

THE WALL STREET JOURNAL.

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What's News

Business & Finance

◆ U.S. inflation eased to a new three-year low but is cooling more slowly than expected, new data showed in what is the last reading of the consumer-price index before Election Day. **A1**

◆ U.S. stocks declined after the release of the inflation data, with the S&P 500 and Dow retreating 0.2% and 0.1%, respectively, from records set the previous session. The Nasdaq fell less than 0.1%. **B9**

◆ Automaker Stellantis said Chief Executive Carlos Tavares will retire in early 2026 when his contract expires and outlined a broader management shake-up. **B1**

◆ Tesla's Musk unveiled two new vehicles, a driverless robo-taxi with no steering wheel or pedals, and a Robovan that can transport up to 20 people at a time or move cargo. **B1**

◆ Delta Air Lines' guidance for the current quarter suggested a slower recovery from a summer supply glut than analysts had expected, worrying investors. **B1**

◆ The Justice Department's criminal probe into former U.S. Bankruptcy Judge David R. Jones and his romantic relationship with a Houston attorney expanded to examine if other restructuring advisers compromised the integrity of proceedings he oversaw. **B3**

◆ 7-Eleven's parent company plans to revamp its noncore businesses as it faces a revised takeover bid from Alimentation Couche-Tard of Canada. **B3**

◆ The SEC sued the cryptocurrency unit of high-speed-trading firm DRW, which does business with hedge funds and other big market players. **B5**

World-Wide

◆ Hurricane Milton spared Florida the catastrophic devastation that many feared but left at least 11 people dead and more than three million customers without power after it blazed a tornado-filled path across the state. **A1, A6**

◆ Tehran threatened in secret diplomatic backchannels to target the oil-rich Arab Gulf states and other U.S. allies in the Middle East if their territories or airspace are used for an attack on Iran, Arab officials said. **A1**

◆ Airstrikes in densely populated areas of central Beirut killed 22 people, according to Lebanese state media, marking the deadliest strikes in the heart of the capital during Israel's offensive against Hezbollah. **A8**

◆ Trump said he wants to make car-loan interest payments tax deductible and took a warning shot at Chinese automakers looking to send vehicles built in Mexico to the U.S. **A4**

◆ Retirees' Social Security benefits will rise 2.5% in 2025, the smallest cost-of-living adjustment in four years. **A3**

◆ World trade is set to rebound this year at a slightly faster pace than previously forecast, the WTO said. **A9**

◆ The Nobel Prize in literature was awarded to South Korean author Han Kang, whose novel "The Vegetarian" achieved international success. **A10**

◆ A federal judge in New York set a May 5 date for the trial of Sean "Diddy" Combs on sex-trafficking charges. **A3**

◆ Died: Ethel Kennedy, 96, widow of Robert F. Kennedy. **A3** ... Ratan Tata, 86, industrialist with a global reach. **B2**

CONTENTS Mansion..... M1-16
Arts in Review..... A12-13 Markets & Finance B9
Business News..... B3 Opinion..... A15-17
Capital Account..... A2 Sports..... A14
Crossword..... A13 Technology..... B4
Equities..... B6 U.S. News..... A2-4, 6
Herald on Street..... B10 World News..... A8-10

Florida Reels After Milton's Fury

At least 11 die, millions lose power along devastated path, but 'worst-case scenario' avoided



A house lies toppled off its stilts in Bradenton Beach after Hurricane Milton barreled across Florida, leaving widespread damage.

TAMPA, Fla.—Hurricane Milton spared Florida the catastrophic devastation that many feared but left at least 11 people dead and more than three million customers

Milton crashed into the Gulf Coast near Sarasota, compounding the hardship created by last month's Hurricane Helene, while avoiding a direct hit in the heavily populated Tampa Bay region. Milton maintained its strength as it marched through central Florida and pulled away from the Atlantic coast early Thursday morning as a Category 1 storm, still powerful enough to cause a destructive storm surge.

Milton was downgraded from a hurricane to a post-tropical cyclone, with maximum sustained winds of 75

mph, the National Hurricane Center said.

In its wake, the hurricane left splintered homes, snapped trees, flooded roads and beachfronts, and in some areas, damaged water systems. Storm-tossed boats were found in front yards and streets. The roof of a Major League Baseball stadium was destroyed. Residents were asked to stay off roads on Thursday so rescue and recovery efforts could begin.

The damage was widespread even before the storm made landfall near Siesta Key, about 70 miles south of

Tampa, on Wednesday night. More than 40 tornadoes were reported across Florida, some of them powerful enough to send heavy debris flying.

Two tornadoes killed four people in the southeastern county of St. Lucie, the medical examiner there said. Another death occurred in the same area, DeSantis said. Four people died in Volusia County. Tampa and Polk counties each had a fatality.

Please turn to page A6

◆ Hurricane spawned dozens of tornadoes..... A6

Neo-Nazis Tout Storm Relief

Amid politicization of government disaster response, hate groups find an opening

The fit, helpful strangers who descended on Horseshoe Beach, Fla., after Hurricane Helene were a welcome sight. The men swiftly chopped through

By Tawnell D. Hobbs,
Jennifer Levitz and Joe Barrett

downed trees and cleared mounds of debris for distressed residents in the small gulf-coast town west of Gainesville.

These weren't typical disaster-relief volunteers. They were members of Pa-

riot Front, an organization branded by the Anti-Defamation League as a white-supremacist group.

Neo-Nazi groups escalating their activity in recent months across the U.S. have seized upon a potent new recruiting tool: the surging tide of misinformation surrounding hurricanes.

The contentious U.S. presidential race that has sharply politicized the storms is providing a new opening for hate groups that were already on the rise. Hurricane falsehoods about government malfea-

sance have spread rapidly on social media, often seizing on the hot-button debate of immigration by claiming relief funds are being diverted to migrants or favor minority victims over white applicants, which the Federal Emergency Management Agency denies.

Exploiting public confusion, grief and communication breakdowns, white supremacist groups are now showing up in vulnerable storm-ravaged communities in Florida and North Carolina. They blend in

Please turn to page All

Porch Pirates Steal AT&T iPhone Deliveries

BY ESTHER FUNG

Porch pirates across the country for months have been snatching FedEx packages that contain AT&T iPhones—within minutes or even seconds of delivery.

The key to these swift crimes, investigators said: The thieves are armed with tracking numbers. Another factor that makes packages from AT&T particularly vulnerable is that AT&T typically doesn't require signature on delivery.

Doorbell-camera videos show the thefts in New York, Pennsylvania, Delaware, Virginia, Michigan, Georgia, Florida and Texas.

The details are similar: A FedEx driver drops off a box with an iPhone from AT&T. Then a person walks up—sometimes wearing an Amazon delivery vest—and plucks the package off the front step. The heist can be so quick that in some videos, the FedEx

INSIDE



OBITUARY

Ethel Kennedy, RFK's widow who endured many other tragedies, dies at age 96. **A3**



MANSION

High-end owners pay big bucks to pump oxygen into their mountain homes. **M1**

Bankruptcy Took Redbox. Who Will Take the Machines?

* * * * *

Company is defunct, sticking merchants with 24,000 DVD-dispensing kiosks

By BECKY YERAK

There's a red-hot market for guys like Matthew Taylor.

The owner of an Alabama moving company is hired to extract the DVD-dispensing machines that are taking up space and sapping

the resources and patience of store owners across the country. The machines, owned by now-defunct Redbox, weigh as much as 890 pounds, can be environmental hazards and sometimes require an electrician to disconnect.

And that might be

Please turn to page A11

Inflation Eased Slightly in September

But last major read on consumer prices before elections was hotter than expected

By HARRIET TERRY
AND NICK TIMIRAO

U.S. inflation eased to a new three-year low but is cooling more slowly than expected, new data showed.

The consumer-price index rose 2.4% from a year earlier in September, the Labor Department said Thursday, after rising 2.5% in August. That was higher than the 2.3% rise that economists polled by The Wall Street Journal had expected.

Core prices, which exclude volatile food and energy items, climbed 3.3% over the previous 12 months, slightly hotter than the 3.2% rise in August. That was also above expectations.

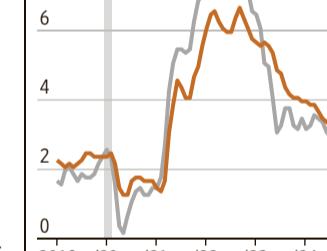
Stocks fell, with the Dow Jones Industrial Average slipping about 58 points, or 0.1%. On Wednesday, both the Dow industrials and the S&P 500 had hit records.

Thursday's report is the last CPI before Election Day and illustrates the challenge facing Democrats as they aim to take credit for an economy that has shown notable vigor while deflecting unhappiness over higher prices.

On the one hand, the inflation rate has fallen back to where it was right after President Biden took office. But lower inflation readings, which typically measure the 12-month change in prices, ha-

Please turn to page A2

Consumer-price index, change from a year earlier



Note: Core excludes food and energy prices.
Source: Labor Department

◆ Retirees due for smaller benefit boost..... A3

◆ Stocks pull back after price data..... B9

Iran Delivers Secret Threat to U.S. Allies: Aid Israel, Pay a Price

DUBAI—Tehran is threatening in secret diplomatic backchannels to target the oil-rich Arab Gulf states and other U.S. allies in the Middle East if their territories or airspace are used for an attack on Iran, Arab officials said.

While the Iranian threats are vague, they have raised concerns in energy-rich Persian Gulf states that their oil facilities—long viewed as protected by a U.S. security umbrella—could be hit, the Arab officials said. U.S. military installations and forces in the region could also be at risk in a region with one of the highest concentrations of U.S. troops in the world, they said.

The conflict in the Middle East is straining the alignment of Arab states and Israel, which all oppose Iran's military posture in the region. The U.S. is the backbone of this bloc and harbors hopes that in the future it could be a sort of Middle East NATO, aligned around countering Iran rather

Please turn to page A8

◆ Iran uses gangs to target its rivals in West..... A8

◆ Airstrikes hit the center of Beirut..... A8



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U.S. NEWS



CAPITAL ACCOUNT | By Greg Ip

Two Reasons Low-Rate Era Is Over

The Federal Reserve three weeks ago slashed its short-term rate target by half a point and signaled more cuts to come. Yet in that time, investors have pushed the yield on the 10-year Treasury to 4%, the highest in two months.

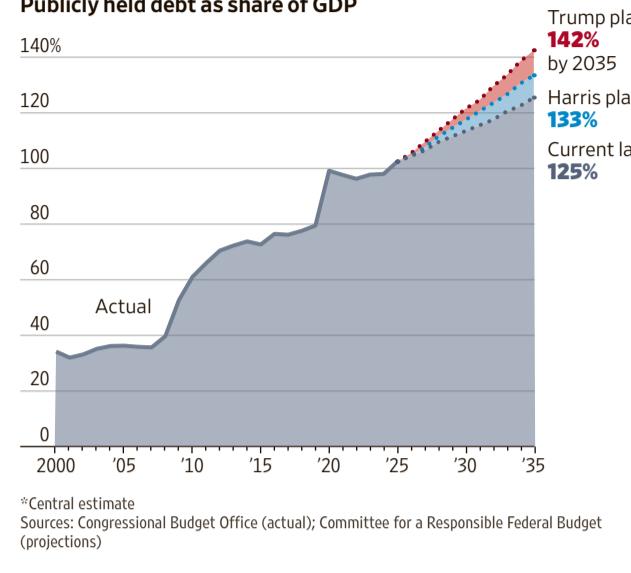
Why would long rates rise while the Fed's rates fall? The Fed sets interest rates for the immediate future. Investors are betting on the path of those rates for the next decade. And for two reasons, interest rates are likely to be higher, perhaps much higher, in the coming decade than in the prior one.

One of those reasons is relatively benign. Inflation and growth won't be as low as before the pandemic. The second is much less benign. The federal debt is on an unsustainable path, which might become even more perilous after the election, especially if former President Donald Trump wins and Republicans take control of Congress.

More than a year ago, the Fed pushed its rate target range to a 20-year high of 5.25% to 5.5% to make sure inflation didn't stay stuck above its 2% target, even if that meant causing a recession. By September, inflation was closing in on 2%. The half-point cut signaled that the Fed's priority was now protecting the labor market.

Then, last week's September jobs report at a stroke changed the picture of the labor market from deterioration to robust health.

The Fed's pivot, and the jobs data, drastically reduced investors' expectations of a recession that would force



the central bank to slash rates deeply in the next year. That alone would merit higher long-term rates.

Meanwhile, it's possible economic growth will clock in at a surprisingly brisk 2.8% pace over the past four quarters. That would suggest that the economy has become less vulnerable to higher interest rates. In economists' jargon, the "neutral rate," which keeps inflation and unemployment stable, has apparently risen. As recently as December, Fed officials thought neutral was 2.5%. By September, they had raised that to 2.9%, and some officials had put it at 3.5% or higher.

By itself, a higher neutral is nothing to worry about (though maybe not if you're trying to get a mortgage) because it signals a return to normalcy.

But in combination with the soaring federal debt, it could cause trouble. Since 2007, the federal debt has

climbed from 35% of gross domestic product to 98%. Much of this was a result of the 2008-09 financial crisis and Covid-19. The borrowing didn't put much upward pressure on bond yields because inflation and the neutral rate were so low.

Yet in the past fiscal year, Washington borrowed \$1.8 trillion. At 6.4% of GDP, that's a record outside of war, recession or crises such as the pandemic. Interest expense is climbing steadily. The Congressional Budget Office projects that under current law, publicly held debt will hit 122% of GDP in 2034.

The effect on long-term rates has been largely invisible thus far. It might become more visible before long.

Both Vice President Kamala Harris, the Democratic candidate for president, and Trump, her Republican opponent, have proposed lavish spending and

tax cuts that would add significantly to the debt.

The nonpartisan Committee for a Responsible Federal Budget has estimated the debt impact at \$3.5 trillion for Harris and \$7.5 trillion for Trump from 2026 through 2035.

"Neither has anything close to a plan to deal with the overall debt, but clearly the Trump agenda would be significantly worse than the Harris agenda," said Maya MacGuineas, president of the CRFB.

Trump's plans not only are more costly than Harris's, they also are more likely to be enacted.

President Biden and Harris certainly had no compunction about running up debt for their spending priorities. Still, if Harris became president, Republicans are strongly favored to take back control of the Senate, where they would likely block most of her costly spending plans. Even within her own party, Harris doesn't command the personal loyalty that Trump does with his.

The likelihood of Harris getting what she wants is far less than the likelihood of Trump getting what he wants, because she will not have the impact on Democrats that he has on Republicans," said Bob Corker, a former Republican senator from Tennessee.

Under Trump's influence, the debt has steadily receded as priority for Republicans. He banished any talk of cutting Social Security or Medicare benefits, the deficit's two biggest long-term drivers.

Much of the tax cut Trump signed into law in 2017 expires at the end of 2025, tying up a major new tax bill early in the next president's term.

He wants to make its provisions permanent, which could cost an estimated \$4 trillion over 10 years, not including his other proposed tax cuts. Even if Trump doesn't get all he wants—repealing taxes on Social Security benefits is a particular stretch—he could get a lot of it.

Investors might then start to pay attention.

There's no good way to predict the impact, if any, on U.S. interest rates.

Research has found that bond yields rise by 0.01 to 0.06 percentage point for each 1% of GDP the debt rises, according to a review in a recent Fed paper. When those estimates are applied to the CRFB's various scenarios for debt by 2036, that could imply anything from 0.25 to 2 percentage points.

Other factors also matter. Higher inflation would aggravate the deficit's impact on interest rates; lower inflation, a demand for bonds by an aging population or panicked investors would soften it.

And yet U.S. debt is clearly entering uncharted territory. A recent study by the Penn Wharton Budget Model suggested that even though the U.S. controls its own currency, its debt would become unsustainable as it approaches 175% of GDP. We're not there yet in the coming decade we could be getting close.

Said Corker: "For those who hope for even a modicum of fiscal responsibility, pray for divided Congress."

U.S. WATCH

WASHINGTON, D.C.
Limits Are Sought On Private Equity

A group of Democrats led by Sen. Elizabeth Warren proposed new restrictions on private-equity firms, saying tougher rules are needed to prevent buyout firms from "looting" the businesses they own after hospital operator Steward Health Care System's bankruptcy.

On Thursday, six senators and eight U.S. representatives announced the Stop Wall Street Looting Act of 2024, an updated version of a bill Warren, of Massachusetts, has pushed since 2019.

Like the earlier bill, the revised proposal would hold buyout firms liable for debts and misconduct by companies they control, which would prevent investors from walking away unscathed when their portfolio companies fail.

Efforts to impose new rules on the buyout industry have faced stiff opposition from business groups and some lawmakers. The American Investment Council, private equity's chief lobbying group, said the revised measure would harm ordinary businesses and retirees.

The May bankruptcy of Steward—a hospital operator that paid out hundreds of millions of dollars to its owners before its failure—fanned this opposition. Steward was owned from 2010 to 2020 by buyout firm Cerberus Capital Management, which has said its investment helped save a struggling company.

—Chris Cumming

COLORADO
1 Dead, 12 Rescued From Gold Mine

Twelve people were safely rescued Thursday night after being trapped for hours at the bottom of a former Colorado gold mine when an elevator malfunctioned at the tourist site, authorities said Thursday. One person died in the accident.

The elevator was descending into the Mollie Kathleen Gold Mine near the town of Cripple Creek when it had a mechanical problem around 500 feet beneath the surface, and one person was killed, Teller County Sheriff Jason Mikesell said at a press conference.

The elevator accident was reported to authorities at about noon, the sheriff said. He declined to identify the victim or say how they died.

—Associated Press

Inflation Eased in September

Continued from Page One
ven't been greeted warmly by many consumers because the prices of everything from groceries and restaurant meals to housing and insurance remain much higher than they were four years ago.

The latest reading underscored that dichotomy. Inflation continues to follow a very uneven path down, making it difficult for Federal Reserve officials and economists to feel completely confident that high inflation has been stamped out.

Thursday's report is the first of three inflation readings Fed officials will see before their next meeting, where they are expected by investors to lower interest rates by a quarter-point following a larger half-point cut last month. At last month's Fed meeting, new projections showed most officials penciled in the equivalent of two more quarter-point cuts this year. The Fed has two more meetings this year.

"It's a disappointment, but inflation's descent was going to be bumpy" as it moves back toward the Fed's target, Ryan Sweet, chief U.S. economist at Oxford Economics, said of the CPI report.

Still, he noted some idiosyncrasies like a jump in prices for sporting events and college textbooks. "The outlook for inflation really hasn't changed after this report," he said. "The labor market doesn't seem like it poses significant upside risk to inflation."

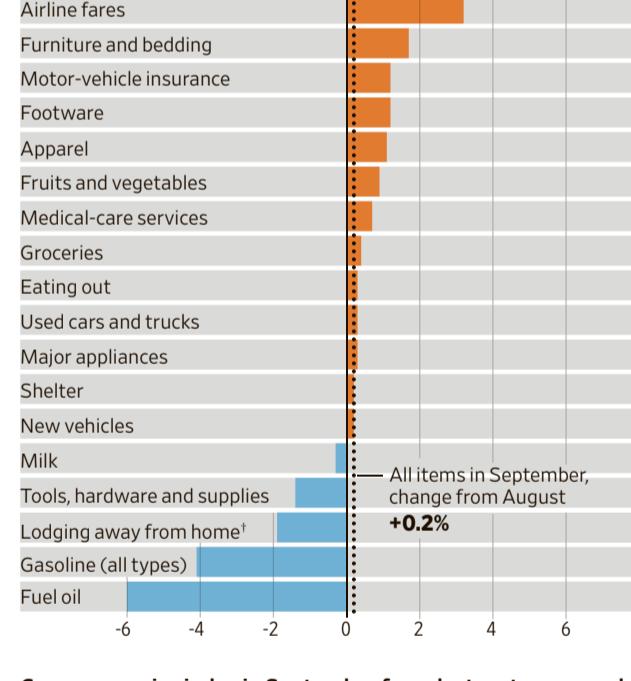
In August, core prices were firm because of a big jump in housing prices. In September, housing prices were much cooler, but prices of apparel, car insurance and airfares notched notable monthly increases. Food prices in September posted their biggest monthly gain since January, and eggs rose 8.4%.

Energy prices, however, took another step down. U.S. gasoline prices fell 4.1% from a month earlier, setting up the election to take place amid some of the cheapest income-adjusted gasoline prices in the modern era.

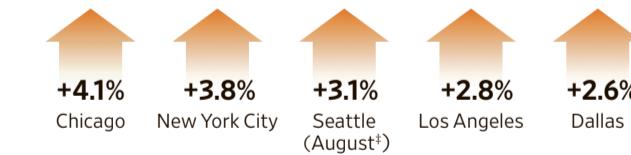
Atlanta Fed President Raphael Bostic said in an interview Thursday that he has long expected month-to-month

The consumer-price index rose 0.2% in September from the previous month. Core prices, which exclude food and energy items, ticked up 0.3%, matching its August increase.

Consumer-price index for select items in September, change from a month earlier*



Consumer-price index in September for select metro areas, change from a year earlier



*Seasonally adjusted †Includes hotels and motels †Most recent data Note: Core CPI excludes food and energy prices.

Source: Labor Department



Food had the biggest monthly gain since January. Eggs rose 8.4%.

swings in economic data that can complicate the ability to spot underlying trends. He said the latest data hadn't changed his expectation that the Fed would need to make a series of cuts over the next year.

"I've been saying we should expect the data to be—what I've been using is, 'janky'—to bounce around a bit," he said. "We may get 'janky' reports from time to time, and the

question will be, 'Do they signal a new trend?'"

Bostic voted in favor of last month's rate cut, and at that meeting he penciled in one more quarter-point cut this year. Bostic said Thursday he could see a plausible case for cutting rates at either or both of those meetings depending on the economic outlook, but recent uneven data say "maybe we should take a

pause in November. I'm definitely open to that."

Early estimates suggest that core prices using the Fed's preferred gauge of inflation, the personal-consumption expenditures price index, will show a smaller increase in September than the CPI did. On Friday, the Labor Department will release its producer-price index for September, and economists expect this factory-gate inflation slowed slightly from August.

Investors have been rethinking how rapidly the Fed will cut interest rates. The Social Security Administration separately said Thursday that Social Security benefits would rise 2.5% in 2025, the smallest cost-of-living adjustment in four years. The increase is calculated using a different version of the September CPI.

lower cutting cycle next year than they anticipated just a few weeks ago.

Also on Thursday, the Labor Department reported that the number of people who filed for initial jobless benefits rose to the highest level in more than a year last week. While that might reflect the impact of Hurricane Helene, it also adds a note of caution to

other figures that show very low levels of layoffs. Stocks rose last week after a surprisingly strong jobs report on Friday.

The Social Security Administration separately said Thursday that Social Security benefits would rise 2.5% in 2025, the smallest cost-of-living adjustment in four years. The increase is calculated using a different version of the September CPI.

Iran is believed to have mastered most of the techniques for building a nuclear weapon with enriched uranium. A World News graphic on Wednesday showed a fission reaction using plutonium, incorrectly suggesting that Iran is working with plutonium.

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U.S. NEWS

Retirees Due For Smaller Benefit Boost

Social Security pay increase will be 2.5% next year, a sign of cooling inflation

By ANNE TERGESEN

Retirees' Social Security benefits will rise 2.5% in 2025, the smallest cost-of-living adjustment in four years.

Starting in January, the average monthly check for the nation's millions of retirement benefit recipients will be \$1,976, up \$49 from this year, the Social Security Administration said Thursday. After rising a cumulative 18.8% the past three years to keep up with the surge in prices, this modest increase reflects cooling inflation.

It doesn't necessarily reflect financial reality, retirees say.

Prices may not be rising as quickly, but retirees still feel the sting of paying more for everything from groceries to insurance. Inflation has made it harder for people to stick to a budget, causing many to draw down their savings faster than expected.

"Politicians and economists crow about reducing inflation to two to

Until recently, the COLA has lagged behind inflation for key necessities.

August, the S&P 500 index returned an annualized 9.9%, adjusted for inflation, according to Morningstar.

Middle- and lower-income households, in contrast, have a higher percentage of their savings in bonds and cash. U.S. bonds lost an annualized 4.6% from February 2020 to the end of August, adjusted for inflation, while cash lost 2.1%, Morningstar said.

Kaminski said inflation has caused him to cut expenses so he can live on his Social Security check, currently \$2,246 a month. His goal is to preserve his \$150,000 individual retirement account for emergencies.

The retired finance director for a medical practice keeps track of his expenses on a spreadsheet. Since 2022, he has stopped eating out. He buys food on sale and favors discount stores, including Dollar Tree. He recently cut subscriptions to Hulu, Peacock and Netflix and attends free local concerts and library events.

At times, he drives 4 miles to a cheaper gas station.

For many retirees, the annual COLA raise will be somewhat eaten up by higher premiums for Medicare Part B, which are typically deducted from benefits checks.

Next year, the standard premium for Part B, which covers expenses including doctor visits, is slated to rise to \$185 a month from \$174.70, according to estimates Medicare's Trustees released in May. That would consume about 21% of the COLA raise.

The Centers for Medicare and Medicaid Services typically releases the new Part B premium in the fall. The Social Security Administration also said the maximum amount of earnings subject to the Social Security tax will increase to \$176,100 in 2025 from \$168,600 in 2024.

For Robert Kennedy, their marriage "was the best thing that could have happened," Arthur M. Schlesinger Jr. wrote in his 1978 biography of Robert Kennedy. "Her jokes diverted him. Her social gifts offset his abiding shyness."

Photographers who covered her during the 1960 presidential campaign of her husband's older brother, John F. Kennedy, nicknamed her "Miss Perpetual Animation."

She was born April 11, 1928, in Chicago, the sixth of seven children. Her father, George Skakel, a Protestant of Dutch descent, made a fortune dealing in coal and petroleum coke. Her mother, the former Ann Brannack, an Irish Catholic, sent her children to daily Mass and Catholic schools. The family moved east in the mid-1930s and lived in a man-

Conjoined Twins Mark First Birthday Separated



MILESTONE: Amari and Javar Ruffin, who shared part of a diaphragm, abdominal wall and liver, were surgically separated in August at Children's Hospital of Philadelphia. The twin boys, who turned 1 on Sept. 29, went home on Tuesday.

Matriarch of Kennedys Drew On Faith to Endure Tragedies

By JAMES R. HAGERTY

Ethel Skakel Kennedy, who was at the side of her husband Robert F. Kennedy when he was assassinated in 1968 and drew on her Roman Catholic faith to endure a series of family tragedies, died at age 96 from complications related to a stroke, her grandson Joe Kennedy III said Thursday.

When she met her future husband in 1945, Ethel Skakel was a student at Manhattanville College of the Sacred

Heart in New York. Known for a dazzling smile and mischievous sense of humor, she

was more interested in competing in horse shows and sailing races than in academics. "I wasn't a very deep thinker," she recalled in a 2013 documentary, "Ethel," directed by her daughter Rory Kennedy, the youngest of her 11 children.

Yet she evolved into a vital support for the political career of her husband. Ditching the Republican beliefs of her wealthy parents, she adopted the Kennedys' Democratic agenda and appeared to relish political campaigning.

For Robert Kennedy, their marriage "was the best thing that could have happened," Arthur M. Schlesinger Jr. wrote in his 1978 biography of Robert Kennedy. "Her jokes diverted him. Her social gifts offset his abiding shyness."

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Ethel and Robert Kennedy with 10 of their 11 children in the 1960s. Below, the two in 1964.



crowded in, she pleaded: "Get back, all of you. Get out, please get out for God's sake, give him room to breathe." He died in a hospital a day later.

Grief was familiar territory. She dealt stoically with a 1955 airplane crash that killed both of her parents and another plane crash in 1966 that claimed her brother George.

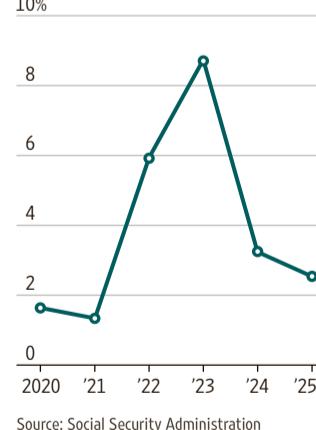
Her son David died of a drug overdose at a Palm Beach, Fla., hotel in 1984. Her son Michael was killed in a Colorado skiing accident in 1997. A granddaughter, Saoirse Kennedy Hill, died at age 22 in August 2019, apparently of an overdose.

Her son Robert F. Kennedy Jr. upset members of the family by campaigning against vaccines, launching an independent bid for president and endorsing Donald Trump in this year's election. Another of her sons described the endorsement as "sordid."

After her husband's death, Ethel Kennedy founded the Robert F. Kennedy Center for Justice and Human Rights, now known as Robert F. Kennedy Human Rights and led by her daughter Kerry Kennedy.

In the documentary, Ethel Kennedy was asked to reflect on how she survived so many family traumas. "Nobody gets a free ride," she said.

Social Security cost-of-living adjustments



and records from more than 90 electronic devices that were seized from Combs and his residences in Miami and Los Angeles. The prosecutor and Combs' lawyers told the judge that they estimated the trial would take about four weeks.

The Manhattan U.S. attorney's office charged Combs in September with operating a long-running sex-trafficking enterprise. Prosecutors said he forced victims into participating in daylong sex parties that he dubbed "freak offs." His victims were plied with drugs and some feared losing his financial assistance if they didn't participate, according to prosecutors.

Combs, who faces three

counts, including a racketeering conspiracy, has pleaded not guilty. His lawyers have said the alleged sex acts in the indictment involved consenting adults. Dressed in beige jail garb, Combs smiled and embraced his lawyers when he entered the courtroom Thursday.

The judge said he would sign a defense proposal barring both sides from disclosing nonpublic information about the case. Combs' lawyers have accused federal investigators of leaking grand jury material to the media, including a 2016 surveillance video that shows the rapper assaulting his then-girlfriend in the hallway of a hotel in Los Angeles.

CNN aired the video in May.

Leaking the video was part of an effort to smear Combs's image ahead of a trial, his lawyers allege.

"The concern is that the agents have been leaking grand jury information and making other types of prejudicial statements to the press," Marc Agnifilo, a lawyer for Combs, said at the hearing.

Federal prosecutors have denied the leaks and have said that the hotel video wasn't in the government's possession ahead of its airing on CNN.

"The government believes that this motion is baseless and it is simply a means to exclude a damaging piece of evidence," Johnson, the prosecutor, said at the hearing.



Sean 'Diddy' Combs, shown in September 2023, faces three counts, including a racketeering conspiracy.

ED GUNNELL/ASSOCIATED PRESS

FROM TOP: CSU ARCHIVES/EVERETT COLLECTION; ASSOCIATED PRESS

ANGELA WEISS/AGENCE FRANCE PRESSE/GTY IMAGES

'Diddy' Combs Will Face a Sex-Trafficking Trial in May

By JAMES FANELL

Sean "Diddy" Combs's sex-trafficking trial is set to kick off in May, but the rapper could face additional charges in the case.

A New York federal judge scheduled a May 5 start date for Combs's trial at a hearing Thursday, where prosecutors in the Manhattan U.S. attorney's office said they may bring a new indictment with additional charges against him. "Our investigation is very much ongoing," Assistant U.S. Attorney Emily Johnson told U.S. District Judge Arun Subramanian.

Johnson said the case involved massive amounts of data

and records from more than 90 electronic devices that were seized from Combs and his residences in Miami and Los Angeles. The prosecutor and Combs' lawyers told the judge that they estimated the trial would take about four weeks.

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U.S. NEWS



Donald Trump outlined more tax-break proposals aimed at key constituencies on Thursday at the Detroit Economic Club.

Trump Wants Tax Deduction For Interest on Car Payments

On trade front, he suggests 100% tariff on Chinese autos made in Mexico

BY JOSHUA JAMERSON
AND RICHARD RUBIN

DETROIT—Donald Trump said he wants to make car-loan interest payments tax deductible and took a warning shot at Chinese car companies looking to send Mexican-built vehicles to the U.S., in proposals aimed at strengthening the American auto industry.

Trump outlined his plans, which also include renegotiating the U.S.-Mexico-Canada Agreement to address his concerns about Chinese cars being made in Mexico, at an event Thursday before the Detroit Economic Club. He said he would impose a 100% tariff or more on any such vehicles exported to the U.S.

Chinese car companies don't currently sell vehicles in the U.S., nor do they have immediate plans to export them from Mexico to the U.S. But fear is mounting in Detroit that they could eventually target American buyers with cheap electric cars.

Mexico is an attractive manufacturing base for many car companies, and for those in China it would be one way to get around an existing tariff imposed on imported cars built in their home country.

Trump is locked in a tight race with Vice President Kamala Harris in Michigan, home to the nation's automakers and a state where the economy is historically intertwined with car manufacturing. The GOP presidential nominee's car-loan deduction adds to his growing list of tax breaks aimed at key constituencies.

"My goal is to see U.S. auto manufacturing even greater than it was in its prime, and for Detroit and Michigan to be at the center of the action," Trump said.

On X, the Harris campaign shared a moment from the speech in which Trump said he would consider 1,000% tariffs on imported goods. A Trump campaign aide said the former president was being hyperbolic.

In remarks intended to tout his plans for the auto industry, Trump called Shawn Fain, the president of the United Auto Workers union, a "stupid, stupid guy"; once again called Harris dumb; and cast Detroit in a negative light.

"Our whole country will end up being like Detroit if she's your president," Trump said of the Democratic nominee. "You're going to have a mess on your hands," he said.

On X, the Trump campaign said Trump "was talking about

the economic disaster Kamala has been for Detroit and the country."

The UAW has been among Trump's harshest critics, accusing him of being a "scab" who pretends to help working people and the domestic auto industry. "He's all talk...but he's no action," Fain said ahead of Trump's speech.

Detroit, once beset by urban decay, is already in the middle of a rebirth. Its downtown streets now often feel bustling and several once-dormant historic skyscrapers have been renovated to contain offices, luxury apartments and hotels. According to the city, its population has started to grow for the first time in decades.

"Detroit is the epitome of grit," Michigan Democratic Gov. Gretchen Whitmer posted in response to Trump. "So keep Detroit out of your mouth. And you better believe Detroiters won't forget this in November."

Amid high car prices and interest rates, Trump said making car-loan interest deductible would make cars more affordable and boost auto production. But the proposal may have limited reach, and it would be counteracted by any tariffs that raise auto prices, either the universal tariffs Trump has

proposed or the larger ones he has threatened on some Mexican auto production.

Trump said it would be like the deduction for mortgage interest, which taxpayers claim as an itemized deduction.

There were some \$1.6 trillion in outstanding auto loans in the second quarter, according to the Federal Reserve Bank of New York.

Because of Trump's 2017 tax law that increased the standard deduction, far fewer Americans itemize their deductions and can claim specific benefits for mortgage interest and charitable contributions. Fewer than 10% of households itemize deductions now, down from about 30% before the 2017 law.

The car-loan interest break is Trump's latest in a series of tax-cut proposals that go beyond extension of the 2017 tax cuts, which largely expire at the end of 2025. He has also called for eliminating taxes on tips, overtime pay and Social Security benefits, and for restoring the state and local tax deduction capped by his 2017 law. On Wednesday, he said he wanted to lower taxes on U.S. citizens who live abroad.

Those proposals add up, and his spending and tax policies would increase budget deficits by \$7.5 trillion over the next decade, according to an estimate from the Committee for a Responsible Federal Budget.

—Christina Rogers
and Christopher Ots
contributed to this article.

In Detroit, Trump called the UAW president a 'stupid, stupid guy.'

Harris Navigates How Close to Keep To Biden's Policies

BY TARINI PARTI

Vice President Kamala Harris frequently tries to distance herself from her unpopular boss with one clear sentence: "I am not Joe Biden."

But when pressed for specifics on how she would be different as president, Harris has refrained from detailing a contrast with Biden, as she navigates the complexity of running as a change candidate—with the slogan "A New Way Forward"—while also serving as vice president.

Harris prioritized loyalty to Biden over the past 3½ years—at times over her own political capital. As a candidate, she is wary of being critical of the president and an administration she is still a part of, Harris allies say. She has, however, embraced a handful of economic and border policy proposals her advisers have crafted with an eye toward making a break with Biden clearer to change-hungry voters.

"They were a missed opportunity to do something voters will reward," said Evan Roth Smith, a Democratic pollster for Blueprint, which found that messages that showed a clear break from Biden on specific issues performed the best with voters overall and with independents.

Harris's advisers have stressed incremental policy changes to position her as more business-friendly and tougher on the border than Biden. Harris proposed a less drastic increase in the top capital-gains tax rate, and her overall economic message has shifted away from Biden's emphasis on jobs and workers to one on prices and consumers.

The vice president said during a visit to the border that she would go a step further than Biden's recent crackdown and make it harder to lift restrictions blocking migrants from asking for asylum if they crossed illegally.

But when asked directly about Biden and her vision, Harris this week didn't highlight those policy differences. Instead she spoke broadly about her economic vision, "the significance of the next generation of leadership" and how her own personal experience would influence her presidency.



The vice president and president at the Pentagon on Sept. 11.

DREW ANGERER/AGENCE FRANCE PRESSE/GT IMAGES

Pirates Snatch iPhones

Continued from Page One

driver and thief cross paths.

"They know what's getting delivered and the location," said Detective Lt. Matt Arsenault from the Gardner Police Department in Massachusetts, which is investigating several recent thefts. "They meet the delivery driver at the front door and take it."

Since the pandemic, parcel carriers have reported a rise in porch thefts as workers have returned to offices and fewer people are home during the day to receive packages. Now, a spate of thefts that began a few months ago is targeting FedEx deliveries for AT&T.

The two companies said they were working with law enforcement to investigate, and declined to disclose how many such packages have been stolen.

Jacqueline Rosales in August ordered iPhones from AT&T for her whole family. All five of them were stolen off her porch in Snellville, Ga., within minutes of delivery, she said. Rosales has video footage showing the thief dashing from his car and back in 10 seconds.

She said she had seen the same car driving up and down her street hours before FedEx delivered the package.

"I've ordered high-value items before," she said. "This has never been a problem. It's so weird and alarming."

AT&T ships phones with multiple parcel carriers, and FedEx delivers phones for other wireless providers.

Verizon and T-Mobile require a signature on delivery for smartphones; AT&T generally doesn't.

"From time to time, we must contend with sophisticated criminals trying to steal high-value items, and we understand how frustrating and stressful that can be for our customers," an AT&T spokesman said. "When these unfortunate events occur, we work as quickly as possible with the customer to make it right."

AT&T said it wants to make delivery as frictionless as possible for customers and requires signatures in several high-theft markets. It also offers store pickup.

The company said it ships tens of thousands of packages a day without incident.

FedEx said it has bar code and GPS tracking systems and issues regular reminders to drivers about personal and package safety.

"This includes remaining vigilant when delivering a package and immediately reporting any unusual activity," a FedEx spokeswoman said.

Signatures are legally required for shipments of alcohol, dangerous goods, hazardous materials and pharmaceuticals.

For other types of goods, the shipper typically decides whether to offer a signature option, which costs the ship-

per around \$7.15 extra per delivery.

On Sept. 20—the same day Apple released the iPhone 16—a pair of teenagers from Detroit were arrested in Texas after police said they flew in and went on a porch-theiving spree around Houston.

Chris Brown, a lieutenant with the police department in Deer Park, Texas, said the suspects were armed with inside information: AT&T parcel-tracking numbers. Deer Park police are working with AT&T to investigate how the suspects got that information, he said.

"We have no evidence of any breach of our systems, and this was not a hack," the AT&T spokesman said.

The two teens, a 17-year-old boy and 18-year-old woman, rented a car and spent hours



Surveillance video shows the theft of an iPhone in Georgia.

circling neighborhoods around Houston, police said.

Video from the dashcam of their rental car viewed by The Wall Street Journal shows a young woman picking up a package, jogging back to the car and driving away.

Deer Park police received calls reporting two parcel thefts that day. Police found the vehicle, which was still circling a neighborhood, and arrested the two suspects. Police said they recovered four stolen iPhones.

The teens, who were charged with felony theft and released on bond, couldn't be reached for comment. Their lawyers didn't respond to requests for comment.

Some parcel-theft victims said this type of theft could be averted if AT&T required a signature on delivery.

Lindsay Lorio said her new iPhone 16 was stolen in September from her porch in Cypress, Texas. AT&T put a block on the stolen phone and sent her a replacement, she said. But the wireless carrier told her she couldn't opt for a signature requirement on the second delivery, nor would it ship the replacement package to her workplace or local AT&T store unless she reported the loss to the store, Lorio said.

"Well, son of a gun, you know I might have another iPhone stolen," Lorio said she told AT&T.

She monitored her surveillance camera and hurried home in the middle of a work event when the package was delivered. She found it at her front door.

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U.S. NEWS

Hurricane Spawned Dozens of Tornadoes

Florida saw over 120 warnings as Milton's outer bands spurred powerful supercells

By ERIC NIILER

As the outer bands of Hurricane Milton swept across Florida on Wednesday, they spawned dozens of tornadoes, even before the powerful eye of the hurricane struck land.

The National Weather Service issued 126 tornado warnings across the state—the most ever for Florida in one day—and meteorologists believe several dozen tornadoes might have touched down along the Interstate-4 corridor that runs between Tampa and Orlando and the southern tip of the peninsula in Florida Bay. Between seven and nine confirmed tornadoes were reported in South Florida alone.

The tornadoes evolved as the outer bands of Milton developed powerful thunderstorms known as supercells, which can last for hours.

As the supercells move over land, currents of air begin to roll across the ground, like tubes of paper towels rolling across a countertop, said Gus Alaka, director of the hurri-



Mallory Tollett, 12, comforted her dog after a suspected tornado struck in Port Salerno, Fla.

cane research division at the Atlantic Oceanographic and Meteorological Laboratory in Miami. The rolling currents of air can form a tornado when they are pushed aloft by rising air heated by sunlight during the day.

"When the rolls get tilted upright, that is a prime condition for tornado activity," Alaka said.

Tornadoes also need a source of dry, unstable air

that approaches and interacts with the moisture-laden supercell, creating the atmospheric conditions that can start a tornado spinning, according to scientists.

"You need to make sure you have enough dry air, not too much drier, but just enough dry air to get a tornado," said Sammy Hadi, a meteorologist at the National Weather Service's Miami office.

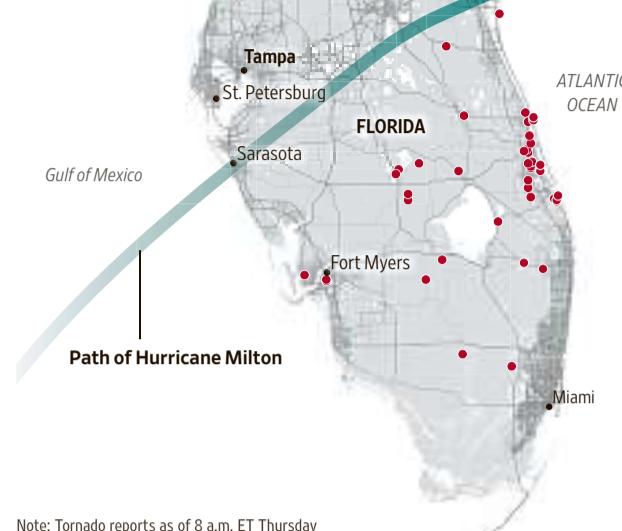
The NWS Miami office is

sued its first tornado warning in Broward and Collier counties at 8:23 a.m. Wednesday, 12 hours before Milton's eye struck the west coast community of Siesta Key that evening, Hadi said. Researchers won't know how many or how strong the tornadoes were until they can inspect ground debris.

Tornadoes, which can have rotating winds between 85 and 300 miles an hour, are

Hurricane Milton spawned powerful tornadoes across Florida.

• Reported tornadoes



Note: Tornado reports as of 8 a.m. ET Thursday
Source: National Oceanic and Atmospheric Administration

CARL CHURCHILL/WSJ

more difficult to predict than hurricanes. Forecasters issue hurricane warnings days ahead of time, while tornado warnings are issued only 10 to 15 minutes before they strike, giving residents less time to escape.

Four people in a mobile-home park were killed when at least two tornadoes touched down in St. Lucie County on Wednesday afternoon, according to Erick Gill,

communications director for St. Lucie County, on the state's Atlantic coast.

It isn't unusual for hurricanes to form tornadoes, Alaka said, noting that 69 tornado warnings were issued across Florida during Hurricane Irma in 2017.

"Tornadoes are one of the hazards that can be forgotten because everyone gets focused on where the center of the storm is going," Alaka said.

Florida Reels From Milton

Continued from Page One

Water levels might continue to rise and power outages might take days to resolve. DeSantis said some recovery efforts might be complicated by residual damage from Helene.

"You face two hurricanes in a couple of weeks—not easy to go through—but I've seen a lot of resilience throughout this state," DeSantis, a Republican, said at a briefing in Sarasota.

The White House said President Biden was briefed on the initial impacts of the hurricane and spoke to DeSantis on Thursday. Biden, a Democrat, reiterated that he would provide the state with any additional response and recovery support.

About 2.7 million customers in Florida were without power Thursday afternoon, according to data from PowerOutage.us.

Florida Power & Light, the state's largest energy utility, said it had restored power to more than 883,000 customers and it was working to bring power back to 987,000 of them.

The company said that the lingering effects of Helene and weeks of rain had amplified Milton's effects on its customers. It added that it had deployed 17,000 workers to its restoration efforts.

Storm-surge warnings were in effect Thursday for parts of the east coast of Florida and southern coast of Georgia, the hurricane center said, adding that swaths of Florida were at risk for considerable urban and river flooding.

In the Carver City neighborhood near the Tampa airport, Allen Denson raked the front yard of his grandmother's house, where he rode out the hurricane to keep her company. He said that the wind howled fiercely overnight and lights flickered, but the power didn't go out and the house



In St. Petersburg, Fla., the hurricane toppled a crane that smashed into an office building, and tore the roof off Tropicana Field, below, a baseball stadium that had been staged to shelter relief workers.

was unscathed.

"I'm thankful because it could have been worse," said Denson, 39 years old. "I feel we dodged a bullet."

After many years of close calls with hurricanes, it appeared Tampa was finally in the bull's-eye, Denson said. But in the end, the storm veered south, sparing the city a much worse storm surge.

"They say it comes our way, but it always veers off," Denson said. "I don't know what it is. I feel it's something about Tampa."

Pinellas County, which includes St. Petersburg and Clearwater, and Hillsborough County, which includes Tampa, lifted their evacuation orders on Thursday, but

asked residents to avoid unnecessary travel.

County officials and emergency-management agencies around the state have advised residents to use caution while clearing debris and to refrain from wading into receding water.

The Tampa Bay metro area was spared a direct hit, allaying some fears of catastrophic damage to coastal communities there. The region, which is densely populated and has seen booming development on low-lying ground, is still expected to see significant effects.

In the bayside city of St. Petersburg, footage showed the storm had shredded the roof of Tropicana Field, home of the Tampa Bay Rays, while city authorities said a construction crane collapsed downtown.

No injuries were reported in either incident.

Tropicana Field in downtown St. Petersburg was supposed to be used as a shelter for emergency crews who were tasked with cleanup efforts, but they were relocated before the storm when it was clear the roof wouldn't hold up in the wind, DeSantis said on Thursday.

"There were no state assets that were in Tropicana Field," DeSantis said.

A spokesman for the governor said on social media that the people were moved to another location in Jacksonville, more than 200 miles northeast of St. Petersburg.



FROM TOP: OCTAVIO JONES/REUTERS; BRYAN R SMITH/AGENCE FRANCE PRESSE/GETTY IMAGES

Photo credit:

Albert Whitted Airport, near Tropicana Field, got nearly 19 inches of rain during Milton and had 100-mph wind gusts. Tampa Bay-St. Petersburg overall saw between 15 to nearly 20 inches of rain in places.

Storm-surge warnings were lifted for the Tampa Bay area, which earlier had braced for a rise of up to 9 feet.

Tampa Mayor Jane Castor said the city was fortunate the storm surge wasn't as severe as anticipated.

"One of the blessings for us is that we didn't see that predicted storm surge, so that

saved a lot," she said at a news conference Thursday.

Tampa International Airport, St. Pete-Clearwater International Airport and Orlando International Airport remained closed. Milton's high winds damaged six boarding bridges at Tampa International that move passengers to aircraft, the airport said Thursday. The airport plans to reopen Friday if cleanup and repairs can be completed.

More than 2,200 flights within, into, or out of the U.S. were canceled Thursday, according to FlightAware.

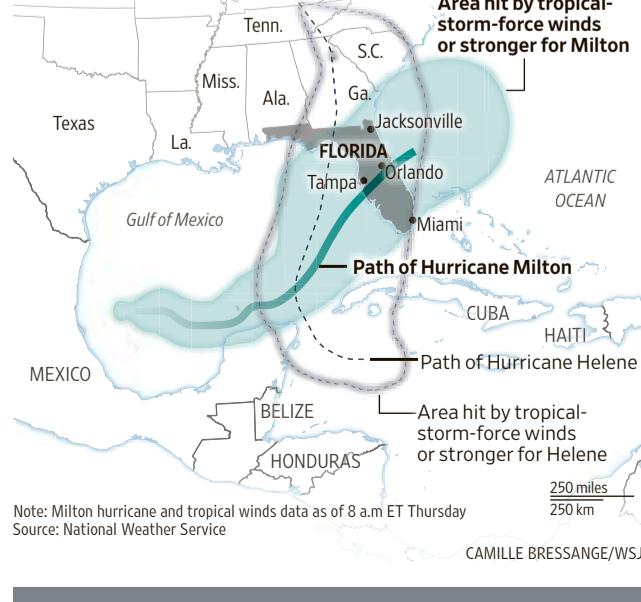
Joseph Pisani,
Ken Thomas
and Julia Munslow

contributed to this article.

Watch a Video

Scan this code for a video on the destruction caused by Hurricane Milton.

Hurricane Milton crossed an area already vulnerable after Helene.



Note: Milton hurricane and tropical winds data as of 8 a.m. ET Thursday
Source: National Weather Service

CAMILLE BRESSANGE/WSJ

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WORLD NEWS

Israeli Airstrikes Hit the Heart of Beirut

At least 22 are killed, 117 injured in attack that sparked fires in Lebanon's capital

BY ANAT PELED
AND JARED MALSIN

A pair of airstrikes in densely populated areas of central Beirut killed 22 people on Thursday evening, according to Lebanese state media, marking the deadliest strikes in the heart of the capital during Israel's offensive against Hezbollah.

The strikes on at least two buildings, at around 7:45 p.m. local time, sparked fires that sent smoke rising above the city's skyline. One of the strikes blew out two floors of a residential building, according to live footage aired by a Lebanese broadcaster.

Ambulances sped through central Beirut. The state-run National News Agency said the strikes were in the Al-Nuwairi and Ras Al-Nabaa areas. Lebanon's Health Ministry said 22 people were killed and 117 wounded, in an initial toll.

The strikes are the most recent attacks on the central districts of the Lebanese capital. Israel's most powerful air raids have been concentrated in the southern suburbs, from which most residents fled in recent weeks after the Israel intensified its offensive against Hezbollah in September.

The Israeli military didn't comment on the attack. Many earlier Israeli strikes in central Beirut have targeted high-profile Hezbollah leaders, including Hassan Nasrallah, who was killed last month.

About a quarter of Lebanese territory is under Israeli evacuation orders, according to the United Nations, with the Israeli military on Thursday warning residents of southern Lebanon against returning home as it intensifies its campaign against Hezbollah.

Israel's orders to evacuate areas in Lebanon, which have been issued almost daily since it launched a ground offensive there last week, are in place for more than 100 villages and urban neighborhoods across southern Lebanon, according to a United Nations Office of the High Commissioner for Hu-



An Israeli attack on Thursday was the deadliest strike in central Beirut during Israel's offensive against Hezbollah.

man Rights report this week. As the fighting in Lebanon continues, the U.N. Interim Force in Lebanon, or Unifil, a multinational peacekeeping force, accused Israel on Thursday of repeatedly firing at its posts near the border.

Israel said its evacuation orders are meant to minimize harm to civilians in areas where Hezbollah operates. As many as a million people have been displaced because of the evacuation orders and fighting,

the Lebanese government said.

The expansion of the Israeli campaign in Lebanon comes as Israel considers how to respond to Iran's attack with 180 ballistic missiles this month. Israel's security cabinet was set to convene later Thursday where members were to be presented with options for a response to the Iranian barrage, according to an Israeli official.

Unifil said Thursday that the Israeli military repeatedly hit the peacekeeping unit's

Naqoura base in Lebanon and nearby positions. On Thursday morning, two peacekeepers were injured after an Israeli tank fired toward an observation tower at the Naqoura headquarters, directly hitting it and causing them to fall, it said. Unifil also said Israeli soldiers deliberately fired at and disabled one of their position's perimeter-monitoring cameras on Wednesday.

The Israeli military said Hezbollah operates within and near civilian areas including Unifil posts. It said Israeli forces operating in the area told Unifil staff to take shelter in protected spaces ahead of time and only then began opening fire.

"Any deliberate attack on peacekeepers is a grave violation of International Humanitarian Law and of the UNSC Resolution 1701: Israel has an obligation to respect both," said European Union foreign-policy chief Josep Borrell.

Displaced Lebanese people have been taking shelter in hundreds of public schools across the country, scrambling to find rented apartments and sleeping in the street.

Israel issues evacuation no-

tices through its Arabic-language spokesman, who has urged residents of the south to go north of the Awali river, about halfway between the Israeli border and Beirut.

"You should refrain from heading south, anyone who heads south is putting his life in danger," said the spokesman, Avichay Adraee, in a post on X on Thursday.

Amnesty International on Thursday called Israel's evacuation orders "inadequate, and in some cases also misleading." Some warnings it reviewed were issued with short notice and without detailing safe evacuation routes, it said.

Israel has said that its ground operation is limited in geographic scope and intensity, and aimed at pushing Hezbollah back from its border and allowing for the return of tens of thousands of displaced Israelis. But the expanding evacuation notices and airstrikes have emptied parts of the country and created a humanitarian crisis in Lebanon with no clear exit strategy for either side.

—Stephen Kalin and Adam Chamseddine contributed to this article.

Tehran Uses Criminal Gangs in West to Target Enemies

By SUNE ENGEL RASMUSSEN

Iran and its allies, battered by Israeli attacks and the killing of Hezbollah leader Hassan Nasrallah, are running out of options to retaliate without risking a regional war that could set them back even further.

But there is one area where Western security agencies and experts fear Iran will try to hit Israel: Hiring criminal gangs in the West.

Iran has long used local militias to pursue its goals across the Middle East. In recent years, Tehran has exported that model to Europe, allying with drug lords and gangsters to go after Jewish or Israeli targets and other perceived rivals.

A recent wave of suspected Iranian-ordered attacks include a hand grenade thrown at the Israeli Embassy in Stockholm and a Spanish politician shot in the face in broad daylight.

Last week, Danish police arrested and charged two Swedish men aged 16 and 19 with terrorism in connection with two explosions, likely from hand grenades, near the Israeli Embassy in Copenhagen. Swedish media said they were affiliated with a gang leader accused of ordering violent plots in Scandinavia on behalf of Tehran, where he is hiding from arrest warrants.

As Iran and its allies seek ways to respond to recent Israeli attacks in Lebanon, but with limited options in their region, Europe provides an accessible arena to strike Israeli interests, experts say. Russia, too, has noticed the opportunity. The head of the U.K.'s domestic spy agency on Tuesday said Russia and Iran increasingly are using low-level criminals to carry out arson and sabotage attacks against dissidents and sow chaos across Europe.

MIS Director General Ken McCallum said Russia is using criminal networks after its spy network largely was dismantled by the expulsion of 750 diplomats after the Kremlin launched the 2022 Ukraine invasion.

Israel's National Security Council, meanwhile, said last month that it identified a



Police gathered evidence at the Israeli Embassy in Stockholm after an incident near the building earlier this month.

Two Rival Outfits Fuel Wave of Violence in Sweden

Early this year, in a quiet corner of Stockholm, a member of a notorious local gang threw a hand grenade into the compound of the Israeli Embassy. Months later, members of a rival gang fired live shots near that building, leading to the arrest of a 14-year-old boy.

The two criminal organizations, called Foxtrot and

Rumba, are enemies, fueling a wave of violence rocking Sweden, often using teenagers. But they both take orders from Iran, say Israeli and Swedish intelligence.

Foxtrot members also were behind last week's embassy explosions in Copenhagen, Swedish media said.

"Iran for years has conducted security-destabiliz-

ing activities in Sweden, mainly aimed at the Iranian diaspora," said Fredrik Hultgren-Friberg, a spokesperson for the Swedish Security Service. "This spring we established that the Iranian regime had been using individuals connected to criminal networks in Sweden to carry out violence" against Israeli targets in Sweden, he said.

involved in international criminal networks, smuggling drugs, weapons and other goods to fund and arm their operations.

"The axis of resistance, the way it operates, is very mafia-like," said Sanam Vakil, director of the Middle East and North Africa Programme at Chatham House, a think tank in London.

"That's why finding gangs and finding people to run these operations isn't so difficult for Iran. Relations were primarily economic, and now they have developed into something else."

The attacks are also an indication of necessity. Iran and Hezbollah don't have the intelligence means to respond in kind to suspected Israeli assassinations, and Tehran's missile barrages against Israel, in April and this week, were largely ineffective.

The alliance between Iran and European criminals can be traced back to decades of network-building in the Middle East, where militias in Iran's self-described axis of resistance—including Hezbollah—are

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WORLD NEWS

China Home Buyers Take Baby Steps

Hesitancy lingers amid doubts about stimulus, despite recent sales jump

BY JONATHAN CHENG

BELJING—The Chinese government's flurry of stimulus measures has upended the country's stock markets. It has also brought potential home buyers back into the marketplace, raising hopes that official attempts at boosting confidence can rekindle a sector critical to any lasting rebound.

Home viewings and sales of new and previously owned homes jumped in China's biggest cities during the recently concluded weeklong National Day holiday, state media reported, while rising more modestly in lower-income cities.

Still, conversations with prospective home buyers suggest uncertainty over Beijing's policy direction has left many with a sense of hesitancy, a reflection of the scar tissue that has built up after three years of falling prices and developer defaults.

Price controls have also kept home prices from correcting to a level that would bring in potential buyers, economists say, prolonging the sluggishness in the market.

A bold attempt by Chinese policymakers to boost confidence in the economy has sparked some of the most volatile stock-market trading in recent memory—propelling China's benchmark index to a 25% gain in five days before it tumbled again amid doubts about whether Beijing will follow through with large-scale fiscal stimulus. The announcement of a news conference by China's Ministry of Finance, set for Saturday, has kept those hopes alive.

In the real world, the impact of stimulus measures has been more subdued.

No corner of the economy has been as closely watched as the property market, which has been under severe pressure since Beijing started a crackdown on real-estate developers' debt levels in 2021. The heightened regulatory scrutiny led



Residential buildings are under construction at a development operated by state-owned China Resources Land in Shanghai.

many home builders to default and set home prices on their first sustained decline in many Chinese homeowners' lifetimes.

Economists have blamed the housing market's continued woes for weakness in the post-Covid recovery, given real estate's status as the main nest egg for many Chinese households. As long as property prices remain depressed, they say, Chinese consumers are less likely to spend.

Authorities in late September reduced the minimum down payment and mortgage rates for home buyers, relaxed home-purchase restrictions in the country's largest cities and injected liquidity into banks to help them make more loans.

The impact of the new measures could be seen in high-frequency data showing signs of life in the market for new and previously owned homes

over the National Day holiday, traditionally a prime home-buying period.

Over the first six days of the holiday, average new-home sales in 25 Chinese cities rose by 23% in floor-area terms from a year earlier, according to data compiled by the China Index Academy, a private research firm focused on real estate.

Hours before the long holiday began, Beijing's municipal government lowered minimum down-payment requirements and boosted the amount of cheaper government-backed mortgage loans that can be claimed by families with two or more children.

The policies helped spark a surge in house-hunting activity in the nation's capital. The number of new-home viewings in Beijing during the first three days of the holiday nearly doubled from a year earlier,

China's state-run Xinhua News Agency reported. New-home sales by floor area soared 81% over the course of the week compared with a year earlier, the China Index Academy said.

The frenzy could be seen in the suburbs of southwestern Beijing, where home buyers thronged the showrooms of four new property developments—all of them from state-backed developers.

"We think now might be a good time to buy," said Wang Feifei, a hospital technician who was touring model units with her husband and 2-year-old son. Wang, who is six months pregnant with a second child, was especially excited about the new lending rules for families with two or more children that she said would reduce mortgage payments.

"Given the uncertain outlook for our income, we hope to save enough for emergencies after buying the home," Wang said.

Caution could also be seen among prospective home buyers with whom The Wall Street Journal spoke at property showrooms in Beijing. Despite the widespread gloom in the housing market, prices for new and existing homes fell by just 5.7% and 8.6% respectively in August from a year earlier.

The minimum down payment and interest rates are indeed lower than before, but home prices are still too high," said a house hunter surnamed Zhang, who visited a property showroom with her husband in southwestern Beijing during the long holiday.

Zhang, who works in Beijing's Daxing district, was weighing an apartment unit by state-owned China Resources Land priced at around 50,000 yuan a square meter, equivalent to roughly \$650 a square foot—more than 10 times the going rate in her hometown in the central Chinese province of Henan.

"We're not rushing into buying right now. After all, it would drain the savings of both our families," Zhang said.

"I hope the government can eventually guide home prices down further."

—Grace Zhu contributed to this article.

WTO Raises Forecast For Trade Rebound

BY PAUL HANNON

World trade is set to rebound this year at a slightly faster pace than previously forecast as central banks lower their key interest rates, the World Trade Organization said Thursday.

However, the flow of goods across national borders in coming years could be hindered by a disruption to oil supplies, or tariff increases and further efforts by governments to steer trade away from nations that they perceive to be hostile or untrustworthy.

"We are expecting a gradual recovery in global trade for 2024, but we remain vigilant of potential setbacks, particularly the potential escalation of regional conflicts like those in the Middle East," said Ngozi Okonjo-Iweala, director-general of the Geneva-based body.

The trade in goods has swung wildly in recent years in response to the coronavirus pandemic, the subsequent lifting of related restrictions and Russia's invasion of Ukraine.

While trade in goods soared in 2021 and 2022 as households in lockdown were deprived of access to many services, last year saw a decline of 1%. By contrast, trade in services has continued to grow at a steady pace.

The WTO now expects the trade in goods to increase by 2.7% this year in volume

terms, having forecast an expansion of 2.6% in April. With inflation rates easing around the world, household spending power is set to recover, while lower borrowing costs are expected to encourage investment spending by businesses.

However, it cut its forecast for next year to 3% from 3.3%.

The WTO said the recovery in world trade could be faster than expected if rate cuts by central banks deliver a bigger boost to economic activity, but it also warned that the unwinding of previous rate increases could have the opposite effect if central banks move at different speeds.

"If monetary policies are not in sync, what you can get is some swings in exchange rates, and this is not something that is good for international trade," said Ralph Ossa, the WTO's chief economist.

The WTO continues to expect the global economy to grow by 2.7% in both 2024 and 2025. The trade body expects Europe to continue to be the weakest part of the global economy this year, with its imports of goods expected to fall by 2.3%.

Higher interest rates are throttling investment spending, and the WTO noted that imports of machinery from China had "plummeted." It expects some recovery in 2025 as interest rates fall.



WTO Chief Economist Ralph Ossa spoke in Geneva Thursday.

Taiwan Leader Offers Olive Branch

BY JOYU WANG
AND AUSTIN RAMZY

Five months ago, China greeted the inauguration of Taiwan's president, Lai Ching-te, with combat drills that encircled the island and the threat of more to come.

So when Lai gave a major speech on Thursday, Beijing and Washington were listening to just how forcefully he would address Taiwan's relationship with China, which claims the self-ruled island as its own.

Lai reasserted his stance on Taiwan's sovereignty, and that Beijing had no right to represent it, but his comments directed at China were also a call for calm.

"Taiwan is determined to maintain peace and stability across the Taiwan Strait and achieve global security and prosperity," Lai said in a national address marking the origins of the Republic of China, the official name for the government in Taipei that once ruled all of China. "It is also willing to work with China to respond to climate change, prevent infectious diseases, maintain regional security, pursue peace and common prosperity, and bring benefits to people on both sides of the Taiwan Strait."

Taiwanese security officials said this week that they expected China to launch new drills in response to Lai's speech, regardless of what the Taiwanese leader said. At his inauguration in May, Lai said China and Taiwan "are not subordinate to each other," comments that likely riled Beijing.

The Chinese military said its drills in May were "strong punishment for the separatist acts." The exercises showed how it might encircle and strangle the island with a blockade.

Lai on Thursday said Taiwan would continue to resist such pressure.

In Beijing, Mao Ning, a spokeswoman for China's foreign ministry, shot back at Lai, rejecting any assertion of Taiwan's sovereignty. "Taiwan

has never been a country and will never be a country."

The back-and-forth between the two sides is keeping tensions high in what is a vital piece of the U.S. security puzzle.

Lai's predecessor, Tsai Ing-wen, was largely credited with a cautious approach that gave Beijing little opportunity to lash out, even as she and Lai's Democratic Progressive Party have largely been skeptical about closer ties with China. Lai, who comes from a wing of the party that has at times favored independence, has sought to project a similar message of calm, some analysts said.

"The takeaway message is that Taiwan under President Lai has no plans to rock any boats," said Wen-ti Sung, a Taipei-based nonresident fellow at the Atlantic Council's Global China Hub. "Taiwan wants to project an image of continuity and stability as manifested in increasingly pragmatic rhetoric from the Lai administration over the issue of China."

In a background briefing with reporters after Lai's speech, a Taiwanese official described the address as an

olive branch to China, citing Lai's professed willingness to work with Beijing on various issues despite ongoing military pressure.

The U.S. has called on China not to respond with further military exercises.

"These are routine domestically focused addresses that have historically prompted little response from Beijing. This year should be no different," a U.S. official said after Thursday's speech.

"We see no justification for a routine annual celebration to be used as a pretext for military exercises. We urge Beijing to act with restraint."

The uncertainty is set to continue as Lai settles into a four-year term that stretches into 2028 and American voters elect a new president in November.

The U.S., which maintains a robust but unofficial relationship with Taiwan, is required by law to sell weapons to the island for its self-defense, but whether Washington is obliged to defend the island from Chinese invasion has been ambiguous.

President Biden has said

Chinese Authorities Detain Taiwanese

BY JOYU WANG

TAIPEI—Four Taiwanese employees at Chinese facilities that make products for Apple have been detained by local authorities, Taiwanese officials said, the latest example of corporate detentions that have hurt business confidence.

The employees worked at a complex run by Taiwan's Foxconn Technology Group in Zhengzhou, China, said Taiwanese agencies responsible for managing relations with China. One of the agencies said the employees were accused of an offense akin to breach of trust, although the exact nature of the allegations couldn't be determined.

The Zhengzhou facility plays a central role in Apple's iPhone supply chain.

Taiwan's Mainland Affairs Council, which handles policy toward Beijing, quoted Foxconn as saying the company didn't suffer any financial loss connected to the actions of the employees. Foxconn didn't reply to a request for comment.

The council described the allegations as bizarre and said improper detention could severely damage investor confidence in China. It urged Chinese authorities to conduct a swift and transparent investigation into the matter.

The council in June upgraded its alert level for travel to China to the second-highest level, saying Taiwanese people should avoid nonessential trips. It said Beijing's tightened national-security laws have led to Taiwanese citizens being illegally detained or interrogated.

Taiwan's semiofficial Straits Exchange Foundation said it has met with Foxconn and the families of the detainees and is helping them. The foundation handles business issues with China.

Representatives of the Zhengzhou police department couldn't be reached to comment. Apple didn't reply to a request to comment.



President Lai Ching-te, second from left, said Thursday the island was willing to work with China.

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President Biden has said

the U.S. military would step up in Taiwan's defense, and Vice President Kamala Harris hasn't indicated that she would take a different approach if elected to succeed him.

Her opponent, former President Donald Trump, has repeatedly questioned the benefit of supporting Taiwan and called on the island to spend more on its own defense.

Lai secured the presidency this year by defeating two opposition candidates who campaigned for closer ties with China. For the first time, his Democratic Progressive Party, which maintains the more skeptical approach to China shown by the new president, is in a third consecutive term in power, reflecting in part heightened fears of a Chinese invasion.

The day before Lai's Thursday address, the PLA conducted its 35th "combat patrol drill" around Taiwan this year, the 19th such exercises since Lai took office in May. At least 20 warplanes and warships were sent near Taiwanese airspace and waters on Wednesday, Taiwan's defense ministry said.

WORLD NEWS

YONHAP/REUTERS
South Korean Han Kang

First Asian Woman Wins Nobel Prize for Literature

By JAMES HOOKWAY

The Nobel Prize in literature was awarded to South Korean author Han Kang "for her intense poetic prose that confronts historical traumas and exposes the fragility of human life."

The Swedish Academy in Stockholm credited her for her unique awareness of the connections between body and soul, the living and the dead and for her innovative and experimental style. Han is the first Asian woman to win the award, and the second Korean to win a Nobel after former President Kim Dae-jung won the Nobel Peace Prize in 2000.

Han's Nobel victory extends a run of South Korean cultural achievements on the global stage. The thriller film "Parasite," took home four Oscars in 2020, and the boy band BTS in recent years has amassed an array of No. 1 songs on the Billboard Hot 100 singles charts. The dystopian drama "Squid Game" became Netflix's most-watched show.

The daughter of a novelist, Han grew up immersed in the arts. She won a series of South Korean literary awards before later finding international success with her 2007 novel, "The Vegetarian," which won the Man Booker International Prize. Written in three parts, it traces the series of events that follows when the protagonist, a young woman, refuses to eat meat and is rejected by her husband and her strict authoritarian father. Eventually, she is admitted to a psychiatric clinic.

"The Vegetarian" reflected many of the themes that run through Han's writing. In an interview with the Booker Prizes committee, she attributed much of the novel's success to a growing global interest in South Korean cinema and popular music.

Han later built on those themes with subsequent works, including "The Wind Blows, Go" and "Human Acts." She adopted a more metaphorical style with "Greek Lessons," which portrayed a fragile relationship between a young woman who was losing her power of speech because of a series of traumatic events and her Ancient Greek teacher, who was gradually losing his sight.

The Nobel Prizes, created by Swedish inventor and industrialist Alfred Nobel, come with a cash award of 11 million Swedish kronor, equivalent to around \$1 million.

Battle Brews Over South Korea's Past

Women who worked at brothels for GIs want to save site where they were held

BY SOOBIN KIM
AND TIMOTHY W. MARTIN

DONGDUCHEON, South Korea—At the edge of a mountain range, Unhui Henry gazed at a dilapidated two-story building that summoned painful memories of the decadeslong U.S. troop presence in South Korea.

The site, until its 1996 closure, was a quarantine facility where authorities, with the cooperation of the U.S. military, forcibly sent South Korean women working near U.S. military bases as state-sanctioned brothels for treatment of venereal diseases.

It earned a haunting nickname among U.S. soldiers that caught on with locals: "Monkey House," so-called because the women were locked up like caged animals.

Now Monkey House sits at the heart of a fight over South Korea's past and future. Local officials, who bought the site last year, want to demolish it to make way for parking lot.



Unhui Henry looks toward Monkey House, which was used as a quarantine facility for women working at state-sanctioned brothels.

Meanwhile, Henry, other victims and advocacy groups demand the building be turned into a museum to honor the survivors of state-backed sexual exploitation.

"The next generation needs to know," said Henry, now 67 years old. "I am proof, and the building is proof."

Many countries struggle to reckon with painful elements of their past. But the standoff in Dongducheon illustrates how complex the transition away from a U.S. "camp town" can be.

Dongducheon is closer to North Korea than downtown Seoul, making it a prime spot to place thousands of U.S. soldiers during and after the 1950-53 Korean War.

Now Dongducheon's population is on the decline. Property values have plummeted. It has South Korea's highest unemployment rate of 5.1%.

Locals are eager to draw more visitors, who come to the town for maple groves that flaunt fall foliage. Roughly

90% of business owners around Monkey House want the building demolished, a poll shows.

Survivors and protesters have set up encampments. They also have run awareness-raising bus tours, and even requested an emergency intervention by the United Nations.

Kang Taewon, who runs a buckwheat-noodle shop in the area, wants to see the building gone. The 69-year-old argues that a new start is needed to help the city put an embarrassing past behind it. "History should be something we can be proud of," Kang said.

The building's demolition is necessary to prepare the plot for redevelopment, a city official said. It will temporarily function as a parking lot and eventually be developed into tourist lodging.

About 20,000 South Korean women worked in the camp-town sex trade, often coming from poor and marginalized families. They went unrecognized for decades in South Korea's history books. Then, in 2022, the Supreme Court ruled

the sex trade constituted state violence against the women and ordered compensation of roughly \$2,000 to \$5,000 be paid to about 100 women.

U.S. Forces Korea has said it is aware of the lawsuit, and has "zero tolerance for prostitution and human trafficking." It declined to comment further.

In the lawsuit, the plaintiffs referred to themselves as America's "comfort women," a term that historically referred to those forced into sexual slavery for Japanese soldiers during World War II.

Dongducheon is one of several dozen camp towns in South Korea. After the 1950-53 Korean War, the U.S. had more than 220,000 troops in the South.

South Korea's military rulers established special zones for the camp towns, called "kjichon" in Korean, where the U.S. had great influence on local governance and brothels were tolerated.

To ease the U.S. military's concerns about the spread of venereal disease, the South Korean government designed draconian regulations to keep infection rates in check and erected facilities such as Monkey House.

"One city official called it a place of treatment and healing for the women, to be regarded with gratitude," said AhnKim JeongaE, a representative for the coalition of civic groups opposing demolition. "But it was a site of state violence that detained the women without any legal basis."

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Henry is among those victims. Nearly five decades ago, the then 19-year-old responded to an ad for a waitressing job, but she said she was duped into the sex trade. She was sold to a pimp and put in a club catering to U.S. soldiers in Uijeongbu, another camp town.

Everything Henry needed to begin work—a small, sparsely furnished room, daily meals and an array of skimpy outfits—racked up as debts to her pimp. She charged \$10 for a sex act.

One chilly November night in 1978, Henry said she was standing at a bar-lined street in Dongducheon, when police stopped her and demanded to

see her venereal-disease checkup card.

"I'm married," Henry told them. She had quit the sex trade after marrying an American soldier who paid off her debts. But the men didn't believe her, and whisked her to Monkey House, where she said she was forcibly injected with a painful shot of penicillin.

For a week, she was detained and slept on its concrete floors.

Henry later moved to Salt Lake City with her husband. After his death, she returned to Uijeongbu. Her only child, a son, lives in the U.S. Her efforts to conceive another child ended in two miscarriages. She blames it on the shot of penicillin at Monkey House.

She now works at a restaurant and frequents a nonprofit that supports sex-trade survivors. The building that houses the nonprofit, a former vene-

real-disease testing center, is set for demolition as well. "We made sacrifices for the country," she said. "Shouldn't it leave something for us?"

French Premier's Budget Reins In Spending

By NOEMIE BISSEERBE
AND STACY MEICHTRY

PARIS—At the heart of France's recent political tumult lies a deep well of discontent over President Emmanuel Macron's handling of the national purse strings.

Macron, a former investment banker dubbed the "Mozart of finance," blew a hole in the country's public finances with a surge in pandemic-related spending; a military buildup and energy subsidies to counter Russia's invasion of Ukraine; and deep tax cuts to attract investors and reduce unemployment.

Now the bill is coming due. On Thursday, Macron's newly appointed conservative prime minister, Michel Barnier, unveiled his government's first budget along with 60 billion euros—equivalent to \$65.5 billion—in measures aimed at

narrowing France's deficit to 5% of economic output by the end of 2025, and 3% by 2029.

Barnier's recipe for a return to fiscal discipline includes a temporary increase in taxes for companies with revenue of more than €1 billion and for households earning more than €500,000. But more than two-thirds of Barnier's cost-saving measures will come in the form of cuts to public spending that range from rollbacks of electric-vehicle subsidies to reductions in the number of public school teachers and other civil servants.

Capitals across Europe are grappling with the dilemma of how to continue to fund their aging populations' generous welfare entitlements and increase funding for their diminished militaries in a time of war and anemic economic growth. They are also under pressure to invest in an industry

trial policy that would allow the continent to compete with the U.S. and China.

The challenge is particularly acute in France, where Macron has seen support in Parliament dwindle, fueling anxiety among investors over whether his administration still has the political capital to rein in the country's growing debt pile.

Barnier's budget now has to clear France's deeply fractured National Assembly before the end of the year. The New Popular Front—a coalition of left-wing parties that won the largest number of seats in recent elections—is pushing for a new tax on financial transactions, higher

inheritance taxes and the reinstatement of a wealth tax abolished by Macron. Marine Le Pen's far-right National Rally said most of the budget savings should come from a crackdown on fraud and immigration.

Meanwhile, support from Macron's pro-business party, which largely opposes any significant tax increases, has started wavering.

The seeds of France's current political turmoil were sown earlier this year when the national statistics agency widened France's 2023 budget gap to 5.5% of economic output, compared with the government's forecast of 4.9%. Then, in April, the government was forced to revise its forecast

for this year's deficit, raising it to 5.1% of gross domestic product from 4.4%. Ratings firm Standard & Poor's responded by downgrading France.

Barnier's conservative party, Les Républicains, responded to the fiscal mess by threatening to hold a no-confidence vote in the government if Macron didn't swiftly get France's finances in order. With that threat looming, Macron shocked the nation in June by calling snap elections for the 577-seat National Assembly, calculating that voters would strengthen his standing in the lower house.

Instead Macron's gambit badly backfired. His party lost dozens of seats, and Parliament was left divided into three blocs with opposing views. Meanwhile, Barnier's government has warned this year's deficit could reach more than 6% of GDP.

RWANDA Virus Is Controlled, Health Chief Says

An outbreak in Rwanda of the Ebola-like Marburg fever is under control and travel bans targeting the East African country are unnecessary, the head of Africa's top public-health agency said Thursday.

Rwanda declared the outbreak on Sept. 27, and has reported three fatalities.

There is no authorized vaccine or treatment for Marburg. Last week, Rwanda received 700 doses of a vaccine under trial from the U.S.-based Sabin Vaccine Institute for health workers and emergency responders, as well as those who have been in contact with confirmed cases.

According to Jean Kaseya of the Africa Centers for Disease Control and Prevention, the risk of Marburg spreading out of Rwanda is nearly zero. He praised Rwanda for what he said was a strong response to the outbreak.

—Associated Press

UKRAINE Zelensky Promotes Plans in Europe

Ukrainian President Volodymyr Zelensky was city-hopping across Europe on Thursday to promote a "victory plan" that he said "aims to create the right conditions for a just end to the war"

against Russia, detailing the proposals to European allies after a scheduled summit involving President Biden was derailed by Hurricane Milton.

Zelensky's talks in London with British Prime Minister Keir Starmer and NATO Secretary-General Mark Rutte were quickly followed by another meeting in Paris with French President Emmanuel Macron, who has signaled support by visiting Ukrainian troops being trained in France.

Zelensky posted on X that he "outlined the details" of the Ukrainian victory plan to Starmer. "We have agreed to work on it together with our allies," he added.

—Associated Press

INDONESIA Suspect Arrested In \$14 Billion Scam

Indonesia's immigration officers on Bali have arrested a Chinese suspect sought by Beijing for helping run a more than \$14 billion investment scam to clients in China, officials said Thursday.

The 39-year-old man, identified only by his initial, LQ, was arrested on Oct. 1, when an immigration auto-gate at Ngurah Rai airport denied him departure for Singapore. The biometric data in the computer registry identified him as a suspect wanted by Beijing, said Silmy Karim, the immigration chief at Indonesia's law and human-rights ministry. He was on an Interpol warrant since late September.

The suspect didn't make any statements.

The man was named as a suspect by Beijing after he allegedly collected over \$14 billion from more than 50,000 people in a Ponzi scheme.

—Associated Press

WORLD WATCH



BREAKFAST OF CHAMPIONS: A man fed his cows near Phnom Penh, Cambodia, on Thursday.

HENG SINITH/ASSOCIATED PRESS

FROM PAGE ONE

Where Will Redboxes End Up?

Continued from Page One

the easy part.

The next steps are figuring out what to do with the big red machines and all the DVDs that in the era of streaming have been rendered largely obsolete.

Redbox's parent filed for bankruptcy in the summer, saying it lacked the cash to buy the rights to many new releases, and the kiosk operator subsequently went out of business. It left 24,000 movie vending machines still in the field. Some of the nation's biggest retailers were stuck hold-

ing the logistical bag.

Pharmacy chains CVS and Walgreens, discounters Walmart and Dollar General, and grocers Albertsons and Kroger are among those getting bankruptcy-court approval to dispose of abandoned Redbox kiosks, which on average hold more than 600 films.

They're not just taking up store space. Retailers say the machines interfere with remodeling plans and expose them to potential safety hazards and liabilities. Some kiosks are hardwired into stores' electrical systems. Outdoor machines are bolted into the concrete foundations and contain a coolant that is supposed to be disposed of in an environmentally safe manner.

Walgreens told the court that it has spent \$184,000 a month at roughly 3,800 stores to power nearly 5,400 machines belonging to a failed

business. One supermarket operator said it is worried about people trying to break into the kiosks to steal films.

Most of the machines likely will be stripped down and sold for scrap metal, according to vending-machine consultant Ben Wheeler, a 2017 Kiosk Hall of Fame inductee who worked in marketing and supply-chain management for the company that made Redbox dispensers. "They're in the field, have got to be pulled out, brought back to someone and retrofitted or stored, and who is going to pay for that process or storage?" he said.

But a small percentage could be salvaged and find homes, either with collectors looking to preserve a piece of video history or with enterprising sorts with other ideas about how to put the machines to use.

North Carolina resident Ja-

cob Helton, 19, said he got a machine when, by pure luck, a contractor's truck and trailer pulled up at a local drugstore to haul it off. "I struck up a conversation with them and made a deal," he said. Helton said he plans to keep the look of the kiosk's exterior but will repurpose the interior to store his games and discs.

"I wanted a Redbox machine because I felt like Redbox is important in the history of American media," he said. "Its collapse marks the end of the video rental era."

Tim Keating, a field-service representative for Redbox when it filed for bankruptcy, said he saw one of the kiosks in a dumpster in Girard, Ill. He said he also knows of one former Redbox employee who convinced a 7-Eleven franchisee to give him the machine.

Keating figures there are millions of DVDs inside of ma-

chines that are still in the field. "All of that might just be thrown away," not to mention the machine itself and its parts, Keating said.

A CVS spokesman said its kiosks are being disposed of and "not repurposed." Walmart, Kroger, Albertsons, Walgreens and Dollar General either declined to comment or didn't respond to requests for comment about the kiosks.

For now the focus is getting them out.

Brian Rady, a former Redbox vice president of finance, said outdoor kiosks are anchored into concrete. "It won't be cheap," said Rady, who left the company in 2013. He estimates a cost of at least \$500 per location.

Taylor, the Alabama mover, said he has been hired to move 44 of the machines from retailers' sites—outdoor machines already unmoored from

the ground, ready to be taken to recycling centers. He said he was paid \$180 to \$200 a machine by the company that hired him, plus roughly \$50 to \$70 when taking the metal in for scrap recycling.

Taylor said he has removed what he estimates are roughly 20,000 DVDs and Blu-ray discs that are currently housed mostly in his garage. He said he'll give them to a facility that recycles DVDs.

Also in limbo are the movies that never made it inside a machine. DVD maker Vantiva said in a court filing that it is stuck with 386,000 discs that now-defunct Redbox had ordered but never took. Vantiva has looked into selling the films, which include "Karate Dog" and "The 12 Dogs of Christmas," but the best offer it said it has received amounts to little more than a penny apiece.

Neo-Nazis Tout Their Storm Aid

Continued from Page One

among the many legitimate church or other charity workers that have rushed in to help. But these militia groups offer aid while filming propaganda videos that both amplify falsehoods about the government response and help the groups remake their image as patriotic civic organizations for men.

Horseshoe Beach Mayor Jeff Williams said he didn't realize, until after a call from a Wall Street Journal reporter, that the group was Patriot Front. Williams said he went online and looked them up after the call.

"Plain as day, they are white supremacists," he said, adding that he would have never known by their trim looks. "Typically when you see white supremacists, they are not as clean-cut looking as what I saw."

"You're seeing these hyper-localized militias, these anti-government groups, who are able to use this massive distrust, the panic, the fear, the unrest, to recruit," said Jon Lewis, a research fellow at the Program on Extremism at George Washington University.

At Horseshoe Beach, where local officials say Hurricane Helene destroyed the town hall and more than 90 homes, a Patriot Front crew filmed its cleanup work and then posted a video to its 20,000 subscribers on Telegram. A member with his face obscured introduced the workers as Patriot Front and said: "It is important for American men to gather and help fellow Americans in need, while the federal government is occupied ushering in foreigners and giving them homes and giving them food and giving them water."

"There is nothing here," he continued, implying that the town's only assistance consisted of "a couple of firefighters" and ordinary citizens.

"That's wrong," said Mayor Williams. He said at least 100 official workers from various agencies have come in. FEMA personnel have been going to door-to-door doing damage assessments, said Blake Watson, public information officer for Dixie County Fire and Rescue, adding, "We have supply chains to all our coastal communities that we've supplied with water, tarps, MREs."

Williams condemned Patriot Front's ideology, but said he'll take all the help he can get.

"As long as they're not here trying to press that on our people—I take the help," he said. "I don't care where they're from."

The number of white-nationalist groups reached a high of 166 in 2023, according to the latest information available from the Southern Poverty Law Center. The proliferation and visibility of the groups is adding to concerns about disruptions in the coming election, such as interference with voters at polling places and election workers counting ballots.

Already in Ohio, Clark County Democratic Party volunteers out canvassing for the election recently faced threats from groups such as the Proud Boys—the far-right group then-President Trump told to "stand back and stand by" from the 2020 debate stage—an official with the party confirmed. The harassment spurred some local citizens to show up in support outside the party's office to provide a metaphorical shield.

The appearances have been ramping up for months. The Anti-Defamation League in



In Horseshoe Beach, Fla., Hurricane Helene destroyed the town hall and more than 90 homes.

STEPHEN SMITH/ASSOCIATED PRESS

September flagged a "sustained, high level of white supremacist activity," including by contingents "inserting themselves into the anti-immigration debate in the lead-up to the 2024 election."

Some neo-Nazi groups recently fanned the false narrative, escalated by the campaign of former President Donald Trump, of pet-eating Haitians in Springfield, Ohio. Over the last few months, organizations such as Patriot Front, Blood Tribe and the Proud Boys staged rallies in places like Tallahassee, Harrisburg, Pa., and Nashville, with some wearing masks and carrying swastika flags.

Perfect storm

The Proud Boys have also touted their work traveling to recent hurricane sites. A self-declared member of a New York Proud Boy chapter wrote on Truth Social last week that the group was at the hurricane "cleanup site down south," and that "I wonder where all those Democrats that love this country so much are."

The Proud Boys' enduring presence has shown how the group has persisted despite its former chairman, Enrique Tarrio, and other leaders being convicted of seditious conspiracy and other criminal charges in connection with the Jan. 6, 2021, attack on the Capitol. Tarrio is serving a 22-year prison sentence, but extremism researchers expect the Proud Boys' local activities to continue.

Texas-based Patriot Front didn't respond to requests for comment. The group formed after it broke off from Vanguard America in the aftermath of the deadly 2017 Unite the Right rally in Charlottesville, Va. Patriot Front founder Thomas Rousseau said in a May podcast hosted by influencer Patrick Bet-David that to be "American," one must be "a member of the European race."

"Do you think your bloodline is superior to Blacks?" Bet-David asked.

"Superior in being American, yes," Rousseau replied.

Earlier this year in Richmond, Va., where Patriot Front is the target of a federal civil lawsuit over the alleged vandalizing of a mural honoring Black tennis icon Arthur Ashe, a lawyer for Patriot Front argued the group doesn't advocate violence and its members

aren't white supremacists. Instead, he said, they are separatists advocating for a "white ethnostate," believing that "good fences make good neighbors" and that "it is better for ethnic groups to have their own separate territory."

But the judge wrote in a March opinion that "the Court cannot reasonably infer that Patriot Front seeks separation for any reason other than white supremacy."

Speaking on Bet-David's podcast, Rousseau made the often-repeated suggestion that Democrats have allowed immigrants to enter the country illegally to vote for them. "You know, the Democrats are importing voters, right?" he said.

At a recent Michigan rally, Trump tied that same claim about Democrats to the government's hurricane-relief efforts. "They stole the FEMA money, just like they stole it from a bank, so they could give it to their illegal immigrants that they want to have vote for them this season," said Trump, whose statement was also shared by his campaign's Truth Social account.

Immigrants in the country illegally or who are in the asylum system aren't paid benefits by the federal government except in narrow circumstances, and risk deportation and jail for illegally casting ballots. Voter fraud by noncitizens is exceedingly rare, election experts have found.

The hurricanes have set off an unusual level of viral rumors on social-media sites

such as Elon Musk-owned X. Among them are posts alleging the agency doesn't have money because it has been siphoned off to help migrants. FEMA plays a role in border management but that pot of money is separate from funds for responding to natural disasters.

Boots on the ground

Militia groups are actively spreading these claims about a failed or corrupt government hurricane response across the internet, with some going far-

ther in recent days by showing up in person to work at storm clean up, and then sharing videos and commentary online.

Seven antigovernment and hate groups have shown up in North Carolina under the guise of helping, said Rachel Carroll Rivas, interim director of the Intelligence Project at SPLC, the anti-hate group.

One video from Western

North Carolina after Hurricane Helene notes, "We in Patriot Front are here to help out the local communities...Our politicians can hem and haw and switch over quickly to their talking points about Israel, but we truly are supporting our communities and being America first."

The video was shared by an X user who wrote, "While FEMA is nowhere to be found, Patriot Front is boots on the ground," receiving dozens of likes or retweets.

Another X user stated:

"FEMA spent their whole budget this year on housing invaders. Hence, volunteers like us in Patriot Front are a necessity."

Patriot Front helped clean up a family-owned plant nursery in Asheville, N.C., and touted its work on Gab, a social-media site favored by far-right groups where conspiracy theories run wild.

The group, which blurs faces in its videos, was also seen in a video helping cut up downed trees with chain saws to clear a resident's driveway. A man on a tractor asked where the group was from, and the response was: "All over, mostly North Carolina."

While at the residence, a Patriot Front member says in the video that the Appalachian people have been "stomped upon by the federal government and they are again in this instance."

The member gave the resident a flier before leaving, saying, "We're from Patriot Front. It is a fraternal organization."

A Proud Boys member last week posted that "FEMA is completely inept...they want us dead and replaced with 'migrants.'

The messaging has the dual goal of casting the government as distracted or ineffectual in its response while touting the groups themselves as filling the void, extremism experts said.

"If we look at the goals of bigoted and antidemocratic groups, many of them work to spread bigotry to build political power and undermine democratic institutions and then seek to be perceived as filling gaps where democratic institutions are failing," said Lindsay Schubiner, director of programs at Western States Center, a left-leaning Portland, Ore.-based civil-rights organization.

"It is a lot of these things that come together around natural disasters."

In fliers left in communities and social-media posts, the groups rarely use hateful language, instead deploying hopeful slogans, such as "Strong Families, Strong Nations" and "United We Stand." Heavily into fitness, they appear to target disaffected men, often urging them to get off the couch and find a "tribe." They prominently display website links for recruitment.

Lewis, of George Washington University, said the groups sow distrust in the government during a catastrophe as part of the radicalization process. "It won't be until the fifth or sixth meeting that they start using racial slurs and talking about Jewish conspiracies and the great replacement," he said.

In Horseshoe Beach, Brett Selph unwittingly became part of Patriot Front's video after receiving their assistance. He didn't know who the group was at the time, and is still appreciative of the help.

"When you have 100 families without homes it doesn't really matter who's helping clean up to get back to normalcy," said Selph sounding exhausted, before adding that buildings for his charter boat business were wiped away.

"We weren't asking who wanted to pick up trash and tote it to the road. If they were willing to pick up trash and move it to the road, whether it was inmates or whatever, we were glad to have the help."

—C. Ryan Barber contributed to this article.



Patriot Front founder Thomas Rousseau
MCCLENNAN COUNTY JAIL

ther in recent days by showing up in person to work at storm clean up, and then sharing videos and commentary online.

Seven antigovernment and hate groups have shown up in North Carolina under the guise of helping, said Rachel Carroll Rivas, interim director of the Intelligence Project at SPLC, the anti-hate group.

One video from Western



—AARON SCHWARTZ/NURPHOTO/ZUMA PRESS



—AARON SCHWARTZ/NURPHOTO/ZUMA PRESS

Patriot Front members marching in January at the March for Life rally in Washington.

—AARON SCHWARTZ/NURPHOTO/ZUMA PRESS

ARTS IN REVIEW



By KYLE SMITH

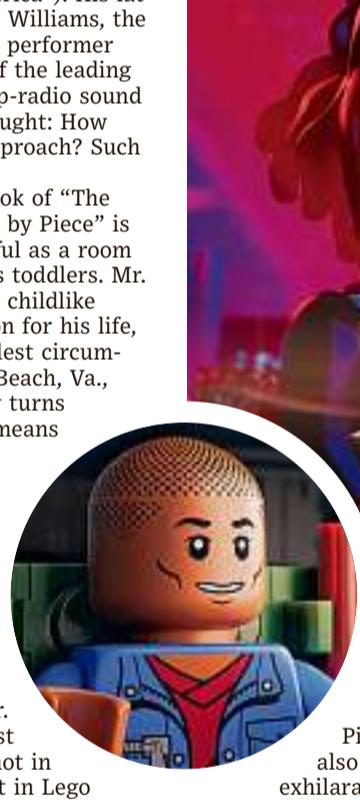
Documentaries about famous people tend to move through a well-worn groove: archival footage, talking heads. Talking heads, archival footage. The documentarian Morgan Neville has made many such films about pop-culture figures (Steve Martin, Anthony Bourdain, Fred Rogers), and several of his films are about musicians ("20 Feet From Stardom," "Keith Richards: Under the Influence," "Johnny Cash's America"). His latest subject, Pharrell Williams, the music producer and performer who has been one of the leading architects of the pop-radio sound since the 1990s, thought: How about a different approach? Such as animated Legos.

Borrowing the look of "The Lego Movie," "Piece by Piece" is as bouncy and playful as a room full of rambunctious toddlers. Mr. Williams has such a childlike sense of appreciation for his life, which began in modest circumstances in Virginia Beach, Va., that a children's toy turns out to be the ideal means of telling his story. Though the movie features a slate of interviewees, mainly collaborators such as Gwen Stefani, Jay-Z and Snoop Dogg, instead of talking heads they're talking Lego figures. Mr. Williams's many past triumphs are seen not in archival footage, but in Lego re-creations.

The conceit is probably best suited to a short format, and at times the film does feel a bit long, at least to a viewer who takes only a casual interest in the de-

FILM REVIEW Pharrell's Playful Life Story, Told in Legos

The singer and producer is the subject of 'Piece by Piece,' which takes the odd but apt approach of exploring his biography through toys



tails of Mr. Williams's career. But "Piece by Piece" is at times also delightful, even exhilarating. As its subject explains, he grew up in a maritime community, in a housing project that outsiders thought of as "the hood." To him? "It was magical." Everyone seemed to be interested in music, and the set-

ting itself, in Mr. Williams's imagination, was musical, with everyone taking part in an urban symphony we see acted out by happy LEGO figures. A knock on a door turns into the beat for a marching band, which in turn inspires one of the movie's many dazzling musical set pieces.

An early discovery of "Songs in the Key of Life," by Stevie Wonder, was apt: Wonder seems to be

a defining feature of the younger musician's career. Mr. Williams was a major creative force (rapping, producing, providing beats) in such No. 1 hit songs as "Drop It Like It's Hot," which he performed with Snoop Dogg; Robin Thicke's "Blurred Lines"; Nelly's "Hot in Herre"; Gwen Stefani's "Hollaback Girl"; and "Happy," which he performed on the "Despicable Me 2" soundtrack.

The voice cast includes the musician along with other stars like Gwen Stefani and Jay-Z.

Mr. Williams explains how he didn't study music until middle school, but while playing drums in seventh-grade summer camp he met Chad Hugo, with whom he formed a band they called the Neptunes in honor of their seaside upbringing. Nothing much would have happened, they reckon, had it not been for the sudden, miraculous arrival of a leading music producer, Teddy Riley, who set up shop next to their high school and caught their act at its talent show. He immediately signed them, and Mr. Williams, while still a teen, contributed to a hit produced by Mr. Riley, "Rump Shaker" by Wreckx-n-Effect.

Because Mr. Williams's collaborators paint a picture of a man who sees the world as his toy chest—he would depart from a studio session to go work on his fashion line, Billionaire Boys Club, or projects for such companies as Louis Vuitton and Adidas, among many other side hustles—the jubilant, madcap animation is an adorably appropriate form to imitate his rangy imaginative energy. The film's subject has also contributed five new songs, including the title track. Mr. Neville's choice to wallpaper the feature with dozens of Mr. Williams's tunes, not to mention other classic tracks such as Mr. Wonder's "I Wish," adds greatly to the fun.

In a season of unconventional musicals ("Joker: Folie à Deux" plus several others yet to be released), "Piece by Piece" is the most infectious one—a party for the eyes and ears. It's too bad the seats in the movie theaters may constrain people from getting up and dancing.

TELEVISION REVIEW | JOHN ANDERSON

Deep Dive Into A Dying Tradition

Few aspects of nonfiction film are more entralling, or even cinematic, than watching experts doing something expertly. When the performance is something you would never do yourself, it's daunting. When the practitioners are 80 years old, it's humbling.

"The Last of the Sea Women," produced and directed by Sue Kim,

takes a deep dive into the lives of the haenyeo, the women of Jeju Island off the southern coast of South Korea who continue a centuries-old tradition of collecting seafood from the reefs and sea floor around their home, which lies between the East China and Yellow seas. Free-diving to depths of 60 or 70 feet, they harvest abalone, conch, sea cucumbers and *obunjagi* ("a cousin of abalone," one haenyeo says rather proudly), as well as urchins, extracting at knifepoint the *uni*, a sushi-bar delicacy.

Making between 100 and 300

plunges per day, they are armed only with a netted basket, an orange float to suspend their catch, and what looks like a set of burglar tools. Their power, other than a resistance to cold and a tolerance for long hours, is their lungs; younger haenyeos, one veteran fisherwoman predicts with evident distaste, will probably resort to scuba tanks.

But there aren't many younger haenyeos—the women Ms. Kim focuses on are mostly in their 70s, some of the "kids" being in their 60s and one practicing haenyeo being 90 years of age. What they have seen—aside from husbands dying and their bodies declining ("My wallet is thick,

but my flesh is thin," says Soon Deok Jang, 72)—is accumulating trash, disappearing seagrass and a smaller harvest. It is good, says a haenyeo, that the work is so tough:

If it were easier, their territory would quickly be overfished.

"The Last of the Sea Women" is,

like its subjects, beautiful and charm-



One of the haenyeos featured in Sue Kim's arty documentary.

ing; the underwater cinematography by Justin Turkowski is modestly spectacular and the onshore shooting of Iris Ng and Eunsoo Cho makes marvelous use of the topography of both the land and the subjects: They are a weathered group, their experience showing on their faces, which are quick to smile and even jolly. The women do work that is satisfying and respected, and they enjoy a lofty status in Korean society, being as they are, warriors of the sea.

The aesthetics of "Sea Women"

suggest that Ms. Kim intended to make more of an art film out of her subject, not an issue documentary,

but politics do intrude: About half-

way through the story, it is announced that the Japanese are planning to release radioactive water into the oceans, the effluvia of the Fukushima nuclear disaster. Being almost as close to mainland Japan as they are to Korea, the haenyeos

see this as a disaster—the sea life around Jeju already seems endangered and such an act of environmental vandalism is likely to lead to a fear-based reduction in seafood consumption. (And a thinner wallet for the haenyeos.) The shift in tone is poignant: The women may be masters of the sea, but their voices are drowned out in the face of Japanese bureaucracy. The historical

echoes, at the same time, come through loud and clear.

An upbeat note is struck by Jeongmin Woo and Sohee Jin, women in their 30s who have become the best-known divers, at least on Geoje Island, which is closer to the Korean peninsula than Jeju. They put their own haenyeo exploits on YouTube—along with coverage on the Korean seafood industry. Their embrace of a vanishing tradition (albeit with internet enhancement) creates an immediate bond with the women of Jeju, where there is a haenyo training facility, a haenyo shaman and a haenyo historian, Soon-E Kim, who says the heyday of the craft was the 1960s, when there were approximately 30,000 divers out of a population of 200,000.

Now, she says, there are fewer than 4,000, living a life that is harsh, hostage to the elements and extremely dangerous. Curiously, she says, whenever haenyeos are found drowned at sea, their nets are always full—"as if death lured them with the bait of luck."

The Last of the Sea Women

Friday, Apple TV+

Mr. Anderson is the Journal's TV critic.

FOCUS FEATURES (3)

AP/RETVA

SPORTS

BY JARED DIAMOND
AND ANDREW BEATON

When hedge-fund billionaire Steve Cohen gave Francisco Lindor a \$341 million contract in 2021, he was doing more than just locking up a star shortstop for the next decade. He was sending a message: his version of the New York Mets wouldn't be a hapless, bumbling, penny-pinching organization any longer.

Cohen had owned the Mets for just five months when he bet the franchise's future on Lindor. And more than most owners, he understood what the move meant to the legions of die-hard Mets fans. That's because Cohen was one of them, a kid from Long Island who bled orange and blue since long before he amassed his fortune.

Cohen's Mets finally arrived Wednesday—and they were powered to the brink of the World Series by the player chosen to signal the start of a new era.

Lindor, whose MVP-caliber performance during the regular season propelled the Mets to an unlikely playoff berth, added another improbable chapter to what is becoming a storybook October. He launched the decisive grand slam in a 4-1 win over the Philadelphia Phillies to clinch the National League Division Series, sending the Mets to the championship series for the first time since 2015.

"Great ballplayers do great things—and he just keeps doing it," Cohen told The Wall Street Journal, wearing oversized goggles to protect himself from the Champagne and beer spraying around him. "He's so calm in those situations, and you could almost feel he was going to come through."

Cohen invested all that money in Lindor for precisely these moments. All evening against the Phillies, the crowd at Citi Field felt like it might explode with nervous energy after the Mets squandered several opportunities. They loaded the bases in each of the first two innings—and failed to score.

Trailing by a run in the sixth, Lindor stepped up to the plate and ensured that wouldn't happen again. With one heroic swing, he delivered on the promise Cohen made when he spent \$2.4 billion to buy his favorite team: These Mets would be different.

"I think the entire ballpark thought that's what was going to happen tonight," Mets president

The Mets' Lindor Has Grand Moment

New York was powered to the NLCS by the star player chosen to signal the start of a new era



Mets shortstop Francisco Lindor, above, hit a grand slam in Game 4 of the NLDS on Wednesday. Left, Mets owner Steve Cohen with Lindor.

dozens of fans wore costumes of the McDonald's character to Wednesday's game.

And while the Mets were celebrating in the clubhouse afterward, they were blasting a Latin pop hit called "OMG," which happens to be sung by the team's second baseman under the stage name Candelita. (A remix featuring the singer Pitbull drops on Friday.)

But what these Mets have proven down the stretch is that there is nothing unserious about the way they play baseball. From the start of June to the end of the regular season, they had the best record in the sport. Nobody deserves more credit for that than Lindor.

"He brings a joy to playing baseball," Cohen said, "and it's infectious."

After some early-season struggles, Lindor became the engine of the Mets' magical run. He finished 2024 with 33 home runs and 29 stolen bases, while excelling defensively at arguably baseball's most important position.

But it has been Lindor's knack for the dramatic that has elevated him into a Mets legend.

His ninth-inning homer against the Atlanta Braves on the final day of the regular season gave his team the lead in one of the craziest games in Mets history—and ultimately carried them to the playoffs.

From there, the Mets pulled off a series of frenetic victories to beat the Milwaukee Brewers in the opening round and then jump out to a 2-1 lead in this best-of-five series lead against the Phillies. They just needed one more bomb from Lindor to seal a matchup with the Los Angeles Dodgers or the San Diego Padres with a pennant on the line.

The ability to handle those pressure-packed situations is exactly why Cohen traded for Lindor and then awarded him such a lucrative extension before he ever played a game for the Mets. Cohen committed to Lindor not only to help the Mets succeed on the field—but to reshape the identity of a team known more for its miseries than its heroics.

On Wednesday, Lindor held up his end of the bargain.

"I want to win it all," Lindor said, "and ours will be a team that will forever be remembered."

They Are More Valuable Than Ever. The NFL's Newest Stars Are Kickers.

BY ANDREW BEATON
AND ROSIE ETTERHEIM

WITH TWO SECONDS LEFT in a tied game against the Buffalo Bills on Sunday, it was time for Houston Texans kicker Ka'imi Fairbairn to step on the field.

In front of him, a span of 59 yards stretched from the spot of the kick to the goalposts. Not long ago, making a field goal from this sort of distance felt about as likely as completing a Hail Mary.

But when the ball sailed through the uprights, the crazy part wasn't just that Fairbairn's boot cleared the crossbar with room to spare. It was that this monumental kick was hardly an anomaly.

Kickers are now routinely attempting field goals from distances that would have once been unthinkable—and they're making them with astonishing accuracy.

This season, teams are making more field goals per game than ever—even as they're also hitting them from more far-flung distances. Some 29% of this year's attempts have been from 50-plus yards, far and away the most in NFL history. At the same time, 76% of those long-distance kicks have gone in, which is easily the highest percentage ever.

Somewhat kickers are becoming more accurate and more powerful at the same time. Last week alone, there were 15 tries from at least 50 yards—and 12 of them went in.

The shift has completely transformed some of football's most basic dynamics. Now, offenses are often just a couple first downs away from a spot on the field where they can plausibly try a field goal instead of punting.

It's why field goals are at an



Cowboys kicker Brandon Aubrey hit a 65-yard this season.

all-time high, even though this is also an era when coaches are more inclined to leave kickers on the sideline and go for it on fourth downs.

Those inside the game say there are a number of forces at work, from the precision of long-snappers to the technology used in training and a ball that flies better through the air. But they also say it boils down to something simple: kickers have gotten both far stronger and more technically sound than prior generations.

The widespread proliferation of kicking camps has allowed kids to hone their crafts beginning at a young age. And kickers, who weren't historically known as gym rats, now rigorously approach strength training. That's why former NFL kicker Jay Feely says it's "similar to Tiger Woods" and how he changed golf by adding power—forcing his competitors to do the same to keep up.

It's why field goals are at an

"It's unbelievable," Feely says. "Now coaches expect to make these kicks, and so they're more willing to attempt these kicks."

The rise of these long field goals has upended the fundamental calculations that coaches have to make.

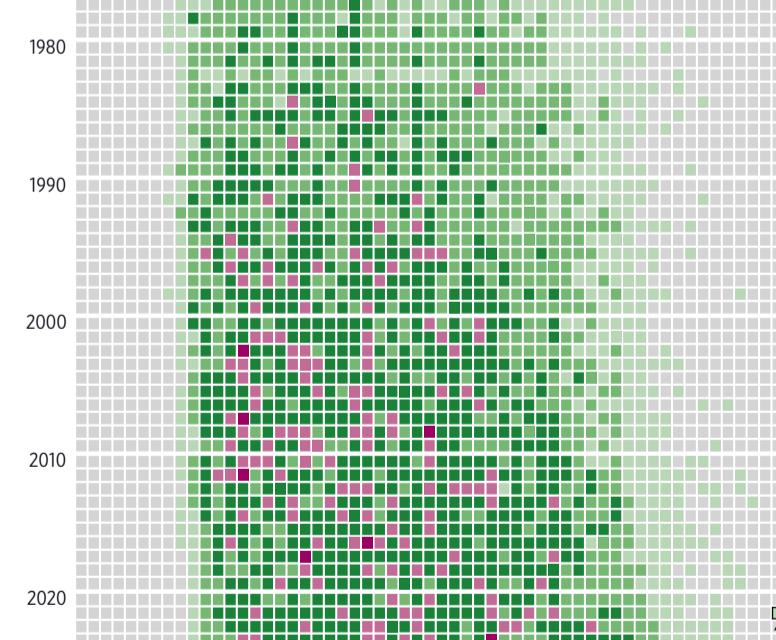
The Dallas Cowboys, for instance, are practically in field goal range the moment they cross midfield. That's because kicker Brandon Aubrey's right leg might be football's most accurate rocket launcher. Last season, he hit all 10 of his field goals from 50 yards or longer. This year, he set a new career-high with a 65-yarder.

But kicks from those sorts of herculean distances are less and less anomalous. When Tom Dempsey hit a 63-yard field goal in 1970, nobody else made one from 60-plus yards for another 14 years.

But since 2019, kickers have connected on 20 field goals from

Number of field goals made by distance

Field goals made
1-9 10-19 20-29 30-39 40+



Note: 2024 shows the three-yard rolling average from each spot, with kicks through Week 5 prorated over the whole season.
Source: Stats Perform

at least 60 yards out—as many as the rest of NFL history combined. That includes Justin Tucker's record-setting 66-yarder in 2021, along with three already this season.

The other factor accelerating this trend: the ever-changing NFL rule-book. Thanks to the league's new "dynamic" kickoff, which has touchbacks brought out to the 30-yard line, teams now begin their drives on average at the 30.1—the best average starting field position since 2008, according to Stats.

The upshot of that and the strength of modern kickers has made the field shorter than ever. Now, even just a couple of first downs can mean a team is in position to score.

Jamie Kohl, who directs elite kicking camps and works with NFL kickers, says the sweeping changes have completely reordered fans' perceptions of the position. He says that when kickers were less successful, fans were brutal to them because they missed so often. But now that they're frequently celebrated, better athletes are more likely to take up the job.

What most amazes Kohl is that these kickers aren't just doing it in sterile practice conditions. They're in NFL stadiums going up against rushers, swirling winds and immense pressure—while still nailing kicks from breathtaking distances.

Still, he adds: "They're making it to the Average Joe fan seem commonplace and routine."

SAM HODDE/GETTY IMAGES

OPINION

Empress Kamala's New Clothes



POTOMAC WATCH
By Kimberley A. Strassel

This week's political headlines were eerily similar in feel to those of early July, following that momentous Joe Biden-Donald Trump debate. It's the feel of a Democratic Party realizing (again) that the looms really were without thread, that their nominee—exposed to the nation—is looking a bit bare.

"Democrats start to hit the panic button." "Kamala Harris Is Making the Same Mistakes She Made in 2019." "Democrats grow anxious." Ms. Harris "struggling to break through with working class" and "struggles to differentiate herself from Biden" and "struggles to answer questions" and generally . . . struggles. "Kamala Harris Could Be in Trouble."

Pray tell, how? Weeks ago, Ms. Harris was the standard-bearer of "joy," "freedom" and "opportunity," the "juggernaut" who exudes "quiet prowess" and "humiliates" her opponent and delivers a "debate knockout" and runs a "brilliant campaign" and "dominates" among voters. The "Gen Z Memee Queen" whose party had woefully "underestimated" her "raw talent."

These superlatives came from the same partisan press corps that insisted Mr. Biden was fine—until it couldn't. The same media that before the Biden debate warned against Ms. Harris's enormous

liabilities—until it got stuck with her. The same press corps that is now discovering that even unrelenting hagiography can't make up for those Harris weaknesses.

Her problem—like Mr. Biden's—comes from finally being seen. She outperformed Mr. Trump in their debate a month ago, though she did it by saying nothing of consequence. She's since embarked on a "media blitz," and in doing so confirmed the wisdom of all those advisers who fought never to let that happen. Recent weeks have shown a candidate whose answer to every question is canned, memorized, substance-free. Twice this week alone she flubbed softballs designed to let her discreetly break with the unpopular current president.

"The View": "Would you have done something differently than President Biden?" Ms. Harris: "There is not a thing that comes to mind."

Most revealing was her "60 Minutes" interview with CBS's Bill Whitaker, who provided a rare glimpse of real journalism by asking tough questions and pushing back against her carefully empty, focus-grouped replies. When he asked how she'd pay for her raft of new entitlements, she professed her love for small businesses. Obviously. Asked again how she'd "pay," she rolled out the "fair share" taxes line. Asked how she'd convince Congress to get on board, she suggested unnamed congressional Republicans secretly support her tax hikes. Asked to explain why her administration

allowed a "historic flood" of migrants to cross the border, she dodged—four times. Invited to enlighten the many voters who "still say they don't know you," Ms. Harris agreed she definitely needed to "earn" their votes—and didn't say how.

Already the excuses for her faltering poll numbers are trickling in. She faces male bias. Green candidate Jill Stein is a spoiler. Mr. Biden isn't being helpful. Voters just won't acknowledge the "good"

Like Biden in June and July, she isn't doing well when exposed to the public.

economic times. The question is how long it takes for Democrats and the media finally to acknowledge that the problem isn't a doddering president, or bad messaging, or mean interviewers, or third parties, or dumb voters.

The problem is bad policies—engineered by Mr. Biden and the progressive left, doubled-down on by Ms. Harris, rejected by voters. A mere 28% of Americans believe the country is on the right track. And surveys confirm what is making them unhappy: insane spending (inflation and the national debt), an open-border policy (immigration), a defund-the-police movement (crime), global disorder (national security), and radical cultural shifts (men in women's sports).

It isn't as if Democrats don't know this agenda is the problem; they've spent years engineering ways around it. It's why Mr. Biden barely campaigned in 2020, and only then on Covid and gauzy pledges to restore "unity." It's why they recast spending as "investment." It explains the lawfare against Mr. Trump, an attempt to win an election by means other than issues. It's behind the party's single-minded focus on abortion and voting rights, designed to deflect attention from high prices, border chaos and crime and to scare Americans into voting against Republicans. It's the reason Ms. Harris spent two months avoiding any discussion of her past positions or future plans.

Democrats' refusal to confront their problem has also been aided by Republicans' decision to renominate Mr. Trump, the only candidate who is as personally unpopular as the left's agenda. Any other Republican nominee would likely be winning this race easily, pressuring Democrats to acknowledge policy failures.

Yes, Ms. Harris has a problem. But it isn't the result of some recent flub or lack of focus or resources or mishandling of hurricane politics. It's the same big problem she had two weeks ago, four months ago, three years ago. She owns a policy mess and refuses to change course. The difference is that voters are starting to notice it, and even media spin can't make it appear the empress has clothes.

Write to kim@wsj.com.

Donald Trump Has a Prayer

HOUSES OF WORSHIP
By Raymond J. de Souza

Pious Christians often cringe when Donald Trump talks about religion. Earlier this year the former president got into the Bible business, hawking a \$60 "God Bless the USA" version that includes the Constitution and the Declaration of Independence, correcting that long-lamented lacuna in the New Testament. Yet a pleasant surprise came on Sept. 29, the feast day of St. Michael the Archangel, when Mr. Trump shared, without comment, a well-known prayer to the great saint.

It's a formidable prayer, one of my favorites, written by one of my favorite popes, Leo XIII, who reigned from 1878 through 1903. My parish prays it together after every Mass, pleading for the protection of a martial saint: "St. Michael the Archangel, defend us in battle. Be our defense against the wickedness and snares of the Devil. May God rebuke him, we humbly pray, and do thou, O Prince of the heavenly hosts, by the power of God, cast into hell Satan, and all the evil spirits, who prowl about the world seeking the ruin of souls. Amen."

The history of the prayer is remarkable and may well appeal to politicians who see evil on the march. It certainly appeals to Christians under persecution, and its return to prominence in recent years signals a desire for devotions suitable for a combative time.

The prayer's origin isn't

well-documented, likely because it involves a pontiff's vision, and the Vatican gets nervous when anyone has visions, let alone the pope. One telling of the tale is that on Oct. 13, 1884, Leo heard voices in his chapel. It was the devil challenging Jesus, evocative of the first verses of the Book of Job. Satan said he could destroy the Catholic Church and demanded a century in which to try. Leo then had a mystical vision of the horrors of the 20th century and felt faint. On recovery he went straight to his desk and wrote the St. Michael prayer.

Whatever the inspiration, in 1886 Leo mandated that it be said at the conclusion of "low" Masses—less elaborate ceremonies before Sunday's principal "high" liturgies—all over the world. Generations of Catholics thus grew up learning the prayer by heart.

In the liturgical reforms of the 1960s, the prayer was dropped. It seemed too militant for the times, even though the imagery is straight out of the Scriptures. St. Michael appears in Revelation 12:7, with "his angels fighting against the dragon; and the dragon and his angels fought, but they were defeated and there was no longer any place for them in heaven."

By providential arrangement, Leo's vision took place exactly 33 years before the final apparition of the Blessed Virgin Mary to the shepherd children of Fatima, Portugal, in 1917. Those apparitions fired the Catholic imagination, taking on an anticommunist

fervor as they spoke of the "conversion of Russia." Mary took over martial intercession from Michael; all the more so when St. John Paul II survived an assassination attempt on the anniversary of the first Fatima apparition, in 1981.

Only after the Cold War did the prayer return to prominence. In 1994 John Paul asked that it be recited "in order to obtain help in the battle against the forces of

'St. Michael . . . be our defense against the wickedness and snares of the Devil.'

darkness and against the spirit of this world." The pope was then thwarting the Clinton administration's attempt to make abortion a worldwide human right at the United Nations' Cairo conference on population. Having deployed the Virgin Mary to vanquish the communists, perhaps John Paul thought St. Michael could conquer the Clintons.

The prayer is now optional and thus not nearly as well-known. Yet it is becoming more widespread, promoted by those who desire a more combative Catholicism to match a combative cultural and political moment.

Pope Francis speaks of the devil much more than his predecessors did, so it follows that he would turn to St. Michael. In 2013, months after his election and at his first

public appearance with Pope Emeritus Benedict XVI, Francis entrusted the protection of Vatican City to the archangel, unveiling a statue of him in the Vatican Gardens. In 2018 he asked Catholics to pray the rosary every day in October, adding the St. Michael prayer

"to protect the church from the devil, who always seeks to separate us from God and from each other."

When I arrived at my current parish in 2022, we added the prayer at the end of every Mass. St. Michael is the patron saint of Kyiv, where a prominent statue of him adorns a central square. It seemed particularly fitting as Vladimir Putin's full-scale invasion unfolded. Russia still needs conversion.

It's possible that Mr. Trump learned something of St. Michael from the New York City Police Department, as many Catholic police officers take him as their patron. A larger-than-life statue of St. Michael, cradling a fallen officer, was brought to Harlem's 32nd Precinct in 2022.

Mr. Trump's post provoked criticism from the easily agitated, who suggested he was likening his political rivals to the devil. But the prayer, which is as ancient as the Scriptures and as new as the 19th century, is about something much older than American politics. Evil abounds, and the battle against it needs joining. St. Michael leads the charge.

Father de Souza is a priest in Kemptville, Ontario.

Bob. I'm so sorry. Eleanor and I read about it."

Cook shook his head. "No, no, no," he said. "I mean here—in this damned crowd."

Whether or not McGovern got the man's vote is unknown. But every time Dougherty told that story, the lesson for small-town politicians was evident:

If you're asking for a person's vote, your mastery of the issues will mean nothing at all if you look that person in the eye and it's obvious you've forgotten his or her name.

Here's to those local candidates who, somewhere in America right now, are reading these words and feeling their throats tighten. Your electorate awaits you. They all know your name.

Mr. Greene's books include *Duty: A Father, His Son, and the Man Who Won the War*.

The senator wasn't good with names, and that led to some awkward moments.

Years later, on late nights during McGovern's doomed presidential campaign, I more than once heard his press secretary and friend, Dick Dougherty, tell the story of what happened next.

There was a large turnout

BOOKSHELF | By Edward Glaeser

The Right Way To Rezone

Key to the City

By Sara C. Bronin

Norton, 240 pages, \$28.99

The Democratic National Convention thundered its approval in August when former President Barack Obama declared the need for housing-market reform. "We need to build more units and clear away some of the outdated laws and regulations that made it harder to build homes for working people in this country," he said. Twenty years ago, when I started writing about the downsides of zoning laws, only a handful of libertarian-leaning economists and lawyers were interested in the topic. As the August convention's enthusiasm made clear, it is now commonplace to believe that a failure to supply enough housing lies at the root of America's high housing prices.

In "Key to the City: How Zoning Shapes Our World," Sara Bronin, a professor at Cornell University and the chair of the U.S. Advisory Council on Historic Preservation, tries to explain the power of zoning to the reading public. Hers is a thoughtful and interesting book, but some readers, like me, will find it far too optimistic about the upside of land-use regulations.

Ms. Bronin is correctly critical of much of today's government regulations on who can build what, where and how, but she argues that zoning, if done right, provides "the key to building the cities and towns that we long for." In a sense, this is the pro-zoning counter to Robert Ellickson's "America's Frozen Neighborhoods: The Abuse of Zoning" (2022) and Bryan Caplan and Ady Branzei's graphic novel, "Build, Baby, Build: The Science and Ethics of Housing Regulation" (2024). Mr. Ellickson, who taught Ms. Bronin at Yale, is America's great scholar of land law; his 1977 Yale Law Journal article on "suburban growth controls" remains the North Star for both economic and legal analysis of land-use restrictions. (Personally, I have a particularly soft spot for "Build, Baby, Build," not only because its cartoon version of me looks both fitter and younger than I am.)

Unlike those who hold more cynical views of regulation, Ms. Bronin believes that "zoning codes give us power to curate what we see, helping us more clearly articulate our cities and the relationship of the buildings within them to each other and to people." She laments the fact that "design particulars are absent from most codes," often resulting in a hodgepodge of buildings that don't "speak" to each other, and streetscapes that feel jarringly incoherent." Ms. Bronin previously served as the chair of the planning and zoning commission in Hartford, Conn., and so for her zoning codes have been a source of power; but for most of the rest of us, I suspect that tougher design codes would be more a straightjacket than a jackpot.

To be clear, Ms. Bronin is no apologist for zoning as currently practiced. She wants to radically reduce "the single-family-only zone." She detests regulatory requirements to provide car parking—which eats up space and encourages excessive dependence on the automobile—and suggests that "anyone surveying the ills of conventional zoning would be hard-pressed to find another technical provision that causes as much harm." She also favors reducing the strictures of Euclidean zoning, which sharply limits what activities, like urban agriculture, can occur in what places. She argues that "craftsman industrial" production—from beekeeping, woodworking and taxidermy to craft brewing—fundamentally "differs from the larger-scale industrial manufacturing that partly prompted zoning in the first place, a century and more ago" and, consequently, that such smaller activities need not be segregated from residential areas.

Ms. Bronin's perspective, which I will call the "interventionist-reformer," is different from the perspective of libertarian-reformers like Mr. Caplan. Ms. Bronin doesn't like the current rules regulating the construction of buildings and would prefer to have different rules—"design particulars," such as ensuring

On the issue of land use, are the errors made by private entrepreneurs worse than the errors made by public regulators?

that new business facades fit with a local look—that would create the kind of city she likes. The libertarians also don't like the current rules, but they would prefer to see fewer rules overall, because they believe that governments shouldn't be in the business of micromanaging neighborhood change. At this moment, our zoning system is so dysfunctional that interventionist-reformers like Ms. Bronin and libertarians like Mr. Caplan can make common cause against parking requirements and minimum lot sizes. Yet their worldviews are fundamentally at odds.

Both libertarians and interventionists can appreciate the beauties of the best-curated urban spaces, such as the Paris created by Georges-Eugène Haussmann in the 19th century. Both libertarians and interventionists can agree that private developers sometimes create ugly structures. The critical disagreement between them is whether the errors made by private entrepreneurs are worse than the errors made by public regulators. When it comes to land controls, I'm pretty confident that the public sector has made the bigger blunders.

Ms. Bronin is optimistic both about the ability of public regulators to get land-use restrictions right and about the ability of those restrictions to achieve larger social goals. She is certainly correct that land-use restrictions can enforce an aesthetic vision on a neighborhood. It is also clear that regulations can limit the growth in America's most productive and greenest areas and make prices far too high in those places. But it is far less clear that eliminating parking requirements would have any visible effect on Americans' fondness for driving.

While the more libertarian-leaning readers among us may not agree with Ms. Bronin, they will still learn from her. She is thoughtful and armed with an engaging trove of anecdotes about modern zoning reform. She writes fluently and has important insights. But her confidence in the good that can come from better land-use regulation does seem like another triumph of hope over experience.

Mr. Glaeser is a professor of economics at Harvard, a senior fellow at the American Enterprise Institute and a co-author of "Survival of the City."

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OPINION

REVIEW & OUTLOOK

The Lightness of Being Kamala Harris

For Kamala Harris, even friendly interviews are treacherous these days. This week she may have made the biggest mistake of her 81-day campaign in response to similar questions from TV host Stephen Colbert and "The View." Asked what she would do differently than President Biden, the Vice President said "there is not a thing that comes to mind."

If Ms. Harris loses, that answer will go far to explaining why. Her mistake isn't merely that she hasn't distanced herself enough from Mr. Biden's unpopular record, though that is a problem. It's that she hasn't shown voters that she is her own woman. Her campaign of "vibes" and safe appearances suggests she will be, like Mr. Biden has been, a captive of her party and its unpopular policies.

Even if they disagree with him, voters can't say Donald Trump hasn't put his stamp on his party and the issues. That isn't true of Mr. Biden, who has always followed the rest of his party. Thus as President he veered left, bowing to progressives on everything from immigration to spending to cultural coercion. He's ending his term with a 41% approval rating.

Without having to compete in a presidential primary, Ms. Harris had a chance to set her own campaign path. Instead she has hugged closely to both the Biden record and her party's progressive agenda.

After her ascension as nominee, the Vice President surrounded herself with David Plouffe and other Barack Obama advisers who stuffed her with vague, feel-good generalities. "New way forward" and "opportunity economy" and "I grew up a middle-class kid." The slogans worked for a time as they rallied Democrats demoralized by Mr. Biden.

But they have worn thin as it's clear the words are attached to the same old politics. Her pledge to appoint a Republican to her cabinet is a meaningless gesture unless it's a notable conservative to a serious post. On policy, her one deviation has been to say she'll raise the capital gains tax by 40% rather than nearly doubling it as Mr. Biden wants. Even that move was done for the expediency of pleasing Democratic donors like Reid Hoffman.

Of late she has begun to suggest she's a moderate by using words like "consensus" and "compromise." But there's not a single issue on

which she has stood up to the left of her party. Some Democrats have urged her to find such an issue and run on it. Perhaps endorse charter schools. Or say parents must approve gender transitioning surgery for minors. She won't do even that.

The political problem here is as much about character as policy. Voters want a President who is strong enough to bear the burdens of the job, and that means standing up against powerful interests or countries that want to harm America. The Vice President has looked more like an empty political vessel who will say or do whatever her advisers tell her to.

That concern is reinforced by her wariness about doing interviews beyond soft forums hosted by her political allies. Even in those interviews, Ms. Harris has had a hard time saying anything beyond packaged platitudes. None of this is reassuring to a swing voter who dislikes Mr. Trump but wonders if Ms. Harris is up to the job of President.

This may explain why the Vice President's political momentum seems to have stalled. Mr. Trump hasn't risen much in the polls, but Ms. Harris seems to have plateaued. If you read the Democratic press, which means nearly all of the press, you'll notice a creeping concern this week that Mr. Trump is gaining in the polls in the battleground states.

Democrats are suddenly worried, and a few are starting to blame Ms. Harris for playing it safe with her version of Mr. Biden's 2020 basement campaign strategy. They want her to define herself better for swing voters.

* * *

That's good advice, assuming she is up to it. But if she really is a doctrinaire progressive, as her career going back to California suggests, then she's better off in relative hiding. And if she's not confident enough about her own views to express them with any specificity beyond evasive generalities, that is also revealing information for voters.

Ms. Harris and Democrats are betting that a majority of voters will never vote for Mr. Trump again, and they may be right. But he could win anyway if the remaining undecided voters conclude that Ms. Harris is merely a political cipher whose agenda is whatever Democrats like Chuck Schumer and Elizabeth Warren command.

Inflation: Still Not Whipped

The September price data released Thursday put a statistical gloss on what voters already know: Inflation remains persistent. This is an October non-surprise in this presidential election year, and perhaps an uncomfortable moment for Federal Reserve Chairman Jerome Powell.

The headline consumer-price index increased 2.4% year-on-year in September, a slight deceleration in the rate of price increases after the 2.5% reading for August and 2.9% in July. But the so-called core measure, excluding food and energy, remains stubbornly high—3.3% in the latest data, 3.2% in August, 3.3% in June, 3.4% in May and so on. As long as the inflation rate is positive, prices are increasing. This at a time when inflation-adjusted weekly earnings remain well below their January 2021 level, despite recent improvement.

Some economists say chronic problems measuring housing costs make inflation appear higher than it is, which may be true. The Fed prefers an entirely different data series, personal-consumption expenditure, which has indicated a core inflation rate below 3% in recent months.

But voters know how much they're paying for eggs, auto insurance, electricity, children's clothing, butter, haircuts, and other goods and

Durable price rises highlight the risks of rapid Fed easing.

services whose prices keep rising well above the Fed's target of 2%. Any Democrat still confused about why Kamala Harris is in a tight race rather than cruising to victory against Donald Trump should mute the Wall Street talking heads on CNBC and go to a supermarket.

As for Mr. Powell, the inflation data highlight the risk he took last month when he cut short-term interest rates by 50 basis points. The Fed's economic models led officials to worry the labor market may soften soon without lower rates, and meanwhile the same spreadsheets seemed to suggest inflation was on a glide path to 2%. This gave Mr. Powell scope to focus more on unemployment, though the minutes released Wednesday of the last Fed monetary-policy meeting show that some participants preferred a 25-point cut.

The Fed's inflation prediction might still turn out to be true, and markets took Thursday's data in stride on that hope. If Mr. Powell—and households—are lucky, inflation will resume its downward drift in the months ahead.

But those models didn't predict inflation's surge in 2021 and the Fed was nearly fooled by a false disinflation dawn early this year. There's much the Fed and the rest of us don't understand about this post-pandemic economy, but it's too soon to say inflation is beat.

Brandon Johnson Plays the Slavery Card

They say voters deserve what they get in a democracy, but no one deserves Chicago Mayor Brandon Johnson, and certainly not Chicago school children. In seeking to reward his union benefactors, Hizzoner is having a political meltdown for the ages.

On Monday Mr. Johnson replaced the entire Chicago school board with his allies after the previous board resigned en masse last Friday. The previous board opposed the mayor's plan to take a \$300 million high-interest loan to hand raises to the Chicago Teachers Union (CTU), which funded his election campaign. Asked about the opposition to his loan scheme, Mr. Johnson pulled out... wait for it... the slavery card.

"When our people wanted to be liberated and emancipated in this country, the argument was, you can't free black people because it would be too expensive," he said. "They said that it would be fiscally irresponsible for this country to liberate black people. And now you have detractors making the same argument of the Confederacy when it comes to public education in this system."

The Chicago school district is junk rated, so Mr. Johnson's plan for a \$300 million loan would cost CPS more than \$700 million. The union wants 9% annual raises, climate initiatives and affordable housing units, among

Who's really keeping Chicago children captive?

other non-teaching benefits that would cost between \$10.2 billion and 13.9 billion, according to the Illinois Policy Institute.

Equating his opponents to slavery defenders is nasty and ahistorical, and the question should be who is really keeping Chicago's children enslaved? The CTU contract Mr. Johnson is advocating won't improve results for students.

It will hand huge raises to his union pals who want to keep students trapped in their failing union-run schools. Only 25% of Chicago students are proficient in reading and only around 20% are proficient in math, according to data from Wirepoints.

In a lawsuit filed Wednesday, four CTU members sued the union for failing to produce a public audit of its finances since 2020. The CTU's bylaws note that "[e]ach year, the Financial Secretary shall furnish an audited report of the Union which shall be printed in the Union's publication," but the union members haven't received it.

The complaint, brought by the Liberty Justice Center, says one plaintiff has "made multiple written requests to the Union to publish copies of the audits which have been unanswered or ignored." This is a breach of contract with dues-paying members. An audit could be instructive about the Chicago union that is keeping students captive.

Even friendly interviews trip her up, as she hides behind platitudes.

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

JOSEPH SCHMIDT
Palm Coast, Fla.

Pepper ...
And Salt

THE WALL STREET JOURNAL



"Rough day at work. I was replaced by two drones, a bot and a free app."

LETTERS TO THE EDITOR

After Hurricane Helene, Vance Isn't Helping

I was disappointed to read Sen. JD Vance's op-ed "Biden-Harris Mismanaged Hurricane Helene" (Oct. 9). I am an emergency-room physician who lives in Asheville, N.C., and works in the neighboring town of Waynesville. My neighbors' house was rendered uninhabitable by tree damage, and they are now living with us. The first few nights in the emergency room, we worked without phones, internet or air conditioning, and we were unable to transfer patients who required care at larger hospitals.

In this political climate, Asheville would probably be described as some kind of socialist hotbed where you never know who's in which bathroom. The rural surrounding counties would be called right-wing fundamentalist havens for doomsday preppers. But all I have seen these past two weeks are neighbors helping neighbors. I've also seen nonstop military helicopters and thousands of work trucks.

Hindsight keeps me awake a lot of nights. There are ways the response to Helene could have been better. Having worked as an emergency-room doctor during Covid, I saw similar failures of leadership from that administration. We can use these failures to be better prepared for the future, but Mr. Vance's op-ed doesn't offer insights, only insults. That isn't leadership.

As Americans, we pride ourselves on solving our own problems. We've had generations of "help" from the government and know what to expect. When you take a tragedy and turn it into a political team sport, you are making things worse.

JOSH SHORT, M.D.
Asheville, N.C.

DAN STONEKING
West Chester, Pa.

The Good and the Bad in the West After Oct. 7

Regarding your editorial "The Lessons of Oct. 7 a Year Later" (Oct. 7): Not long after Oct. 7, 2023, I visited the attacked Israeli towns of Kfar Aza and Be'eri. I expected I'd be depressed by the visit. But after seeing the blood of stabbed pregnant women, burned houses and bullet holes in a dental clinic, I also felt disoriented. How could people do this?

Over the past year, I felt a variation of that depression and disorientation as I watched people wave the flag of Hamas on the streets of Western capitals and on college campuses. How could people cheer this?

I am heartened, however, by the incredible determination of the Israeli people and their fighting spirit. I've also resolved to be glad to be on the side of the many good people, regardless of religion, race or creed, who condemn evil and work for a better world. As we are in the middle of the Jewish High Holidays, may our prayers for peace and basic decency be answered speedily.

RICHARD SCHLUSSEL
Englewood, N.J.

We are inundated with sad stories of how Gazans are suffering terribly. The quickest solution is for Hamas to surrender. End the war.

KEITH REDENBAUGH
Davis, Calif.

Another Labor Union Listens to Its Members

Democracy has prevailed at a second major labor union ("The Teamsters Make a Lonely Stand for Democracy" by Jonathan Berry, op-ed, Oct. 1). The International Association of Fire Fighters (IAFF) announced last week that it won't endorse a presidential candidate for only the second time in 40 years.

Though it didn't follow the Teamsters in releasing rank-and-file polling, the union released the margin-down to the 10th decimal—of its board vote. A split board couldn't support either ticket despite "unprecedented steps" to gauge members'

views and pitches from both vice-presidential nominees at the union's convention. By all accounts, the non-endorsement reflects union firefighters' divided loyalties.

I can think of many substantive reasons why firefighters might prefer former President Donald Trump. (For example, Mr. Trump has never pledged to "reimagine" public safety.) But only one consideration should matter to union leaders: their members.

ALEX MACDONALD
Washington

Mr. MacDonald is a management-side labor and employment attorney.

Our Modern Linguistic Trap

While I agree with Janet Chance about the improper use of "they" to refer to a singular subject (Letters, Oct. 9), the difficulty arises from the inability to use the universal "he" from years ago. Use "he" and you are sexist. Use "she" and you are woke. One can always use "he/she," but we like to shorten things in English. Can't we agree on a neutral singular pronoun?

JOSEPH SCHMIDT
Palm Coast, Fla.

Pepper ...
And Salt

THE WALL STREET JOURNAL



"Rough day at work. I was replaced by two drones, a bot and a free app."

OPINION

The Future Can't Happen Here

By Lance Morrow

The 2024 election isn't a contest between the past and the future. It feels, instead, like a struggle between the past and the past. If Mao Zedong were among us, he would call it the Conflict of the Two Olds.

Donald Trump has been around for too long—an old man with the pouting grievances of a child. He is a miracle of unassimilated experience. His entire lifetime has gone by, yet he remains about 10 years old. Every day is Groundhog Day—raucously repetitious and transactional. He has never glimpsed his own shadow. He doesn't know it exists.

A less interesting case psychiatrically, Kamala Harris is burdened with the reflexes of the Democratic past. She's been in office as Joe Biden's vice president for nearly four years. Before that, she preached the gospels of California's sclerotic leftism. As a senator and presidential candidate,

The election feels like a choice between Trump cartoon reruns and relitigating the New Deal.

she was undistinguished. Now she rummages for ideas through the archives of the New Deal and the Great Society; she has the party's bureaucratic elves give them a fresh coat of paint. She endorses policies that got old in Franklin D. Roosevelt's time. FDR tried and failed to pack the Supreme Court nearly 90 years ago.

Ms. Harris stands above all for the Democrats' master premise that ever-increasing government spending and interference in people's lives—and in the energies of free en-



Donald Trump and Kamala Harris

have cautionary memories of that time. They remember the mostly pointless chaos. But they also know that Ms. Harris's lately unveiled role as savior of American democracy is a spectacular example of magical thinking.

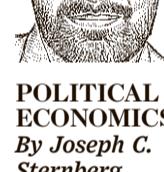
As the leaves turn, there's that atmosphere of Saturday morning cartoons—or professional wrestling—that Mr. Trump brings with him everywhere. The real world is darkened by wars in the Middle East and Ukraine and by assassination attempts in Pennsylvania and Florida. Rarely has history seemed so silly and so ominous at the same time.

The media adapted themselves, long since, to the cartoon format. The material is inexhaustible (especially with Mr. Trump, the Cat in the Hat, as entertainment director). The net effect is diverting though corrupting for the audience, profitable for the networks, and civically disastrous: a divided and weakened country. It is a perplexing place in which to be an old man like Mr. Trump. A twilight, however garish, is bound to resent the dawn of an opaque new age. Democrats go on peddling their antique policies, their own Groundhog Day.

There may be a deeper reason for all this. As mankind penetrates further into the 21st century, the future becomes ever more difficult to manage or even to imagine—politically, biologically, electronically, environmentally, existentially. No one knows what lies ahead, or what it will mean, or where it will wind up. The possibilities are extreme. At the far edge of the moral imagination, we hear the future's sucking sound, pulling the world toward God knows what.

Mr. Morrow is a senior fellow at the Ethics and Public Policy Center and author of "The Noise of Typewriters: Remembering Journalism."

Macron, the Man Who Cried Continental Crisis



POLITICAL ECONOMICS

By Joseph C. Sternberg

There he goes again. The beleaguered French President Emmanuel Macron recently issued another of his trademark *cries de cœur* about Europe's future, warning that the European Union has about two years to fix itself or else get creamed economically and geopolitically by the U.S. and China. Who knows, maybe one of these days he'll act like he really means it.

"We are overregulating and underinvesting," Mr. Macron said last week in Berlin. "In the two or three years to come, if we follow our classical agenda, we will be out of the market." Not to put too fine a point on it, but he added that "the EU could die."

Students of Mr. Macron's political career—someone has to do it—know such jeremiads are a core element of his method. In a major speech at the Sorbonne in 2017, Mr. Macron warned that anti-EU populism was sweeping Europe and in response establishment politicians "cannot allow ourselves to keep the same habits, the same policies, the same vocabulary, the same budgets." Mr. Macron warned of the "brain death of NATO" in 2019 in a major interview with the Economist magazine, speaking of the North Atlantic Treaty Organization.

"Our Europe is mortal. It can die," he warned this April in another major speech at the Sorbonne. He was speaking about the economic and military perils facing the Continent. And now this month's major alarm in Berlin.

That's enough "majors" to staff an army. Just don't ask where the major changes are to back up these major speeches.

In 2017, Mr. Macron argued the EU needed to prove to citizens that it could guarantee their national and economic security, or else it would drown under a tide of populist politics. The solution? Among other things, a Continentwide financial-transactions tax to fund foreign aid to deter illegal immigration. Classic Macron: Not only would the tax be

economically self-defeating—the last thing the EU needs is more punitive taxation on investment—but as a proposed fix for the main problem vexing European voters, it sounded utterly baffling.

Mr. Macron's warning about brain death in NATO was followed by years of inaction on new strategy or military investment in France or much of Europe, until Russia's 2022 invasion of Ukraine forced the Continent's hand. His speech at the Sorbonne this year centered on a plea to end what he called "complicated Europe" of overregulation and also, contradictorily, a pitch for more protectionist industrial policies. The former is likely to go unheeded. The latter has produced tariffs (which Mr. Macron supports) on Chinese electric-vehicle imports, which will jack up the price of the EVs that EU mandates will force unwilling Europeans to buy.

Mr. Macron deserves mockery here, but his antics also shed light on what's killing Europe. The issue isn't lack of what psychologists call "insight"—the self-awareness of the patient who knows his thoughts or actions are disordered. Americans harbor a stereotype of foolish Europeans beating the dead horse of so-

cialism, but the EU was devised as a vehicle for free-market liberalization precisely to break Europe out of its statist torpor. Even Mr. Macron in his more prosaic moments has done important things in France, such as producing a door stopper of a labor-law reform that created new opportunities for the young.

Like many Europeans, he acknowledges the issues but is unwilling to take action to address them.

Mario Draghi—former European Central Bank president and Italian prime minister, and Europe's most serious thinker-politician on economic matters—recently published a long report explaining the reforms such as deregulation and greater competition the Continent requires to compete with the U.S. and China. European voters get it, too. Given the opportunity to vote for (center-right) parties promising economic reform, voters have done so in Greece, nearly did so in Spain last year, and are on

course to do so in Germany next year.

Europe's curse instead is that too many of its leaders fail to do what they know they must. Why this should be so is the great political-economy mystery of the age, harder to answer than you might think.

Entrenched opposition from those groups who fear they may lose out from reform (such as militant government workers afraid of privatization—frequent antagonists of Mr. Macron) is only part of the explanation. In some ways, Europe's political class suffers a failure of imagination, a difficulty seeing beyond their stale but comfortable intellectual consensus. In other ways, Europe suffers from too much imagination—in particular, a conviction that Europe must devise an identity for itself opposed to America's brand of capitalism, thereby foreclosing any attempt to import successful policy ideas from across the Atlantic.

Whatever the reasons, too many European leaders keep missing too many opportunities for the reset that could save Europe's economy and restore its self-confidence. Even Mr. Macron, one of Europe's most articulate advocates for change, has ended up as one of its least effective actors.

Israel's most effective course of action would be to target key leadership, military support and financial infrastructure of the Islamic Revolutionary Guard Corps and the Intelligence and Security Ministry. That would weaken the regime's pillars while avoiding direct harm to civilians, which could otherwise foster sympathy for the regime. Combined with attacks on Iran's external oil-export capacity to deprive the regime of its financial lifeblood, a top-down leadership-focused approach would pressure the regime without disrupting essential domestic services.

Israel should first neutralize the immediate missile threat posed by the regime.

Striking Iran's leadership and nuclear facilities without simultaneously addressing Iran's offensive missile capabilities would allow the regime to retaliate aggressively. Iran

knows this, which explains why its rulers are posting web images of their subterranean "missile cities."

Next, Israel must attack the regime's headquarters, command facilities and military. No key Iranian leaders

should be spared. The precision killing of Hamas leader Ismail Haniyeh in a Tehran apartment demonstrates that Israel can strike anyone, anytime and anywhere.

Then Iran's military training camps on the Iraq border should be smoked. For decades, these camps

have been used to train Iranian, Hezbollah, Hamas and Iraqi special-group operatives for campaigns against Israel, U.S. forces in Iraq and Syria, and global antiterrorist operations. After that Iran's central bank

Emergencies Bring Out The Worst In Trump

By Randy Manner

As the Southeast recovers from Hurricanes Helene and Milton, one thing is clear: The National Guard, the Federal Emergency Management Agency and the National Weather Service are indispensable in times of crisis. Donald Trump's Project 2025 would dismantle these lifelines and force communities to face disasters on their own.

Mr. Trump specializes in spreading disinformation. He has repeatedly made false claims about what the government is doing to help the victims, accusing the Biden-Harris administration of intentional neglect, even as it mobilized a coordinated federal response. The National Guard and FEMA acted quickly to provide relief to affected cities like Asheville, N.C., and Augusta, Ga. Yet Mr. Trump suggested federal agencies were unprepared and that their efforts were inadequate. He's done this before—sowing confusion and scapegoating local officials. Why? Always to make himself look better.

He deliberately and dangerously distorts the facts for political gain.

Mr. Trump's Project 2025 would slash federal support for disaster relief, forcing state and local governments to cover most recovery costs. Currently, the federal government covers 75% of disaster expenses, with state and local governments picking up the remaining 25%. Mr. Trump's plan would reverse this formula for smaller disasters, and it would enforce a firm 75% cap on federal funding for catastrophes, no matter how dire the need. It's difficult to imagine how Louisiana, which is facing a projected half-a-billion budget deficit by fiscal 2028, could eat even 25% of another Hurricane Katrina. Financially healthier states would have to degrade other essential services to fund recovery efforts.

Project 2025 would push the privatization of disaster-relief functions currently managed by FEMA, forcing state and local governments to rely on private contractors during an emergency. Privatization can be good, but its disaster-response track record is poor. Reeling states could ill-afford added costs.

Despite Mr. Trump's false claims, the Biden-Harris administration ensured that FEMA and the National Weather Service were fully engaged as Hurricane Milton gathered steam. Under Project 2025, these agencies would be gutted, leaving states to fend for themselves and increasing risks to lives and property.

As president, Mr. Trump sought to slash the budgets of the National Oceanic and Atmospheric Administration and the NWS, which provide life-saving weather alerts. During Hurricanes Helene and Milton, these alerts proved crucial in helping residents evacuate and prepare. Mr. Trump's plan to privatize these services would force residents to pay for public safety.

Kamala Harris recognizes the necessity of a robust, coordinated federal disaster-response system. Unlike Mr. Trump, Ms. Harris understands that the National Guard, FEMA and the NWS are critical to protecting communities from the effects of natural disasters. She has consistently supported policies that ensure these agencies remain fully funded and operational, giving states like Georgia and North Carolina the support they need when disaster strikes.

Ms. Harris's approach emphasizes transparency, competence and empathy. She has advocated shoring up infrastructure to withstand future storms and ensuring that FEMA and the NWS are equipped to handle future challenges. Her leadership offers a clear alternative to Mr. Trump's self-serving approach, which puts politics above public safety.

Ms. Harris, speaking on ABC's "The View," highlighted Mr. Trump's disturbing lack of empathy. She condemned his false claims that disaster-relief funds were being diverted to unrelated migrant programs. President Biden has called Mr. Trump's disinformation "un-American," warning that falsehoods amplify fear and panic during times of crisis.

Kamala Harris offers a disaster-response vision that values expertise and ensures no community is left behind. Under her leadership, the federal government would continue to play its essential role in coordinating relief efforts, providing timely support, and safeguarding lives.

Mr. Manner, a retired major general, served as the No. 2 leader of the National Guard Bureau, helping to coordinate National Guard resources to respond to natural disasters.

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behind Oct. 7 and the multifront attacks against Israel.

and oil export facilities should be destroyed.

I helped develop the U.S. campaign of attacks against ISIS's central bank and cash-distribution centers in and around Mosul, Iraq, in 2015-16, burning down the bank and destroying the terrorist group's financial reserves. These synchronized strikes were a turning point in the war. Economic warfare should be focused on Tehran's financial apparatus: banks, bankers and administrative functionaries that support the Iranian revolutionary regime. Only after disrupting command, control, and financial and logistical infrastructure should Israel consider direct action against key Iranian nuclear facilities.

The U.S. should provide direct and public support to Israel's counterstrikes, not just sit on the sidelines.

America should never forget the large number of Americans who have been murdered by Iran and its terrorist action network since Hezbollah attacked the U.S. Embassy in Beirut

multiple times in the 1980s and obliterated U.S. barracks there in 1983,

killing 241 Marines and sailors. These

attacks were followed by the Khobar Towers bombing in 1996 and numerous Iran-directed attacks against U.S. forces in Iraq between 2003 and 2012

that killed and wounded thousands.

The U.S. military has a blood

grievance against Tehran's regime.

Yet there has been little retaliation

beyond taking down Quds Force

Commander Qassem Soleimani in 2020. Now is the time to join Israel

in retribution at scale and scope.

Then Iran's military training

camps on the Iraq border should be

smoked. For decades, these camps

have been used to train Iranian,

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is a bloodbath.

The U.S. military has a blood

grievance against Tehran's regime.

Yet there has been little retaliation

beyond taking down Quds Force



Poetic Complications
Lady Jour Nuit

Van Cleef & Arpels

Haute Joaillerie, place Vendôme since 1906



BUSINESS & FINANCE

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THE WALL STREET JOURNAL.

Friday, October 11, 2024 | B1

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Gas Glut Likely Means Cheap Heat This Year

Last winter was the warmest on record in the U.S. and left a lot of fuel unburned

By RYAN DEZEMBER

A persistent glut of natural gas is shaping up to be good news for Americans this winter, likely keeping heating bills down despite forecasts for colder weather.

On average, the nearly 60 million American homes heated with natural gas should cost just a few more dollars to warm than last year, or \$602, the Energy Information Administration estimated this week.

Utility bills have been front and center for consumer sentiment since Russia's 2022 invasion of Ukraine shocked global energy markets and sent prices surging. Meanwhile, air-conditioning bills have busted budgets during a string of broiling summers. Heating and cooling costs have become a significant political issue heading into next month's presidential election.

"We expect most households will spend similar amounts to last year," said EIA Administrator Joe DeCarolis.

Bills at homes heated electrically are forecast to be 2%

higher for November through March, totaling \$1,054 on average, which includes power used other than for heat.

The cost of propane, used mainly in the rural North, and heating oil, burned mostly in the Northeast, are expected to be flat and slightly lower, respectively.

The EIA expects the winter to be colder than last year, particularly in the Midwest, but not dramatically so. Specifically, it forecasts 5% more heating degree days this coming winter compared with last year, though 2% fewer than the 10-year average, DeCarolis said.

Heating-degree days are a population-weighted measure of temperatures below 65 degrees Fahrenheit that energy traders use to gauge demand.

If winter is warmer than anticipated, heating expenses could even be less than last year, according to the EIA.

That is mostly thanks to the oversupply of natural gas, which is piped into homes to fuel boilers and furnaces and burned to generate much of the country's electricity. Last winter was the warmest on record in the U.S. and left a lot of fuel unburned.

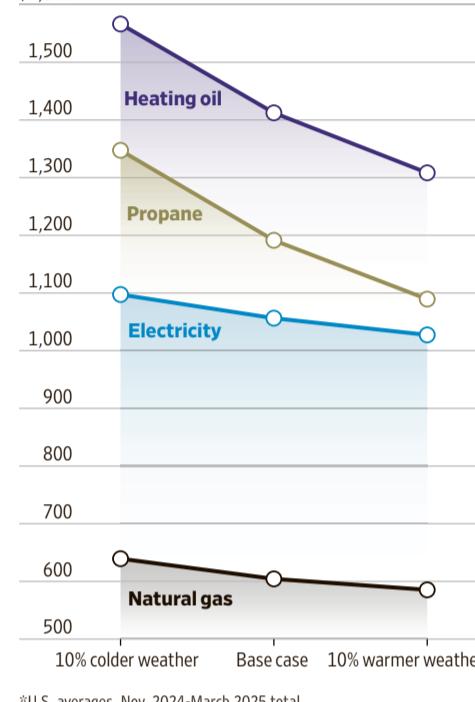
The glut pushed natural-gas prices to some of the lowest levels in decades and persisted

Please turn to page B9

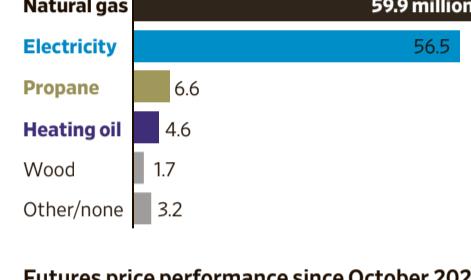


Homes heated with natural gas should cost just a few more dollars to warm than last year.

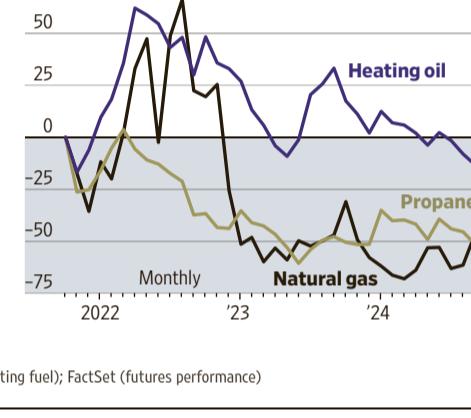
Forecast household heating fuel costs*



U.S. households by primary heating fuel



Futures price performance since October 2021



Delta Cuts Guidance For Profit In Fourth Quarter

By ALISON SIDER

Delta Air Lines' guidance for the current quarter suggested a slower bounceback from summer challenges than analysts had expected, worrying investors.

The Atlanta-based carrier said Thursday it expects fourth-quarter earnings of \$1.60 to \$1.85 a share, with operating margins of 11% to 13%.

The midpoint of that earnings range is a few cents below the \$1.76 a share analysts polled by FactSet were anticipating. Delta shares fell 1.1% Thursday to \$50.29.

Delta and other airlines wrestled with a glut that weighed on fares during the peak summer travel season. However, Delta said that has started to turn around.

It saw an inflection in September, as airlines scale back growth plans, reducing the glut and helping bolster fares, and Delta expects earnings to start growing again on a year-over-year basis this quarter.

"I'd say the demand and supply are in pretty good equilibrium right now," Delta Chief Executive Ed Bastian said in an interview.

However, Bastian said consumers are being more cautious.

Please turn to page B2

Musk Shows Off Driverless Robotaxi

By BECKY PETERSON

Tesla Chief Executive Elon Musk has for years teased plans for a fully autonomous robotaxi that can shuttle paying customers around town.

On Thursday night, he finally showed the world what he had in mind, unveiling two new vehicles: an almond-shaped Cybercab with no steering wheel or pedals, and a Robovan, which can transport as many as 20 people at a time or move cargo.

Musk said the Cybercab, a two-seater driverless car that

is designed to operate as a robotaxi, could cost less than \$30,000, and customers would be able to buy one. He also described a future where people who drive for Uber and Lyft would one day oversee a "flock" of Cybercabs that they care for like a "shepherd."

At the Warner Bros. studios in Burbank, Calif., Musk made a splashy debut, first appearing in a black leather jacket accompanied by a person wearing a SpaceX astronaut suit. He then got into the passenger side of what he described as the Cybercab, a robotaxi that drove

him across the dark studio lot and dropped Musk off near the stage, where he began his presentation.

Tesla plans to deploy a fully autonomous version of its "Full Self-Driving" software, a feature that now needs driver supervision, in Texas and California next year.

Musk added that Tesla plans to start producing the Cybercab before 2027.

"I tend to be optimistic with time frames," he said.

Musk has described the reveal as the company's most significant moment since the roll-

out of the mass-market Model 3 sedan in 2017.

The billionaire entrepreneur is betting the company's future on a pivot to robotics and artificial intelligence, a shift that comes as Tesla's profitability has slipped and broader consumer interest in electric cars has cooled within the past couple of years.

Musk has said such technologies could help boost Tesla's market value to as much as \$30 trillion, nearly 40 times its current worth.

Expectations were running

Please turn to page B4

Stellantis Outlines CEO Plan, Executive Shake-Up

By BEN GLICKMAN

Jeep and Ram maker Stellantis said Chief Executive Carlos Tavares will retire in early 2026 when his contract expires and outlined a broader management shake-up as the carmaker battles tumbling profit and market share.

The company said Thursday that several of its highest-ranking executives, including Chief Financial Officer Natalie Knight and Chief Operating Officer of North America Carlos Zarenga, would step down from their posts.

Stellantis, which also houses Dodge, Chrysler and Fiat brands, said it has begun searching for a successor to Tavares. A special committee led by Chairman John Elkann will choose the next CEO by the fourth quarter of 2025, the company said.

Speculation has swirled about whether Tavares would remain CEO after his current contract ends at the beginning of 2026. In response to a Bloomberg report last month that Stellantis was looking for his replacement, the company said it was normal for its board to consider succession planning but didn't confirm Tavares's retirement.

Antonio Filosa, currently CEO of the Jeep brand, will take on the additional role of North America chief operating officer, while China COO Doug Ostermann will succeed Knight as finance chief.

The wide-reaching management shuffle at Stellantis follows a sharp cut to the company's profit guidance for the year, which further dented the already-battered stock. Shares are down more than 40% this year.

Tavares has been under pressure from investors and dealers for months to revive the automaker's U.S. business, which has suffered from bloated vehicle inventories and declining sales.

Stellantis on Thursday said that Uwe Hochgeschurtz, operating chief for the European

Please turn to page B2



Banana cultivation by Chiquita at the Yelloway banana greenhouse in Bemmel, Netherlands.

Scientists See Hope in Race To Breed Banana of Future

By H. CLAIRE BROWN

Two diseases threaten to wipe out the banana as we know it, and scientists are racing to breed a fruit of the future. It is starting to look like they might succeed by the end of the decade—and in their best-case scenario, consumers won't even notice.

Chiquita Brands International last month said it bred a new banana called the Yelloway 1 that is resistant to one of the major diseases and shows promise in resisting the second. Meanwhile in Australia, researchers have developed a disease-resistant genetically modified banana.

"It's not just the announce-

ment of a variety, it's the announcement of a variety that contains, potentially, the building blocks of the future of the banana industry," said Peter Stedman, sustainability director at Chiquita. The project is a collaboration with research company KeyGene, the startup Musaradix and Wageningen University in the Netherlands.

Banana producers are trying to avoid a repeat of the not-so-distant past. The bananas in grocery stores in the 1950s were a different variety from the bananas available today. They were called Gros Michel (often translated as Big Mikes), and crops were wiped out after a fungal dis-

ease called Tropical Race 1 (TR1) tore through plantations.

A cousin, the Cavendish, was naturally resistant to the disease, so banana companies planted it everywhere. Today, the Cavendish represents 99% of the global banana export market, which totaled \$14.4 billion in 2022, according to the most recent estimates from the think tank Chatham House.

The seedless bananas sold in supermarkets are especially vulnerable to disease because they are all clones of one another, and they are sterile. "Once you have one pathogen that is able to infect one

Please turn to page B4

Starboard Says Pfizer Pressured Ex-Staffers

By JARED S. HOPKINS AND LAUREN THOMAS

The fight between **Starboard Value** and drug giant **Pfizer** took an unusual, bitter turn Thursday.

Hours after two former top Pfizer executives said they would no longer participate in Starboard's activist campaign, the investor accused the drugmaker of pressuring the executives to remain loyal to their longtime employer.

Starboard called on Pfizer to conduct an investigation into the withdrawals of former Chief Executive Ian Read and ex-Chief Financial Officer Frank D'Amelio.

The investor lobbed allegations that the ex-Pfizer executives were threatened with

lawsuits, clawbacks of compensation and other measures unless they publicly supported Pfizer CEO **Albert Bourla**.

Pfizer declined to comment.

The sudden turn of events was unusual even by the standards of activist fights, which can become acrimonious. Former executives don't often publicly join campaigns against their erstwhile companies. But when they do, they don't usually bow out before the fight even gets under way.

Read and D'Amelio did just that late Wednesday through a joint two-sentence statement issued by banker Guggenheim Securities, which said the pair

Please turn to page B5

INSIDE



OBITUARY

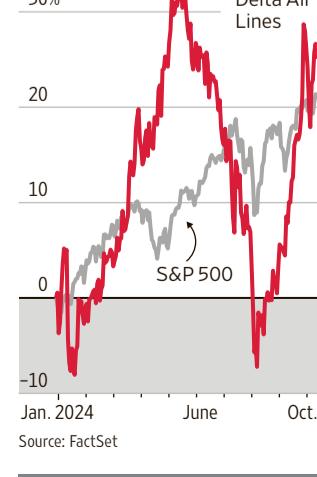
Visionary Indian industrialist Ratan Tata was 86 years old. B2



HEARD ON THE STREET

Defense stocks are flirting with allure of the Cold War. B10

Share-price and index performance, year to date



B2 | Friday, October 11, 2024

THE WALL STREET JOURNAL.

INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

A	DRW	B5	Rheinmetall	B10
Albertsons.....A11	FedEx	A1	Saab	B10
Alimentation Couche-Tard.....B3,B10	Foxconn Technology	A9	Seven & I.....B3	
Alphabet.....B1	Frontier Airlines	B10	Sorrento Therapeutics	B3
American Airlines.....B10	G		Southwest Airlines	B10
Apple.....A9	General Motors	B4	Starboard Value	B1
AT&T.....A1	Kroger	A11	Stellantis	B1
B	Leonardo	B10	Tata	B2
BAE Systems.....B10	Lockheed Martin	B10	Tesla	B1
Binance.....B5	M		Thales	B10
C	McDermott International	B3	U	
Chiquita Brands International.....B1	Microsoft	B10	United Airlines	B10
Coinbase Global.....B5	N		Universal Insurance	B9
CrowdStrike.....B10	Northrop Grumman	B10	V	
D	Pfizer	B1	ValueAct Capital	B10
Delta Air Lines.....B1,B10	R		Vantiva	A11
Deutsche Bank.....B4	Walgreens	A11	W	
Deutsche Telekom.....B4	Walmart	A11		
Dollar General.....A11				
Domino's Pizza.....B2				

INDEX TO PEOPLE

B	Freeman, Elizabeth	B3	Polnick, Veronica	B3
Bastian, Ed.....B1,B10	Hochgeschurtz, Uwe	B1	I	
Blanch, Francisco.....B9	Imparato, Jean-Philippe	B2	Rajan, Mukund	B2
Bourla, Albert.....B1	Isaka, Ryuchi	B3	Read, Ian	B1
C	K		S	
Cavanaugh, Matthew.....B3	Knight, Natalie	B1	Sacconaghi, Toni	B4
Chandrasekaran, N.....B2	M		Smith, Jeffrey	B5
D	Mahajan, Mona	B9	Stedman, Peter	B1
D'Amelio, Frank.....B1	Meghji, Mohsin	B3	Sweet, Ryan	A2
Deelen, Michael Van.....B3	Musk, Elon	B1	T	
DePinto, Joseph.....B3	N		Tavares, Carlos	B1
E	Noronha, Christabelle	B2	O	
Elkman, John.....B1	Ostermann, Doug	B1	P	
F - H	Zar lenga, Carlos	B1	W	
Filosa, Antonio.....B1			Wilson, Donald Jr.	B5

Delta Cuts Guidance For Quarter

Continued from page B1
tions about discretionary purchases before the presidential election, though the airline is seeing strong holiday bookings.

Delta's focus on affluent customers has helped it avoid some of the difficulties faced by many budget-oriented airlines.

The carrier, the first U.S.

airline to report third-quarter results, said quarterly corporate sales rose 7% from a year earlier, with big growth from tech, media and banking clients.

But that didn't insulate Delta from the summer fare war as airlines discounted tickets to fill seats.

Quarterly adjusted profit fell 26%, just shy of analysts' expectations. Total passenger revenue was flat at \$13.1 billion.

The airline earned less per seat flown a mile than last year, reflecting diminished pricing power.

July's CrowdStrike IT outage also cut 45 cents from adjusted per-share profit.

ramped up deals for car buyers as part of a broader plan to boost sales in North America, which it says has already shown results. Still, the company said costly efforts to reduce inventories in the U.S. were partly responsible for its profit warning.

Filosa, who has served as chief executive of the Jeep brand for nearly a year, will oversee that revival as he takes over operations at the company's profit engine. The Italian was previously a long-time executive at Fiat Chrysler Automobiles, the carmaker that merged with France's PSA Group in 2021 to create Stellantis. He previously oversaw the Alfa Romeo and Maserati brands in Latin America and was COO for South America.

The profit crunch has pushed the carmaker to conserve cash. Knight has instructed finance teams to scrutinize any spending requests for outside vendors, The Wall Street Journal reported, in a strategy known internally as "the doghouse."

The executive changes also cap a year of dramatic turnover at the trans-Atlantic carmaker, with multiple high-profile brand and operations executives leaving the company.

The company has since

Government ministers flew to the city to attend his cremation in the evening, business leaders issued statements, and Indians flooded social media with messages saying there would never be another like Tata again.

India's Tata Group grew out of a trading company established in 1868 by Ratan Tata's great-grandfather Jamsetji Tata. The family is from the close-knit Parsi community, which traces its roots to arrivals from Persia who sought asylum in India centuries ago, and is prominent in India's business sphere.

Today, the conglomerate, which established India's first steel plant, owns an empire that includes Tetley Tea, luxury carmaker Jaguar Land Rover, India's top outsourcing firm, and Air India, which it founded and reacquired in 2021 after seven decades of government control. The group's combined revenue tops \$165 billion.

Tata was raised in the family home in Mumbai and led a privileged life in an enormously poor India that gained its independence from British rule in 1947, when he was nine years old. He was driven to school in a Rolls-Royce.

After studying at Cornell University, he got a job in Los Angeles, where he fell in love

and "almost got married," he told the popular Humans of Bombay photoblog in 2020. But when his grandmother fell ill, he returned to India in 1962 and ended up joining the family business and was soon handling blast furnaces at the company's steel plant in eastern India.

He became chairman of Tata Group in 1991, succeeding his uncle, J.R.D. Tata, who had run the company for more than 50 years. The year he took over, a financial crisis forced India to open up an economy dominated by state-run companies and known for its "License Raj," a thicket of rules and regulations that stymied most businesses.

"Suddenly all the forces of competitive pressure and free market were unleashed," said Mukund Rajan, who worked in senior executive positions at Tata Group for more than two decades. "So he had a double whammy."

He is credited with steering deftly through this time, in part by consolidating control

over the company's many units

that had become separate fiefs,

and setting a clear direction

from Tata Sons, the parent

company.

He changed the retirement age to 75 soon after he came in, easing some long-timers out.

"You can't run major companies as though you're a family enterprise," said Tata, explaining the retirement-age policy at the time. "After 10 years in the seat, you're part of the problem."

Rajan, who now is chairman of corporate governance-focused investment advisory firm ECube, said Tata also spearheaded an effort to improve production quality across the company, a huge challenge in a country where for decades "capacities were constrained and you could sell what you liked to the customer."

As a manager, he kept his cool even during difficult times, said Christabelle Noronha, who worked closely with Tata for many years handling corporate affairs, including crafting his annual New Year's message to employees.

"When you work with people and they get irritated, they take it out on you because you are the next one in line for the meeting," she said. "He never ever did that."

He often started out his day petting the stray dogs that hung around Bombay House, where Tata's office was on the fourth floor.

During his two decades as chairman, Tata led a drive to expand internationally, becoming one of the first Indian companies to acquire marquee foreign brands.

The group's first big international acquisition was Tata Tea's acquisition of the U.K.'s Tetley Group in 2000.

In 2007, Tata Steel bought Anglo-Dutch steelmaker Corus for

\$12 billion while Tata Motors paid \$2.3 billion to buy Jaguar and Land Rover from Ford Motor in 2008.

The pricey deals catapulted the Indian business to the global stage in a big way, but also put heat on Tata for adding an enormous amount of debt to the company's balance sheet.

The Jaguar Land Rover purchase eventually came to be seen as a good investment but the Corus deal never really recovered from that unlucky start.

Another of Tata's most iconic ventures also was doomed to fail, but is still lauded as a testament to his bold vision.

After Tata Motors successfully introduced the Indica—the first car truly developed and built in India—Tata unveiled the \$2,500 Nano in 2008, a tiny car billed as the world's cheapest. A pet project, the Nano was envi-

sioned as a safe and comfortable alternative for millions of Indian families who use motorcycles because they can't afford a car.

There was a frenzy to book the Nano initially, but customers had to wait as violent protests against land acquisition forced Tata to shift its Nano plant to Gujarat from West Bengal state. Sales petered out, and the Nano was discontinued in a decade.

When Tata turned 75 in 2012, he turned the company over to Cyrus Mistry, to whom he was related by marriage.

Four years later, Tata's board ousted Mistry for reasons that are still disputed, leading to a bitter fallout between the two men. Mistry complained after his removal of "a total lack of corporate governance," which Tata Sons rebutted.

Mistry, whose family construction company is the biggest shareholder in Tata Sons, died in 2022 at age 54 in a car crash. The company's current leader, N. Chandrasekaran, has no family connection to the Tatas.

Tata, who never married and had no children, focused in the past decade on philanthropy in health and education in India through Tata Trusts, as well as contributing millions of dollars to Cornell and Harvard Business School.

His love of animals led him to fund a five-floor animal hospital in Mumbai and a startup that made reflective collars for dogs so they wouldn't be run over at night.

Many of the tributes on Thursday praised Tata's modest and altruistic approach, now seen as a rarity in a country where billionaires are known for lavish spending. The Tatas, including Ratan Tata, subscribed to a more socialist-era view of company wealth, said Kavil Ramachandran, a professor at the Indian School of Business in Hyderabad. "It's not personal wealth" he said of the company ethos. "We are facilitating wealth for society."

Indian Industrialist Tata Took Family-Owned Business Global

The Tata empire today includes Tetley Tea and Jaguar Land Rover.

Domino's Dials Back Store Openings, Tops Profit Views

Domino's net income slipped 0.5% to \$147 million for the three months ended Sept. 8.

Earnings per share were \$4.19, compared with the \$3.65 expected by analysts polled by FactSet.

Revenue rose about 5% from a year earlier to \$1.1 billion, roughly in line with analysts' expectations.

U.S. same-store sales growth came in at 3%, below many analysts' estimates.

Domino's shares tumbled after its last results and investors have grown more cautious. In July, the company said it was working with global franchisees on their growth plans.

Through Thursday's close, Domino's stock is roughly flat for this year, compared with a 4.3% rise in an S&P 500 restaurant subindex.

Stellantis Shuffles Executives

Continued from page B1
region, would leave, succeeded by Alfa Romeo brand CEO Jean-Philippe Imparato.

Several of the departing executives had relatively short-lived terms. Knight has served as CFO since summer 2023, while Zarlenga was appointed head of North America in February. Stellantis said Thursday that Knight and Hochgeschurtz would depart the company and Zarlenga's next position will be announced in the future.

U.S. dealers have griped about Stellantis' cars being less affordable than competitors, driving away price-sensitive buyers and leading to dramatic market-share losses. Tensions between retailers and the manufacturer came to a head last month, when members of a dealer advisory group wrote an open letter blaming Tavares for "disastrous choices" and calling for more drastic action.

The company has since

ramped up deals for car buyers as part of a broader plan to boost sales in North America, which it says has already shown results. Still, the company said costly efforts to reduce inventories in the U.S. were partly responsible for its profit warning.

Filosa, who has served as chief executive of the Jeep brand for nearly a year, will oversee that revival as he takes over operations at the company's profit engine. The Italian was previously a long-time executive at Fiat Chrysler Automobiles, the carmaker that merged with France's PSA Group in 2021 to create Stellantis. He previously oversaw the Alfa Romeo and Maserati brands in Latin America and was COO for South America.

The profit crunch has pushed the carmaker to conserve cash. Knight has instructed finance teams to scrutinize any spending requests for outside vendors, The Wall Street Journal reported, in a strategy known internally as "the doghouse."

The executive changes also cap a year of dramatic turnover at the trans-Atlantic carmaker, with multiple high-profile brand and operations executives leaving the company.

The company has since

dashed off an open letter to dealers, assuring them that the company is committed to addressing the issues.

The company has since

reached a deal with the National Auto Dealers Association to provide additional support to dealers.

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BUSINESS NEWS

7-Eleven Parent Details Plans to Revamp

Convenience-store giant faces takeover pressure from owner of Circle K chain

By MEGUMI FUJIKAWA

TOKYO—Seven & i Holdings detailed plans to revamp its noncore businesses, accelerating efforts to reorganize its portfolio as the convenience-store giant faces a revised takeover bid from Canada's Alimentation Couche-Tard.

The 7-Eleven owner has been trying to improve profitability by focusing on its core convenience-store business and restructuring other segments. A successful effort could raise the bar for a potential acquisition by the Canadian owner of Circle K.

The Japanese retail conglomerate said Thursday that it will set up an intermediate holding company for its supermarket and other noncore businesses, including baby-goods chain Akachan Honpo.

Speaking at an earnings news conference, Seven & i



A 7-Eleven in Tokyo. The convenience store's owner has been trying to improve profitability.

that their stores sold more on average than Couche-Tard.

He also highlighted differences between the two companies, saying that Couche-Tard is more focused on fuel sales than Seven & i. Unlike Couche-Tard, which has more stores in suburban areas, 7-Eleven, which has an urban network in the U.S., faces difficult social challenges, such as homelessness and crime, he noted.

Seven & i has faced pressure from some foreign shareholders in recent years. It responded by shedding some businesses, such as unprofitable department-store operator Sogo & Seibu. In April, Seven & i said it was considering listing the supermarket business.

On Thursday, the company said it will bring in strategic partners and realize an initial public offering "with certainty and speed."

To affirm its commitment to the convenience-store business, the company plans to change its name to 7-Eleven Corp. and seek approval at a shareholders' meeting in May 2025.

The announcements came as

Seven & i slashed its profit forecast for the current fiscal year, which ends in February, to ¥163 billion, equivalent to \$1.09 billion, from ¥293 billion.

It said that net profit for the six months ended August fell 35% from a year earlier to ¥52.24 billion, missing analysts' consensus estimate. The company also recorded a ¥45.88 billion special loss related to the withdrawal of its online supermarket operation.

Sluggish demand among middle- to low-income U.S. consumers amid inflation and higher interest rates hurt its overseas sales, Seven & i said, suggesting that its convenience-store business is also struggling to grow. First-half operating profit for its overseas convenience-store business fell to ¥73.33 billion from ¥112.83 billion a year ago.

Shares in Seven & i have jumped since Couche-Tard's initial offer was made public. The stock price briefly reached a record high of ¥2,492.5 on Wednesday but fell back later, suggesting that some investors have doubts about the takeover attempt.

Probe of Ex-Judge Looks At Restructuring Advisers

By ALEXANDER GLADSTONE AND ANDREW SCURRIA

The Justice Department's criminal probe into former U.S. Bankruptcy Judge David R. Jones and his romantic relationship with a Houston attorney has expanded to examine if other restructuring advisers compromised the integrity of bankruptcy proceedings he oversaw, according to people familiar with the investigation.

Jones was in a yearslong undisclosed relationship with Elizabeth Freeman, a bankruptcy partner at Texas firm Jackson Walker who left in 2022 to start her own law practice. Freeman often worked alongside larger law firms and financial advisers on chapter 11 cases in Jones's court, billing fees that he approved without any disclosure that they had co-owned a home together in Houston since 2017.

Federal investigators have been probing if Jones or Freeman broke criminal laws by failing to disclose that they were intimately involved, The Wall Street Journal reported in July. The criminal probe is now looking at whether there were secret discussions or coordination between Jones and bankruptcy professionals that influenced the administration of chapter 11 cases in his court, according to people familiar with the investigation.

The federal probe is also examining whether lawyers and financial professionals who advised companies gained an unfair edge in Jones's court by failing to disclose what they knew about his relationship with Freeman, the people said.

Lawyers representing Jones didn't respond to requests to comment. An attorney representing Freeman declined to comment.

In 2015, Jones contacted a couple of the top bankruptcy partners at Kirkland & Ellis, the nation's leading law firm for advising troubled companies, seeking to encourage them to file cases in Houston. Jones later rose to become the busiest bankruptcy judge in the U.S. after Kirkland began filing most of its biggest cases in his court, usually with Jackson Walker as co-counsel.

For years after Freeman joined Jackson Walker in 2018, certain Kirkland partners discussed with each other and with people outside the firm that they heard talk about romantic ties between her and Jones, the Journal reported in June.

As Kirkland brought more cases to Houston, Jones became known for ruling in favor of the firm's clients, according to dozens of lawyers who worked on cases he oversaw. Other law firms followed Kirkland's lead and brought cases to Houston, where Jones had established a two-judge panel composed of himself and fellow judge Marvin Isgur to oversee complex bankruptcies.

In March 2021, a shareholder in McDermott International, a bankrupt energy company represented by Kirkland and Jackson Walker, received an anonymous letter alleging Jones and Freeman were romantically involved. The shareholder, Michael Van Deelen, on March 6, 2021, contacted Matthew Cavanaugh, a Jackson Walker partner with whom Freeman worked closely, and forwarded the letter. Jackson Walker shared the letter's allegations with Kirkland, according to court papers later filed by both firms.

Cavanaugh and another Jackson Walker partner, Veronica Polnick, exchanged text messages as they prepared a motion to seal the document from public view, according to an exchange reviewed by the Journal.

A Jackson Walker representative said Tuesday that text messages produced in litigation related to Jones's resignation "could suggest that one or more attorneys may have been aware of an ongoing intimate relationship between former Judge Jones and Elizabeth Freeman."

Polnick texted Cavanaugh on March 7, 2021, that "This is literally freeman's worst nightmare. She's the most private person I know," according to the exchange reviewed by the Journal.

"I know. I feel so terrible. But if we want to protect her, this is the route. It's gonna be fiiiiine," Cavanaugh responded.

"You think we get out of this with 1) freeman still at JW, 2) Jones still on the bench and panel, and 3) still working with KE?" Polnick asked, referring to Kirkland by the firm's initials.

"All 3," Cavanaugh replied.

The next day, Cavanaugh filed a motion to seal from public view the letter that Van Deelen had received, stating that it was defamatory.

When Van Deelen tried to use the letter to force Jones's recusal from McDermott's case, Kirkland lawyer Anna Rotman argued in a March 10, 2021, court hearing that its allegations were unsubstantiated and should be excluded as evidence. Isgur, Jones's colleague on the bench, sided with Kirkland and denied Van Deelen's request.

Jones later signed an order to seal the letter permanently. It stayed hidden until October 2023 when Van Deelen resurfaced its allegations in a lawsuit along with other evidence that Jones and Freeman were living together. Jones confirmed his relationship with Freeman to the Journal and resigned days later.

Jackson Walker has said in court filings that it acted appropriately once it learned in 2021 that Jones and Freeman

DOJ, FBI examine whether there was coordination.

Journal reported last month.

The FBI has been seeking information about certain attorneys from Kirkland, Latham, and Jackson Walker, as well as Meghji, and their work in Jones's court, people familiar with the matter said. The Journal couldn't determine whether particular restructuring professionals are targets of the investigation or potential witnesses. The investigation is being conducted by the office of the U.S. Attorney in Houston as well as the FBI's Houston field office.

Latham didn't respond to requests for comment. Meghji also didn't respond.

The Kirkland representative said the firm "has not been contacted by the FBI in any capacity, much less informed that it is the subject of a criminal investigation, as there would be no basis to do so."

A representative of the FBI in Houston said it can't confirm or deny the existence of an investigation.

Jones told the Journal in October 2023 that he didn't believe his relationship with Freeman needed to be disclosed because she herself didn't appear in his court and he was entitled to a degree of privacy. Freeman has said in court papers she had no legal duty to disclose her relationship with Jones.

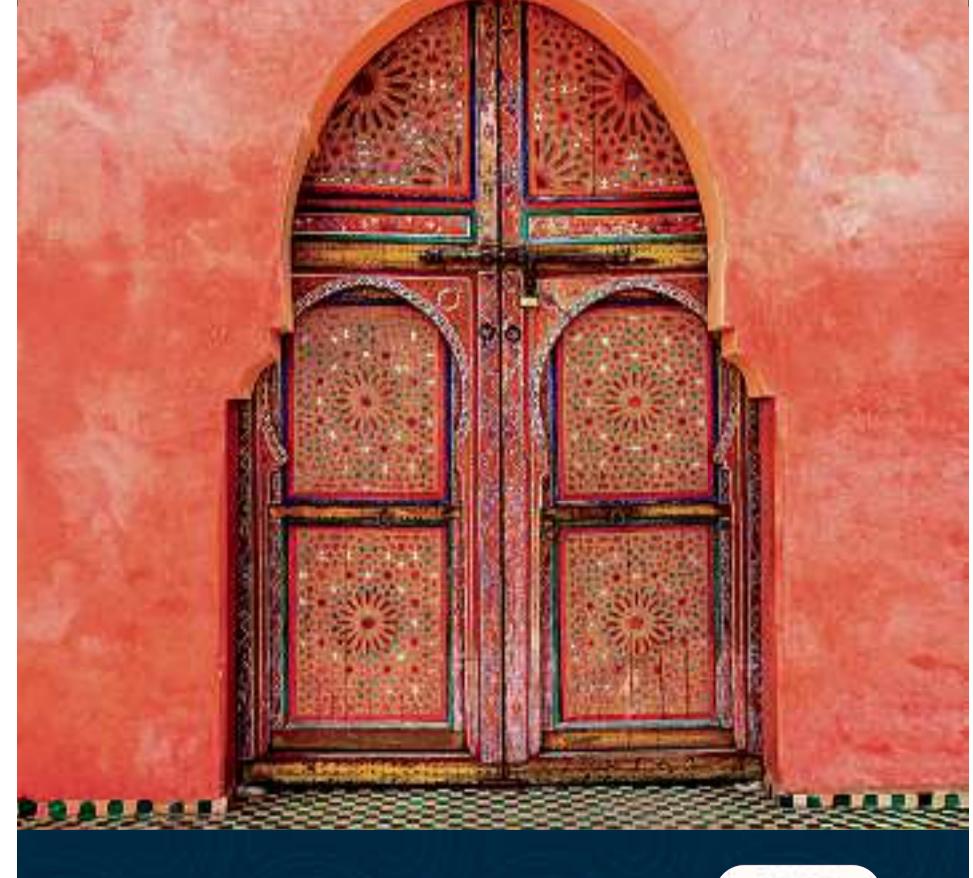


Jones was known to have social engagements with lawyers who had business in his court.

BRETT COOMER/HOUSTON CHRONICLE/GTY IMAGES

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Deutsche Telekom Eyes AI to Fuel Growth

German company hopes to bolster its presence in the U.S., add more offerings

By NAJAT KANTOUAR

Deutsche Telekom said it plans to accelerate growth in revenue and earnings through 2027, turning to artificial intelligence to boost its top line and trim costs.

The German telecommunications group said on Thursday that expectations of faster growth will leave it with €15 billion, or \$16.41 billion, in available funds by 2027. The company aims to use this surplus to either increase its stake in T-Mobile US or launch fresh buybacks—on top of a program of €2 billion it will carry out next year—dividend payments and investments.

Deutsche Telekom has been looking to bolster its exposure to the U.S., a bet that helped it become Europe's largest telecom company with a market value that has risen about 63% since the last time it provided midterm targets in May 2021

to some €133 billion.

A merger of T-Mobile US with Sprint was completed in 2020, creating a giant that soon became the second-biggest U.S. cellphone carrier by subscribers but diluting Deutsche Telekom's stake in the enlarged business. The German company achieved majority ownership in the U.S. business last year, and had a stake of 50.4% at the end of June.

Deutsche Telekom said AI would play a key role in its strategy in coming years.

The company is looking to tap into revenue opportunities valued at around €1.5 billion with additional products and services including AI offerings, phone insurance and payments.

T-Mobile US last month struck a deal with ChatGPT maker OpenAI to build an AI platform designed to help the company gain and retain customers.

AI and automation also will help the German group to bring down costs, with savings of €700 million expected by 2027, it said.

Deutsche Telekom expects net revenue and service reve-



Deutsche Telekom's stand at the Mobile World Congress in Barcelona earlier this year.

nue to grow at an annual rate of 4% between 2023 and 2027. The company's previous targets for the 2020-24 period called for annual revenue growth of 1% to 2%.

The group's adjusted earnings before interest, taxes, depreciation and amortization and after lease expenses—a closely watched metric in the industry—is expected to rise

by between 4% and 6% for the same period. Deutsche Telekom had targeted annual growth of 3% to 5% in the 2020-24 period.

Deutsche Telekom forecast

adjusted earnings per share would rise to around €2.50 by 2027, ahead of analysts' expectations of €2.44, according to consensus expectations provided by the company.

Growth will be driven by the U.S. as the company projects revenue from the rest of its operations will climb by 2.5% to 3% through 2027, with adjusted earnings increasing by between 3% and 4%.

The group said it plans to launch a new share buyback of up to €2 billion in 2025, building on a repurchase program of the same size it is carrying out this year, and to propose an increase in its dividend for 2024 to 90 euro cents from the 77 euro cents it paid out for last year.

Deutsche Telekom has been trying to reduce its debt in recent years, but now expects its ratio of net debt to adjusted earnings to stay at the current level in 2027.

Meanwhile, the group plans to continue to invest in expanding its fiber networks and 5G network coverage in Germany and its other European operations in the next three years.

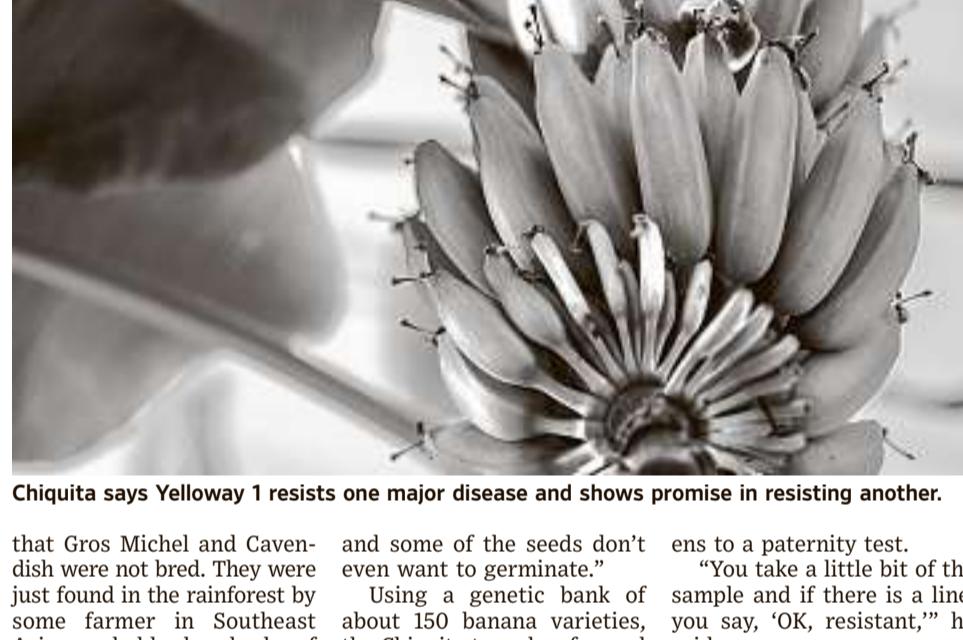
Banana of The Future Is in Reach

Continued from page B1
plant, then basically it's able to infect all similar plants," said Ioannis Stergiopoulos, associate professor of plant pathology at the University of California-Davis.

Today, a different fungal disease called Tropical Race 4 has spread to all banana-producing continents, said Gert Kema, head of the phytopathology laboratory at Wageningen University. "Cavendish is now rapidly succumbing to this TR4 strain," he said, adding that there is no known cure.

A separate disease, Black sigatoka, also suppresses banana yields, costing the industry hundreds of millions of dollars a year, Stedman said. Black sigatoka is currently treatable with fungicides but is evolving resistance to the chemicals in some areas.

The bananas' sterility makes breeding new varieties tricky. "You have to realize



Chiquita says Yelloway 1 resists one major disease and shows promise in resisting another.

that Gros Michel and Cavendish were not bred. They were just found in the rainforest by some farmer in Southeast Asia, probably hundreds of years ago," said Andre Drenth, professor and program leader for crop protection at the University of Queensland. "If you want to pollinate bananas, you may do tens to hundreds of thousands of pollinations. You may get a handful of seeds,

and some of the seeds don't even want to germinate."

Using a genetic bank of about 150 banana varieties, the Chiquita team has focused on breeding an edible, disease-resistant banana. It has sped the process along by testing young seedlings for the desirable resistance traits using a kit that KeyGene banana-breeding program head Fernando Garcia-Bastidas lik-

ens to a paternity test.

"You take a little bit of the sample and if there is a line, you say, 'OK, resistant,'" he said.

The disease-resistant plants have grown successfully in the greenhouse but haven't yet borne fruit. The Yelloway 1 bananas are expected to be edible, but the team doesn't expect them to taste like the Cavendish at this point in the

breeding process.

The Yelloway 1 plants will be planted in the Philippines by the end of the year and tested in real-world conditions. The idea is the banana produced during these trials will be the parent or grandparent of the banana we'll be eating at the end of the decade. The next step is to cross the disease-resistant banana with a variety with Cavendish traits, producing a fruit that looks and tastes like the one sold in grocery stores today.

"If in a few years time you don't see any change in your banana, we've done a great job," Stedman said.

That may be easier said than done. In Australia, researchers have successfully bred bananas that are resistant to both TR4 and Black sigatoka. They have run into trouble when trying to combine resistant traits with the attributes that make bananas easy to ship and appealing to eat.

The fruit is very uneven.

The bunches aren't good. The fruit quality—the eating quality—isn't that great, and that is much harder to select for," Drenth said.

Australian researchers also have developed a TR4-resistant genetically modified ba-

nana by inserting a gene from a wild banana plant into a Cavendish, and the fruit is expected to look and taste just like the original variety. But so far, the GMO fruit hasn't been adopted by growers or retailers. Consumers are squeamish about genetically modified foods, and regions like Europe with strict GMO rules present regulatory hurdles.

"It's just sitting there. Maybe someone overseas will want to take it up. There is a marketing issue, a legal issue, but not a technical issue," Drenth said.

Chiquita's plan is to continuously breed new Yelloway varieties, developing a pipeline of fruits that taste the same but carry varying disease-resistant traits. "If we don't diversify banana plantations in a few years' time, we'll have the same problem we are facing now with the Cavendish," said Cristina Larrea, director of agriculture and sustainability for the International Institute of Sustainable Development.

If successful, the Yelloway strategy will help the company respond to threats from new diseases more quickly.

"Probably, we will have Tropical Race 5 in a few years," Garcia-Bastidas said.

Musk Unveils Robotaxi

Continued from page B1
high among analysts and investors that he would show off a functioning autonomous vehicle and lay out specific plans for its launch, including the

timing.

Tesla's stock has rallied ahead of the presentation with shares up 52% since Musk announced it in early April. Tesla originally scheduled the event for Aug. 8 but delayed it after Musk asked for design changes on the vehicle.

Musk has referred to the robotaxi as the Cybercab. An early sketch, published in Walter Isaacson's biography of Musk, shows an almond-shaped, two-seater vehicle with no steering wheel or ped-

als, and doors that lift up toward the front.

In April, Tesla showed investors its concept for an Uber-like ride-hailing app that riders summon driverless vehicles to pickup locations.

Despite Wall Street's excitement, some analysts were cautious leading up to the event, noting that the CEO has a pattern of overpromising and underdelivering, particularly when it comes to autonomous vehicles.

"We believe the Robotaxi event will be long on vision, and short on immediate deliverables or incremental revenue drivers," said Bernstein analyst Toni Sacconaghi.

Tesla first floated the idea of a robotaxi last decade with Musk describing a shared fleet of autonomous Teslas that owners could lease out to

strangers for extra income. In the years that followed, he said every Tesla sold since late 2016 has the hardware to

function as a robotaxi, implying that once the software catches up, most Tesla drivers would be able to participate in the program.

His plans will continue to face technological and regulatory hurdles. While some states have taken a hands-off approach to regulating driverless cars, the rules remain a patchwork, and some governments have cracked down on their operation in recent years.

Tesla also needs to make leaps in advancing its own driver-assist software, which today is considered a "level 2" system. Its

most advanced version—a feature Tesla refers to as "Full Self-Driving (Supervised)"—requires the driver to remain alert and ready to take over, and it doesn't make the cars autonomous.

By contrast, Waymo has achieved "level 4" autonomy on its cars, which means it can operate them without a human driver in most circumstances.

Waymo, the market leader

in the technology, has fleets circulating within limited areas in San Francisco, Los Angeles, Phoenix and Austin, Texas.

Musk has assigned priority on development of a robotaxi over a more affordable electric car, a move that has surprised and unnerved some investors.

Some analysts see robotaxis as a huge growth opportunity for Tesla. Deutsche Bank estimated such a venture could bring Tesla an additional \$4 billion in sales and another \$1 billion in pretax earnings by 2030. RBC pegged the total global revenue opportunity for robotaxis at \$1.7 trillion by 2040. "If somebody doesn't believe Tesla is going to solve autonomy, I think they should not be an investor in the company," Musk told investors in April.

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83743TAC8 SCF4-B				ABS CDO	1,000,000.00
84129WAG6 SCFS-B				ABS CDO	2,000,000.00
4 50211NAH2 LNR 2002-1A EF0X				CRE CDO	5,000,000.00
6 70877DTH0 OAK 2003-A M1				MH	2,000,000.00
6 25409TV4 CFGB 2002-AR2 2M2				Prime / Alt-CDO	4,154,000.00
2 51563ENB DMIS 2004-1A5				Prime / Alt-CDO	5,000,000.00
8 45254TMK7 IMSA 2003-1B				Prime / Alt-CDO	1,000,000.00
9 45254TMJ0 IMSA 2003-M2				Prime / Alt-CDO	1,000,000.00
10 266715F4 CVH 2002-SC1 B1				Second Lien	4,000,000.00
11 2030725B4 AMSI 2001-M3				Subprime	4,500,000.00
13 040104B19 ABS 2001-W3 M4				Subprime	2,000,000.00
14 073879PW2 BSAB5 2005-HE1 M6				Subprime	750,000.00
15 2027N1G4 FFML 2004-F7 M7				Subprime	1,500,000.00
16 2254W0AK1 HEAT 2002-5B1				Subprime	2,000,000.00
17 54254TDK7 LBMLT 2003-1M2				Subprime	9,000,000.00
18 54254TK43 LBMLT 2005-1M6				Subprime	1,000,000.00
19 61744CRB2 MSAC 2004-NC3 B1				Subprime	1,000,000.00
20 61746RFB9 MSAC 2004-NC5 B2				Subprime	4,000,000.00
21 66987XED1 NHCL 2004-1B3				Subprime	3,625,000.00
22 68389FEW0 D00MT 2004-1M5				Subprime	750,000.00
23 61610VGZ5 RFMS 2001-HS3 M2				Subprime	1,900,000.00
24 04541GCJ9 ABSHE 2002-HE1 B				Zero Factor - RMBS	5,000,000.00
25 004421E02 ACE 2004-HE1 M5				Zero Factor - RMBS	2,668,000.00
26 152314EN6 CHF 2002-A MF2				Zero Factor - RMBS	3,974,000.00
27 32027NQ5 FFML 2004-F4 B2				Zero Factor - RMBS	2,000,000.00
28 32027NPK FFML 2004-F4 B3				Zero Factor - RMBS	700,000.00
29 32027NPL FFML 2004-F4 B1 M9				Zero Factor - RMBS	1,000,000.00
30 591739BZ METR 1998-BI M2				Zero Factor - RMBS	6,805,499.00
31 59020UL5 MLM 2004-HE2 B2				Zero Factor - RMBS	1,250,000.00
32 59020UO52 MLM 2004-WM3 B2				Zero Factor - RMBS	3,000,000.00
33 59001FC6 MLM 2005-1M9				Zero Factor - RMBS	1,000,000.00
34 67087TYS OAK 2001-D M1				Zero Factor - RMBS	5,000,000.00
35 2006PH06 PPSI 2004-MH01 M9				Zero Factor - RMBS	1,500,000.00
36 7006PFB3 PPSI 2004-WC					

BUSINESS & FINANCE

SEC Sues Crypto Unit of High-Speed Trading Firm

BY ALEXANDER OSIPOVICH
AND DAVE MICHAELS

The Securities and Exchange Commission sued the cryptocurrency unit of high-speed trading giant **DRW Holdings**, opening a new front in its war on crypto by going after a business that trades with hedge funds and other big market players.

The agency accused the unit, Cumberland DRW, of violating investor-protection laws by failing to register as a securities dealer, according to the lawsuit filed Thursday in Chicago federal court.

Unlike many of the crypto firms the SEC has sued, Cumberland doesn't do business with ordinary investors, whom regulators have traditionally seen as the population most in need of their protection.

"Cumberland thus has reaped millions of dollars in ill-gotten gains by trading with investors while depriving them and the markets of the protections of the federal securities laws' registration provisions," the SEC said in the lawsuit.

DRW said it plans to fight the lawsuit, calling it "an incredibly frustrating and disappointing development, although not surprising given the enforcement-first approach we have seen in recent years from the SEC."

The suit stems from an investigation that began in 2019, according to correspondence between the SEC and DRW that was reviewed by The Wall Street Journal.

The Chicago-based firm could be another tough adversary for the SEC, which is mired in legal battles with crypto firms resisting its effort to force them into compliance with rules written for Wall Street. The agency has sued some of the biggest crypto exchanges, including **Coinbase**

Global and Binance.

Founded and led by veteran futures trader Donald Wilson Jr., DRW was one of the first big firms from traditional financial markets to make the leap into crypto. DRW started its Cumberland unit in 2014, when bitcoin was still little known outside a fringe subculture.

Big traders like Cumberland are a critical part of crypto's ecosystem, standing ready to trade with investors who need to buy or sell in large volumes. They may use algorithms

to trade on exchanges such as Binance, or deal directly with other large traders.

Cumberland runs an over-the-counter trading desk that buys and sells dozens of digital coins with hedge funds, wealthy individuals and other big-ticket counterparties. The SEC's lawsuit against Cumberland marks the first time that

the agency has gone after a major OTC crypto trading business.

Cumberland made more than \$400 million in revenue and more than \$27 million in profit by trading crypto assets since 2018, the SEC said. The agency listed Polygon, Solana, Algorand, Cosmos and Filecoin

as assets whose trading should have complied with investor-protection laws.

The lawsuit noted that Cumberland employs a team of analysts who promote crypto assets "as potentially lucrative investment opportunities" in research reports shared with counterparties.

Although Cumberland doesn't directly interact with small individual investors, it does play a role in supporting exchange-traded funds from Fidelity Investments, Invesco and other asset managers, by buying and selling bitcoin to

the ETF operators.

Crypto backers say securities laws dating back to the 1930s are a poor fit for digital assets.

The SEC, led by Chair Gary Gensler, argues that crypto markets are rife with conflicts of interest and that its oversight is the best way to clean up such abuses.

Gensler says most cryptocurrencies are investment contracts, a form of securities.

Coinbase, Binance and Kraken—all major crypto exchanges—are litigating that claim in lawsuits. Such suits are likely to decide the reach of the SEC's jurisdiction, though it could be years before they are resolved.

The SEC's suit asks the court to fine Cumberland and force it to pay back the crypto trading profits it earned.

DRW said it didn't believe any of the digital assets it had traded were securities deals. In a statement, the firm said it had rejected more than half of the coins it had considered trading to avoid running afoul of regulators.

Chicago-based DRW could be another tough adversary for the SEC.



The agency accused the unit of Donald Wilson Jr.'s DRW of violating investor-protection laws.



The activist alleged ex-Pfizer executives were threatened to publicly support the drugmaker's CEO, Albert Bourla.

Starboard Hits at Pfizer

Continued from page B1

pressed support for Bourla.

The two said they were fully supportive of Bourla, senior management and the board, "and we are confident that over time they will deliver shareholder value."

Pfizer shares fell 2.8% to \$29.34 Thursday.

Pfizer and Bourla have been under pressure from investors to lift the stock price and revitalize the drugmaker. Its market valuation had lost half its value after peaking in 2021 with the launch of its Covid-19 vaccine.

Among the company's missteps was miscalculating demand for the pandemic vaccine and an antiviral once the health emergency receded.

The Wall Street Journal reported this week that Starboard had taken a roughly \$1 billion stake in the New York company and wanted Pfizer to turn around its performance. To aid in its efforts, the activ-

ist approached Read and D'Amelio, the Journal reported.

Starboard had approached the two executives to help its efforts, and they expressed interest, people familiar with the matter told the Journal.

After Read and D'Amelio announced their support for Pfizer and its chief executive, Starboard issued a letter Thursday saying it had approached the pair and they offered to be of help in its campaign to get the struggling drugmaker to make changes.

Starboard also said it is scheduled to meet with Bourla and other members of Pfizer's board on Wednesday.

In its letter to Pfizer's board, Starboard said Read and D'Amelio were threatened with losing vested stock options, in addition to facing lawsuits and having compensation clawed back if they went ahead with working with Starboard.

The letter, written by Starboard's managing member Jeffrey Smith, said, "people within Pfizer and/or their representatives have contacted Mr. Read and Mr. D'Amelio" and issued the threats.

*—Denny Jacob
and Mark R. Long
contributed to this article.*

Monitor the Market

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THE WALL STREET JOURNAL.

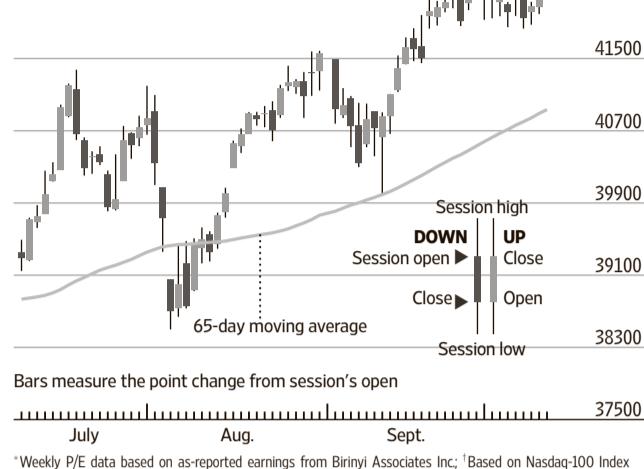
MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

42454.12 ▼57.88, or 0.14%
High, low, open and close for each trading day of the past three months.

Current divisor 0.15221633137872

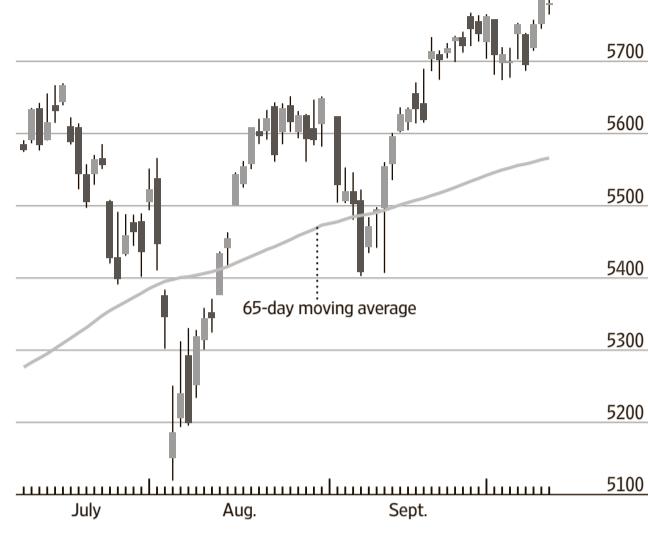


Bars measure the point change from session's open

*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

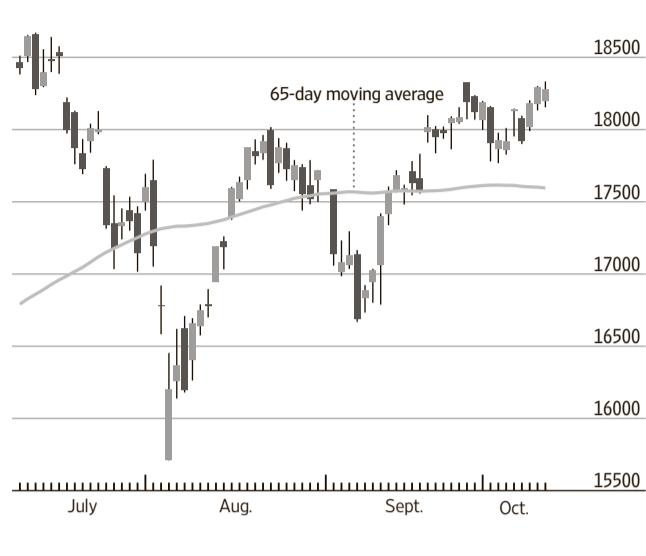
S&P 500 Index

5780.05 ▼11.99, or 0.21%
High, low, open and close for each trading day of the past three months.



Nasdaq Composite Index

18282.05 ▼9.57, or 0.05%
High, low, open and close for each trading day of the past three months.



Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	High	52-Week Low	% chg	YTD % chg	3-yr. ann.
Dow Jones										
Industrial Average	42511.37	42308.04	42454.12	-57.88	-0.14	42512.00	32417.59	26.2	12.6	6.9
Transportation Avg	15915.94	15808.72	15898.81	-52.87	-0.33	16331.72	13556.07	6.3	-0.0003	2.8
Utility Average	1034.63	1022.27	1022.84	-4.00	-0.39	1065.16	801.98	25.2	16.0	5.0
Total Stock Market	57308.29	56992.26	57177.51	-116.81	-0.20	57294.32	40847.04	32.3	19.6	7.9
Baron's 400	1232.53	1221.24	1227.74	-4.79	-0.39	1233.21	907.97	27.9	14.5	6.1
Nasdaq Stock Market										
Nasdaq Composite	18333.39	18154.18	18282.05	-9.57	-0.05	18647.45	12595.61	34.7	21.8	7.8
Nasdaq-100	20314.24	20117.20	20241.76	-27.10	-0.13	20675.38	14109.57	33.3	20.3	10.9
S&P										
500 Index	5795.03	5764.76	5780.05	-11.99	-0.21	5792.04	4117.37	32.9	21.2	9.6
MidCap 400	3106.71	3088.35	3103.71	-13.89	-0.45	3124.92	2326.82	26.3	11.6	4.9
SmallCap 600	1387.33	1376.32	1387.33	-9.15	-0.65	1435.83	1068.80	23.2	5.2	0.7
Other Indexes										
Russell 2000	2188.42	2170.61	2188.42	-12.17	-0.55	2263.67	1636.94	26.2	8.0	-0.7
NYSE Composite	19547.09	19452.91	19496.01	-51.08	-0.26	19547.09	14675.78	27.2	15.7	5.7
Value Line	616.87	611.73	614.59	-2.28	-0.37	622.54	498.09	16.7	3.5	-2.2
NYSE Arca Biotech	5837.08	5770.09	5835.73	14.75	■ 0.25	5949.95	4544.40	17.8	7.7	1.4
NYSE Arca Pharma	1082.08	1070.26	1073.01	-7.10	-0.66	1140.17	845.32	17.3	17.9	13.0
KBW Bank	116.13	115.09	115.69	-0.26	-0.23	115.96	71.71	51.3	20.5	-5.3
PHLX® Gold/Silver	158.88	154.50	158.77	4.30	■ 2.78	167.37	102.94	44.9	26.3	8.7
PHLX® Oil Service	80.53	79.01	80.05	0.74	■ 0.93	96.64	72.67	-14.1	-4.6	9.0
PHLX® Semiconductor	5322.06	5224.53	5293.94	-27.96	-0.53	5904.54	3185.18	49.2	26.8	17.7
Cboe Volatility	21.39	20.64	20.93	0.07	■ 0.34	38.57	11.86	25.4	68.1	3.7

\$ Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	% chg	After Hours High	Low
MDU Resources Group	MDU	13,972.7	27.69	0.30	1.10	27.80	27.37
ZoomInfo Technologies	ZI	13,683.0	9.72	-0.17	-1.72	9.89	9.72
SoFi Technologies	SOFI	12,944.2	8.63	...	unch.	8.66	8.61
Ford Motor	F	10,642.0	10.66	-0.02	-0.19	10.70	10.65
iShares China LC ETF	FXI	7,133.5	33.23	0.01	0.03	33.34	33.20
DocuSign	DOCU	6,184.9	69.15	-0.07	-0.10	69.40	69.03
SPDR S&P 500 ETF Trust	SPY	5,078.7	576.26	0.13	0.02	576.48	575.89
NVIDIA	NVDA	5,025.9	134.55	-0.26	-0.19	170.31	85.14

Percentage gainers...

Company	Symbol	Volume	Latest	Session	Close	% chg	High	Low
Travere Therapeutics	TVTX	338.1	18.06	0.95	5.55	18.06	17.11	
Sea ADR	SE	84.2	100.15	4.30	4.49	100.15	95.55	
Nuvation Bio	NUVB	94.7	2.08	0.07	3.48	2.13	2.01	
Triumph Group	TGI	176.7	14.53	0.41	2.90	14.61	14.12	
LexinFintech ADR	LX	608.8	3.19	0.09	2.90	3.20	3.10	

...And losers

Company	Symbol	Volume	Latest	Session	Close	% chg	High	Low
Goldman Sachs	GS	55.2	476.43	-27.29	-5.42	504.47	476.43	
Vornado Realty Trust	VNO	56.4	37.84	-1.67	-4.23	39.51	37.84	
Humana	HUM	148.9	242.19	-9.25	-3.68	251.60	236.68	
Endeavour Silver	EXK	65.5	4.21	-0.14	-3.22	4.39	4.21	
Lattice Semiconductor	LSCC	81.0	49.71	-1.60	-3.12	51.31	49.71	

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	786,184,585	10,526,416
Adv. volume*	325,509,264	7,322,691
Decl. volume*	450,610,958	3,117,256
Issues traded	2,852	297
Advances		

COMMODITIES

wsj.com/market-data/commodities

Futures Contracts

Metal & Petroleum Futures

	Contract		Open		Contract			
	Open	High	Low	Settle	Chg	Interest	Open	High
Copper-High (CME) -25,000 lbs; \$ per lb.								
Oct 4,3770 4,4030	4,3770			4,3850	0.0300	1,230	Dec 4,4140 4,4540	4,3810
Dec 4,4140 4,4540	4,4275			0.0280	131,122			

Gold (CMX) -100 troy oz; \$ per troy oz.								
Oct 2602.50 2628.30	2602.50	2620.60	14.60	204				
Nov 2614.80 2636.90	2608.80	2627.40	13.30	1,444				
Dec 2625.80 2648.90	2618.80	2639.30	13.30	434,375				
Feb'25 2648.60 2672.00	2642.50	2662.60	13.80	42,913				
April 2668.30 2691.60	2663.10	2682.30	13.80	24,866				
June 2689.70 2710.90	2682.70	2702.30	13.90	12,104				

Palladium (NYM) -50 troy oz; \$ per troy oz.								
Oct 1041.00 1049.50	1041.00	1065.40	28.50	4				
Dec 1043.50 1079.00	1041.00	1072.20	29.30	17,351				

Platinum (NYM) -50 troy oz; \$ per troy oz.								
Oct 948.00 952.20	948.00	967.70	19.00	11				
Jan'25 960.60 983.30	959.50	976.20	18.90	70,678				

Silver (CMX) -5,000 troy oz; \$ per troy oz.								
Oct 30,485 30,485	30,485	31,005	0.580	3				
Dec 30,710 31,400	30,570	31,240	0.570	117,696				

Crude Oil, Light Sweet (NYM) -1,000 bbls; \$ per bbl.								
Nov 73.39 76.24	73.26	75.85	2.61	197,403				
Dec 72.73 75.45	72.61	75.11	2.52	256,017				
Jan'25 72.29 74.83	72.10	74.53	2.46	141,403				
March 71.38 73.81	71.30	73.57	2.30	107,306				
June 70.60 72.69	70.54	72.50	2.00	149,388				
Dec 69.39 70.94	69.29	70.75	1.47	157,775				

NY Harbor ULSD (NYM) -42,000 gal; \$ per gal.								
Nov 2,283 2,359	2,2770	2,3509	0.740	94,873				
Dec 2,292 2,3700	2,2870	2,3616	0.746	88,456				

Gasoline-NY RBOB (NYM) -42,000 gal; \$ per gal.								
Nov 2,0659 2,1581	2,0644	2,1509	0.845	91,186				
Dec 2,0392 2,1285	2,0385	2,1214	0.8010	84,829				

Natural Gas (NYM) -10,000 MMBtu; \$ per MMBtu.								
Nov 2,647 2,700	2,588	2,675	0.15	198,704				
Dec 3,099 3,128	3,048	3,102	-0.14	170,078				
Jan'25 3,357 3,379	3,304	3,350	-0.24	196,967				
Feb 3,255 3,277	3,205	3,252	-0.20	109,317				
March 3,007 3,031	2,958	3,007	-0.14	183,184				
April 2,893 2,908	2,841	3,1750	-0.11	85,249				

Agriculture Futures								
Corn (CBT) -5,000 bu; cents per bu.								
Dec 421.00 424.00	418.00	418.50	-2.50	729,095				
March'25 438.50 441.25	435.25	436.25	-1.75	343,664				
Oats (CBT) -5,000 bu; cents per bu.								
Dec 388.25 394.00	381.50	384.00	-3.25	3,181				
March'25 383.00 390.25	379.25	381.50	-2.00	622				
Soybeans (CBT) -5,000 bu; cents per bu.								
Nov 1019.75 1025.50	1011.75	1014.75	-5.50	338,579				
Jan'25 1036.50 1042.50	1028.75	1031.50	-5.50	210,464				
Soybean Meal (CBT) -100 tons; \$ per ton.								
Oct 321.40 321.60	314.00	317.50	-5.00	214				

Interest Rate Futures								
Ultra Treasury Bonds (CBT) - \$100,000; pts 32nds of 100%								
Dec 128-200 128-240	127-040	127-220	-1.00	1,701,441				
March'25 128-200 128-250	127-160	127-260</						

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are consolidated from trades reported by various market centers, including securities exchanges, Finra, electronic communications networks and other broker-dealers. The list comprises the 1,000 largest companies based on market capitalization.

Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.

Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was \$2 or higher.

Footnotes: i-New 52-week high; 1-New 52-week low; dd—Indicates loss in the most recent four quarters.

Stock tables reflect composite regular trading as of 4 p.m. ET and changes in the official closing prices from 4 p.m. ET the previous day.

Thursday, October 10, 2024

Net

Stock

Sym Close

Chg

Baidu BIDU 104.07 0.01

BakerHughes BKR 37.61 -0.02

Ball BLD 44.7 -0.33

BBVA BBVA 10.06 -0.09

BancoBradesco BDB 2.33 -0.01

Barclays BCS 24.36 0.19

Banreservas BSR 5.14 0.01

BancoSantander BSC 19.90 0.19

Bancolombia CIB 31.82 0.02

BancoNatl BCB 47.45 0.03

BancoNatl BNS 52.05 0.24

Barclays BCS 12.26 0.07

Barclays BLC 15.05 -1.48

BarclaysGold GOL 20.70 0.01

BarclaysGold GOL 20.70 0.01

BaxtorIntl BAX 27.03 -0.31

Bayer BAY 97.52 -0.12

BayerDicks BDX 235.54 -0.67

BellRing BRNG 67.27 -0.65

BentleySystems BSY 50.14 1.18

Bethpage BTP 20.45 -0.07

Bethpage BTP 20.45 -0.07</p

MARKETS & FINANCE

Stocks Pull Back After Price Data Come In Hotter Than Expected

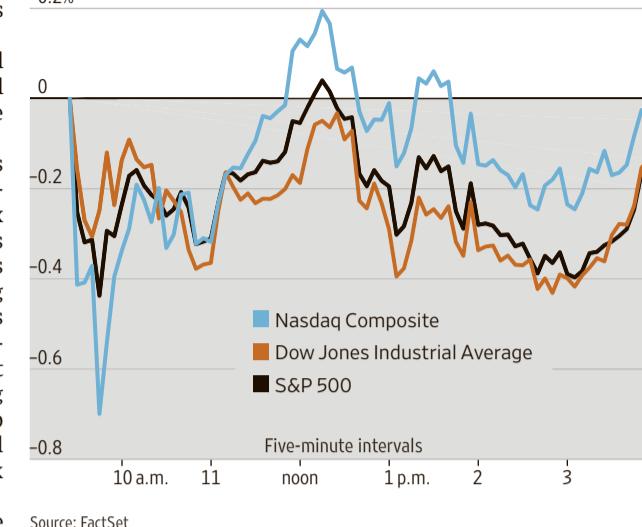
U.S. stocks declined after a hotter-than-expected inflation report sparked questions about the Fed's next move.

The S&P 500 fell 0.2%, and the Dow industrials declined 0.1%. The Nasdaq Composite slipped less than 0.1%.

THURSDAY'S MARKETS Thursday's consumer-price index showed prices rose 2.4% in the 12 months through September, running slightly hotter than expectations for a 2.3% rise. Annual core inflation also marginally overshot forecasts, with prices excluding volatile food and energy up 3.3%. A separate report showed a modest but unexpected uptick in weekly jobless claims.

Investors are paying close attention to the labor market and progress in taming inflation, given the implications for Federal Reserve policy. Traders are assigning a roughly 83% chance that the Fed will cut rates by a quarter point at its November meeting, according to recent data from the CME FedWatch tool.

"With the inflation data over the last few months mov-

Index performance on Thursday

Source: FactSet

ing in the right direction, the focus has shifted to the state of the labor market," said Mona Mahajan, senior investment strategist at Edward Jones. "The labor market remains front and center in the investor's mind as the key driver for the Fed going forward."

Energy prices are still in focus, with the Middle East con-

flict and Hurricane Milton keeping oil traders on edge.

Elsewhere:

◆ Treasury yields tick higher. The benchmark 10-year yield advanced to 4.093%, after settling at 4.065% Wednesday.

◆ Chinese stocks rallied, ex-

tending a recent volatile stretch. Hong Kong's Hang Seng Index gained nearly 3% and the Shanghai Composite added more than 1%.

◆ Oil prices rose after two days of declines. Brent crude gained 3.7% to top \$79 a barrel, as traders continue to focus on the recent escalation in the Middle East and potential supply disruptions.

—Anna Hirtenstein and Vicky Ge Huang

FRIDAY'S EVENTS:

The September producer price index, due at 8:30 a.m., is expected to show monthly rises of 0.2% on both a core and headline basis, according to a WSJ poll.

EARNINGS EXPECTED:

JPMorgan, Wells Fargo, Bank of New York Mellon and BlackRock are due to report results before the market opens.

needed.

"The availability of gas has helped moderate power prices across the U.S., coupled with a large ramp-up in renewables," said Francisco Blanch, commodity strategist at Bank of America.

Even after drillers idled rigs and curtailed output to buoy prices, there is still 5.1% more gas

in domestic storage facilities than normal for this time of year, according to EIA data. Traders have a few weeks to stockpile gas before most of

STOCK SPOTLIGHT

Toronto-Dominion Bank The Canadian bank agreed to pay more than \$3 billion in penalties and have limits on its U.S. business as part of a settlement over money-laundering charges. TD shares fell 5.3%.

Domino's Pizza

The pizza-chain operator said U.S. orders continue to grow, but further pared back guidance for store openings, amid economic challenges. Shares traded down 1.1%.

Delta Air Lines

The carrier said it expects earnings to start growing again on a year-over-year basis this quarter, as airlines scale back growth plans, reducing a supply glut and helping bolster fares. Shares declined 1.1%.

10x Genomics

Shares of the California life-sciences company shed 25% of their value after its preliminary earnings missed Wall Street analysts' estimates.

Seven & I

The owner of 7-Eleven stores reported a sharp drop in profit. This comes as the convenience-store company is contending with a takeover

bid from Canada's Alimentation Couche-Tard. Shares slipped 0.4%.

Trump Media & Technology Shares rose 17% to \$24.12, their highest closing level since Aug. 21. They are up about 93% since hitting a low on Sept. 23.

AUCTION RESULTS

Here are the results of Thursday's Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

FOUR-WEEK BILLS

Applications	\$260,454,781,000
Accepted bids	\$95,304,793,800
" noncompetitively	\$6,448,394,900
" foreign noncompetitively	\$0
Auction price (rate)	99.63056
Coupon equivalent	(4.750%)
Bids at clearing yield accepted	4.83%
Cusip number	5.3%
The bills, dated Oct. 15, 2024, mature on Nov. 12, 2024.	912797MB0

EIGHT-WEEK BILLS

Applications	\$262,722,636,700
Accepted bids	\$90,288,919,700
" noncompetitively	\$1,299,862,500
" foreign noncompetitively	\$0
Auction price (rate)	99.27022
Coupon equivalent	(4.640%)
Bids at clearing yield accepted	4.739%
Cusip number	26.18%
The bills, dated Oct. 15, 2024, mature on Dec. 10, 2024.	912797MM4

29-YEAR, 10-MONTH BONDS

Applications	\$55,201,874,700
Accepted bids	\$22,301,948,200
" noncompetitively	\$26,200,500
" foreign noncompetitively	\$0
Auction price (rate)	97.68996
Coupon equivalent	(4.389%)
Interest rate	4.250%
Bids at clearing yield accepted	14.83%
Cusip number	120218UCO
The bonds, dated Oct. 15, 2024, mature on Aug. 15, 2054.	2054.

Universal Insurance Shares Soar After Hurricane Milton

By HEATHER GILLERS

Shares in a major Florida insurer jumped 12% on Thursday, after Hurricane Milton made landfall as a less powerful storm than originally expected.

Universal Insurance Holdings, the state's largest private provider of homeowners insurance, has been on a wild ride recently, crashing 19% on Monday amid concerns about the hit from Milton.

Universal, with a market value of slightly less than \$500 million as of Wednes-

Gas Glut Could Aid Heat Bills

Continued from page B1

through one of the hottest summers so far, during which power plants burned more gas than ever to keep air conditioners running.

Bank of America analysts said the boom in renewable-energy production, particularly a 36% year-over-year increase in solar output, helped keep power prices in check and even more gas from being

needed.

"The availability of gas has helped moderate power prices across the U.S., coupled with a

large ramp-up in renewables," said Francisco Blanch, commodity strategist at Bank of America.

Even after drillers idled rigs and curtailed output to buoy prices, there is still 5.1% more gas

in domestic storage facilities than normal for this time of year, according to EIA data. Traders have a few weeks to stockpile gas before most of

the country turns on the heat and inventories are drawn down.

Natural-gas futures ended Thursday at \$2,675 per million British thermal units, down 20% from a year earlier and 58% lower than two years ago.

Analysts say they expect weak gas prices in the near term. Forecasts suggest that even though some parts of the country will get chilly in the coming weeks, this month is likely to be one of the warmest Octo-

bers in years.

Hurricanes are taking a toll on demand, too. Tens of thousands of customers remain without power after Hurricane Helene knocked out electricity for millions when it blasted across the Southeast late last month. Meanwhile, Hurricane Milton hit a heavily populated swath of Florida's Gulf Coast overnight and cut off power for millions more.

Natural-gas futures have shed 8.2% over the past week as traders have adjusted their math to account for a steep decline in demand in Florida, where about 75% of electricity is generated by burning gas.

The big question in the market is when producers will restore curtailed production.

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HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Defense Stocks Flirt With Cold War Allure

Despite the threat of multipolar competition and a rearmament in Europe, military budgets are far from their 1980s highs

If defense stocks are any judge, the world is a dangerous place but still far less so than in the 1980s.

In the days following the Israeli airstrike that killed the leader of Hezbollah on Sept. 27, driving Iran to launch a ballistic-missile attack on Israel, shares in major military contractors such as **Lockheed Martin** and **Northrop Grumman** vastly outperformed the S&P 500. In Europe, defense firms did even better. Yet many of the gains have recently been reversed. Thursday was a particularly brutal day for European defense stocks, with **Saab**, **Rheinmetall** and **Leonardo** falling 6.4%, 3.7% and 3.3%, respectively.

This showcases a key doubt in investors' minds: Yes, fighting in the Middle East is escalating and the world is entering a phase of heightened geopolitical conflict, but does that mean defense companies should permanently trade at higher valuations?

It is true that high-intensity multipolar competition between military powers—chiefly the West and China, but also Russia and Iran—is reminiscent of the Cold War.

And back then, top U.S. military contractors usually had price/earnings ratios far above the S&P 500's. As the Soviet Union disintegrated in 1991 and the U.S. settled into the comfortable role of undisputed world hegemon, however, these firms started being treated as unglamorous income payers with a discount attached.

Suddenly, shares of Northrop are once again trading at higher P/E ratios than the market, and Lockheed has narrowed the gap.

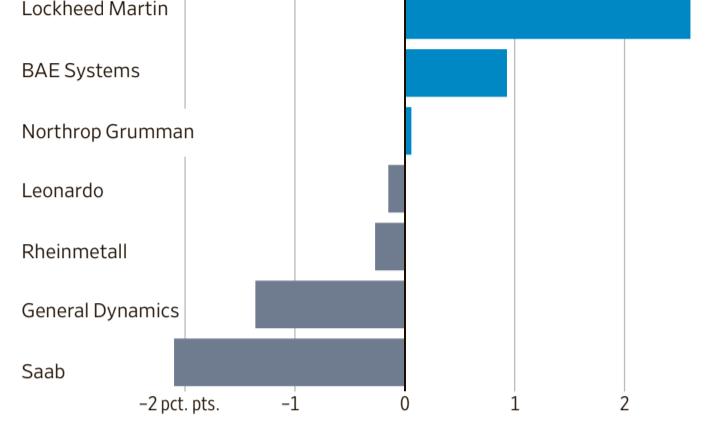
It isn't uncommon for conflicts to reawaken investors' appetite to allocate money to guns and missiles. It happened after the start of the Gulf War, the Sept. 11, 2001, terrorist attacks and, more recently, Russia's invasion of Ukraine in 2022.

Also, the sector historically has done better during periods in which the Federal Reserve embarked on a cycle of interest-rate cuts, as is the case today—although this is mostly because peaks in borrowing costs were often followed by recessions, from which military contracts are largely insulated.

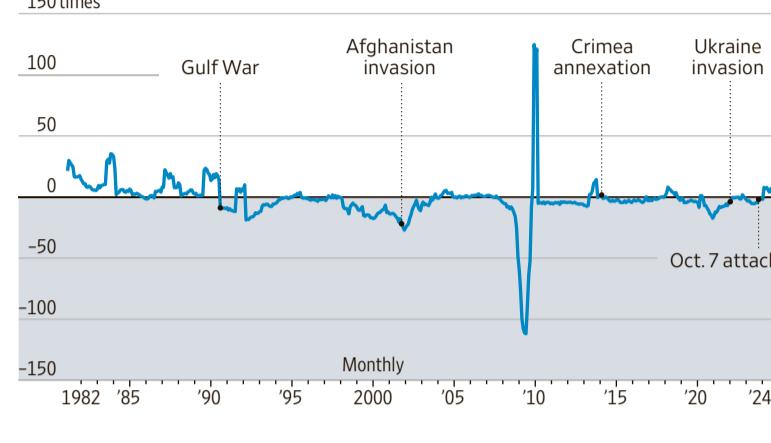
Nevertheless, such tailwinds can be short-lived. The Ukraine bump had faded from many defense companies' share prices by the time that Hamas unleashed a terrorist attack on Israel a year ago.

For the gains to be sustained, there needs to be a significant increase in the U.S. defense investment budget, which comprises both

Defense stocks, total return relative to the S&P 500 since Sept. 27

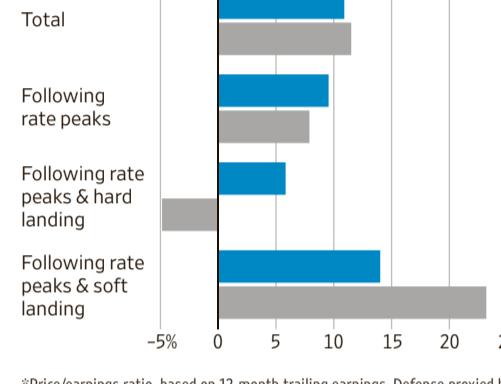


Major defense stocks, valuation relative to the S&P 500*



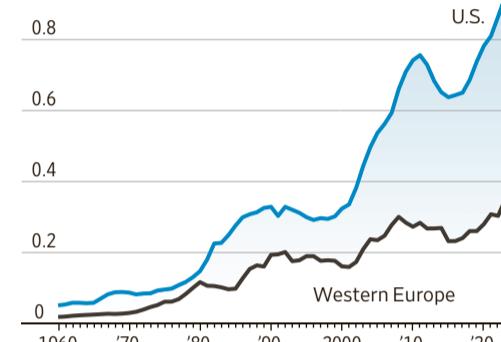
Average one-year total return†

■ Defense ■ S&P 500



Total military expenditure‡

\$1.0 trillion



Total military expenditure as a percentage of GDP§

10%



*Price/earnings ratio, based on 12-month trailing earnings. Defense proxied by an average of Northrop Grumman, General Dynamics and L3Harris. †Data between 1963 and 2024. ‡Current U.S. dollars, exchange rate conversions for the given year. Sources: FactSet (total return, defense stocks); Kenneth French (defense stocks); Robert Shiller (S&P 500); SIPRI Military Database (expenditure, defense); World Bank (GDP)

the research and testing of new technologies and the procurement of existing weapons. This was the case in the wartime years following 9/11, but it hasn't really happened following Russia's recent aggression.

Impediments to ramping up production, such as labor shortages and supply-side snags, have played a role. And some of the old-school weapons that have triumphed in Ukraine, such as the Javelin and Stinger missiles made by RTX, have had years of accumulated inventories to draw from.

But the crux of the matter is that rising conflicts around the world have yet to translate into an expansion of the Pentagon's investment budget, which was already at a record following the Trump administration's attempts to retire the last Cold War hardware and invest in next-generation areas. Defense stocks had a great run after 2016, but the rise in relative valuations was brief, as budgets started predicting a plateau in spending.

Compared with the size of its economy, the U.S. isn't spending



European firms like Rheinmetall have done well before Thursday's fall.

that much in defense: In the 1980s, roughly 6% of output was devoted to it, according to the SIPRI Military Expenditure Database. During the war on terror, it peaked at nearly 5%. It is now closer to 3% and is forecast to keep falling in the years ahead, because Congress has capped budget growth.

Ahead of the Nov. 5 election,

both Kamala Harris and Donald Trump have pledged more support for geopolitical allies. But eternally contentious budget battles on Capitol Hill will likely continue to make big increases for the Pentagon difficult to achieve, especially if either party enjoys only a narrow majority. A surprise sweep by either party could ease things along, but

radical change still seems unlikely without a major geopolitical crisis.

To be sure, this makes defense stocks a useful tool to hedge against unforeseen disaster, be it a Chinese invasion of Taiwan or the U.S. stumbling into a recession.

And investors might still be able to find upside in European players. Governments there have a lot of catching up to do: Their inflation-adjusted defense expenditures took three decades to rise above their 1991 level, and in gross-domestic-product terms, they are only now getting close to the 2% target set by the North Atlantic Treaty Organization. The proximity of the current wars is fueling a real rearmament.

Defense also is low-hanging fruit for the European Union's new industrial strategy: By 2030, officials want members to buy 40% of their military hardware collectively, and to direct 50% or more of their procurement budgets toward European suppliers.

Ultimately, though, Cold War valuations for defense stocks seem unlikely without Cold War budgets.

—Jon Sindreu

Delta's Revenue Problems Went Beyond CrowdStrike



The carrier took a \$380 million hit to sales from canceled flights.

Airlines were lulled into a false sense of security by the big post-pandemic rebound in travel, and placed too many cheap "basic economy" seats on offer in the domestic U.S. market. This glut, combined with the ebbing of the consumption boom, led fares to fall below where they were in 2019, official data shows. Meanwhile, labor shortages pushed up costs. Carriers are course-correcting, which is why traders turned more optimistic on their shares in September.

What the current earnings season is likely to show is that constraining supply and pivoting to more-profitable markets takes time. Delta said Thursday that capacity would expand at an annual rate of between 3% and 4% in the October-to-December period. This would be the slowest pace since 2021, but in the high range of ana-

lysts' forecasts.

Also, the Nov. 5 election is set to dent travel more than expected. Delta believes it will reduce its fourth-quarter unit-revenue growth by a percentage point. Add to this the potential impact of Hurricane Milton.

American and low-cost carriers have much more of a "basic economy" domestic focus. Southwest and Frontier have bases in Tampa. Delta is increasingly focused on premium cabins and is seeing robust demand for them: Together with loyalty awards, they made up 57% of its total revenue between July and September. For long-term investors, it could be a worthy target.

As far as fickle market appetite is concerned, no airline that missed out on the high summer season will look good this winter.

—Jon Sindreu

Takeover Bid Opens 7-Eleven to Change

Canadian convenience-store operator **Alimentation Couche-Tard**'s offers to buy 7-Eleven's Japanese parent haven't clinched a deal. But they have nudged it to be more shareholder-friendly.

The Japanese company said Thursday it plans to place its supermarket arm and other noncore businesses into a holding company, bringing in strategic investors before a later initial public offering. It also plans to rename itself "7-Eleven Corp." to emphasize its focus on convenience stores.

Seven & i Holdings

had underwhelming numbers to report, with quarterly operating profit down 20% from a year earlier. For the full year, which runs through the end of February, the company cut its forecast for operating income by 27%. It pointed to inflation-weary U.S. consumers, an accelerated "industrywide" decline in cigarette sales and lower fuel margins.

The weaker-than-expected performance makes Couche-Tard's takeover offer that much harder to ignore. After an initial rejection, the bidder made another offer recently—this time, for the equivalent of \$18.19 a share, according to Bloomberg and Reuters. That is 22% higher than the initial bid and is about 23 times Seven & i's expected earnings.

27%

Cut to Seven & i's operating-income forecast for the current fiscal year

This represents a premium to the multiple of 18 times Seven & i has fetched on average over the past 10 years, as well as Couche-Tard's current multiple of 17 times.

Even so, Seven & i is still playing hard to get. The company told investors its own plans would create more value than a sale, according to Reuters. The company's stock rose 4% Wednesday on news of the sweetened offer from Couche-Tard but retreated slightly on Thursday after its results.

For years, Japan has tried to make its stock market more shareholder-friendly through corporate-governance reforms. That has empowered activist investors, including **ValueAct Capital**, which last year pressured Seven & i to consider a spinoff of 7-Eleven. The company successfully fended that off, while selling off its department-store chain and launching a buyback program.

Seven & i has reasons to be skeptical of Couche-Tard's bid. U.S. antitrust authorities will almost certainly scrutinize mergers involving food and fuel closely, and the suitor has never run convenience stores in Japan, which are 7-Eleven's crown jewel.

Whether a deal materializes or not, the pressure on Seven & i should benefit its shareholders.

—Jinjoo Lee

A faulty **CrowdStrike** update made **Delta Air Lines'** third-quarter results look very unflattering. There are many other reasons to dislike the stock.

On Thursday, shares of Delta fell 1.1%. The Atlanta company reported earnings below Wall Street's expectations, in part because of a \$380 million hit to sales resulting from flights canceled during the CrowdStrike outage. Expenses related to reimbursements and grounded crews added up to \$120 million, even after accounting for the fuel savings of flying less. All in all, it led to earnings per share being 26% lower than a year earlier.

Chief Executive Ed Bastian is understandably angry and is continuing to pursue legal action against CrowdStrike and **Microsoft**.

Yet the airline's results were disappointing regardless. Of the 3.6% fall in unit revenue relative to a year earlier, 1.1 percentage points were attributable to the IT snafu. Core unit costs excluding fuel would have risen 2.5%—rather than 5.7%—and led to a 3.9% decline in profit per share.

The problems that saddled Delta during the summer season affected all of its peers, too, which is why shares in other airlines could come under pressure. On Thursday, American Airlines and **Southwest Airlines** fell 1.4% and 0.9%, whereas low-cost carriers JetBlue Airways and **Frontier Airlines** fell 2.3% and 1.4%, respectively. United Airlines ticked up 1.4% after it unveiled a large trans-Atlantic expansion.

SKI & MOUNTAIN HOMES



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Homes cost millions
in this family-
friendly version of
Aspen. **M6**

HOMES | MARKETS | PEOPLE | REDOS | SALES

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THE WALL STREET JOURNAL.

**Moody in
Mexico**
A cantilevered
retreat in the
mountains. **M11**

Friday, October 11, 2024 | **M1**

The home of Bob and Lauren Fraser in Breckenridge, Colo. The couple installed an oxygenation system to help ease the transition to the home's elevation of 9,800 feet above sea level.

SEAN GREENE FOR WSJ ©; KELSEY BRUNNER FOR WSJ (SNOWMASS); HANNA BARCZYK (ILLUSTRATION)

The Ultimate Luxury at Altitude: **OXYGEN**

BY CECILIE ROHWEDDER



Kevin Rost's new mountain home sits on a ridge at 10,500 feet of elevation, high above Telluride, Colo. So high that in the winter, it is only accessible by gondola. So high that some of Rost's guests struggle to acclimate.

For those guests, Rost installed a home oxygenation system in every bedroom of the 12,000-square-foot house. Now, 10 oxygen-enrichment machines, located in a storage area inside the house, pull oxygen from the air outside and pump it to four bedrooms and a bunkroom through blue tubing built into the walls during construction.

The extra oxygen can make the rooms feel

like they are between 3,000 and 5,000 feet above sea level, not 2 miles. Built into the mountainside at The Ridge, a development of 25 home sites in Telluride's ski area, the modern rustic house has a mining theme echoing the town's past, complete with a rail track in the floor for ore carts delivering candy to a home theater.

It cost \$18 million and took two years of planning, followed by six years of construction. Rost, 59, who retired as the owner of a pipe-fitting company, has never had symptoms of altitude sickness. But since he and his wife, Monica Rost, 58, moved in last December, his brother from Tennessee and his nephew from Atlanta have slept with extra oxygen, which helped them adjust to the thin air.

"You don't have to sit around for two or three days waiting for the natural acclimation to occur—we're fast-tracking that process," says Adam Roberts, chief operating officer of Altitude Solutions, an oxygen-enrichment company in

Please turn to page M9



\$135,000
Cost of oxygenation
system and installation
at the Frasers'
Breckenridge home



The oxygen at the oxygen bar at the Frasers' home can be infused with essential oils.

Utah's New Ski Towns

Park City home prices doubled in five years. Buyers moved to nearby Heber City and Midway, creating million-dollar towns.



Above in a rendering, Deer Valley East Village is a new draw.

By NANCY KEATES

AFTER A DOZEN years working in San Diego, Rob Ferguson had every intention of moving back to Park City, Utah. He wanted to raise his 4-year-old somewhere with open spaces

crowded—full of construction, traffic and tourists. On top of that, he says the home prices were insane; he was having a hard time finding anything that wasn't a condo for under \$2 million.

Instead, the family opted for a small town called Midway, 18 miles south of Park City. They bought a 3,200-square-foot, five-bedroom house there with dramatic mountain vistas for a little over \$1 million in July. Midway has more of a local vibe, he says, and even on weekends it is only a 25-minute drive to the Deer Valley and Park City ski resorts. When Deer Valley's new base area, called Deer Valley East Village, begins to open in 2025, that drive will fall to 15 minutes, he says.

"It's beautiful and undeveloped," says Ferguson, a

Please turn to page M7

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PRIVATE PROPERTIES

A Neurologist Moonlights as a Contractor

Dr. Gayatri Devi has three large gold chandeliers piled onto the roof of her Scion IQ, a tiny 120-inch-long car. The sight is absurd: candelabras poking out in every direction and a petite Indian woman at the wheel, creeping through New York City traffic at 5 miles per hour, hoping none of the chandeliers will topple.

"It's just so ridiculous," she says with a laugh.

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5,000 sq. ft.,
4 bedrooms

To passersby, Devi might seem like just another eccentric New Yorker, trying to save a buck on home delivery. And

that is not far from the truth.

In her day job, Devi is an accomplished Manhattan neurologist, specializing in dementia. She's worked with high-profile patients such as the late Tony Bennett. But she has a double life, moonlighting as her own contractor on an ambitious side project: renovating an 1800s-era Gramercy Park townhouse. She purchased the house for \$4.5 million in March 2024 and is now relisting it for \$8.5 million, with plans to donate the profits to charity, she said.

Devi, 58, recognizes it is unusual for a high-end property owner to play contractor, project managing her renovation and dealing directly with tradespeople on every aspect of the construction. However, that is not the only way Devi is going against the grain. To save money to maximize the proceeds for charity, she has eschewed flashy new finishes for recycled materials, some of which she has tracked down on websites like Craigslist. The chandeliers, which she found for \$450 on the classifieds website, were being transported from a storage facility in lower Manhattan, for instance.

She's also chosen to personally stage the house, at a cost of \$12,000, and is determined not to use a listing agent; instead, her assistant will show the house to save on commission, she said. These are strategies most agents would caution against.

"I'm an optimistic person," says Devi. "I hope the house sells for a lot of money."

The property is just a few blocks from Devi's own condo, she says. She first looked at the townhouse earlier this year as a potential home for her 34-year-old daughter and her husband but instead decided it might be a fun fixer-upper. On the market for



about five years by then, it had been completely gutted and had no electricity or water. A "frustrated architect" and passive-home enthusiast, Devi had always been intrigued by the idea of building or renovating a home to be energy efficient.

She said she has spent nearly \$800,000 on the renovation, putting in a new kitchen, redoing the floors and bathrooms, and installing electricity and energy-efficient HVAC systems.

Overseeing the work herself meant forging relationships with subcontractors who would work on the plumbing, electricity, iron-work and floors. Some, Devi again found on Craigslist, while others came through recommendations

from friends.

Devi grew up in southern India in a family full of doctors. Her father was a surgeon. She said she dreamed as a child of being an architect, but her mother dissuaded her from the profession, encouraging her to stick with the family's medical tradition.

She moved to New York at age 20 and went to medical school. She is now in private practice at Park Avenue Neurology.

Devi has some renovation experience, having worked on homes for her own family, including in Brooklyn, Westhampton Beach and on the Upper East Side. She said she feels she can expedite the process without a contractor.

Devi didn't spend heavily on

the finishes to save money—and because she fears new owners might rip them out anyway. The property's kitchen came from Renovation Angel, a now defunct company dedicated to recycling luxury kitchens and appliances. Some of the cabinetry in the bathrooms is from IKEA.

Devi said she financed the project by borrowing against her condo and is eager to sell quickly.

Working without an agent is always risky, especially at the high end of the market, where buyers are accustomed to a certain process, said her friend, real estate agent Mara Flash Blum. For one, buyers can feel uncomfortable interfacing with a seller, feel-

ing like they can't speak honestly.

Devi is aiming for profits of as much as \$3 million. She said she has already met with representatives for the charities she plans to donate to, including the Sean Casey Animal Rescue, from which she adopted her dogs, The Central Park Conservancy and CaringKind, an Alzheimer's charity.

Asked how her professional life has played into her real-estate venture, Devi said she has found it a way to diversify her "cognitive portfolio."

Painting gates and figuring out how to install cable railing, she said, "beats doing Sudoku, which I find terribly frustrating."

—Katherine Clarke



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PRIVATE PROPERTIES



One of America's Biggest Homes Hits the Market



The Pritzker estate in Los Angeles, one of the largest homes in the country, is hitting the market for \$195 million. If it sells for that price, it would set a record for the city, where the priciest home sale on record was Jeff Bezos' \$165 million purchase of the Warner Estate in 2020.

The Pritzker listing comes in the wake of a bitter divorce battle between billionaire Tony Pritzker and philanthropist Jeanne Pritzker. The former couple built the house, completing it in 2011.

The roughly 6-acre parcel is in the Beverly Hills Post Office area, just over a mile from Bezos' home. Situated on a promontory overlooking the city, the home has 180-degree views of downtown L.A. and the ocean, according to Stephen Shapiro of Westside Estate Agency, who has the listing with Kurt Rappaport.

Clad in imported white Italian limestone, the gated estate is about 50,000 square feet with 16 bedrooms, 27 bathrooms and



The house spans about 50,000 square feet.

18 fireplaces. The primary suite has his and hers bathrooms and closets, as well as indoor and outdoor fireplaces, a hairdressing area, a custom pop-up TV and a balcony.

The lower level of the house has a flower-prep room and a sound-proofed bowling alley with custom cabinetry for the bowling balls and shoes. A large theater has velvet curtains, stage lighting, stadium seating and a projector room. The kitchen has three Gaggenau ovens,

two stainless-steel sinks and a dumbwaiter.

On the grounds, a detached two-bedroom guesthouse has a balcony, elevator and its own patio. The estate also has a lighted tennis court with a viewing pavilion. The 75-foot green marble infinity pool

overlooks the city, and there is a nearby outdoor kitchen with two barbecues, a large pizza oven and a custom swimsuit spinner.

In Los Angeles, these types of features are un-

usual for properties in the hills, Rappaport said. "It's very rare to have this type of acreage with a view," he said.

The property also has a detached two-bedroom staff apartment, multiple staff lounges and a staff kitchen.

The Pritzkers are major philanthropists and the home was designed to host large fundraisers, with a walk-in refrigerator and an extensive underground parking structure.

Tony and Jeanne Pritzker, who were married for more than 30 years and have six children, declined to comment.

The son of Hyatt hotel chain co-founder Donald Pritzker, Tony is a member of one of the country's wealthiest and most powerful families. He and his brother, J.B. Pritzker, co-founded the investment firm the Pritzker Group, with J.B. ceasing his involvement around the time he became governor of Illinois in 2019.

The Pritzkers' divorce was finalized in May 2024, according to court records.

—Candace Taylor

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PRIVATE PROPERTIES

Clint Eastwood's Onetime Carmel Home Sells

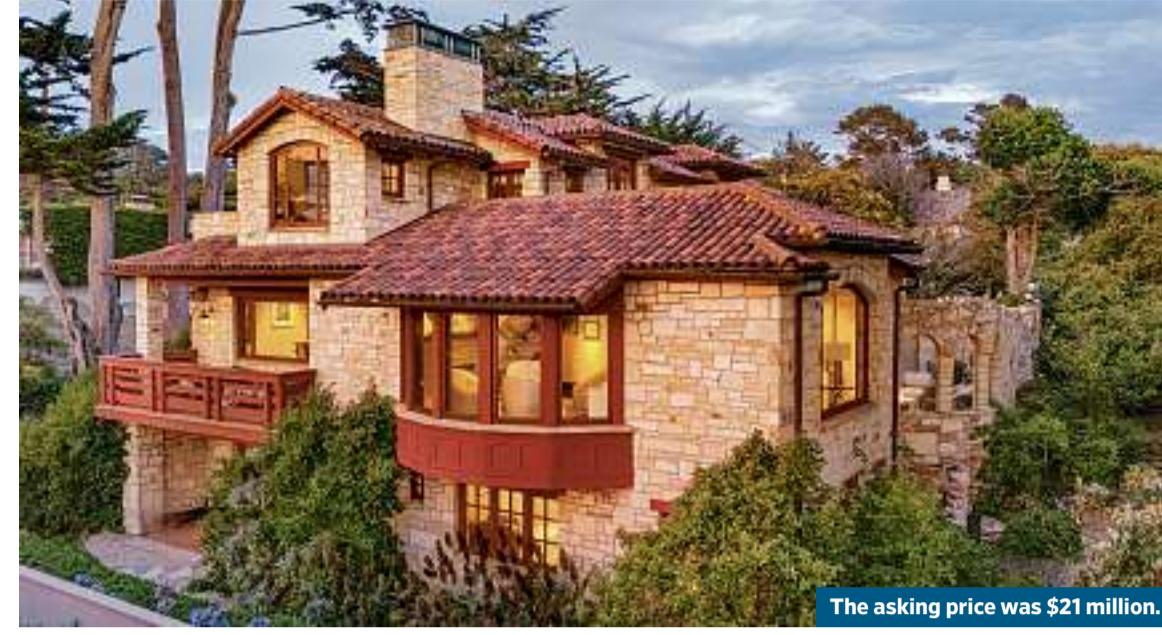


A Carmel-by-the-Sea, Calif., home where famed actor and director Clint Eastwood once lived has sold for \$18.55 million.

Seller Frederick O'Such, a re-

tired investor, listed the property for \$21 million in August after buying it from Eastwood for about \$2.25 million in 1996.

O'Such declined to identify the buyer, but said the purchase price includes some of the home's cus-



The asking price was \$21 million.



tom furnishings. Tim Allen of Coldwell Banker Realty in Northern California, who represented the buyer and seller, said the deal came together quickly and the buyer was one of several interested parties.

Eastwood, who has deep ties to the area, lived in the Spanish Revival-style house in the 1980s and

SOLD
\$18.55 MILLION
4 bedrooms

1990s. Originally built around 1924, the four-bedroom house is located a block from the ocean. It measures about 4,400 square feet with a clay tile roof and an interior courtyard.

After O'Such purchased the property, he spent two years and \$2.5 million on renovations.

Carmel-by-the-Sea is a quaint

California vacation community located about 125 miles from San Francisco. Eastwood was the community's mayor from 1986 to 1988.

Recent big-ticket sales in the area include the sale of the Butterfly House for \$29 million last year. Two years ago, Brad Pitt paid \$40 million for a blufltop home in nearby Carmel Highlands.

—E.B. Solomont

In Palm Beach, a Big-Ticket Listing on the Intracoastal

A waterfront home in Palm Beach, Fla., is coming on the market for \$95 million, making it one of the luxe town's most expensive listings.

The six-bedroom, roughly 16,000-square-foot estate sits on the Intracoastal Waterway on the North End of Palm Beach island, said listing agent Margit Brandt of Premier Estate Properties.

The seller is Pamela W. Starret, a British investor in the mining and energy industries, who also

has a home in Canada. She paid \$21.35 million for the estate in 2018, according to public records.

Starret has spent winters in Florida since the 1990s, according to her son Michael DesLauriers. She spent about \$25 million gut-renovating this house over the past several years, he said.

The house has about 165 feet of frontage on the Intracoastal with a new deep-water dock, Brandt said. Originally built in 2005, the columned Neoclassi-

cal house has a first-floor loggia and a second-floor balcony overlooking a new \$2 million travertine pool. Amenities include a gym, a 1,400-bottle wine cellar and a movie theater, she said. The roughly 1-acre property has a guest apartment, a pool cabana and a two-car garage.

Starret is selling because she is moving to Europe to be closer to family and will no longer be spending time in Florida, DesLauriers said.

Brandt said the property is priced in line with the market,



Built in 2005, the house is newly renovated.

where turnkey homes on the Intracoastal are selling for about \$6,000 a square foot. Palm Beach is one of the country's most expensive areas; the priciest home sale there was a \$170 million deal about 2 miles

south in 2023, said Brandt.

Earlier this year, a private island in Palm Beach sold for \$152 million, said Brandt, who represented the buyer.

—Sarah Paynter

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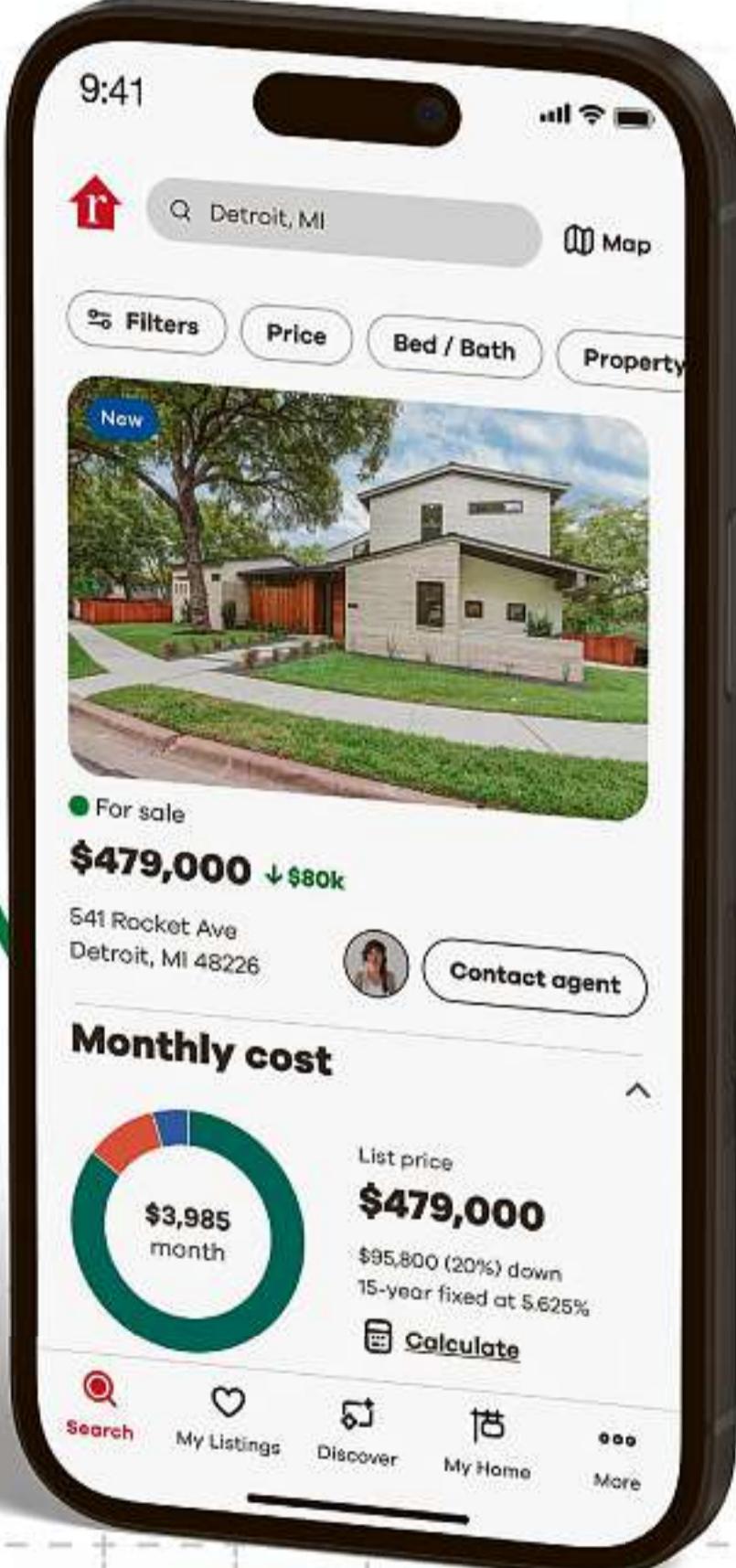
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MANSION | SKI & MOUNTAIN HOMES

HOT BLOCKS | INSIDE SOME BOOMING NEIGHBORHOODS AROUND THE U.S.

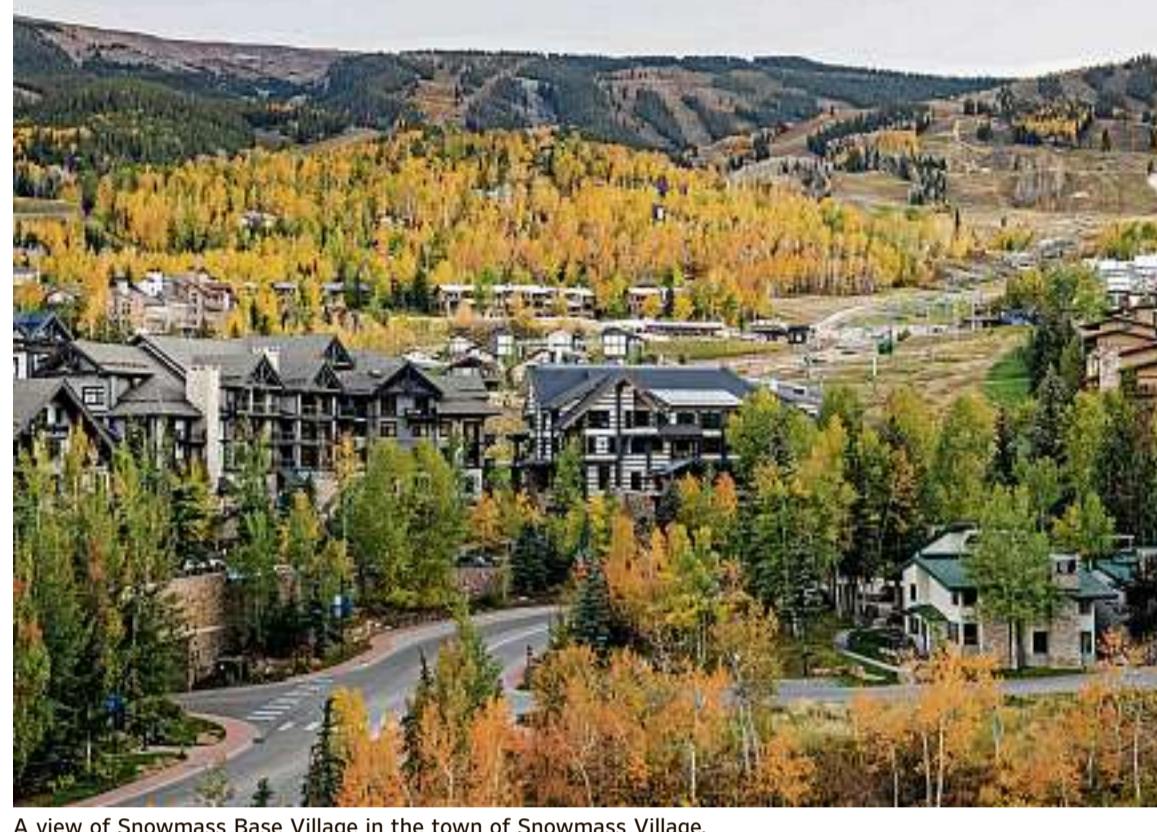
Why Is Everyone Buying a Condo in Snowmass, Colo.?

BY JESSICA FLINT

In western Colorado, about 9 miles northwest of the city of Aspen, is the town of Snowmass Village, home to the Snowmass Ski Area, which opened in 1967. Historically, the town has been sleepier than glitzy Aspen. But recently, a phased \$1 billion Snowmass Base Village development—a slopeside project years in



the making with new restaurants, shopping, hotels, residences and more—has helped turn Snowmass into more of a destination. Since developers East West Partners, Aspen Skiing Company and KSL Capital Partners acquired Base Village in 2016, they have sold more than \$700 million worth of residential real estate across seven projects. A final residential complex is under construction, and is expected to bring in an additional \$500 million. "Most homes in Snowmass are old," says Will Burggraf, an Aspen Snowmass Sotheby's International Realty real-estate agent. "There wasn't the



A view of Snowmass Base Village in the town of Snowmass Village.



high-end residential product to attract the high-end clientele," he says, "But if you build it, they will come."

THE DRAW**Haute housing**

Base Village has provided home buyers with an opportunity to own a new, ski-in/ski-out luxury property at the base of a world-class ski area, something that hasn't been available at this scale at other big-name U.S. mountain

towns for years.

The price is more right

Prices in Aspen are higher than ever. Traditionally, Aspen's residential real estate has been 35% more expensive than Snowmass. Cur-

rently, Aspen is 50% more expensive. This has pushed some buyers to consider Snowmass instead.

The vibe

Snowmass has a chill, family-friendly atmosphere with an at-your-doorstep outdoor adventure feel. It's an ambiance some people prefer to Aspen's chicsness and famous nightlife scene.

COMMON DENOMINATORS**Who is buying**

Second homeowners make up the largest buying pool. A smaller number of buyers plan to live in Snowmass full-time—there are about 3,000 year-round residents—or are strictly investors. Buyers come from across the U.S., and there is international interest.



Snowmass has a family-friendly atmosphere with an at-your-doorstep outdoor adventure

ing, so properties tend to lose the sun earlier in the day. Houses can also have longer drives. The latter could be a pain for people driving up and down the mountain daily, but it might not matter for those who hunker down at home when they are in town once per year. There are about a half-dozen off-

\$3 MILLION



The approximate starting price for condo units in Stratos, the final and largest Base Village residential project, which is under construction

mountain neighborhoods. Some can have good south-facing views. Properties off mountain aren't ski-in/ski-out, which might not bother full-time residents.

INSIDE TAKE**What about home insurance?**

Over the last 12 to 18 months, the area's home-insurance market has gotten more challenging, says Tim Morgan, a principal at Aspen-based Roaring Fork Insurance.

"There are still options out there, but you want to allow time to explore options," he says. Morgan says wildfire is the area's biggest concern, and the response time from the fire station matters. "If you're within a five-minute response time, it will be a lot easier to get home insurance than if it's a 15-minute response time," he says. Insuring a condo unit is currently more straightforward than insuring a single-family home, he says, though some condo association policies have seen big increases.

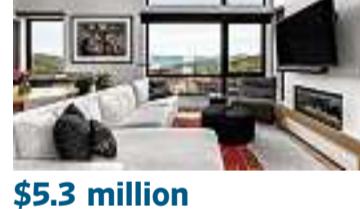
LISTINGS

\$10.5 million

Spur Ridge Lane

5 bedrooms, 7 bathrooms

Located in the Horse Ranch neighborhood, this 4,466-square-foot modern-style home was completed in 2020. An upstairs dining and lounge area has 360-degree views of the mountains. Agent: Carrie Wells, Coldwell Banker.

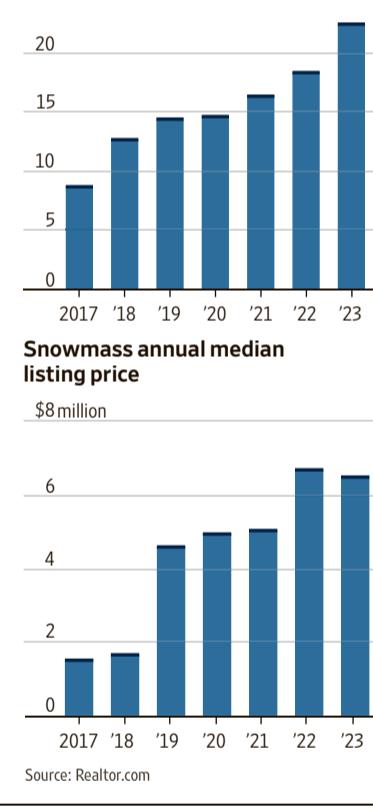


\$5.3 million

Wood Road

3 bedrooms, 2 bathrooms

This Scandinavian-inspired penthouse at Electric Pass Lodge was completed in 2023. It is 1,514 square feet. Amenities include direct ski access. Agent: Amanda Redmond and Stephanie Redmond, Slifer, Smith & Frampton.

Snowmass, Colo., highest-price annual sale**What they're buying**

The new residences at Base Village are the hot commodity. There are nearly 60 condo units pending sale ranging from \$3 million to \$12 million.

There are also on-mountain and off-mountain single-family houses.

What buyers consider and covet

On mountain, homeowners prefer ski-access convenience and modern construction or remodeled homes. Views are often north fac-

Advice for the buyer

"The fact that a lot of homes are older is pushing people toward newer or remodeled homes, and they are selling at a premium compared to older homes that may need work or updating," says real-estate agent Burggraf. He says if a buyer is willing to put the sweat equity into renovating an older home there could be upside.

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CLOCKWISE FROM LEFT: KELSEY BRUNNER FOR WSJ (3); MOUNTAIN HOME PHOTO: DRAFER WHITE; CAMILLE BRESCANGE/WSJ (MAP); HANNA BARCZYK (ILLUSTRATION)

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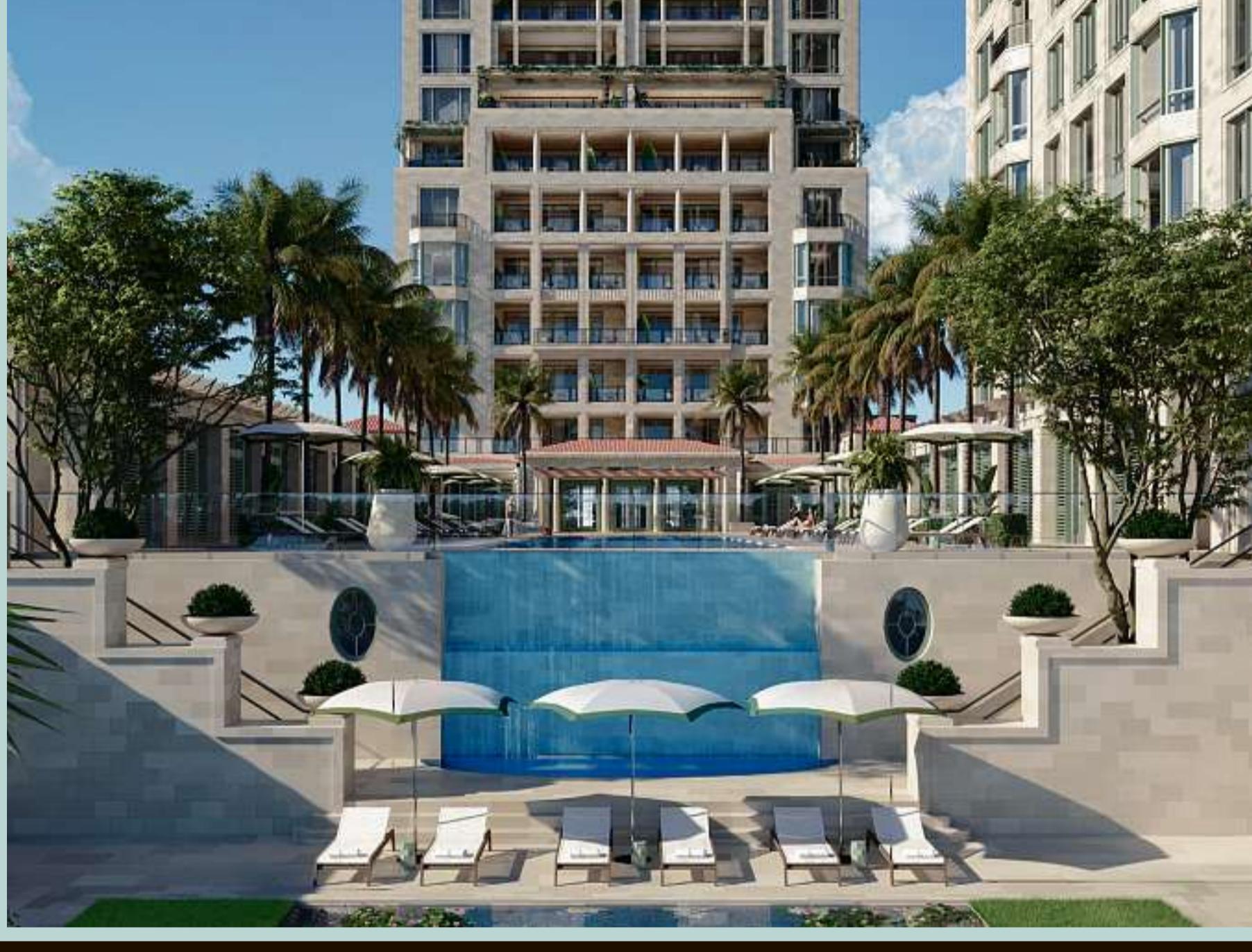
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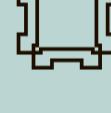
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MANSION | SKI & MOUNTAIN HOMES

New Utah
Ski Towns

Continued from page M1
38-year-old cannabis entrepreneur.

Many home buyers are now opting to bypass Park City in favor of properties located on the city's outskirts, near smaller towns like Heber City, Midway and Kamas. There has been an explosion of luxury home developments in these areas, some new and some that have been filling up over the past decade, offering both golf courses and ski amenities—everything from shuttle buses and on-mountain private lodges to private ski hills. The interest is creating new million-dollar towns.

Prices continued to rise in most luxury ski towns this past year, but none grew as much as Park City, a former silver mining town 32 miles east of Salt Lake City. The average home sale price there grew 35% in 2023 from 2022, compared with a 9.4% increase at Vail and Beaver Creek and 3.2% at Aspen, according to the resort report by Summit Sotheby's



Rob Ferguson and Courtney Capellan-Ferguson, who wanted nearby skiing and open space for their daughter, Jasmine, 4, and dogs, Boyfriend and Mudpie, chose Midway over Park City.

International Realty.

Over the last four years, Covid stoked demand for western resort real estate.

In Park City, single-family homes have sold for a median price of \$4 million year-to-date, up from \$1.996 million in 2019, according to Redfin, which averaged the monthly median sales prices weighted for the number of homes sold. One home was listed in September for \$65 mil-

lion, which could set a state record. It's now under contract, according to listing agent Paul Benson of Engel & Völkers, who declined to disclose the sale price.

Park City, which has a population of around 8,500, gets over 8.4 million visitors a year, according to the Park City Chamber of Commerce & Visitors Bureau. Attractions go beyond skiing, shopping and mountain biking. Skier visits to Park City Mountain, Deer Valley Resort and Woodward Park

City jumped to a record 2.79 million last season, up from 1.7 million a decade ago.

In Heber City, single-family homes have sold for a median of \$982,863 for 2024 to date, up 16% compared with the same period a year earlier and more than double what it was in 2019, according to Redfin. Kamas has seen similar growth: \$1.015 million for the year to date, compared with \$682,618 in 2019.

"It's attracting a different type of buyer that we haven't seen before," says



Nancy Tallman, a real-estate agent with Sotheby's International Realty. She sees interest in towns like Heber City and Midway from second-home buyers who don't want to pay Park City prices but want to be close to skiing. These buyers come from all over the country and internationally and are buying primary and vacation homes,

says Trish McMillen, an agent with Windermere Real Estate. "Heber City is now a ski town," she says.

Powering this shift is the new extension of the Deer Valley ski resort called Deer Valley East Village, formerly known as the Mayflower, a two-decade project a few miles outside Park City in

Please turn to page M8



After deciding Park City was too pricey, Karl Sjogren—shown with his mother, Diane Sjogren, and dog, Parker—bought a 3,300-square-foot vacation house close to Deer Valley East Village.

NIKI CHAN WYLIE FOR WSJ. (6); HANNA BARCZYK (ILLUSTRATION)

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MANSION | SKI & MOUNTAIN HOMES



Michael and Lisa Coopman, with dogs, Oliver and Scooter, saw more value in real estate outside of Park City. They bought a 3,800-square-foot, five-bedroom house in Heber City in August.

Continued from page M7

Wasatch County involving 17 new lifts, 130 ski runs, nine hotels, 1,800 residential units and a base village with restaurants and shops. The first hotel, a Grand Hyatt, is due to open by Thanksgiving and the first chairlift for the area is expected to open in December.

Proximity to Deer Valley East Village is what sold Karl Sjogren on Heber City. He was looking for good ski access when he started searching to buy a vacation home. Park City seemed expensive—around \$3 million for the size of home he wanted. Even the food was pricey: He spent \$50 on breakfast—an açai bowl, a smoothie and a scone—one day when he was looking.

Sjogren, 39, who works in cybersecurity in Salt Lake City, instead paid \$1.75 million for a 3,300-square-foot, newly built four-bedroom home in a neighborhood called Jordanelle, near the East Village. At the moment, it isn't as convenient as Park City, but he says it's quiet and beautiful. "There's nothing to walk to but nature where I live now," he says. If he wants to eat out, he drives about 15 minutes to Midway because the restaurants there are less expensive and more casual than in downtown Park City, which is about the same distance. Heber City has a few grocery stores, a Walmart and lots of fast food.

For Michael Coopman, 63, and Lisa Coopman, 60, the primary attraction to Heber City was the value. The Coopmans lived in Park City off and on but moved away for a few years. When they decided to return, Michael saw more of a future for real estate outside the city. "It seemed like a good opportunity," he says. They bought a 3,800-square-foot, five-bedroom house in Heber City for around \$1.2 million in August and put in a significant amount to renovate the five-year-old



Ken Woetzel and Lee Ann Worth-Woetzel sold their house in Mahwah, N.J., and bought a half-acre lot for about \$345,000 at Red Ledges, which has a shuttle to Deer Valley. The couple, with dog, Indie, built a 5,000-square-foot home for \$2 million.



home, adding wallpaper and a glass shower, repainting, and re-stoning the fireplace. "It would have been twice as much in Park City," says Michael.

Ken Woetzel, 67, who retired from commercial real estate, grew up in New Jersey. His family took ski trips around the world, and Utah was one of their favorite destinations, he says. When his older brother bought a house in Heber City at a development called Red Ledges, Woetzel and his wife, Lee Ann Worth-Woetzel, 65, who retired from fi-

nance, would stay there for a week and ski.

Their long-term plan was to buy a place nearby, a plan that Covid accelerated. They sold their house in Mahwah, N.J., and bought a half-acre lot at Red Ledges for around \$345,000. They

lived in a rental home in Midway for two years as their new 5,000-square-foot home was built for around \$2 million. They moved in in March 2023.

"Park City crossed our minds, and the convenience would have been nice, but we just didn't want the

hubbub," says Woetzel. The shuttle bus to Deer Valley makes it easy for him to ski about 65 days a season.

Red Ledges, a 2,000-acre development with two golf courses, is one of the original golf and ski developments that opened in Wasatch County. Located in Heber City, property sales were launched in 2007 and remained steady before booming during Covid. There are 1,200 home sites, 883 of which have been sold, and 483 homes are currently completed. Prices range from \$425,000 to \$3

called Victory Ranch, which launched sales in 2013 and sold out of all 350 home sites. Now, some are back on the market, including 13 home sites priced at \$1.2 million to \$5.5 million, a few cabin homes priced around \$4.25 million, and several custom homes ranging from \$5 million to \$11 million.

A development called Talsker Club, which has a private ski lodge in upper Deer Valley and a French bistro on Main Street in Park City, now has a golf community called Tuhaye located in Wasatch County, near the town of Kamas. There are 730 home sites, with prices ranging from about \$950,000 to \$8.5 million. Custom homes range from \$3.5 million to \$19 million.

There are about 20 homes for sale now and 25 resale lots. "It's away from the mountains but close enough," says director of sales, Mike Canzano.

Park City got its first ski resort in 1963, when former mining executives opened Treasure Mountain Resort, with a gondola and a restaurant. Now called Park City Mountain Resort, it was joined by Canyons Resort in 1968 and Deer Valley Resort in 1981. In 2015, Vail Resorts combined nearby Canyons and Park City Mountain into a ski area of more than 7,300 acres.

Some residents worry that the growth in develop-



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million for home sites and from \$1.35 million to \$18.9 million for finished homes.

A brand new Wasatch County development called Marcella Club will have a ski-home community on the mountain at Deer Valley East Village, along with a golf-home community called Marcella Jordanelle Ridge between the towns of Kamas and Heber City. The 144 ski homes range from \$2.78 million to around \$8 million. The golf community will start selling sites in the spring of 2025 and will include 500 lots.

Adjacent to Deer Valley East Village is a new community called Velvaere on 60 acres at the base of the mountain that will have ski-in/ski-out homes, including 115 properties priced between \$2.75 million and \$12 million. Another up-and-coming resort near the East Village is SkyRidge, which is on 670 acres and will have 468 home sites, as well as a golf course and an equestrian center. Home site prices range from \$685,000 to \$948,000, and single-family homes range from \$3.5 million to \$6.3 million.

"It's incredibly busy," says Caren McClelland, the director of sales for a 6,330-acre development in Heber City

ment on the outskirts of Park City will just make congestion worse by drawing even more drivers to the area. "Park City is a town of 8,000 that feels like a town of 40,000," says Clayton Scrivner, Park City's spokesperson. He says there's not a lot of room geographically for more housing, and the focus is now on affordable and workforce housing.

Traffic flow into Park City on feeder roads has grown 4% since 2019, according to the Utah Department of Transportation.

The city and county are working to locate workforce housing projects adjacent to transit system routes, with the goal of taking more cars off local roads. The shuttle bus from remote, feeder parking lots to the ski resorts now has its own express lane, and there is talk of a bigger solution, like a train or a gondola, to take people from the outskirts into town.

"Whenever new development is raised, there's a lot of irrational fear, agnostic to the merits and logic," says Bill Ciraco, a retired financial professional who is now on the Park City Council. "It's less of a people problem than a car problem."

MANSION | SKI & MOUNTAIN HOMES

Luxury Oxygen

Continued from page M1
Glenwood Springs, Colo., that installed Rost's system. "People spend a lot of money on their homes in the mountains. But what's the point if you can't enjoy it, if you can't even go skiing?"

The next three houses being built at The Ridge will also have oxygenation systems. Similarly, RA Nelson, an Avon, Colo.-based custom home builder with projects in Vail, Aspen, Beaver Creek and other ski towns, now includes the necessary tubing in every new construction. BJ Lindsey, a custom builder in Angel Fire, N.M., a Rocky Mountain town with a base elevation of 8,600 feet, puts it into both high-end custom homes and speculative houses. Energy1, a Bozeman, Mont.-based company, has installed over 140 systems over the last seven years in Big Sky alone. The firm now equips all new homes at the Yellowstone Club for future oxygenation, along with more houses in the nearby communities of Beehive, Moonlight and Spanish Peaks.

Luxury resorts are taking note. Four Seasons Private Residences in Telluride, set to open in 2028, will have oxygenation in all hotel and condominium bedrooms.

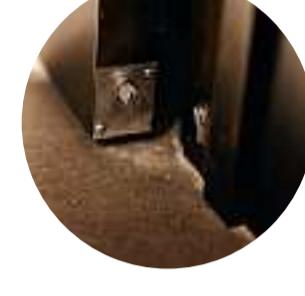
"Home oxygenation is where motorized shades and lighting control were 15 years ago," says David E. Luckan, president of Invigor8 Air Design, an oxygen-enrichment company in Park City, Utah. Once rare and considered high tech, he explains, those features are now standard in luxury homes.



At 8,000 feet, most lowlanders are affected by the reduced oxygen at high elevations, says Dr. Peter Hackett, a professor at the Altitude Research Center at the University of Colorado Anschutz Medical Campus. At 9,000 feet, they are getting 30% less oxygen than at sea level—enough to cause shortness of breath, headaches, nausea and, most commonly, poor sleep. More oxygen in the bedroom means more sleep and, as a result, more strength to acclimate, says Hackett, who has climbed Mount Everest using sup-



The bedroom doors are designed with drop-down sweeps to be more airtight.



Lauren and Bob Fraser, right, installed an oxygenation system at their 6,500-square-foot home in Breckenridge, Colo., to ease their adjustment to altitude.



plemental oxygen.

"The problem is no oxygen. If you give oxygen, you're going to be fine," he says. "It's a very expensive proposition, so something generally only the wealthy can afford. But it works."

When Rost began to build in 2017, his oxygenation system cost \$75,000. At today's prices, it

would cost \$150,000, according to Altitude Solutions. Each enrichment machine costs \$15,000, and Rost's spacious primary bedroom required four of them. The smaller bedrooms needed one or two. A single unit can enrich around 2,000 cubic feet of air volume, so the larger the volume in the room, the more units it needs to increase the concentration of oxygen in the air. The equipment must be in a temperature-controlled space to protect it from winter cold, plus

fans to prevent overheating. At Mile High Training, a New York City-based company, treating a small bedroom starts at around \$30,000 but can cost as much as \$250,000, depending on the volume.

Altitude Control Technology, a home-oxygenation company in Edwards, Colo., has oxygenated primary bedrooms that cost \$150,000 and \$200,000, according to Bill Sinclair, president and chief executive. Most cost between \$35,000 and \$45,000 and get installed in the primary

bedroom and one or two guest rooms. He recommends adding the pipes to deliver oxygen during construction, so new homeowners don't have to reopen walls when altitude sickness strikes. Laying those pipes cost between \$1,500 and \$3,500 per room. "It's so inexpensive to do it during that stage,"

says Sinclair. "Compared to the cost of the house, it's nothing."

For years, Bob Fraser struggled with the altitude in Breckenridge, Colo., one of the highest resorts in the country, every time he arrived from his home in Kansas City, Mo. For the first two days of his stay, he had headaches, nausea and

trouble sleeping.

Shortly after buying a lot to build his own Breckenridge home in 2021, Fraser, a 64-year-old partner in Aspen Funds, a private-equity firm in Overland Park, Kan., and his wife Lauren Fraser, 63, toured a local show house with a home-oxygenation system.

Please turn to page M10



Kevin and Monica Rost's house in Telluride, Colo., sits at 10,500 feet of elevation. The couple installed a \$75,000 oxygenation system, which today would cost an estimated \$150,000.



FROM TOP: SEAN GREENE FOR WSJ. (S); HANNA BARCZYK (ILLUSTRATION); KEVIN ROST (4)



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Eric and Rhonda Garrett in Telluride, Colo. Their home sits at 10,000 feet. There is oxygenation in three bedrooms.

Continued from page M9

"What? Is that a thing? I didn't know that's a thing!" he recalls thinking. "I thought, 'This is great.'"

The main floor of the six-bedroom, 6,500-square-foot house the Frasers were planning to build was at 9,800 feet. Fraser also worried that the altitude would deter his 87-year-old mother from visiting. So when building the \$6.5 million Mountain Modern home overlooking Lake Dillon, he called on Mile High Training to install an industrial-grade, high-flow system that pumps oxygen into each of the home's six bedrooms, a bar area and a sitting room. Weary, light-headed skiers and hikers can connect nasal cannulas to copper outlet ports on

the backsplash of the bar to inhale more concentrated oxygen.

"Our guests love the oxygen bar," says Fraser. "It's kind of fun. You sit around with these cannulas in. You have essential oils in there. It's super popular."

From a central control panel, the Frasers select which bedroom needs oxygen. To ensure the precious gas can't escape, the rooms are highly insulated, with mechanical drop sweeps that come down from a hollow space in the door when it shuts, to close any gap between door and floor. Oxygen flows in from an outlet high above the bed. A sensor measuring the oxygen content in the air is mounted to the wall near the bedside tables.



located at 10,000 feet at the intersection of the Galloping Goose and Double Cabin ski runs, he says extra oxygen "was a must." Mile High Training installed a \$125,000 system in the primary bedroom and two other bedrooms. Connecting the pipes in the house, built in 2010, was painless: The attic, where the compressors would be stored, was right above the primary bedroom, so the oxygen wouldn't travel far.

But the system also required a thick power cable to connect the attic with the power supply on the far side of the house, near the garage. This meant opening walls and ceilings, creating a pathway for the cord through the full length of the house and patching it all up again.

Mile High founder Matt Formato says the system aims to get the room to feel like it is at 2,500 feet in two hours. The more rooms that receive oxygen, the longer it takes. At Fraser's house, completed in 2022, the system cost \$135,000, not including the power supply and custom ventilation system in the mechanical room near the garage, where the machinery is located. But it has lessened altitude problems for both Fraser and house guests. On a visit in September, his son's parents-in-law initially struggled to sleep. Once the principal bedroom, where they stayed, came down to a simulated elevation of 2,000 feet, they slept like babies, according to Fraser. His own mother has yet to visit.

"We put in the system for my mom, to entice her to come up," he says. "But so far it hasn't worked."

Some homeowners say it takes time to figure out the system, especially how long it needs to reach the desired oxygen level in each room. For ease of use, many are now controlled on a phone app and programmed for a set schedule. In Park City, homeowner Brent Andrus recently asked Altitude Control Technology to install a \$50,000 oxygenation system in the primary bedroom of his, 9,000-square-foot, five-bedroom house. The system switches on around 6:30 p.m. to fill up the room before Andrus and his wife, Cheri Andrus, go to sleep between 10:30

p.m. and 11 p.m. Andrus, 78, co-owner of Huntington Hotel Group, a hotel-development company in Irving, Texas, says the oxygen-rich air is "miraculous" because it ensures that he takes in enough oxygen during sleep. But it takes between four and five hours to bring up the room's oxygen level.

"It's not instant," he says.

Before Eric Garrett from Nashville, Tenn., bought a seven-bedroom, 11,000-

'We put in the system for my mom, to entice her to come up. But so far it hasn't worked.'

—Bob Fraser

square-foot log home in Telluride's Mountain Village for \$9.5 million in 2021, he had been coming to Telluride for some 20 years. For all those years, including on his company's annual ski retreat, he initially felt groggy, tired from poor sleep and often unable to ski a full day.

"People here have a hard time sleeping," says Garrett, 47, chief executive of a real-estate, construction and asset-management company that bears his name, based in Greenwood, Ind. "I'm one of those people."

So when he and his wife, Rhonda Garrett, 47, bought the rustic log house with a view of the Wilson Massif,

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BALANCE SHEET

In Mexico, A Moody Home In the Mountains

A young family built a treehouse-like vacation house in the Sierra de Pachuca range

BY J.S. MARCUS

Lorena Ramos and Carlos Moss live and work about 7,500 feet above sea level in the high-plateau megalopolis of Mexico City. But when it came time to commission a vacation home, they took it up a notch, altitude-wise. They built a home about 2,000 feet higher in an area known as the Corridor de la Montaña, or Mountain Corridor, in the state of Hidalgo.

Ramos, a 35-year-old sales director, and Moss, a 38-year-old

executive in the construction industry, bought their steep 1/3-acre lot in 2021 for about \$73,000. Then they spent roughly \$475,000 to build and furnish a new house, working with Mexico City architect Rodrigo Saavedra Pérez-Salas. His design, using a cantilever, suspends the two-story structure off the side of a densely wooded slope. From the inside, it can feel like a vast, floating treehouse.

They named the property after their boxer, Oruç, now 11, and initially planned to use the home to entertain friends on weekends and



Lorena Ramos and Carlos Moss are shown with their newborn son, Nicolás, and dogs Freyja and Oruç. Behind them is Brutalist firewood rack made from leftover steel girders.

holidays, outfitting the lower level with a funky bar. The three bedrooms—some equipped with bunk

beds—and three bathrooms can accommodate up to eight people.

But this summer, less than a year after finishing construction, they had their son, Nicolás. That means they have to make some changes to babyproof the house. "We will have to do something," says Ramos.

The vacation home is part of the first wave of development on the site of what was once a sprawling private estate. The property sits in Mexico's Sierra de Pachuca mountain range, part of the vast Sierra Madre Oriental that runs along the east of the country. Their area is marked by atmospheric mists and a lengthy rainy season.

For Saavedra, the architect, the hard choice wasn't where to place the house—a clearing in the woods, in the middle of the lot, was just about the only spot—but how to access the house once it was built. The most direct route would have meant seeing a house sticking out



BALANCE SHEET

Foundation and framing (including masonry)

\$169,725

Steel (including cantilever)

\$94,000

Kitchen

\$34,000

Bathrooms

\$18,500

Fireplaces

\$10,450

Electrical work

\$27,260

Floors (including outdoor decks)

\$25,000

Glazing

\$34,000

of the woods, says the 35-year-old founder and principal of Saavedra Arquitectos. Instead, he devised what he calls "a narrative" that leads visitors over a bridge, then down and around a series of winding stairs and through a masonry door that acts as a kind of ceremonial portal to the house. When visitors first arrive on the lot, all they see is tree. As they descend and approach the house itself, they are given a tour of the exterior of the building, while glimpsing the evocative mountain terrain beyond and below.

The couple chose moody interiors to play off local conditions, with lots of exposed steel beams,

Please turn to page M12



Using a cantilever, the two-story house is suspended off the side of a densely wooded slope.

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MANSION | SKI & MOUNTAIN HOMES

Continued from page M11

steel-tinted concrete, dark wood and glass walls that let tree-filtered light stream in. A spare open stairwell and thin inner and outer railings add to the minimalist flare.

All this added atmosphere came at a cost. The couple spent about \$94,000 on steel, which includes the bridge and the costly cantilever.

Intent on a sustainable home, they managed to reuse what another homeowner might regard as outright waste. They have stored firewood for the great room in leftover steel girders, fashioned into a Brutalist rack, and they used leftover wood from their board-formed

Their area is marked by atmospheric mists and a lengthy rainy season.

concrete molds as paneling in the primary bedroom. Most recently, they have installed a rainwater collection system, with a cistern placed uphill from the house, and they now use the bounty for everything from washing to drinking.

Though Casa Oruç is surrounded by trees, Saavedra managed to build the whole 2,400-square-foot house by only cutting down a handful. This ship-in-a-bottle effect is apparent in an upstairs deck, which incorporates two oyamel firs, a species native to the mountains of central and southern Mexico. Downstairs, the bar area is built around one of the firs, set off by a glass enclosure.

The open-plan kitchen, which Ramos helped design, was a splurge of about \$34,000. The couple spent about the same amount on the glass doors and windows—a cost most apparent in the primary bedroom, which has glazing on three sides.

Being nearly 9,500 feet above sea level means the couple can do without air conditioning, and even though it rarely gets below freezing, heating is a must for much of the year. They spent around \$15,660 on an electrical heating system, which, depending on where they are in the house, radiates from either the floor or the ceiling. They also spent some \$10,500 on two fireplaces—gas-burning for the bedroom, and wood-burning for the great room's main sitting area. They use them for heat and for added



The couple chose moody interiors to play off local conditions, with lots of exposed steel beams, steel-tinted concrete, dark wood and glass walls that let tree-filtered light stream in. Above, the bar was built around an oyamel fir tree enclosed in glass. Below, the kitchen and primary bedroom.



coziness, says Moss.

The couple have kept their lot as wild as possible, putting their landscaping budget at less than \$1,000. And they can tour the area's rough and wild terrain starting right on their property, which contains a few dramatic rock formations.

Though their home is nearly far above sea level as the taller peaks of Montana's Glacier National Park, the spot is more bucolic than dramatic. The house is high up, concedes Moss, "but not ridiculously high," invoking a category that for him starts at about 16,000 feet.

Now, looking ahead to the end of the year, when Nicolás will start to crawl, they are set to invest around \$3,000 to babyproof. This will include installing tempered glass to

close off the bare-bones railings of their main terrace, located off the upper floor's great room, and protecting the exposed inside stairwell connecting the great room above with the bar area below.

When the baby came, they hadn't yet decided on blinds or curtains in the primary bedroom, which turned out to be a benefit.

"We get to see all the different shades of light—when it's getting dark, then when the sun comes up," says Ramos, who appreciates the subtle changes. "I always give Nicolás his first feed while in bed, and he loves staring outside."

Many new arrivals to this altitude might be gasping, but little Nicolás is doing just fine.

The baby likes to "contemplate the view of the sky and tree tops from our laps," says his mother.

FRANCISCO ESTRADA FOR WSJ (3)

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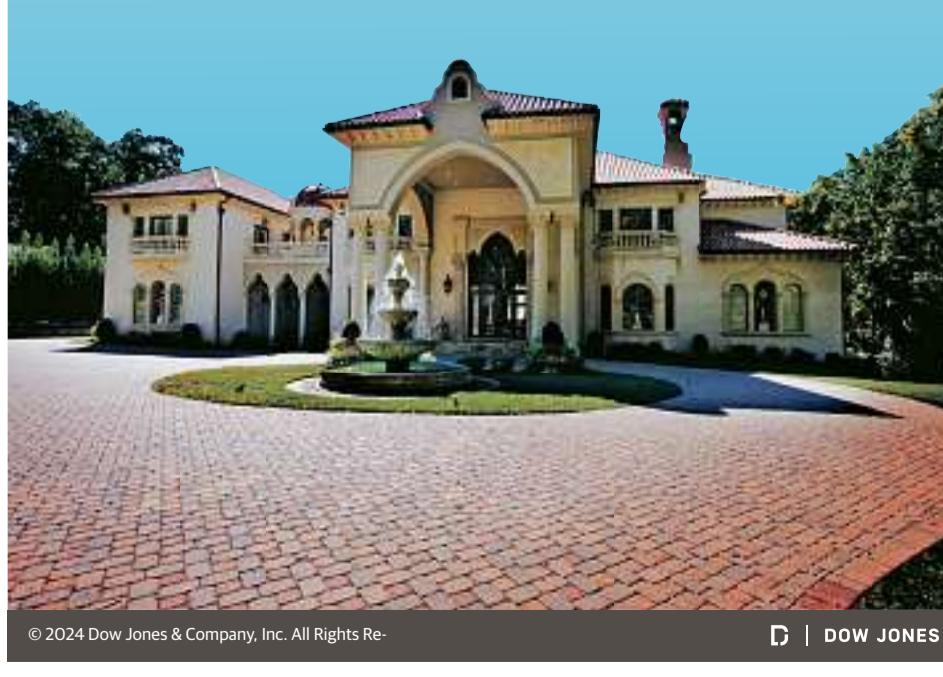
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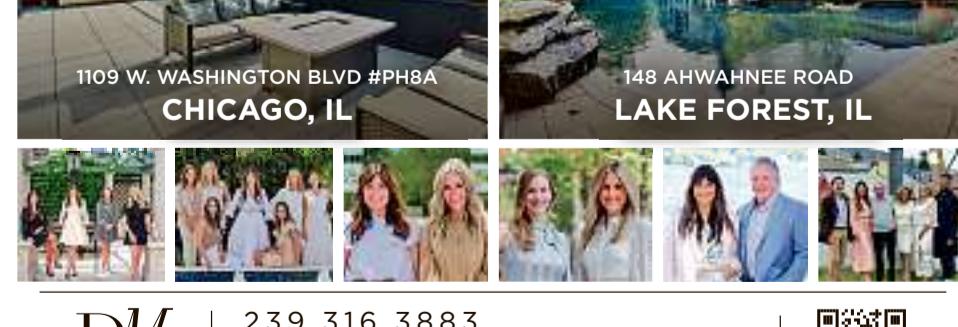
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HOUSE CALL | ANNA KENDRICK

She Became a Star Despite One Small Thing

The 'Woman of the Hour' director and actress on her Tony nomination at age 12, her big singing voice and life in Los Angeles

THERE'S NO GETTING AROUND that I was a small child. I was always the smallest in school, and everybody thought I was younger than I was. A nightmare for any kid desperate to grow up.

That led directly to me developing and leaning into my very big singing voice. That's something people have commented on from the time I was 4 and still do.

I grew up in Portland, Maine, in a two-story, light-brown house that was a little bigger than we needed and perpetually drafty. To help with bills, we frequently had a family

friend boarding with us.

My mom, Janice, was an accountant for a long-term disability insurance company. She was understanding and relentlessly supportive. My dad, William, was a public school history and French teacher and a substitute teacher.

My brother, Mike, is two years older and sort of introduced me to "drama." At 6, he'd pull pranks that scared our mom. As soon as she got a hold of him, he'd say "Drama! Wasn't that wonderful?"

From the time I was 8, I took weekly singing lessons from one

On the right, Kendrick, in L.A. in August. On the left, Kendrick, age 5, at home with her brother, Mike, 7.

of the many friends living with us. I also took tap and ballet.

Since I wasn't coordinated enough for sports, the natural alternative was drama. At the City Theater in Biddeford, I played Tessie in "Annie."

When I was 10, there was a national casting call for the Broadway revival of "Annie." My mom found an agent in Manhattan, but I didn't get cast.

Then in 1997, I auditioned for a



a Broadway legend. I was relieved I didn't have to give a speech at age 12.

After the show closed, I returned to the "delights" of middle school. I said to myself, "Any second now I'm going to shoot up to 5-foot-7 and all my problems are going to be solved."

I was cast in "Camp," a 2003 comedy film directed by Todd Graff. It was challenging to act and not have a live audience, but I liked the puzzle of figuring it out.

Today, I live in Los Angeles. The house is a Spanish modern and my dream home. I wake up each day and can't believe I live here. I moved in two years ago. I loved the energy when I first saw it and how relaxed I felt when I walked in the door.

Over the years, I slowly grew, centimeter by centimeter. Now I'm 5-foot-2. It isn't what I'd hoped for, but now I like being short. I can walk into meetings and disarm people by being a little bit bold. It's a perk.

—As told to Marc Myers

Anna Kendrick, 39, is an actress known for her roles in the movies "The Accountant" and "Pitch Perfect" and TV's "Love Life." She directed and stars in the Netflix film "Woman of the Hour."

NINO MONZI/NETFLIX; ANNA KENDRICK (FAMILY PHOTO)

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Source: Ipsos Affluent Survey USA Spring 2022 Adults 18 or older, HHI \$125,000+.

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NORTH TEXAS' #1 LUXURY BROKERAGE

Curators of the unique.

Homes and high style: Russ Anderson walks you through the pages of fall's hottest read

From the President's P.O.V.

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My favorite part? The section called Gallery, which begins on page 64 and features some of our finest agents and the properties they are offering or have already sold, including homes, high-rises and ranches. That is a mix that is so unique to North Texas, isn't it? There is just nothing like our region — the country's ultimate live-work-play-relax destination, if you ask me.

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Russ Anderson
President and CEO,
Briggs Freeman Sotheby's International Realty
President,
Pacific Sotheby's International Realty
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9 Avenue Twenty | \$1,300,000
Trophy Club, Texas
Jessica Smith / 214-908-4724 / jsmith@briggsfreeman.com



219 N. Willmet Avenue | \$899,000
Winnetka Heights | Dallas, Texas
Kay Wood / 214-908-5442 / kwood@briggsfreeman.com



Williams Ranch | \$8,000,000
Covington, Texas | Hill County | 645± acres
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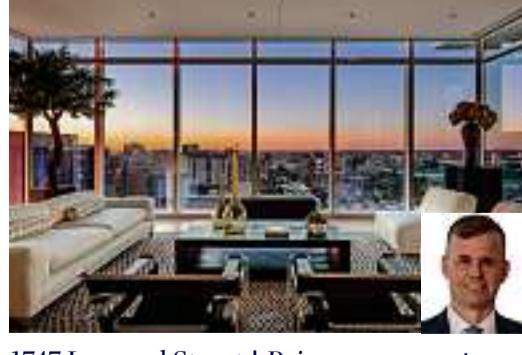
4539 San Gabriel Drive | \$4,195,000
North Dallas | Dallas, Texas
Madeline Jobst / 214-906-3832 / mjobst@briggsfreeman.com



10150 Marsh Lane | \$3,999,000
Dallas, Texas | 1.39 acres
Terri Brak Thomas / 773-617-9488 / territhomas@briggsfreeman.com
Alex Lazcano / 469-386-5499 / alazcano@briggsfreeman.com



3500 Dartmouth Avenue | \$7,200,000
Highland Park | Dallas, Texas
Shelle Carrig / 469-443-8765 / scarrig@briggsfreeman.com
Matt Wilkerson / 214-471-2996 / mwilkerson@briggsfreeman.com



1747 Leonard Street | Price upon request
HALL Arts Residences | Arts District | Dallas, Texas
Kyle Richards / 214-263-4065 / krichards@briggsfreeman.com



5630 Boca Raton Drive | Listed for \$3,495,000
North Dallas | Dallas, Texas
Vicki Foster / 214-642-8966 / vfoster@briggsfreeman.com



10050 Woodridge Drive | \$749,000
Old Lake Highlands | Dallas, Texas
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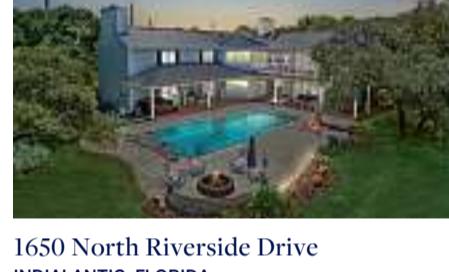
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