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What's News

Business & Finance

◆ **Apple won approval** to restart most sales in its \$18 billion smartwatch business after a U.S. appeals court paused a federal agency's import ban on some models of the device. **A1**

◆ **The New York Times** sued Microsoft and OpenAI for alleged copyright infringement, touching off a legal fight over generative-AI technologies with far-reaching implications for the future of the news-publishing business. **A1**

◆ **Investor optimism** pushed the S&P 500 to a 0.1% gain and a close just shy of a record, while the Dow and Nasdaq rose 0.3% and 0.2%, respectively. **B1**

◆ **An industry-tracking firm** projects that U.S. beer shipments will hit their lowest level in a quarter-century by the end of this year. **B1**

◆ **Energy infrastructure** company Williams Cos. signed a deal to buy a portfolio of Gulf Coast natural-gas storage assets from an affiliate of commodities trader Hartree for \$1.95 billion. **B3**

◆ **Geopolitical adversaries** and common criminals are set to intensify cyberattacks on U.S. companies in the new year, government security officials say. **B5**

◆ **Talen is developing** a data-center campus with a view to supplying power to tech firms looking for carbon-free energy sources to develop their artificial-intelligence capabilities. **B3**

◆ **Shipping company Hapag-Lloyd** said it would continue to avoid the Red Sea because of the danger posed by Houthi militant attacks. **B3**

World-Wide

◆ **Top Biden** administration officials huddled with Mexico's president in urgent talks to try to slow the record pace of illegal crossings at the southern U.S. border, as congressional negotiators sought a deal to tighten immigration laws. **A3**

◆ **Special counsel** Jack Smith urged a judge to fend off Trump's attempts to "inject politics" into the criminal case alleging that he plotted to overturn the results of the 2020 election. **A4**

◆ **The Michigan Supreme Court** ruled that Trump can appear on the state's 2024 presidential primary ballot, declining to take up the question of his eligibility. **A4**

◆ **Israeli forces intensified** their ground offensive in refugee camps in the central Gaza Strip as fighting continued to drive Palestinian civilians into shrinking areas in search of safety. **A8**

◆ **Houthi attacks** targeting Israel and Red Sea shipping lanes are threatening to derail effort to end Saudi Arabia's entanglement in Yemen's nine-year civil war. **A9**

◆ **Florida manatees** are heading into the critical winter season in a healthier condition than they have been in recent years. **A3**

◆ **Died: Wolfgang Schäuble**, 81, German statesman. **A10** ... ◆ **Jacques Delors**, 98, an architect of the modern EU. **A10** ... ◆ **Tom Smothers**, 86, half of the Smothers Brothers comedy duo. **A6** ... ◆ **Herb Kohl**, 88, former U.S. senator and onetime president of Kohl's stores. **A6** ... ◆ **Gaston Glock**, 94, developer of gun that bears his name. **A10**

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Migrants Head North Amid U.S.-Mexico Talks



IN STEP: Biden administration officials met with Mexico's president for urgent talks Wednesday to try to slow the record pace of illegal crossings at the southern U.S. border, as a group of migrants headed for the U.S. walked through Escuintla, Mexico. **A3**

Banking Turmoil Is Playing Out At Smallest Lenders Across U.S.

By GINA HEEB

INDUSTRY, Texas—Doak Hartley usually can't go to a restaurant, grocery store or even church in town unnoticed. The chairman of Industry Bancshares gets stopped by customers asking about how to get a loan or where the economy might be headed.

Lately, the questions are more complicated. Some want

to know how many of Industry's deposits are insured. (Between two-thirds and three-quarters at each of its banks.) Others have heard that Industry has a negative net worth and want to know what that means. (The bank owes more money than it has.)

"Banking really is 24/7 if you live in a small community," Hartley said.

Industry Bancshares, with

some \$5 billion in assets, is the parent company of six banks with more than two dozen branches scattered across stretches of farms and ranches in eastern Texas. It is one of the small banks in rural America whose local focus has long been a strength, inspiring years of loyalty from their neighbors to keep money down the street. Many of these banks are now reckon-

ing with decisions they made when money was abundant and rates were low, crunched by the Federal Reserve's rapid interest-rate increases.

Industry is currently more than \$75 million underwater because it piled into long-term bonds when rates were low. Those bonds plunged in value and the bank's liabilities have been exceeding its assets since

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N.Y. Times Accuses AI Firms of Copyright Violations

By ALEXANDRA BRUELL

The New York Times sued Microsoft and OpenAI for alleged copyright infringement, touching off a legal fight over generative-AI technologies with far-reaching implications for the future of the news publishing business.

In a complaint filed Wednesday, the Times said the technology companies exploited its content without permission to create their artificial-intelligence products, including OpenAI's humanlike chatbot ChatGPT and Microsoft's Copilot. The tools were trained on millions of pieces of Times content, the suit said, and draw on that material to serve up answers to users' prompts.

The suit opens a new front in a yearslong battle between tech and media companies over the economics of the internet, pitting one of the news industry's biggest players against pioneers of new AI technologies. It comes after months of commercial negotiations between the companies failed to produce a deal, according to the Times.

In its complaint, the Times said it believes it is among the largest sources of proprietary information for OpenAI and Microsoft's AI products. Their AI tools divert traffic that would otherwise go to the Times' web properties, depriving the company of advertising, licensing and subscription revenue, the suit said.

The Times is seeking damages, in addition to asking the court to stop the tech companies from using its content and to destroy data sets that include the Times' work.

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Hostile Nations Arrest Americans to Sway the U.S.

Travelers face heightened risk in countries covering nearly 25% of world population; a growing tactic in geopolitical struggle

The problem was staring up from a deck of cards, handed from one presidency to the next.

By Drew Hinshaw, Joe Parkinson and Aruna Viswanatha

As the Trump administration exited the White House, its national security team left behind some 30 baseball-style cards for the incoming Biden staff, monuments to an ancient practice that had somehow become a grave 21st-century challenge. Each bore the photo of an American held hostage abroad.

Since then, the problem has metastasized into what the Biden administration calls a national emergency. The risk of Americans being held on spurious charges by a foreign government is now so widespread that the State Department warns U.S. citizens against traveling to countries accounting for nearly a quarter of the world's population. In diplomatic parlance, those nine nations are classified "D" for the risk of detention.

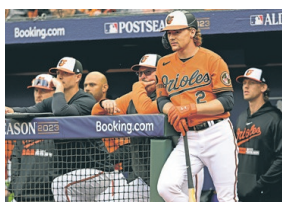
Classification D is America's gathering new reality: an increasingly piratical global system where the taking and trading of for-

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INSIDE



PERSONAL JOURNAL
Stay-at-home girlfriends are having their moment on social media. **A13**



SPORTS
Succession drama grips the Baltimore Orioles, with a family at odds. **A16**

Bedbug Killers Around the World Swap the Lab for the Spotlight

Bloodsucker experts emerge as heroes in growing battle against the icky invaders

By JIYOUNG SOHN

SEOUL—Kim Ju-hyeon is a medical-entomology professor at Seoul National University, a prestigious position that allows her to indulge a professional obsession with bloodsuckers.

Early on, her parents worried about her career choice. Now, she's a national hero.

Kim is a noted bedbug killer in the middle of what South Korea fears is the worst infestation in decades. Since the end

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Banned Apple Watches Are Back On Sale

Appeals court temporarily lifts prohibition imposed over patent dispute

By AARON TILLEY

Apple won approval Wednesday to restart most sales in its \$18 billion smartwatch business after a U.S. appeals court paused a federal agency's import ban on some models of the device.

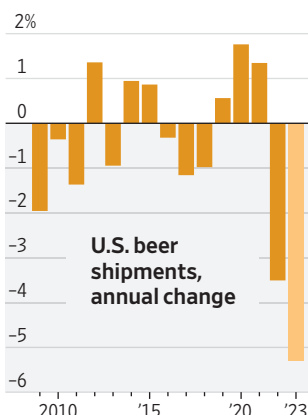
The Apple Watch Series 9 and Ultra 2 models, for which sales were halted in the past week, were once again available in stores on Wednesday and are slated to return online Thursday, according to the company. They will continue to be sold in the coming weeks while the court weighs Apple's request to stay the ban while its appeal is considered. In October, the U.S. International Trade Commission banned the import into the U.S. of some versions of the Apple Watch after finding that Apple violated the patents of Masimo, an Irvine, Calif.-based medical technology company.

Separately, Apple has sought approval from U.S. Customs and Border Protection on redesigned versions of the two watch models subject to the ban. The customs office, responsible for enforcing import bans, is scheduled to decide on Jan. 12 whether Apple's redesign complies with the trade agency's finding.

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Drinkers Bail on Beer

U.S. beer shipments for 2023 are expected to reach their lowest level in 25 years. **B1**



Note: Includes hard cider, flavored malt beverages, malt/sugar-based hard seltzers and non-alcoholic beer
Source: Beer Marketer's Insights

'Patriotic' Snitching Becomes Rampant In Putin's Russia

By ANN M. SIMMONS

In June, Kamilla Murashova was fined 30,000 rubles, about \$330, after a stranger traveling on the same train reported her to police for the badges displayed on her red backpack.

One emblem depicted the peace sign. Another said "No to War." A third pictured a blue sky and a yellow field of wheat—the colors of the Ukrainian flag.

Her offense? Discrediting the Russian military.

The informer photographed Murashova sitting in the train car, her backpack perched upon her knees with the badges in full display, according to evidence included in documents from the Ostankino District Court of Moscow. He then told the authorities, the documents said.

"I was surprised. I know I did nothing wrong," Murashova, a 40-year-old nurse, said

in an interview.

Murashova is one of what researchers and experts in social behavior said are possibly thousands of people who have fallen victim to the proliferating trend of Russians informing on colleagues, acquaintances or people with whom they have only fleeting contact. The practice was commonplace during Soviet times, particularly under the reign of Soviet dictator Joseph Stalin, when people were encouraged to denounce those accused of being "enemies of the state."

Now "donos," as it is called in Russian, is gaining traction since the Kremlin ordered the invasion of Ukraine in February 2022. Less than a month after the war began, President Vladimir Putin urged people to report anyone who wasn't fully behind the effort, telling a televised meeting that although the West was trying to

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