Francisco peninsula.

—Tom Barras, Napa, Calif.

Free to do...whatever

After 45 years of working as a chef, the best thing about retirement for me was the freedom that unleashed immediately. The lack of daily structure takes some rewiring of the brain, but soon enough appreciation and then a euphoric feeling sets in with the realization that you can do anything you desire, anytime.

The time that retirement allows you to pursue activities, learn,

Health dividends

The best thing about retirement? Regaining my health. Forty years of working nonstop, starting and growing a successful company while raising a family had left me completely depleted—mentally, physically and spiritually. I prayed to God for answers and with the help of my business partners and colleagues was able to retire two years ago. Since then I have been truly grateful for a period of rest and restoration and am now 10

years lighter, both figuratively and literally!

Recently my mother fell ill during a visit here. I have spent the past month helping to nurse her back to health, much of that time at hospitals here and on the East Coast. What would I have done if I had been trying to juggle clients' needs, manage the business and keep our personal family finances intact, all while being present for my mother?

Amazingly, I also now occasionally sleep the entire night through, and on the nights I lie awake I am not stressed about what I need to do the next day; instead I think about all the things I am grateful for—including especially my wonderful husband.

—Barbara J. Hoeft,
Jackson, Wyo.

instead of thinking about what career you're retiring from, think about what are you retiring to?

—Greg Moore,
Beaverton, Ore.

Volunteer Immersion

After a military career that took us all over the world, and four years of travel and camping early in retirement, we settled in Oregon and really lost ourselves in volunteer work. We were amazed by the impact it makes in a small community. This nation runs on volunteers.

My wife Kathy and I both volunteered at the Britt Music Festival as ushers for eight summers. It was wonderful meeting new people and seeing terrific shows free! I also volunteered with the Applegate Valley Fire Department where I learned a bunch of new emergency skills. I also served on several fun boards: a white-water rafting/kayaking club, a community park committee, a local hiking club, on the editorial board of our community newspaper, and on a regional federal resource commission. Kathy volunteered with a cat rescue organization and an independent film festival.

Retirement reinforced how much Kathy and I enjoy each other's company. And as we've gotten older, we've recently decided to move to a continuing care facility where the residents are heavily involved in volunteering. It matches our lifestyle!

—Tom Carstens, Medford, Ore.



Blissfully ignorant

The best thing about retirement is not knowing (or caring) what day of the week it is.

—Elie Malloch,
Sierra Vista, Ariz.

Keep helping

After working in law and finance for my whole career, I retired last February to be a first-responder chaplain. I spent the last year of my working life studying to serve firefighters, police and those in the community who suffer trauma.

For me, golf and travel are too fleeting to fill years to come. So,



than was sometimes seen in the past. The unit, which portrays a storied British regiment so relentless in combat they were known as the "bloodhounds," has about "50 members on paper" who come from Massachusetts, Rhode Island and several other states, says Hobbs.

"Younger folks coming into the hobby expect better and more rewarding experience, usually tied with more immersion and historic authenticity," says Hobbs, a University of Rhode Island biology professor. It's not just a matter of having the "correct camp gear...or, essentially, glamorizing battles," Hobbs says. "It's portraying the stories of the invisible or forgotten people of the period—the soldiers, the lower-class civilians, the enslaved."

Another major change that has helped recruitment, Hobbs says, is erasing of gender and racial barriers. "Traditionally, units often have been very gender-restrictive, but this is really starting to change," he says.

"Currently, our unit is primarily men portraying soldiers and women portraying the civilians who followed the army as wives and nurses. But our membership includes both men, women and queer/nonbinary folks. And, while most of our membership over the decades has been Caucasian, we've had several people of color in our ranks."

There are still re-enactors performing who were part of the bicentennial surge. For retiree



travel, read and be social in ways not possible as a working person is truly a gift.

—Trudy Ainge,
Southampton, N.Y.



Zig when others are zagging

Mooshing off my grown kids! Which simply means spending the night at their place when traveling and getting even with my adult boys who ate me out of house and home as teenagers!

I travel when no one else is, Monday through Friday and never on weekends. My wife and I never cruise during holidays or during the summer.

No job, no boss (except momma!). Medicare! Busting IRAs to travel! Total freedom.

—Ken Simmons,
Henderson, Texas

Health dividends

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—Barbara J. Hoeft,
Jackson, Wyo.

the freedom to travel—at the last minute, in all seasons, for as long as I feel like (and can afford). I am leaving for Peru in a few days.

I will put my travel on hold early next year to help my daughter after the birth of my second grandchild. The rest of the year is full of travel plans—Morocco in March, Central/Eastern Europe in May, and Greece in September on my own, as well as annual family trips to Cape Cod in July and Maine in October.

—Jonathan Blake, Albany, N.Y.

The best thing about retirement is not knowing (or caring) what day of the week it is.

—Elie Malloch,
Sierra Vista, Ariz.

Keep helping

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JOURNAL REPORT | ENCORE

The Seven Items I'd Choose to Let Future Generations Know Who I Was

These items will tell my grandchildren or great-grandchildren more than any photo album ever could

BY ROBBIE SHELL

AMONG THE many items stored in my basement was a box that my mother left me shortly before her death. It contained a number of seemingly random items, most of them packed on to her by her own mother.

Included was a small, decorative silver spoon often given as a christening present; a set of tiny silver and glass name cardholders suited for formal dinner parties; and some beautifully sequined, satin-lined purses.

I realized, during this latest round of basement archaeology, that I knew little about my grandmother. Because she and my grandfather lived 400 miles away, I saw them only once or twice a year, leaving little opportunity to develop meaningful relationships.

If the items in the box could talk, I wondered what I would learn about this distant figure in my life. Was there a story behind the spoon and why my grandmother chose to save it? Did she enjoy, or dread, the fancy dinner parties that the name holders and exquisite purses suggested?

I found myself imagining a box of my own, one that could give my children, grandchildren and maybe even great-grandchildren some insights into my life—not necessarily what I accomplished, but who I was as a person. What would I put in this box, and how would I describe the significance of each item?

'All About Me'

I thought of seven objects, some reflecting a lifetime devoted to the power of words and others marking some deeply meaningful relationships, both joyful and sad.

First in the box would be an autobiography I wrote for school when I was 11 called "All About Me." Immediately evident is its beautiful penmanship and the carefully delineated chapter headings, subheads and picture captions—a nod to what I remember as my earnest approach to all homework assignments.

 Scan this code to hear about the scientific debate about how long humans can live.

More important, "All About Me" referenced an early love of reading and writing: "What a thrill it was to know how to read and write!" was how I described my memory of second grade. "I had to read any book I could lay my hands on. I felt like a grown-up person [starting] a new chapter in my life." That chapter has never ended.

Second would be a copy of one of the first newspaper stories I wrote as a young journalist in Washington, D.C. It's a profile of artist/activist Mark di Suvero, whose huge, abstract steel sculptures are now on view at art centers around the world. During the eight years I spent working first for local and then national newspapers, it was the feature articles I most enjoyed writing—about unconventional people, but also about better-known Washington figures, from politicians and diplomats to scientists and society hostesses. Beat reporting appealed to me as well: meeting deadlines, seeing my byline, getting the best quotes. Being a journalist can be like a horse race, and I love to win.

Marriage promises

Also in the box would be a simple, slightly smudged sheet of paper with six promises my husband and I made to each other shortly before our marriage. We had met in college, spent the summer after graduation together and then broke up for six years before reuniting. The

A box my mother left me shortly before her death included a decorative silver spoon and some beautifully sequined, satin-lined purses. I found myself imagining a box of my own.

promises include Sharing, Acceptance, Fidelity, Caring and Compromise, but in retrospect, most important was our pledge to be "guardians of each other's solitude." We sensed even back then that our ability to take care of ourselves as separate people would make it possible for us to always be "there" for each other. We have never had to renegotiate our promises, and we are still married.

The fourth item would be a 3-

inch-high smiling ape—the "focal point" my instructor asked everyone in our birthing class to zone in on during labor and delivery. Our two sons were born under her watchful eye, and she was waiting for me when I returned from four days in the hospital following the birth of my second son. I had suffered a

my father left our family for reasons none of us, possibly even him, fully understood. When he died from the cumulative effects of alcoholism at age 67, I regretted that I had never really known this man whom I had once loved so deeply. Part of his legacy to me is a constant, underlying worry that I will lose

about honeybees. Envisioning the freedom from constant deadlines that retirement would bring, I decided to launch an entirely new kind of writing project: a book. I fell in love with these tiny pollinators after watching a video of them exiting a postal-service crate and marching single file, no pushing or shoving, no butting in



postpartum hemorrhage that drained three-fifths of my blood in a matter of minutes.

I recovered physically after two months of iron-rich foods, but emotionally I can't let go of that near-death experience. Every Valentine's Day, when we celebrate my son's birthday, I remember all over again how close I came to being absent from my family's life. Any sense of invincibility from the relatively charmed existence I had led up to that moment was gone, replaced by enduring gratitude for those who surrounded me during those traumatic hours, and a sense of humility knowing how suddenly our lives can be upended.

In search of a father

No. 5: a middle-school novel titled "Bud, Not Buddy," recommended to my younger son by a friend when they were 12. The story it tells—of a young Black child during the Depression on a journey to find his father—played out in my own life when

the people I care for most.

The redemption in the final section of "Bud Not Buddy" is an ending different from my own story. Rereading those pages, I realize how much I have missed having a father who was a steady, vital part of my life, and how much I still envy others who did.

The second-to-last item in the box would be a poem I wrote 15 years ago for a 2-year-old child being treated for a brain tumor at a children's hospital near my office. The poem speaks to the volunteering I have done over the past few decades, focused primarily on individuals who are struggling: older people facing the loss of independence, veterans at a local VA hospital, adults with severe disabilities, and small children with life-threatening illnesses. These connections have been some of the most meaningful and enduring of my life. I wrote the poem as a way to remember this small child struggling for survival against difficult odds.

And finally, a copy of my novel

line, on their way to their beloved queen. They personified dedication, teamwork and efficiency—traits I tried to emulate throughout my career.

The result was a novel about four seventh-graders who set up beehives on the roof of a hotel as part of a science project. I found a publisher that specialized in environmental books for children, and my work found its audience. It reminds me that in retirement, there is always the opportunity to discover, and follow through on, new passions.

Seven small items plus a copy of this essay and a few family photos would make up my box. I hope that those who discover it will see these mementos as clues to my life, the "me" in my autobiography. Perhaps they will be encouraged to create boxes of their own, introducing themselves, telling their own stories, to the generations that follow.

Robbie Shell is a writer in Philadelphia. She can be reached at reports@wsj.com.

Second Acts

She Spent Four Decades as a Lawyer. Now, She Design Closets—and Loves It.

BY JULIE HALPERT

Sheila Sullivan Newsom loved the architecture classes that she took in college. But when she graduated, she put her unrealized creative skills aside and went to law school.

Now, four decades later, her early architectural skills are back in service designing closets.

Every project is different, she says. "Sometimes I'll be up to midnight designing, but I love it!"

Newsom, who is 61 and lives in Owings, Md., worked for more than two decades in the Maryland public-defenders office. A few years on the state parole board followed, first as a commissioner then an administrator. In 2016, she was hired to run

one of the Maryland Circuit Court's divisions, where she managed over 50 employees.

"This job was not the right fit," Newsom says, in part because she felt like she wasn't making a difference. So in 2018 she left without another job in place.

Newsom wanted to return to state government at some point to complete the 30 years necessary to qualify for full retirement benefits. She didn't want to miss out on that opportunity. But she needed a break.

"What can I do that's totally different?" she recalls thinking.

Perusing job listings, she saw an opening for a designer at a large closet-designing company. A few years back, Newsom had designed closets for herself and her husband in a new home



Sheila Sullivan Newsom gets a lot out of storage.

they were building. When she saw the job listing it rekindled her passion for such work. On a whim, she applied, mentioning her experience studying architecture. She had an interview

the next day and was offered a job on the spot.

Newsom started designing closets in 2019, meeting with clients, turning their storage desires into reality. To fulfill her 30 years of government service, she briefly went back to another Maryland state-court office job. But she retired from government service for good in February 2020.

Covid was in full swing when she returned to her former design company a few months later. Due to lockdowns, she no longer met in person with clients. But with people stuck at home and wanting to make their environments nicer, there was booming demand for her services. "Things exploded," she says. "It was crazy busy."

She works for another com-

pany now, designing not just closets but pantries, bars, entertainment centers and garage storage. Newsom says she enjoys "making my clients' dream closet or project come to life."

She feels she is keeping her brain sharp, learning new skills like the computer-aided design program. And she is glad that she decided to try something entirely new.

"People say if you love what you do, it won't seem like a job," she says, "and that is how I feel about design."

Second Acts looks at the varied paths people are taking in their 50s and beyond. You can reach Julie Halpert, a writer in Michigan, and let us know how you're starting over, at reports@wsj.com.

JOURNAL REPORT | ENCORE

Second Acts

She Spent a Day Watching M. Night Shyamalan Direct. It Changed Her Life.

When she was 9 years old, Melissa Davey grew curious about being a film director, and she started reading books to understand how movies were made.

"I went to movies as often as possible," she says. But becoming a filmmaker never seemed attainable—until she decided to retire.

Instead, Davey, who is 74 and lives in Valley Forge, Pa., took classes related to teaching as an undergraduate, then ultimately trained as a paralegal. For most of her career, she ran a large corporation's Social Security Disability Management program that she also created. Before that, she provided free legal representation for the poor and advocated for children who weren't receiving adequate services from their schools.

But one day in February 2014, after a particularly tiresome congressional meeting, Davey says, she left work early to drive her daughter to her job at a horse barn.

As it turned out, the movie director M. Night Shyamalan was making a movie down the road, and there was a contest to bid for the opportunity to spend a day on the set. Encouraged by a friend, she bid \$5,000—and won.

That day changed the trajectory of Davey's life. She recalls Shyamalan asking her what she really wanted to do in her life.

She responded, "I want your job," she says, to which he replied, "You better hurry up!"

"When I came home from the day on the set, I knew I wanted to make a film," Davey says. "I



stayed up most of the night talking to myself about what kind of a movie I would make."

A documentary made the most sense, she says, "as it would be easy for me to help tell a true story."

"I immediately thought about my own story of being an older woman, taking a risk at 65 to jump into the unknown and try something new," Davey says. "I thought about all of the women like me who have great stories of resilience and continued relevance but [their stories] are never told."

The next day, she gave a year's notice to her employer, and began planning her film career.

During her day on the set, Davey says, she connected with Shyamalan's assistant, whose boyfriend was a partner in a local film-production company. Davey contacted the partner, Zac Rubino, and proposed an idea for a documentary about nine women over the age of 60, highlighting their life experiences and continuing relevance as they age.

"Older women become invis-

Melissa Davey with director M. Night Shyamalan. Above right, a prize won by Davey's latest film,

ible at a certain point and have great stories to tell," Davey says.

Rubino and his partners agreed to work with her. She provided the \$200,000 in funding. The film, "Beyond Sixty," was distributed in 2021 and has won several awards. She remembers being terrified watching it at Los Angeles Women's International Film Festival. But the audience gave it a standing ovation.

"I cried a little," she says. "It's an amazing thing to be in your mid-60s doing something completely different. It was an overwhelming feeling to know that I was able to help tell these women's stories in a way that resonated and inspired people," she says. Her goal is to "change the minds of how people feel about aging."

Her newest film, another documentary, completed in March, is "Climbing into Life," produced and directed by herself. It features 73-year-old rock-climber Dierdre Wolownick, credited by some as the oldest woman to climb Yosemite National Park's El Capitan. She did so first at age 66, and again in 2021 at 70. She is the mother of Alex Honnold, who is also a rock-climber and the subject of another film.

Filmmaking "keeps my brain young and alive," Davey says. "It causes all kinds of ripple effects in what the possibilities may be for the future. It's been incredible."

—Julie Halpert

(L-R) JENN WALTERS-MICHAEL; JOHN DAVEY



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