

THE WALL STREET JOURNAL.

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★★★★ \$5.00

Last week: **DJIA** 39150.33 ▲ 561.17 1.45% **NASDAQ** 17689.36 ▲ 0.003% **STOXX 600** 515.11 ▲ 0.8% **10-YR. TREASURY** ▼ 12/32, yield 4.256% **OIL** \$80.73 ▲ \$2.68 **EURO** \$1.0695 **YEN** 159.71

What's News

Business & Finance

- ◆ **Retiree investors** are flocking to new types of exchange-traded funds that use derivatives, a tactic meant to chase returns while guarding against painful swings in the market. **A1**
- ◆ **Longtime rivals** Apple and Meta have been holding discussions about integrating the Facebook parent's generative AI technology into a system being made for Apple's iPhones. **B1**
- ◆ **The rising cost of health-care** at hospitals has led to local employers cutting jobs as they seek to decrease spending on insurance premiums, according to a study. **A1**
- ◆ **Car and truck dealers** are assessing the damage after a cyberattack last week against software provider CDK Global, which affected some business dealings. **B1**
- ◆ **UPS is selling its** freight-brokerage business, Coyote Logistics, to rival middleman RXO for \$1.025 billion. **B3**
- ◆ **Higher fees on food-delivery** apps, which were a response to cities' wage laws, are being blamed for customer dissatisfaction and a sharp drop in orders. **B1**
- ◆ **As the Pentagon spends** \$6 billion to revamp arms production, a shell factory in Texas illustrates the more automated future of the munitions industry. **B1**
- ◆ **Online-dating apps** have tried to lure younger customers as growth in paying users slows, but their edgy marketing efforts are turning off some daters instead. **B8**

World-Wide

- ◆ **Counterfeit air bags** have been blamed for at least five accidents causing death or serious injury in the past year, as federal regulators and the auto industry try to crack down on the fakes. **A1**
- ◆ **Netanyahu said** Israel is close to shifting to a less intense phase of fighting in Gaza, and he opposes re-establishing Israeli civilian settlements there, an ambition of his rightist coalition partners. **A7**
- ◆ **Armed militants attacked** two churches, a synagogue and a police station in the Dagestan republic of the North Caucasus in Russia, killing nine people, Russian state media reported. **A9**
- ◆ **Immigrants are** increasingly making their way to suburbs and small cities across the U.S. that aren't prepared to handle them, leading to improvised responses and sometimes generating hostility. **A3**
- ◆ **The use of IUDs** among U.S. women has risen both because of concerns about new restrictions on abortion and broader insurance coverage for the birth-control method. **A3**
- ◆ **A March fire at a German** factory that was at first called an accident is now believed to be sabotage in what may be part of a Russian effort to hamper arms exports to Ukraine. **A9**
- ◆ **Rep. Matt Gaetz**, a sharply conservative figure in the GOP, has been jumping into primary campaigns to attempt to remold the party in his image. **A4**
- ◆ **Died: Jamie Kellner**, 77, helped launch Fox network. **B3**

JOURNAL REPORT

C-Suite Strategies: Making a good virtual impression. **R1-10**

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Pakistan's Heat Prompts Search for Relief



KIRAN SHAH/AGENCE FRANCE PRESSE/GETTY IMAGES

COPING: Visitors sought to cool off Sunday in Keenjhar Lake in Pakistan's Sindh province, with high temperatures over 110.

Deadly Counterfeit Air Bags Make Their Way Into Vehicles

By RYAN FELTON

Destiny Byassee might have survived the crash that killed her last June if it weren't for the counterfeit air bag that blew apart in her face. Unbeknownst to the 22-year-old mother of two, the bogus device was installed in her Chevrolet Malibu before she bought the car from a used-car seller, according to a lawsuit filed by the family in May. When it went off, it exploded "like a grenade" and

sprayed the car with sharp metal and plastic, slicing open her neck, according to the lawsuit. By the time emergency responders arrived, she was found unresponsive and gasping for air, the lawsuit states and medical records show. The troubling problem for automakers and law enforcement: This deadly incident isn't an isolated one. It is one of at least five in the past year in which people have been killed or seriously injured by counterfeit air bags, an unusu-

ally high number in such a short time span, according to the Automotive Anti-Counterfeiting Council, an industry-led group that counts General Motors, Ford Motor and Volkswagen among its members. And those are only the known cases, experts said. Many go unreported because they are difficult to track, and criminals have gotten better at evading detection. "That's the scary part," Bob Stewart, the council's president, said. Federal regulators have

been cracking down via a series of arrests and convictions since last summer, including an indictment in May of two people alleged to have sold thousands of unauthorized air bags—many made of used and counterfeit parts—that were listed on eBay as in brand-new condition. Car companies are also warning dealers to be more

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◆ **Car dealers improvise, cyber outage persists.....** **B1**

Rising Hospital Prices Hit Local Economies

Rising healthcare prices have long eroded U.S. wages. They are doing that by eating into jobs.

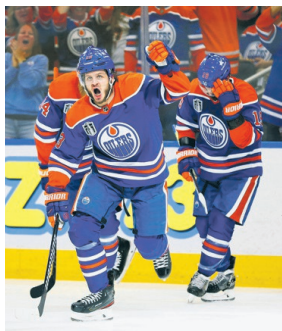
By *Melanie Evans, Andrew Mollica and Josh Ulick*

Companies shed workers in the year after local hospitals raise their prices, new research found. Higher hospital prices pushed up premiums for employees' health insurance, which businesses help pay for. The study, which is scheduled to be published on Monday as a National Bureau of Economic Research working paper, is a comprehensive look at one way that companies manage higher premiums: cutting payrolls.

"Employers that face increases in healthcare spending respond by laying off workers who they can no longer afford to retain," said Zarek Brot-Goldberg, an economist at the University of Chicago and a researcher involved in the study. Prices go up for several reasons. Consumers will pay more when they get new technology or more in return, for example. That isn't the case following many hospital mergers, studies find. Quality doesn't get better, but the prices nonetheless rise. Hospitals said the combined resources after mergers create efficiencies and improve operations as newly merged organizations share talent and strategies. "The fact is, individual

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INSIDE



CODIE MCCALLAN/GETTY IMAGES

JASON GAY

A wild switch in the Stanley Cup Final between Edmonton and Florida. **A14**

BUSINESS & FINANCE

Apple has been talking with longtime rival Meta about an AI partnership. **B1**

GOP Gets Ready To Bash Chicago

Democratic National Convention is expected to draw focus to city's woes

By JOHN MCCORMICK AND DOUGLAS BELKIN

CHICAGO—Colleen Cella keeps an eye out for human excrement outside the building she manages less than a mile from the United Center arena, where President Biden will be nominated at this summer's Democratic National Convention. The messes started showing up last fall after hundreds of migrants were moved into a property down the block, said Cella, who has worked at the low-rise office and warehouse build-

ing for six years. She has painted over graffiti that began appearing, shelled out thousands of dollars for new fences and security cameras, and periodically chases away migrants who have turned her loading dock into an impromptu car-repair shop. "You feel for them, but the city has not been transparent about this at all," she said, reflecting on the changes in what has been an up-and-coming neighborhood in recent years. "What about the businesses and homeowners who are being

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Finance Bros: It's Your Summer

* * *
In dating, Wall Street men are hot commodity

By HANNAH MIAO

There was hot girl summer and short king spring. Now, 'tis the season for finance bros. Men working in finance are the latest public fascination. Khrystyna Komarovska, a social-media manager who recently moved to New York, hit the streets in May with a cardboard sign advertising her search for one. "They're hardworking and they're smart," she said in an interview. "It's my type." Wearing pearls and a black suit, her long blond hair in loose curls, Komarovska bran-

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The Fevered Economics Of a Coveted Handbag

By CAROL RYAN

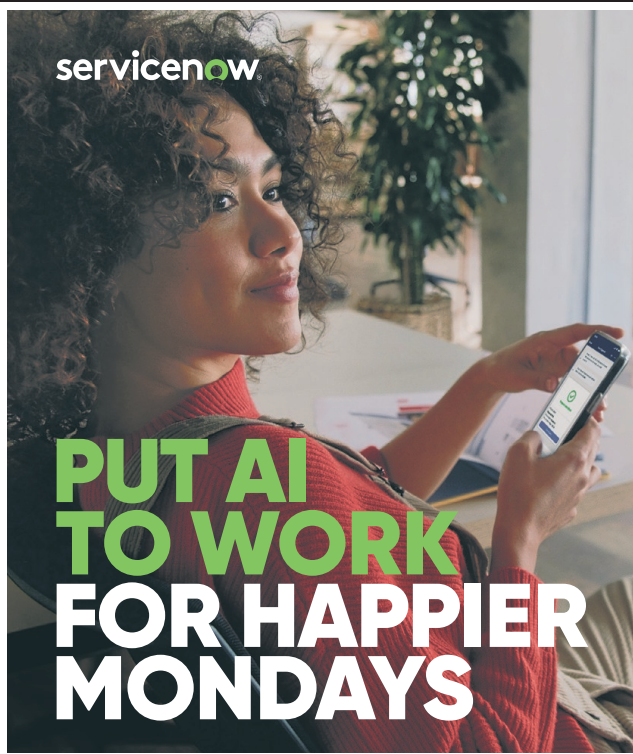
You could double your money in five minutes by buying a Birkin handbag at your local Hermès boutique and then flipping it. But getting your hands on the world's most sought-after purse is complicated. A basic black leather Birkin 25 costs \$11,400 before tax at the Hermès store. Buyers can walk out and give it to a reseller like Privé Porter in exchange for \$23,000 in cash. Privé Porter will then sell the Birkin for up to \$32,000. Analysts estimate the bag costs Hermès around \$1,000 to make. The unusual economics have upended the normal balance of power between shop-



THE ELUSIVE BIRKIN.

per and store worker. At the Hermès boutique, it is the buyer who kowtows. Wealthy women have brought in homemade cookies to cozy up to their sales assistant. They have offered tickets for Beyoncé concerts, trips to the Cannes Film Festival in a private jet and even envelopes stuffed with cash—all to get a Birkin. Shoppers also spend tens of thousands of dollars on Hermès products they might not particularly want, such as an \$87,500 canoe, to be in the running for a rare purse. The Birkin, which turns 40 this year, appeals to the limelight-seeking Kardashians but also to European Central Bank President Christine Lagarde. It anchors the

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OUR PLATFORM PUTS AI TO WORK ACROSS YOUR BUSINESS, HELPING YOUR PEOPLE WORK BETTER.

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