

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **UPS said it plans** to shed about 12,000 jobs this year and mandated staff work from offices five days a week starting March 4, as the package-delivery company seeks to boost productivity amid a protracted slowdown in business. **A1**
- ◆ **Microsoft recorded** its highest profit growth in more than two years last quarter as excitement about artificial intelligence helped power the growing demand for its cloud services. **A1**
- ◆ **Google's advertising** sales fell short of Wall Street's expectations, sending shares down despite strong growth in other areas of the search giant's business. **B1**
- ◆ **Chinese factory activity** remained in contraction for a fourth straight month, the latest sign that the country's economy is struggling to regain momentum. **A7**
- ◆ **U.S. stocks ended mixed**, with the Dow rising 0.3% to a record and the S&P 500 and Nasdaq retreating 0.1% and 0.8%, respectively. **B11**
- ◆ **A Delaware judge** struck down Elon Musk's multibillion-dollar pay package at Tesla after finding the process for securing its approval "deeply flawed." **B1**
- ◆ **Workers quit jobs** less frequently in 2023, a sign that confidence in the labor market is falling as the U.S. economy is expected to slow and Americans are taking longer to find new jobs. **A2**
- ◆ **GM gave a bullish** profit outlook for 2024, lifting the stock after stumbles last year on electric vehicles and self-driving cars dented earnings. **B3**

World-Wide

- ◆ **Musk said Neuralink** had implanted its brain chip in a human for the first time, moving a step closer to a scientific advance that could offer hope to people with conditions such as quadriplegia who could eventually regain lost function. **A1**
- ◆ **Nikki Haley appears** to be banking enough money to finance her long-shot bid to slow Trump from claiming the 2024 Republican presidential nomination through at least the Feb. 24 South Carolina primary. **A5**
- ◆ **Democratic Rep.** Cori Bush of Missouri said the Justice Department is investigating whether her campaign improperly paid her husband to provide personal security. **A4**
- ◆ **The House GOP** is moving ahead with the impeachment of Homeland Security Secretary Mayorkas while throwing cold water on an emerging Senate deal to curb illegal border crossings. **A4**
- ◆ **A lawyer hired by** Fulton County, Ga., District Attorney Willis to help prosecute Trump reached an agreement allowing him to avoid testifying, for now, in his divorce case, scrapping a hearing that might have shed light on misconduct allegations against the prosecutors. **A3**
- ◆ **A court convicted and sentenced** Pakistani opposition leader Imran Khan to 10 years in prison on charges of disclosing state secrets, in a blow to the country's opposition days before a national election. **A7**
- ◆ **U.S. and Chinese officials** met to discuss ways to curb the flow of chemicals fueling the U.S. fentanyl crisis. **A7**
- ◆ **Died: Chita Rivera**, 91, Tony-winning Broadway star. **A5**

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Political Game of Chicken Shuts French Roads



CHRISTOPHE ENIA/ASSOCIATED PRESS

FREE-RANGE PROTEST: Farmers blocked a highway in Jossigny, east of Paris, on Tuesday as the government announced measures aimed at addressing complaints over higher prices for fertilizer, energy and other supplies. **A6**

Microsoft's Profit Soars 33% As AI Bolsters Cloud Demand

By TOM DOTAN

Microsoft recorded its highest profit growth in more than two years last quarter as excitement about artificial intelligence helped power the growing demand for its cloud services.

Microsoft's net income rose 33% to \$21.9 billion in the three months through December. That is the highest quarterly expansion for the technology company since the quarter ended in September 2021.

Microsoft has been on a run since last year. It has been the vanguard of current investor enthusiasm that new AI-driven products will transform the industry, helping Microsoft to dethrone Apple as the company with the highest market value in the world. It also climbed above \$3 trillion in market capitalization last week, becoming only the second company after Apple to reach that mark.

"A growing body of evidence makes clear the role AI will play in transforming

work," said Microsoft Chief Executive Satya Nadella on a call about earnings.

The Microsoft results on Tuesday came in a week of much-watched quarterly reports from the biggest tech companies at a time when stock prices in the industry have soared. Google parent Alphabet, which reported on Tuesday, said its revenue rose more than 13% in the latest quarter driven by a rebound in its core ad-sales business, but ad growth fell short of ana-

lysts' estimates, causing its shares to slide after hours.

Microsoft shares surged nearly 70% over the past 12 months while the tech-heavy Nasdaq Composite Index rose less than 40%. Shares were little changed in after-hours trading on Tuesday.

The company's Azure cloud business grew 30%, beating analysts' estimates of 27%. *Please turn to page A4*

◆ **Google's ad revenue disappoints.....** B1

Musk's Brain Chip Takes Big First Step

By ROLFE WINKLER AND JO CRAVEN MCGINTY

Elon Musk wants to augment perfectly healthy people with brain chips so the human race can keep up with artificial intelligence. That is how he has described the ultimate aims of his brain-computer interface company, Neuralink.

It will take years of research and successful demonstrations of the technology, before such an aggressive goal is even remotely possible. In the meantime, the company moved a step closer to a significant scientific advance, one that offers hope to thousands of people with debilitating conditions such as quadriplegia who could even-

tually regain lost function.

Musk tweeted late Monday that Neuralink had implanted its brain chip in a human for the first time. He said the patient is "recovering well" and he suggested that the implant had successfully registered signals from neurons, or nerve cells that transmit information to other nerve cells.

It is an impressive feat, *Please turn to page A6*

Tesla Pay In Limbo

Judge strikes down Musk's multibillion-dollar package..... **B1**

Companies Hire 'Robot Wranglers'

* * *

Automatons wander and get 'lost like a child'

By LIZ YOUNG

Caroline Rutenberg got an alert one day that one of her charges needed help at the Amazon.com warehouse where she works in Windsor, Conn.

Rutenberg walked across the warehouse floor and found the crew member covered in white paint and refusing to move after an accidental spill.

Rutenberg took a cloth and gently wiped off the worker's eyes, getting a glassy, expressionless stare in return. But it's not like she expected a "thank you"—her underling is a robot, a squat machine on wheels that looks like a Roomba vacuum with a con-

Please turn to page A5

Jury Finds Sotheby's Didn't Cheat Oligarch

By KELLY CROW AND JAMES FANELLI

Sotheby's didn't help a private dealer dupe Russian fertilizer billionaire Dmitry Rybolovlev into overpaying for art, a federal jury in New York found.

Tuesday's verdict closed a high-profile, three-week trial that shed light on the typically secret dealings behind private art sales.

The 10-member jury found that the auction house didn't aid Swiss dealer Yves Bouvier in an alleged scheme to defraud Rybolovlev by secretly and significantly marking up the prices of four artworks sold to the Russian collector between 2003 and 2014—including pieces by Gustav Klimt, René Magritte, Amedeo Modigliani and Leonardo da Vinci.

"We are thrilled by the verdict," Sotheby's lawyer Marcus Asner said minutes after the decision. "This has been a long ordeal for Sotheby's, but

it is uplifting that we were vindicated. We knew that we acted at all times completely legally and ethically, and we are delighted to put this chapter behind us."

The jury's decision suggests that even though Rybolovlev was livid after discovering that he had paid padded prices for the art, the transactions fell short of fraud on the auction house's side. He sought \$190 million in damages, plus interest.

Immediately after the verdict, the Russian oligarch didn't say whether he plans to appeal.

Sotheby's legal win likely serves as a dramatic climax to a legal showdown known in the art world as the Bouvier Affair.

Tuesday's verdict amounts to a major validation of Sotheby's behind-the-scenes sales tactics within the realm of private sales, a growing

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INSIDE



GABRY JONES FOR THE WALL STREET JOURNAL

JOANNA STERN

Apple's \$3,500 mixed-reality goggles offer a glimpse of the future. **A9**

PROPERTY REPORT

The real-estate downturn comes for America's premier office towers. **B6**

Iran Is Facing Moment of Truth

Attacks on U.S. base, Israel by militia allies raise the threat of retaliation

Weeks after Israel invaded Gaza in response to Hamas's deadly attack on Oct. 7, Iranian Supreme Leader Ayatol-

By Sune Engel Rasmussen, Summer Said, Benoit Faucon and Stacy Meichtry

lah Ali Khamenei convened a meeting of militia leaders across an alliance Tehran calls "the axis of resistance." The attack, which Khamenei had publicly praised as an "epic victory," marked a

crescendo of four decades of Iranian efforts to train and arm a network of nonstate militant groups as a way to threaten its enemies and extend its influence in the Middle East.

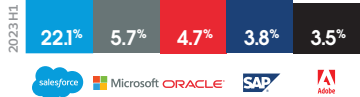
But behind closed doors, the Iranian leader told senior Hamas representatives, along with Lebanese, Iraqi, Yemeni and other Palestinian militia leaders, that Tehran had no intention of di-

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◆ **Iran-backed militia says attacks will cease.....** A6

Salesforce. #1 CRM.

Ranked #1 for CRM Applications based on IDC 2023H1 Revenue Market Share Worldwide.



Source: IDC, Worldwide Semiannual Software Tracker, November 2023.



salesforce.com/number1CRM

CRM market includes the following IDC-defined functional markets: Sales Force Productivity and Management, Marketing Campaign Management, Customer Service, Contact Center, Advertising, and Digital Commerce Applications. © 2024 Salesforce, Inc. All rights reserved. Various trademarks held by their respective owners.