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What's News

Business & Finance

Analysts have been cutting their estimates for third-quarter earnings growth, signaling another possible test for the resilience of the stock market. **A1**

◆ **U.S. stocks rose** ahead of the Tuesday release of consumer-price data for August, with the S&P 500, Nasdaq and Dow gaining 1.1%, 1.3% and 0.7%, respectively. **B11**

◆ **Peloton Interactive** said co-founder John Foley and other senior leaders are leaving the company in a management shake-up. **A1**

◆ **Freight railroads** said they plan to halt the transport of hazardous materials and sensitive cargoes as they continue negotiations with two labor unions. **B1**

◆ **Twitter's shareholders** are poised to approve the \$44 billion takeover that Musk is now trying to exit, according to people familiar with the matter. **B3**

◆ **Goldman is preparing** to lay off hundreds of staffers as soon as next week, cuts that follow the reinstatement of annual performance reviews. **B11**

◆ **A rocket operated** by Blue Origin failed during a planned uncrewed space flight, ending the mission prematurely, the Bezos-backed company said. **B3**

◆ **General Electric's Culp** said the company's breakup plans are on track but that it continues to battle supply-chain pressures. **B3**

◆ **Oracle's sales topped** expectations in the latest quarter, as its cloud businesses and the integration of Cerner lifted results. **B4**

World-Wide

◆ **Russia withdrew** more forces from the Kharkiv region, retreating from a swath of northeastern Ukraine as Kyiv's forces continued their push into Russian-occupied territory and the government vowed that all areas seized by Moscow would be retaken. **A1**

◆ **Ukraine signaled** it will make major new requests for weapons from the U.S. and its allies, including a long-range missile system Washington has declined to provide. **A6**

◆ **The Justice Department** said it would accept one of the Trump team's proposed candidates to serve as a third-party arbiter to review documents seized from the former president's Mar-a-Lago home last month. **A4**

◆ **The Biden administration** said it would revise safety requirements for offshore oil and gas producers, reversing some of Trump's moves to pare back regulations. **A3**

◆ **Queen Elizabeth II's coffin** was borne by procession along the streets of Edinburgh, as tens of thousands crowded the heart of the Scottish capital to bid farewell to Britain's late monarch. **A16**

◆ **U.S. officials wound up** a day of high-level meetings with their Mexican counterparts optimistic that they can bring Mexico on board with plans to boost regional production of semiconductors and renewable energy. **A2**

◆ **Roughly 15,000 Minnesota nurses** went on strike in protest of stalled contract negotiations and concerns over staffing and retention, wages and patient care. **A3**

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Ukrainian soldiers in the Kharkiv region on Monday as troops retook a wide swath of territory from Russia.

Russia Pulls Out More Forces As Ukraine Presses Offensive

By MATTHEW LUXMOORE

Russia withdrew more forces from the Kharkiv region, retreating from a swath of northeastern Ukraine as Kyiv's forces continued their push into Russian-occupied territory and the government pledged that all areas seized by Moscow would be retaken.

"The Russian occupiers are running so fast under pressure from Ukrainian soldiers that they're leaving whole ammunition arsenals behind," Ukraine's SBU intelligence service said on Monday. "We know what to

do with them and will be sure to use them according to purpose—against the enemy."

Since the start of its offensive this month, Ukraine has said it has retaken about 9,000 square kilometers, or about 3,500 square miles, of territory from Moscow's forces in the region of Kharkiv, handing Russia its biggest setback since it invaded in February. That is more than one-tenth of all areas Russia gained and kept since the invasion.

The rapid gains have caught Moscow off guard, prompting criticism among supporters of

the Kremlin about the way the military campaign is being handled.

Ukraine published photos on Monday of troops inspecting a warehouse filled with Russian arms and ammunition in Izyum, a city in southeastern Kharkiv that had for months served as a garrison for Russian forces.

In a report published early Monday, Ukraine said its armed forces had retaken 30 Russian-occupied settlements on Sunday alone, capitalizing on panic among Russian forces who have reportedly been

fleeing the Kharkiv region and leaving equipment behind.

Sgt. Artur Shevtsov of the Dnipro-1 battalion, based near Slovyansk in eastern Ukraine, said the battalion's sixth and seventh units had taken part in the battles for Izyum and Balakliya.

Sgt. Shevtsov said soldiers

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◆ **Kyiv to ask for more weapons from West.....** A6

◆ **Ukrainians roll back changes in liberated region.....** A6

◆ **War casualties rise as Kremlin stops counting.....** A7

Peloton Chairman Resigns In Latest Shake-Up

By SHARON TERLEP

Peloton Interactive Inc. said co-founder John Foley and other senior leaders are leaving the company in a management shake-up as the maker of connected exercise equipment races to turn itself around.

Peloton has struggled with deepening losses this year after a pandemic-fueled spike in demand for its at-home workouts left the company with a glut of unsold bicycles when consumers returned to gyms and outdoor activities. The company's shares have plunged more than 90% over the past year.

Mr. Foley, who led the company for most of its 10-year existence, stepped down as CEO in February but remained executive chairman of the board. He resigned on Monday, the company said, and will be succeeded as board chair by Karen Boone, a former executive at Restoration Hardware and a Peloton board member since 2019.

The shake-up, announced by Chief Executive Barry McCarthy, comes weeks after Peloton reported a \$1.2 billion quarterly loss and a nearly 30% drop in revenue. Mr. McCarthy warned investors in August that the business would likely spend more cash than it brings in for several more months.

With fewer people buying new Peloton machines, the new CEO has experimented with lowered prices and bike rentals as well as trying to get people who don't have Peloton bikes or treadmills to pay a monthly subscription for the company's online fitness classes.

"We slashed pricing in order

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INSIDE



PATRICK J. FALLON/AN/AP IMAGES

PERSONAL JOURNAL
'Succession' takes best drama, 'White Lotus' racks up wins at Emmy Awards. **A9**

JOANNA STERN
Apple's latest software update has a makeover for the iPhone. **A10**

Who'll Take the House Plants? A Puzzle for People Moving Abroad

Shipping is hopelessly complicated, so owners search for someone to adopt

By MICHELLE CHAN

Frustrated by the cost of living in New York City, Ettel Edshteyn, a dog-behavior consultant who works remotely, looked into moving to Puerto Rico or Central America.

The deal breaker was the hundreds of plants she keeps in her apartment in Queens. Restrictions on moving many plant species across international borders, along with prohibitive shipping costs, led Ms. Edshteyn to narrow her relocation options to New Jersey and Virginia, within driving distance.

"It would be really heartbreaking to have to start from scratch," she said of the plant collection that covers most of her living-room wall and

fills three indoor greenhouses. They include exotic species from Ecuador and her favorite Queen Anthurium, a climbing plant with six-inch leaves that she grew from a sapling.

Ms. Edshteyn plans to transport whatever can fit in her car to her new residence. For the rest, she has spent several weeks screening people who want to buy or adopt her plants, to make sure they are properly taken care of.

No matter how hard people try to pack their entire lives into suitcases when moving abroad, they often must leave one thing behind—beloved house plants. Among the rules that make taking them along impractical are requirements in many coun-



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Instagram Stumbles In Push to Mimic TikTok

Internal documents show how it lags behind on short-form video

Meta Platforms Inc. Chief Executive Mark Zuckerberg is betting the social-media giant's near-term future on Instagram Reels, the short-video feature he is touting as the company's answer to TikTok.

By Salvador Rodriguez, Meghan Bobrowsky and Jeff Horwitz

The company's internal research shows that Meta has a lot of catching up to do.

Instagram users cumulatively are spending 17.6 million hours a day watching Reels, less than one-tenth of the 197.8 million hours TikTok users spend each day on that platform, according to a document reviewed by The Wall Street Journal that summarizes in-

ternal Meta research.

The document, titled "Creators x Reels State of the Union 2022," was published internally in August. It said that Reels engagement had been falling—down 13.6% over the previous four weeks—and that "most Reels users have no engagement whatsoever."

One reason is that Instagram has struggled to recruit people to make content. Roughly 11 million creators are on the platform in the U.S., but only about 2.3 million of them, or 20.7%, post on that platform each month, the document said.

Meta spokeswoman Devi Narasimhan characterized the data about viewing hours as outdated and not global in scope, but declined to disclose other numbers. She said

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Weaker Earnings Forecasts Test Rise In Stocks

Analysts cut estimates by their most since 2020 as companies sound more downbeat

By AKANE OTANI

Stocks are riding a tentative recovery, with the S&P 500 up 1.1% on Monday, but whether they can keep their momentum hinges in part on how earnings season plays out next month.

Analysts have cut their estimates for third-quarter earnings growth by 5.5 percentage points since June 30, according to John Butters, senior earnings analyst at FactSet. That is more than usual and marks the biggest cut since the second quarter of 2020, when the Covid-19 pandemic and ensuing lockdowns brought economic activity to a standstill.

Companies also have been looking increasingly pessimistic lately. A total of 240 companies in the S&P 500 mentioned recession on their postearnings conference calls for the latest quarter, the most ever in FactSet's data going back to 2010.

Even with the outlook for the coming earnings season darkening, markets have been resilient. The S&P 500 rose 43.05 points to 4110.41 on Monday, while the Dow Jones Industrial Average climbed 229.63 points, or 0.7%, to 32381.34.

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◆ **Finance chiefs struggle to pinpoint forecasts** B4

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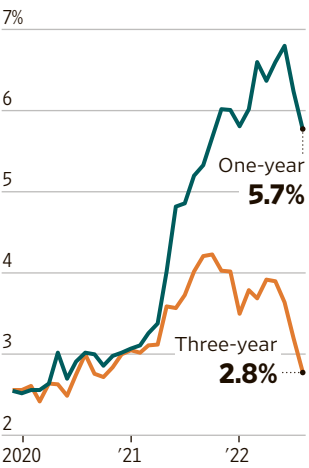
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U.S. NEWS

Inflation Expectations Declined in August

Median one- and three-year ahead expected inflation rate



Source: Federal Reserve Bank of New York Survey of Consumer Expectations

By MICHAEL S. DERBY

American consumers said in August that they are expecting notable declines in future levels of inflation, a report from the Federal Reserve Bank of New York said Monday.

The bank said in its August Survey of Consumer Expectations that one year from now, households see inflation at 5.7%, down from the 6.2% they predicted in the July survey. Three years from now, survey respondents expect to see inflation at 2.8%, down from the 3.2% seen in July.

The expected level of inflation over the longer run also eased. The report said five years from now, survey re-

spondents see inflation at 2% as of August, down from July's 2.3% forecast. In July, inflation was up by 6.3% from the same month a year ago, as measured by the personal consumption expenditures price index.

The decline in the expected path of inflation is likely to be welcome news for the Federal Reserve. The central bank has since March been implementing a series of aggressive interest-rate increases aimed at lowering the highest levels of inflation seen in 40 years. The Fed is almost certain to raise rates next week, with many analysts eyeing a 0.75 percentage point increase, matching similar sized moves in June and July.

The Fed hopes rate increases, which will likely continue after the September Federal Open Market Committee meeting, will lower demand and moderate inflation pressures. But many are worried that the path the Fed is on could send the economy into a downturn.

Fed officials believe that the public's expected path of inflation exerts a strong influence on where price-pressure levels stand now. They have drawn some solace from the fact that longer-term inflation-expectation levels have remained relatively stable even in the face of surging inflation, which they see as evidence that the public believes price pressures will eventually

moderate back to the Fed's 2% target.

"It is very important that inflation expectations remain anchored," Federal Reserve Chairman Jerome Powell said last Thursday. "I think the evidence today is that if you look at longer-term expectations by households, businesses and forecasters and also markets, you'll see that they are pretty well anchored around 2%," he said.

Some recent data have shown moderation in inflation, and the ebbing in inflation expectations could signal price pressures may soften further in coming months.

In the report, the New York Fed said expected price gains across key parts of the econ-

omy all softened in August. The expected level of home-price increases a year from now fell to 2.1% from 3.5% in July, marking the lowest reading since July 2020.

August's decline in home-price rise expectations "was broad based across demographic groups and geographic regions," the bank said, adding "home price expectations have now fallen by nearly two-thirds since the April 2022 reading of 6.0%."

Expectations for gasoline, food and rent prices also moved lower in August, the report said. Meanwhile, "consumers were more optimistic about their future household income and financial situations," the report said.

U.S. Touts Plans for Chips, Energy to Mexico

By ANTHONY HARRUP
AND JESSICA DONATI

MEXICO CITY—U.S. officials wound up a day of high-level meetings with their Mexican counterparts optimistic that they can bring their southern trade partner on board with multibillion-dollar plans to boost regional production of semiconductors and renewable energy.

Secretary of State Antony Blinken and Secretary of Commerce Gina Raimondo led the delegation of senior U.S. officials to Mexico City Monday for the second annual high-level economic dialogue.

The U.S. delegation was eager to tout two sweeping packages of legislation signed into law in the U.S.—the \$280 billion Chips and Science Act, aimed at boosting U.S. semiconductor manufacturing, and the Inflation Reduction Act, which Biden administration officials hope will open up areas of cooperation in the renewable energy sector in Mexico.

"We have already heard from all the semiconductor companies that as they build new manufacturing facilities in America, they would like to see the rest of their supply chain in North America," Ms. Raimondo said in opening remarks at the dialogue. "Mexico specifically."

Mexico's auto industry has felt acutely the global shortage of semiconductors, which interrupted last year's recovery from a 20% drop in vehicle production in 2020 when the country shut down assembly plants for two months at the outset of the coronavirus pandemic.

Mexico's auto production, much of which is destined for the U.S. market, was up 7.9% in the first eight months of



Secretary of State Antony Blinken and Secretary of Commerce Gina Raimondo at the high-level meetings in Mexico City on Monday.

this year, but industry officials say they don't expect to recover prepandemic levels until late 2024.

U.S. officials view the chips bill as an opportunity for Mexico to benefit as a supplier but say that its trade partner needs to do more in light of a dispute with U.S. companies over energy, to stabilize electricity prices, and reassure investors about the rule of law.

The U.S. Trade Representative's office in July requested consultations under the U.S., Mexico Canada Agreement to address Mexico's energy policies, which it says obstruct operations of U.S. companies that have invested heavily in Mexico's energy sector.

Canada has said it supports the U.S. action and launched its own challenge to Mexico's energy policy.

The administration of Mexican President Andrés Manuel López Obrador has changed laws and regulations in favor of the state-run electric utility Comisión Federal de Electricidad and oil company Petróleos Mexicanos, hindering fuel imports by U.S. companies and giving CFE priority on the grid over private power generators, including solar and wind plants.

Failure to reach agreement during the consultations could lead to the U.S. Trade Representative's office calling for a panel with Mexico and Canada. If found in violation of its

commitments, Mexico could face retaliatory actions by its trade partners.

Mr. Blinken said both sides were working to resolve differences in a "pragmatic way."

Biden officials are eager to sell the potential gains to the public ahead of November's midterm election. Improving economic relations with Mexico is one of the ways it hopes to stem irregular migration, along with other domestic U.S. concerns.

"We have some remarkable new opportunities before us, in part because of the progress we have been able to make in the United States," Mr. Blinken said.

The U.S. officials met with

Mr. López Obrador at the National Palace on Monday.

Mexican Foreign Minister Marcelo Ebrard told reporters that discussions included a security dialogue to be held next month in Washington, D.C., and a summit of North American leaders in December.

He said the sides agreed it wasn't the place to discuss the energy dispute.

Mr. López Obrador, who sees state control of the energy sector as a matter of national sovereignty, said early Monday that he has met with around 18 U.S. energy companies and reached an understanding with most of them.

—Juan Montes
contributed to this article.

Gasoline Prices Are Down 13 Weeks In a Row

By JOSEPH DE AVILA

Gas prices have fallen for 13 straight weeks, the longest consecutive weekly slide in more than three years, as global demand for oil continues to decline.

The average price of regular unleaded gasoline fell to \$3.70 a gallon, the lowest since early March, according to OPIS, an energy-data and analytics provider, and is approaching the average price that predated Russia's invasion of Ukraine. Average gas prices have fallen 26% from the record above \$5 a gallon set in June.

Weaker economic growth in China and Europe has led to softer demand for oil, which has driven down the price of gasoline for U.S. drivers, analysts said. Demand for fuel in the U.S. also declined for the first week of September by 7% compared with the first week of July, according to the latest data from the U.S. Energy Information Administration.

"Less expensive oil usually leads to less expensive gas for drivers," said Andrew Gross, a AAA spokesperson. Falling oil prices helped pump prices decline for three straight months, Mr. Gross said. More parts of the country could soon see prices below \$3 a gallon, he said.

The last time gas prices dropped for this many consecutive weeks was when they fell for 14 weeks in a row starting in October 2018.

In the U.S., demand for fuel remains below pre-pandemic levels as drivers have shifted commuting habits and are driving less to offices, which is also contributing to lower fuel costs, said Edward Moya, senior market analyst with Oanda Corp. "A return to normalcy to everyday travel isn't necessarily going to happen," he said.

While the average price of gas continues to fall nationally, those declines have been uneven. In California, the average price of gas is \$5.41 a gallon, which is 46% higher than the national average, according to OPIS, which is part of Dow Jones & Co., publisher of The Wall Street Journal.

About 6% of gas stations in the U.S. have gas under \$3 a gallon and are mainly located in the South, said OPIS.

Mr. Moya said oil prices may stabilize and begin rising again, along with fuel costs, over the remainder of the year as fuel demand from China and Europe is expected to grow.

Peloton Chairman Leaving

Continued from Page One to survive," Mr. McCarthy said Monday at an investor conference. After cutting jobs, outsourcing manufacturing and reducing inventory, Mr. McCarthy, said the company is no longer in danger of running low on cash.

"We've stopped the bleeding," he said. "I don't need to run it for cash anymore."

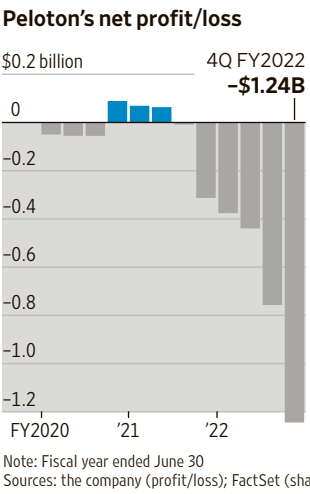
The once-fast growing company is in the midst of a major overhaul as it slashes costs to reflect reduced demand for its fitness equipment. The New York City company has said it plans to eliminate about 3,600 jobs this year and sell bikes through a partner-

ship with Amazon.com Inc.

On Monday, Peloton said its chief legal officer, Hisao Kushi, and chief commercial officer, Kevin Cornils, are also leaving. The company said it hired Tammy Albarrán, a deputy general counsel from Uber Technologies Inc., to succeed Mr. Kushi starting in October. It won't replace Mr. Cornils, who worked on overseas expansions and programs such as bike rentals.

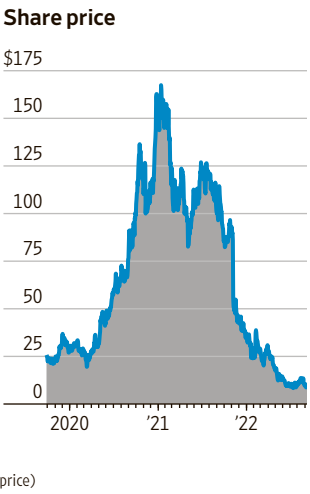
In a memo to staff, Mr. McCarthy said he was grateful for the contributions made by Mr. Foley and the other departing executives. In a statement, Mr. Foley said he was proud of the company and it was time for him to start a new professional endeavor. He declined to comment through a company spokesman.

Mr. McCarthy, who took over as CEO in February, has now assembled a new Peloton leadership team with several executives from outside the fitness industry, including a finance



chief he hired from Netflix. Other longtime Peloton executives, including co-founder William Lynch, who was president, and Mr. Foley's wife, Jill Foley, who oversaw a push into apparel, left in February.

Mr. McCarthy is moving to unwind a growth strategy put in place by Mr. Foley and his lieutenants, who believed de-



mand for Peloton's bikes and connected workout classes would continue to climb as the Covid pandemic abated. "Say what you will about John Foley," Mr. McCarthy said Monday. "He invented the connected fitness category."

Mr. Foley, a former Barnes & Noble executive, co-founded Peloton in 2012 and holds su-

pervoting shares that give him outsize control. As of October 2021, he owned shares that gave him nearly 40% of the voting power, securities filing show. A Peloton spokesman declined to comment on Mr. Foley's current holdings.

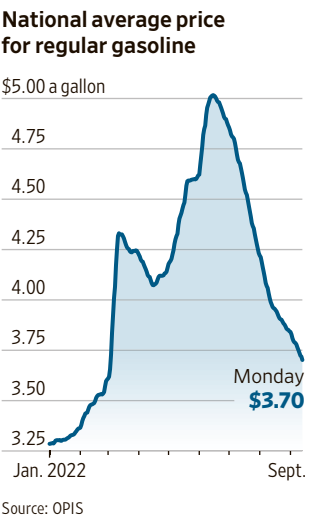
Peloton began selling bikes in 2014 and opened its first studio in Manhattan in which instructors led classes that were also beamed into members' homes. It went public in September 2019. Demand exploded during the pandemic's early days and Peloton couldn't keep up with orders, as customers complained about long wait times and missed deliveries.

Mr. Foley responded by investing hundreds of millions into expanding capacity, dismissing questions from analysts who wondered if Peloton risked growing too much for what would prove to be a temporary, Covid-driven demand spike.

Demand eventually fell as Americans returned to gyms and their pre-pandemic routines, and Peloton has since struggled to unload costly inventory and unwind capital investments intended to grow Peloton's capacity.

Peloton has about three million people who subscribe to its online fitness service but the subscriber gains have stalled. Mr. McCarthy has said he will court more frugal customers and make its workout classes compatible with competitors' exercise products.

The company's shares, which traded as high as \$160 per share in late 2020, closed Monday at around \$11. Its market capitalization has fallen below \$4 billion from a peak of nearly \$50 billion.



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CORRECTIONS & AMPLIFICATIONS

Berkshire Hathaway Inc. owns just over 20% of **Occidental Petroleum Corp.** An Exchange article on Saturday about Occidental Chief Executive Vicki Hollub incorrectly said Berkshire increased its stake to nearly 27%. Also, after Occidental acquired Anadarko Petroleum Corp., Ms. Hollub cut thousands of jobs from the combined company through a voluntary buyout program and a smaller number of jobs with a layoff. The article incorrectly said she implemented "widespread layoffs."

To add a website icon to the iPhone's home screen, tap the Share button in Safari, then select Add to Home Screen. The Aug. 15 Personal Technology column incorrectly contained an image that showed how to add a website link as a bookmark.

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

U.S. NEWS

Offshore Drilling Rules Revamped

By TED MANN

The Biden administration said Monday that it would revise safety requirements for offshore oil and gas producers, reversing some of former President Donald Trump's moves to pare back regulations on the industry that were imposed after the 2010 Deepwater Horizon disaster.

Interior Secretary Deb Haaland and Kevin Sligh, the director of the Bureau of Safety and Environmental Enforcement, announced the changes as part of an updated version of the so-called well-control rule, which governs use and testing of safety equipment on offshore drilling rigs and production platforms.

The administration said it was revising the rule, last updated in 2019, based on President Biden's 2021 executive order directing agencies to review some Trump administration regulatory actions to consider environmental impacts and the fight against climate change.

The steps would reverse moves Trump made to ease energy regulations.

The new rule would increase the strength requirements for blowout preventers, the systems designed to cut and seal a well pipe in the event of a surge of high-pressure oil and gas, which could otherwise lead to a spill.

Other provisions include requiring operators to submit data on equipment failures directly to BSEE rather than to other external groups, requiring that third-party contractors working on offshore facilities be accredited by the agency and requiring that remotely operated vehicles be capable of opening and closing the sealing components that allow the blowout preventer to function.

The proposed rule will be published this week in the Federal Register. A public comment period on the proposal is scheduled to conclude Nov. 14.

In the proposal, the administration said many provisions of the 2019 rule would remain, and that the new rule making would focus narrowly on issues surrounding the use and operations of blowout preventers. The agency estimated the total cost over 10 years of complying with the new requirements at less than \$2.4 million, Mr. Sligh said Monday.

The well-control rule was first promulgated in 2016, after years of consultation with industry, to address the failures that led to the Deepwater Horizon disaster. In that incident, a blowout preventer on a drilling rig failed to contain a surge in pressure, leading to an explosion and fire that killed 11 workers and let loose the worst oil spill in American history.

The rule ultimately wasn't challenged in court by the oil industry. But the Trump administration moved to roll back some of the new safety regulations, publishing another version of the rule in 2019 that gave much more leeway over safety to offshore industry.

Those changes helped "tip the balance of oversight of offshore activities back to the oil-and-gas industry," Ms. Haaland said Monday.

Groups Target Pacific Wind Proposals

By KATY STECH FERREK

As the Biden administration plans for the country's first West Coast offshore wind turbines, interests ranging from commercial fishing fleets to environmental groups are complicating the road ahead for the California projects.

The Interior Department's Bureau of Ocean Energy Management expects to hold a lease sale for two offshore regions by year-end, one north of Santa Barbara near Morro Bay and another more remote site off Humboldt County just south of the Oregon border.

Democratic Gov. Gavin Newsom recently said California "is home to one of the world's best offshore wind resources in the world."

The floating turbines in both regions would likely be more than 20 miles offshore, resolving the common complaint that turbines are an eyesore. Together, the projects are aimed at augmenting California's power supply, generating enough to run more than 1.5 million homes with more than 4.5 gigawatts of electricity, U.S. officials estimate. That input could help the state reach its goal of 100% zero-emission power sources by 2045.

Yet proponents recognize that California has a complex regulatory regime, and federal laws on environmental protection make it easy for even small groups to launch legal challenges that tie up major projects for years.

Interior officials say they are trying to head off the issues already bubbling up by weighing whether to redraw proposed lease boundaries or alter other bid requirements for the auction, such as the amount of money that would be dedicated to community initiatives.

Recent public comments submitted to U.S. wind officials laid bare the logistical challenges for wind turbines that will have to share California's coast with commercial fishing boats, the shipping industry, marine researchers, tourists and the U.S. military. Those include everything from worries about sea turtles and



Lease sales for two offshore wind projects, including one near Morro Bay, Calif., above and below, are set to take place by the end of the year. The fishing industry will likely be affected by construction of the proposed turbines, industry groups say.

other marine life to obstacles such as shipping routes and underwater telecommunication cables.

The companies preparing to bid on the offshore regions are signing up for an engineering experiment. The coastal shelf drop-off into deep waters will require developers to build turbines on floating platforms attached to the seabed by cables, a type of technology that would be making its North American debut. Most offshore wind turbines are bolted to the ocean floor in shallower waters.

Miles of transmission cables on the ocean floor will have to carry power back to land across fragile coastal ecosystems, and nearby ports will need to expand to support the activity, industry officials said.

Some fishermen are worried about losing access to swaths of rich fishing grounds, where they would have to stop towing nets that could get caught on underwater cables.

Boats cluster in both proposed turbine regions to fish for albacore tuna and groundfish such as black cod, said Mike Conroy, executive director of Pacific Coast Federation



of Fishermen's Associations.

Lori Steele, executive director of the West Coast Seafood Processors Association, said offshore wind power projects threaten an industry that also must deal with depleted fish stocks and soaring coastal real-estate prices.

"We're struggling to make sure that people understand that, just because you can't see it, that doesn't mean it's not having an impact," she said.

U.S. officials also must contend with the shipping industry over how the wind turbine areas will intersect with their

move that could block the path of transmission cables from the floating platforms to shore.

Several potential turbine project bidders, including **Equinor Wind US LLC** and **BP America Inc.**, asked Interior officials to clarify the process for routing cables through the potential sanctuary before the auction.

Orsted Wind Power North America LLC officials are pushing Interior officials to ask the Commerce Department to propose alternative sanctuary boundaries.

Environmental groups want more upfront protections to avoid harm to coastal and marine wildlife. Other groups asked for requirements that developers stop the blades during high-risk periods for migratory birds.

Despite the concerns, the environmental groups called offshore wind a critical part of the U.S.'s transition toward climate-friendly energy sources.

"Climate change isn't going to wait for us to feel secure about offshore wind," said Garry George, director of the Audubon Society's clean energy initiative.

Minnesota Nurses Strike Over Staffing, Pay

By ALLISON PRANG

Roughly 15,000 Minnesota nurses went on strike Monday in protest of stalled contract negotiations and concerns over staffing and retention, wages and patient care.

The strike, which is expected to continue through Wednesday, includes nurses from a variety of hospital systems around the state. It is believed to be the largest strike yet of private-sector nurses in the U.S., according to the Minnesota Nurses Association, the nurses union.

Nurses in the Twin Cities have been working without a contract since the end of May, the union said, and the contract for the Twin Ports nurses expired at the end of June. The strike includes nurses from 16 different hospitals and seven different hospital systems.

The Minnesota nurses' strike comes in the third year of the Covid-19 pandemic, which has stretched hospitals. Many have had to hire so-called travel nurses to help boost staff counts to handle the influx of patients.

Nurses from Moose Lake, Minn.—which is roughly 45 miles southwest of Duluth, one of the Twin Ports—also took



The strike includes nurses from hospital systems around the state. Above, the scene in Robbinsdale, Minn.

part in the strike. Those nurses have been without a contract for two years, according to the union. They are negotiating with Essentia Health, a large hospital system in the state.

Essentia spokesman Louie St. George said the system's hospitals would stay open during the strike and that contingency plans were in place.

While pay is among the issues nurses are striking over, there are other concerns as well, said Chris Rubesch, first vice president at the nurses

union and a cardiac nurse for Essentia Health in Duluth. Mr. Rubesch is among the nurses who hasn't had a contract since June.

"Nurses are leaving the bedside because they're not able to be provided the resources they need to do their job," Mr. Rubesch said from the picket line outside St. Mary's Medical Center in Duluth, "and because when they're put in unsafe situations and they attempt to speak up, they fear retribution."

He said management walked away from the negotiating table on Saturday.

Mr. St. George, the spokesman for Essentia, said the hospital system has requested mediation with the union but that the union has declined.

"Essentia Health is disappointed the MNA is focusing its efforts on a strike instead of at the bargaining table, where real solutions are found," said Mr. St. George.

The union said it is too soon to bring in a mediator.

The reason for the three-day strike, it said, is to put pressure on hospital leaders to negotiate.

Mr. Rubesch from the nurses union also said a new contract should give nurses the option to request a different assignment without fear of disciplinary action if they feel a situation is unsafe.

Mr. Rubesch said examples of unsafe situations might be a nurse being asked to take on too many patients, or to take on a patient who needs a piece of equipment that a nurse might not be trained to use.

For the contract with Essentia Health, the nurses are requesting a 27% pay bump over three years, the union said. But there is room to move on that issue, according to Mr. Rubesch.

Essentia said it is offering a 10% wage increase over three years and an immediate 1% bonus.

The Minnesota nurses' strike follows other major strikes by healthcare workers earlier this year.

In April, about 8,000 workers with the California Nurses Association went on strike, according to data from the Bureau of Labor Statistics.

New Cancer Drug From Amgen Beats Chemotherapy in a Study

By JOSEPH WALKER

New data from the first of a new type of cancer drug suggest its benefits and limitations, while leaving room for other candidates seeking to enter the lucrative market.

Amgen Inc.'s lung-cancer pill Lumakras beat out a common chemotherapy in a late-stage study, helping patients survive without their tumors getting worse, though it failed to prove that it reduced overall deaths, the company said.

Lumakras is the first approved drug in an emerging class of treatments that target a genetic mutation called

KRAS that is among the most common found in cancers. Researchers struggled for years to design drugs capable of attacking the mutation, which earned a reputation as "undruggable."

The Food and Drug Administration conditionally approved Lumakras last year based on encouraging early-stage study data but required Amgen to conduct a confirmatory study, which the company reported Sunday.

The data have been widely anticipated by investors and pharmaceutical industry rivals, including **Mirati Therapeutics Inc.** and **Roche Holding AG**,

that are also developing KRAS-targeted drugs.

Analysts project Amgen's Lumakras will reach \$346.75 million in sales this year and more than \$1 billion in 2024. Among the reasons the new drug may prove more attractive than chemotherapy to some patients is the fewer side effects found to be associated with use. Lumakras is more expensive, however.

In the study of 345 previously treated lung-cancer patients, patients taking Lumakras went 5.6 months without their cancers getting worse, compared with 4.5 months for patients taking the

chemotherapy docetaxel, according to a presentation Monday at the European Society for Medical Oncology Congress in Paris. The findings were presented by Melissa Johnson, a study researcher at the Sarah Cannon Research Institute at Tennessee Oncology.

In all, 25% of patients who received Lumakras lived for at least one year without their cancers getting worse, compared with 10% of patients who received docetaxel, Amgen said.

The advantage of Lumakras over chemotherapy means the drug succeeded in meeting the study's primary goal and should be sufficient for the

FDA to grant the drug full approval, said Brian Skorney, a biotechnology analyst at Robert W. Baird.

However, Amgen's study failed to show that Lumakras helped patients live longer overall.

The drug's failure to improve overall survival rates could give pause to some health insurers and oncologists about using the more expensive Lumakras, Mr. Skorney said.

In Amgen's favor is that its drug clearly slowed disease progression better than docetaxel, the current standard of care for previously treated pa-

tients, and with fewer side effects. Among Lumakras patients, 11% experienced serious treatment-related side effects, less than half of the 23% rate among patients taking docetaxel, which is known to be highly toxic in some patients.

Amgen launched Lumakras last year at a list price of \$17,900 a month; docetaxel's monthly cost is \$1,700, according to a presentation by Natasha Leighl, an oncologist at Princess Margaret Cancer Centre in Canada who has also given paid medical education talks on behalf of pharmaceutical companies including Amgen.

U.S. NEWS

DOJ Accepts Trump Pick to Review Files

WASHINGTON—The Justice Department said it would accept one of the Trump team’s proposed candidates to serve as a third-party arbiter to review documents the FBI seized from the former president’s Mar-a-Lago home last month.

By Jan Wolfe, Aruna Viswanatha and Sadie Gurman

Raymond J. Dearie, a former chief federal judge in New York, has the qualifications to do the job of special master, prosecutors wrote in a court filing late Monday, as do the two candidates they had proposed, retired federal judges Barbara S. Jones and Thomas B. Griffith.

“Judges Jones, Griffith, and Dearie each have substantial judicial experience, during which they have presided over federal criminal and civil cases, including federal cases involving national security and privilege concerns,” the Justice Department wrote in its filing, asking that U.S. District Court Judge Aileen Cannon choose the one best positioned to quickly finish the work. It

isn’t clear when she will do so.

The rare point of agreement came after Mr. Trump’s lawyers earlier on Monday pressed Judge Cannon to allow an independent attorney to review all of the documents the FBI seized in its search of Mar-a-Lago in Florida, including those marked classified, saying they didn’t trust the Justice Department to accurately represent what was in them.

“The Government has not proven these records remain classified. That issue is to be determined later,” Mr. Trump’s lawyers wrote in a Monday filing to Judge Cannon, who last week ordered the appointment of a special master in the matter.

They disputed the status of around 100 documents marked as classified, which the Justice Department had signaled were central to a criminal investigation, providing their most specific arguments yet to counter prosecutors’ request to continue evaluating the documents for national-security concerns.

“In opposing any neutral review of the seized materials, the Government seeks to block

a reasonable first step towards restoring order from chaos and increasing public confidence in the integrity of the process,” the Trump legal team said.

In a separate filing Monday afternoon, Mr. Trump’s lawyers said they oppose the two Justice Department candidates for the special master role, and asked to explain their reasoning privately before the court to be “more respectful to the candidates.” The filing said only that they believe “there are specific reasons why those nominees are not preferred for service as Special Master in this case.”

Mr. Dearie is a former chief judge of the U.S. District Court for the Eastern District of New York, who also served on the Foreign Intelligence Surveillance Court. He was also among the FISA judges who signed an order permitting electronic surveillance of Carter Page, a former Trump foreign-policy aide, as part of the FBI’s investigation into whether the 2016 Trump campaign had ties with Russia.

Monday’s brief from Mr. Trump is the latest in a flurry

of court filings in what has become a procedurally complicated dispute, one that has led to threats against judges overseeing the matter.

Last week, a Houston woman was arrested on federal charges of threatening a federal official and communicating across state lines with a threat to injure, after she left menacing messages with

The status of about 100 documents marked as classified is in dispute.

Judge Cannon’s chamber. That followed other threats directed at Judge Bruce Reinhart, a magistrate judge who earlier approved the warrant for the Aug. 8 search of Mar-a-Lago.

The woman, Tiffani Shea Gish, allegedly said she was “in charge of nuclear for the United States Government,” that Mr. Trump was “disqualified” and “marked for assassi-

nation.” “I’m also Trump’s hitman, so consider it a bullet to your head from Donald Trump himself,” the woman said, according to an FBI complaint, threatening in another message that she would shoot Judge Cannon in front of her children.

A lawyer for Ms. Gish couldn’t be reached for comment.

The court fight between the former president and the Justice Department began on Aug. 22, when Mr. Trump’s lawyers petitioned for the appointment of a special master to review the documents seized at Mar-a-Lago and filter out any privileged materials.

Judge Cannon said Sept. 5 she was granting Mr. Trump’s request. In her order, she halted the Justice Department’s investigation into the former president’s handling of presidential records, including all classified material, until the special master has reviewed the thousands of pages of documents taken from the former president’s residence and private club.

Three days later, the Justice Department tried to restart its

investigation, with the aid of intelligence personnel, into any national-security risks presented by the classified documents, asking Judge Cannon to put part of her ruling on hold.

Prosecutors sought the judge’s permission to resume their review of the 100 classified documents that are at the heart of the investigation, asserting there is no need for a special master to be involved. The documents are government property, the Justice Department said, so Mr. Trump can’t claim the documents should be returned to him.

The Justice Department has also said it would appeal Judge Cannon’s special master appointment. Legal experts have said prosecutors might not bother with an appeal if Judge Cannon grants their request for emergency relief.

Mr. Trump’s lawyers indicated on Friday that they would oppose the government’s request for access to the limited set of documents. Monday’s brief from his team more fully addressed the Justice Department’s request for interim relief.

Primaries End With GOP Battle in New Hampshire

By JOSHUA JAMERSON

The 2022 primary season is ending the same way it began: with looming questions about the electability of Republican candidates and the lingering effects of former President Donald Trump on the party.

Rhode Island, Delaware and New Hampshire hold primaries Tuesday, after which November’s federal matchups will be set. The latter state hosts the most high-profile race remaining: Republicans Chuck Morse, president of the state Senate, and Don Bolduc, a retired Army general, are the leading contenders for their party’s nomination to face Democratic Sen. Maggie Hassan this fall.

Mr. Bolduc, who holds a double-digit lead over Mr. Morse in recent primary polls, has sparked questions within the state party and in Washington about his ability to beat Ms. Hassan in a Democratic-leaning state, in part because he has echoed Mr. Trump’s false claim that he won the 2020 presidential election.

Democrats control the 50-50 split Senate thanks to Vice President Kamala Harris’s ability to break ties in the chamber. Republicans have long hoped to use President Biden’s middling approval ratings against Democratic incumbents such as Ms. Hassan, who is running for a second term. Republicans need to net just one seat to regain a majority.

Republicans have faced questions of candidate quality all year in places such as Arizona, Pennsylvania and Ohio, where first-time candidates were boosted in Senate races by Mr. Trump’s endorsement. In each of those states, strategists see momentum shifting toward Democratic candidates, who in some polls hold leads

Bolduc Leads Morse In Recent Survey

The University of New Hampshire’s Survey Center, which produces the Granite State Poll, this past month found Don Bolduc leading Chuck Morse 43% to 22%, with three other candidates polling in single digits.

Andrew Smith, director of the center, said Mr. Morse is running from behind largely because he isn’t known as an activist or political flame-thrower, traits that helped former President Donald Trump forge a new GOP base.

“The old mainstream of the party is pretty much a New England Republican,” which Mr. Smith described as politically moderate. “Chuck Morse is a typical person to fit that role.”

of varying degrees over their Trump-backed GOP rivals.

Mr. Trump hasn’t made an endorsement in the New Hampshire race. Corey Lewandowski, a New Hampshire Republican and former campaign manager for Mr. Trump, has said Mr. Bolduc would have difficulty winning the seat in November. A spokesman for Mr. Trump didn’t respond to requests for comment.

“This is the last puzzle piece to show us the complete Senate map. Will it be a place where Republicans have another headache?” said Jessica Taylor, who analyzes Senate races for the nonpartisan Cook Political Report.

Representatives for Mr. Morse didn’t respond to requests to comment. A spokesman for Mr. Bolduc said the former general could win in November because he is an outsider. “This race is a con-

test between the career politicians on both sides of the aisle and outsiders offering a fresh perspective,” Jimmy Thompson, the spokesman, said.

Mr. Morse has said Mr. Biden was legitimately elected president, but much of the difference between the two men, as is often the case in the Trump era, has come down to style. At a debate Thursday night, the candidates were asked whether they would strive to be a fighter or a deal maker in Washington.

Mr. Bolduc said he had positioned his campaign around being a fighter. “You’re either with me, or you’re not with me...and that’s the message that I’ll deliver,” he said.

Mr. Morse had a more measured response. “I think I’ve proven that I can do it here in New Hampshire, working across party lines with people that believe in the same ideals that I have,” he said.

Republican Gov. Chris Sununu, who on Thursday endorsed Mr. Morse, last year ruled out a Senate bid, dealing a setback to Minority Leader Mitch McConnell’s efforts to recruit top candidates. Mr. Sununu had governed mostly as a centrist in a state that tends to favor Democrats in statewide races.

Mr. Bolduc previously called Mr. Sununu a “Chinese communist sympathizer,” and the governor in turn last month called Mr. Bolduc a conspiracy theorist and warned that his nomination would increase Ms. Hassan’s re-election chances.

“He’s not a serious candidate,” Mr. Sununu said in an interview with a local outlet last month. “If he were the nominee, I have no doubt we would have a much harder time trying to win that seat back.”

The Cook Political Report



Don Bolduc, a retired Army general, top, and Chuck Morse, president of the state Senate, are the leading GOP contenders for the right to face New Hampshire Democratic Sen. Maggie Hassan.

rates Ms. Hassan’s re-election chances as leaning in her favor.

“What happened in all of these races is: Weak candidates emerged, or Trump got involved, or they kept good candidates out of the race,” Ms. Taylor said, noting that in Arizona, Republican Gov. Doug

Ducey, like Mr. Sununu, opted not to run for Senate despite recruitment attempts.

Some Republicans said the year’s primaries show that the base is looking for candidates who share their anger with Washington.

“I think the thing that voters are looking for right now

is fighters. That’s probably the one takeaway that I’ve seen across the country,” Charlie Gerow, a longtime GOP strategist, said. He described candidates making it out of GOP primaries as having “a little feistier, down-home approach than the well-sanitized, blow-dried look.”

Earnings Forecasts Test Stocks

Continued from Page One

Investors said markets have been able to hold their ground lately in part because companies are still expected to re-

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port modest earnings growth through the rest of the year, and other data points such as employment and consumer spending have continued to show strength in the economy. Yet many caution that stocks’ recent gains look vulnerable, should data take a turn for the worse in the coming months.

“You’ve got this really unpleasant combination of very high inflation, an economy that’s already slowing down, and a central bank that’s tightening policy rapidly,” said Dave Grecsek, managing director in investment strategy and research at Aspiriant.

Stock valuations also remain elevated, Mr. Grecsek said.

The S&P 500 trades at 17 times its next 12 months of expected earnings, according to FactSet. That is below its five-year average but above where it was at the end of the second quarter because stock prices have risen while earnings estimates have fallen.

“All things considered, it doesn’t really feel like a good time to be adding risk here,”



Home Depot has said resilient consumers have helped it withstand threats from slowing growth and high inflation.

Mr. Grecsek said.

The S&P 500 is down 14% for the year, despite its last week of gains and its brief summer rally. The Dow industrials are down 11% in 2022.

To be sure, companies have largely proved to be more re-

silient in the face of slowing growth and high inflation than investors feared.

Home improvement retailer Home Depot Inc. last month reported record earnings and revenue for the second quarter, thanks in part to consum-

ers spending more on every transaction than they did a year ago.

The consumer “has been more resilient than we even expected in the beginning of the year,” said Richard McPhail, Home Depot’s chief financial officer, on its earnings call.

Other companies heavily focused on consumers, such as Dick’s Sporting Goods Inc., Walmart Inc. and Kroger Co., also have posted stronger-than-expected earnings.

What many investors fear is that, eventually, companies that have been able to weather rising costs by raising prices for their goods and services will be less able to do so as the Federal Reserve keeps tightening monetary policy. The Fed has said it is determined to bring inflation down through its interest-rate increases, even if it comes at the expense of economic growth.

“If your revenues are going down, but costs for labor, materials and other things are still challenging, that could be a real headwind to earnings,”

said Anujeeet Sareen, portfolio manager at Brandywine Global.

Mr. Sareen said his team has been generally reducing exposure to riskier assets this year and focusing on companies whose balance sheets look strongest.

So far, the decline in earnings estimates hasn’t been big enough to put companies on course for losses. S&P 500 companies are still expected to post earnings growth of 3.7% for the third quarter, according to FactSet data from Friday. That would mark the slowest pace of growth since the third quarter of 2020.

While some investors have seen falling earnings estimates as a foreboding sign, Jonathan Golub, chief U.S. equity strategist at Credit Suisse, said in periods of high inflation, earnings have historically peaked just two months before the start of a recession.

That means earnings estimates would have to fall much more for them to signal an economic downturn was imminent, he said.

U.S. NEWS

Airline Passenger Sentenced to Jail For Disturbance

By JOSEPH PISANI

A New York woman was sentenced to four months in prison after causing a disturbance while flying first class last year.

Federal prosecutors say Kelly Pichardo, 32 years old, assaulted a flight attendant after getting into an argument with another passenger during a February 2021 flight from Dallas to Los Angeles. The American Airlines plane was diverted because of the altercation and landed in Phoenix, where Ms. Pichardo was arrested, along with a woman with whom she was traveling.

Ms. Pichardo pleaded guilty to interfering with flight crew members in August. After serving her four-month sentence, she will have three years

The New York woman received four months in prison and must pay restitution.

of supervised release. Ms. Pichardo was also ordered to pay American Airlines more than \$9,100 in restitution.

"There is a line between boorish behavior on an airplane and criminal activity, and the defendant clearly crossed it," U.S. Attorney Gary Restaino said. "First-class passengers are not immune from prosecution."

A lawyer for Ms. Pichardo didn't respond to a request for comment on Monday.

The Federal Aviation Administration and the Justice Department have been working to crack down on unruly passengers after a surge in disruptive and violent behavior.

As travelers headed back to

airports last year amid the continuing Covid-19 pandemic, bad behavior rose. Flight attendants said they were harassed, threatened and, at times, physically assaulted. Many of the disturbances were because of passengers refusing to comply with a federal mask mandate, according to the FAA. The federal requirement for masks on public transportation ended in April.

The FAA instituted a new policy last year, issuing fines to unruly passengers instead of warning letters or counseling. It made that policy permanent this year. The FAA and the Transportation Security Administration also said last year that passengers who behave badly could lose their TSA Pre-Check status, which lets fliers avoid certain security screening and wait in shorter lines.

The FAA initiated more than 1,000 investigations into unruly behavior last year, up from a previous high of 310 in 2004. It has initiated 663 investigations this year as of Sept. 6, it said.

The agency, which can impose fines but can't prosecute cases, said it has referred at least 80 cases to the Federal Bureau of Investigation for criminal review. It is a violation of federal law to assault, intimidate or threaten flight crews or flight attendants with violence.

In May, a woman from Sacramento, Calif., was sentenced to 15 months in prison for interfering with crew members on a Southwest Airlines flight.

Leeza Rodriguez, who was flying in first class with Ms. Pichardo, also pleaded guilty to interfering with a crew member and will be sentenced in November, prosecutors said.

Ms. Rodriguez's lawyer didn't respond to a request for comment.

U.S. WATCH



GROUNDBREAKING: Treasury Secretary Janet Yellen swore in Lynn Malerba as U.S. treasurer on Monday. Ms. Malerba, chief of the Connecticut-based Mohegan tribe, is the first Native American to serve as treasurer. Her signature will now appear on U.S. currency.

NEW JERSEY

Ex-Pitcher on Police Force Killed in Crash

A former Major League Baseball pitcher who became a Port Authority police officer was killed in a car crash in New Jersey on his way to work at a Sept. 11 ceremony, officials said.

Anthony Varvaro, 37 years old, who was a relief pitcher for six major-league seasons with the Seattle Mariners, Atlanta Braves and Boston Red Sox, was struck at 4:25 a.m. ET on Sunday on the New Jersey Turnpike in Jersey City, the New Jersey State Police said. He was driving to New York to work at a ceremony commemorating the 21st anniversary of the attacks that killed nearly 3,000 people.

His car was struck head-on by a driver going the wrong way, the police said. Mr. Varvaro's car hit a concrete barrier. The other driver, 30-year-old Henry A. Plazas of Bridgewater, N.J., also died.

Even when Mr. Varvaro was a baseball player, he was making moves to be a police officer. He told ESPN in 2017 that he once took a test with the Port Au-

thority just so he could see what happened.

The agency, which operates transportation infrastructure, called him a few years later and asked if he was still interested in being a police officer, he said. He had just had a second elbow surgery and didn't know which direction his baseball career was headed.

Mr. Varvaro joined the police academy two days after his final professional game with the Red Sox in 2016. He requested to work at a certain location. "I put World Trade Center down on my list for a specific reason," he said. "I feel like I'm honoring everyone who lost their lives that day."

He is survived by his wife, Kerry, and his four children.

—Alyssa Lukpat

CALIFORNIA

Rain Aids Wildfire Fight, Causes Floods

Calmer weather in Northern California helped firefighters battle a smoky wildfire threatening thousands of mountain homes on Monday, while remnants of last week's Pacific hurricane continued to produce thunderstorms

that caused flash flooding in the southern part of the state, where crews made headway against another huge blaze.

Major fires were also burning in Oregon and Washington, blanketing swaths of the Western states in thick smoke and prompting alarms about unhealthy air quality.

The Mosquito Fire in the foothills east of Sacramento spread to nearly 73 square miles, with 10% containment, according to the California Department of Forestry and Fire Protection, or Cal Fire.

In Southern California, milder temperatures and rain aided crews battling the massive Fairview Fire about 75 miles southeast of Los Angeles after days of sweltering heat.

The southern part of the state welcomed the cooler weekend weather after what is left of Hurricane Kay veered off the Pacific Coast and faded, helping put an end to blistering temperatures. But unstable air persisted and powerful thunderstorms unleashed flash floods that inundated roads and highways across inland areas.

—Associated Press

NEW YORK

Mother Is Suspect in Children's Drowning

Three children were found dead on the beach near Brooklyn's famed Coney Island boardwalk early Monday, and police believe they may have been drowned by their mother.

The bodies of the 7-year-old boy, 4-year-old girl and 3-month-old boy were found after a nearly three-hour search that began at 1:40 a.m. when a relative called police, worried the woman intended to harm her children.

The mother was found 90 minutes later, barefoot and soaking wet, 2 miles down the boardwalk from the section of Coney Island where she lived.

Detectives were trying to question the woman at the local police precinct house. "So far, she's not said anything," said New York Police Department Chief of Department Kenneth Corey.

After the mother was found alone, police sent in a helicopter and marine units. The children were found at the water's edge shortly after 4:30 a.m.

—Associated Press



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WORLD NEWS

Kyiv to Ask for More Weapons From West

A long-range missile system, which the U.S. has refused to provide, is likely to be on the list

By Warren P. Strobel
and Michael R. Gordon

WASHINGTON—Ukraine has signaled that it will make major new requests for weapons from the U.S. and its allies, including a long-range missile system Washington has declined to provide, as Kyiv presses a successful offensive that has reclaimed thousands of square miles from Russian forces. A document shared with U.S. lawmakers and viewed by The

Wall Street Journal lists dozens of types of armaments the Kyiv government says it will need to press its offensive into 2023. Among them are the Army Tactical Missile System, or ATACMS, which has a range of about 190 miles. The Biden administration, which has dispatched more than \$15 billion of weapons and other security assistance to Ukraine, has declined to provide that system over concerns Ukraine could use it to strike Russian territory and spark a wider conflict with the West. Ukraine's list of requirements for "offensive operations" includes 29 types of weapon systems and ammunition. Among them are tanks,

drones, artillery systems; more Harpoon antiship missiles; and 2,000 missiles for the High Mobility Artillery Rocket System, or Himars, which the U.S. began providing this year. The request follows the publication of a new strategy statement by two senior Ukrainian military officers who argued a turning point in the war could come if the Ukrainians had longer-range systems, specifically mentioning the ATACMS. Ukraine's embassy in Washington and the White House didn't respond to requests for comment. A senior State Department official on Monday referenced the two security assistance packages for Ukraine

announced last week, and said the U.S. would "continue to give them the support they need to succeed on the battlefield." Speaking to reporters at the Pentagon on Monday, a senior defense official declined to say if any new type of weapons might be provided to Ukraine. Asked about sending tanks to Ukraine, the official said the U.S. doesn't "have any specific plans about a specific capability at this point for that medium to longer" term. Ukraine's requests come as its forces have routed Russian troops in northeastern Ukraine. The Kyiv government says it has taken back about 3,500 square miles of territory in the Kharkiv region. Asked Friday why the U.S. remained reluctant to give Ukraine the ATACMS missiles, Defense Secretary Lloyd Austin said the U.S. is committed to giving the Ukrainians what they need to beat back the Russian forces, but said, "It's not just about one particular weapon or weapons system." "It's about how you integrate these systems and how you integrate the efforts of various elements in the inventory to create effects that provide advantage to the Ukrainians," he said in Prague alongside Czech Minister of Defense Jana Černochová. "And we're beginning to see that." Last week, Valeriy Zaluzhny, the commander in chief of

Ukraine's force, and Mykhailo Zabrodsky, a member of the Ukrainian parliament and a senior military officer, wrote in a strategy statement that long-range missiles would give Kyiv a significant advantage in its counteroffensive. Russia has long-range cruise missiles that greatly outdistance the systems in the Ukrainian inventory, they stated. "The only way to radically change the strategic situation is, without a doubt, for the Armed Forces of Ukraine to launch several consecutive, and ideally, simultaneous counterattacks during the 2023 campaign," they wrote. —Nancy A. Youssef contributed to this article.

Ukrainians Roll Back Changes in Liberated Region

By Isabel Coles

ZALIZNYCHNE, Ukraine—Jubilant residents came out to welcome Ukrainian forces back to dozens of towns and villages after six months under Russian occupation as the work of unraveling their rule began. On a road leading east from Kharkiv into the newly retaken territory, Ukrainian military personnel were hauling a stricken tank marked with the letter "Z" abandoned by Russians who controlled this area until Ukrainian forces broke through their defenses last week. The sudden reversal on the battlefield has upended the order that Russia imposed in areas under its control. While most were celebrating, those who collaborated with the Russians were lying low—or on the run. "I never thought I would be so happy to see our flag," said Vitaliya Apanasenko, who emerged from her home in the city of Balakliya on Friday to find Ukrainian forces driving through the streets. She described handing out ribbons in the colors of the Ukrainian flag to soldiers. "I'm very glad it all ended this way."



Ukrainian police unearth remains of two men killed during the Russian occupation of Zaliznychne.

A clear picture of what happened across territories occupied by Russia has yet to emerge. Phone networks are largely down and authorities have restricted access for the media while they remove mines and work to identify who collaborated with the Russians. "No traitor can escape responsibility," said Oleh Synehubov, head of the Kharkiv regional military administration. In towns and villages retaken by Ukraine, residents have wasted no time in erasing the marks of Russia's presence. Where the Russians painted their tricolor on signs and bus stops, locals have restored the

blue and yellow of the Ukrainian flag. A billboard declaring "We are one with Russia" was torn down and revealed verses by Ukraine's national poet Taras Shevchenko underneath. For Moscow, it is the biggest setback since Russian forces pulled back from the capital, Kyiv, in March to reveal hun-

dreds of bodies buried in mass graves or strewn in the street. Unlike Kyiv, however, where the Russians' presence was relatively short-lived, in the Kharkiv region they have had longer to put their stamp on residents. Ukrainian police moving into newly liberated towns and villages here have urged them to report crimes committed by Russian forces and to identify their Ukrainian accomplices. Maria Grigorov led police to a sunken patch of earth at the end of the yard where she buried her neighbors after finding their bodies in a pool of blood days after Russian forces arrived in Zaliznychne. "Their heads are here and their feet are there," she told the police, pointing out where they lay. What happened to the two men is unclear. Both men had bullet wounds to the head. As their remains were dug up, Ms. Grigorov said the fear that hung over her for the past six months was gone. A neighbor who helped bury the bodies said the Russians left suddenly last Wednesday after three days of heavy shelling. "It happened so quickly," he said. "In an hour and a half,

there was no one here." Standing on his porch the following morning, he saw Ukrainian forces roll in. Ms. Apanasenko said most of the Russians fled Balakliya as their grip on the city slipped. Residents detained by Russians in the police station and a bank broke free, she said. Some, however, are still missing. Relatives searching for them are appealing for information in posts online. The sudden collapse in Kharkiv has shattered the illusion of permanence Russia has projected in areas it seized. That is likely to embolden resistance to its occupation in other parts of Ukraine. It will also give pause to Ukrainians who have thrown their lot in with the Russians elsewhere. Kharkiv residents who applied for Russian citizenship during the occupation will be able to get passports in Russia, said Maxim Gubin, the Moscow-installed head of the Kupyansk district. Russia's ruling party said it set up tents for civilians fleeing the Kharkiv region because of intense shelling by Ukrainian forces.



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Russia Withdraws More Forces

Continued from Page One who participated had talked about seizing a vast amount of abandoned Russian arms and ammunition, carrying away anything they could find. "We are taking advantage of our momentum," he said, speaking on the phone from eastern Ukraine. "I don't know what the leadership will decide after taking Kharkiv region, but we want to press the Russians as much as possible while we can." "Everyone is buoyed. We prepared a month for this," he said of the offensive launched at the end of August. "And now it's bringing results." The advance slowed on Monday, as Ukrainians began to consolidate control and look for collaborators and pockets of Russian troops left behind. Kyiv now faces the challenge of finding the manpower and munitions needed to consolidate and eventually extend its gains. President Volodymyr Zelensky of Ukraine said late Monday that Russian missile strikes against civilian infrastructure had cut power for hundreds of thousands of Ukrainians over the past few days. "This is how they react to the defeat of Russian forces in the Kharkiv region," he said. Ukraine has signaled that it will make major new requests for weapons from the U.S. and its allies that the Kyiv government said it would need to press its offensive into 2023, according to a document shared with U.S. lawmakers and viewed by The Wall Street Journal. Kyiv's list of armaments desired include the Army Tactical Missile System, or ATACMS, which has a range of about 190 miles. The U.S. has declined to provide that system over concerns Ukraine could use it to strike Russian territory and spark a wider conflict with the West. Senior Russian officials over the weekend conceded that the military operation in Ukraine was going badly, with pundits on state television calling for a reassessment of Russia's mili-



Ukraine's advance dealt Russia its biggest setback in its invasion.

tary strategy and an even harsher clampdown on dissent in Ukrainian cities and towns that Moscow still occupies. Ukraine's offensive to push back Russian forces has raised questions even among pro-Kremlin propagandists who hew to the state-approved narrative. "People who convinced President [Vladimir] Putin that our special operation would be effective and brief, that we wouldn't strike the civilian population, that we'd come and restore order, these people basically set us up," said Boris Nadezhdin, a former Russian Duma deputy, appearing

Senior Moscow officials concede that the military operation is going badly.

ing in a television talk show on Friday, the day Ukraine surged into the northern Kharkiv region. Vitaly Ganchev, the head of the Russian-installed administration in the region, said on Monday on Russian state-run news channel Rossiya 24 that Ukrainian forces vastly outnumbered Russian troops. "If we talk about the force that was transferred to the counteroffensive of the Ukrainian army, it outnumbered our troops by about eight times, no less. Therefore, in order to preserve our personnel, it was decided to withdraw, to regroup," he said. In a video address on Sunday, Mr. Zelensky praised the country's troops, volunteer fighters, front-line medics and intelli-

gence officers, and urged them to continue their campaign to free Ukrainian territory. "The path to victory is a difficult one," he said. "But we are sure: You are capable of it. You will reach our border, all its sections. You will see our frontiers and the enemies' backs. You will see the shining of the eyes of our people and of the occupiers' heels. They will call it 'goodwill gestures.' We'll call it a victory." The U.K.'s Defense Ministry said on Monday that Russia had likely ordered the withdrawal of its troops from the Kharkiv region areas it had occupied for months in the face of Ukraine's rapid advance, and said Russia's defenses in the south were highly vulnerable as well. Russia had likely been forced to give priority to defensive actions across the front line amid a failure to properly resupply its forces in the southern Kherson region or bring in reinforcements needed to hold the line there. "The already limited trust deployed troops have in Russia's senior military leadership is likely to deteriorate further," the ministry said. Mr. Zelensky noted the impression made internationally by Ukraine's offensive. The success of the campaign could encourage Western partners to continue supplying the country with the arms and ammunition it needs to continue defending itself from Russia's war of conquest. "Today, your actions in the north, south and east of Ukraine are seen and noticed by all. The world is in awe. The enemy is in a panic," Mr. Zelensky said. —Mauro Orru contributed to this article.

WORLD NEWS

War Casualties
Rise as Kremlin
Stops Counting

By ANN M. SIMMONS

KYZYL, Russia—In the opening months of Russia's invasion of Ukraine, Vladislav Khovalyg, the head of Tuva, a region in remote southern Siberia, kept a running tally on social media of local men who had been killed fighting in the conflict, lauding their patriotism and heroism.

On March 5, he named Akhmet Maadyb and Sodunam Shalyk. Two days later, he posted news of the deaths of Adygzhly Kuular and Pavel Knyazev. Then on March 14 came Junior Sgt. Eduard Bilzen, Cpl. Adygzhly Mongush and Cpl. Romaz Oyun, all from the 55th Motorized Rifle Brigade, based in Tuva's capital. More names followed in April and May.

Eventually, as the losses mounted, Mr. Khovalyg stopped listing them. Defense officials in Moscow haven't offered any official count of the nation's casualties since March. At that time, the toll stood at 1,351 killed in what Russia's government terms a special military operation.

Authorities in Russia have sought to keep the lid on the number of Russian soldiers who have died in the war in Ukraine. Neither the Kremlin nor Russia's Ministry of Defense responded to a request for comment as to why updated war-dead figures haven't been published since March, or to the claims by Western and Ukrainian officials that Moscow has been intentionally hiding the data from the Russian public since the March numbers were released following the Feb. 24 start of Moscow's military campaign.

In March, Russia passed a law that threatens prison time for anyone publishing what authorities consider to be false information about Russia's actions in Ukraine or for what it views as discrediting the military.

Other legislation that criminalizes the publication of information about the deaths of military personnel while they are serving in special military operations has forced some Russian online media outlets to take down previously published information about Russian military personnel killed while serving in Ukraine.

Many of Russia's war dead are from places like Tuva and other less-developed communities on the country's margins, based on obituaries in local media, social-media posts from relatives and information from regional officials. In these areas, jobs are often few and the military offers security

and a chance at a better life.

The Pentagon has estimated that as many as 80,000 Russian troops have been injured or killed in the conflict.

The head of Ukraine's armed forces said in August that almost 9,000 Ukrainian military personnel had been killed in the war with Russia. Before that assessment in July, Ukrainian President Volodymyr Zelensky told The Wall Street Journal that 100 to 200 Ukrainian troops were being killed a day at the peak of the fighting in May and June, but said that figure had fallen to 30 fatalities a day. The Pentagon hasn't provided public casualty estimates for Ukrainian forces.

At least 92 men from Tuva have been killed since the invasion began in February, according to obituaries in local media, social-media posts from relatives and statements from regional officials, a large figure given its total population of more than 332,000.

Tuva ranks third from the bottom out of the nation's 85 regions in overall socio-economic indicators that include poverty levels, unemployment and life expectancy, according to government data compiled by state news agency RIA Novosti and released in May.

The average monthly income is around 20,000 rubles, the equivalent of about \$328 at current exchange rates, compared with Moscow, where it is \$1,550 a month. And almost a third of Tuva's population lives below the poverty line, meaning their earnings are below the nation's recommended average monthly subsistence income of 11,908 rubles, around \$196. Family sizes are typically larger than the national average of one-to-two children, sometimes consisting of four children, meaning in-

Updated war-dead
figures haven't been
published since this
past March.

comes need to stretch further.

Russian President Vladimir Putin told a meeting of the best graduates of military academies in June that Russia was "proud that during the special military operation our fighters act courageously, professionally, like real heroes." He said, "Different nationalities fight shoulder to shoulder." Data showing the ethnic makeup of Russia's Armed



A boy poses as a soldier in front of the armored infantry vehicle at a military monument in Kyzyl, Russia. Below, Buyana Dary-Surun's husband is a soldier who could be deployed to Ukraine at any time.



Forces isn't publicly available.

Moscow relies heavily on conscription, which provides a third of the total personnel. Men aged 18 to 27 are eligible for the draft and each year between 250,000 and 270,000 are conscripted for a 12-month period, according to government data. Potential draftees sometimes pull whatever strings they can to avoid being called up and desertion has been a problem according to some Western analysts, military decrees viewed by the Journal, as well as soldiers accused of desertion and lawyers defending them. In Tuva and other poorer regions, young men often seek out a military career.

Observers of Russia's military said this is sometimes because of the salary benefits and sometimes for the status it confers.

Neither the Kremlin nor Russia's Ministry of Defense responded to a request for comment on the Pentagon's estimates of Russian casualties.

"It's hard, of course," Buyana Dary-Surun, a veterinarian in Kyzyl, said of the prospects of losing a relative to the

fight. Her husband is a soldier who could be deployed to Ukraine. "You have to do it. It's a responsibility."

The latest Tuva soldier reported killed while fighting in Ukraine is named as Sholban Khertek in an obituary posted recently on Vkontakte, Russia's version of Facebook. The post said the 20-year-old corporal, who served with the Military Unit Number 51460, or 64th Separate Guards Motor Rifle Brigade, in the Khabarovsk region, died on Aug. 30 "in the line of duty during the special operation in Ukraine, having shown courage and bravely...defending the interests of the Fatherland."

Mr. Khertek was described as a "beloved son, brother, nephew," and "a cheerful, bright and kind person," who had joined the armed forces in 2019. "You passed away too soon," the post read. "Our pain cannot be expressed in words."

None of the relatives of deceased soldiers contacted by the Journal would comment.

In August, Mr. Khovalyg, the head of Tuva, called for the creation of a memorial in Kyzyl

to honor Tuva soldiers who died while serving in Ukraine and for their names to be immortalized in the villages and towns where they were born.

"This is the least that we can do for the sake of their memory...so that today's children know them by sight, emulate them," he wrote on Telegram.

By May 13, the graves of 13 servicemen killed in Ukraine since March lay side by side in an area of Kyzyl's main cemetery, separated from other graves. They were covered with large green wreaths and colorful artificial flower arrangements. All but three featured portraits of the dead soldiers, their images etched into the granite headstones. At the end of the row was a freshly dug grave, surrounded by large stones to prevent the dirt from blowing back into the hole.

Nearby at the city's Victory Park, six black granite slabs stood in a semicircle engraved with the names of Tuva servicemen lost in past wars, including in the North Caucasus, Korea and Afghanistan.

The last slate stood bare.

Russian City Is Proud
Of Its Military Ties

Even before Tuva became part of the Soviet Union in 1944 at the height of World War II, men from the region volunteered to go into battle for the U.S.S.R. The military culture still runs deep among the largely Turkic-speaking population.

Pro-military sentiment is particularly strong in Tuva in part because Russia's Defense Minister, Sergei Shoigu, is from the region.

"When you go to another region of the Russian Federation and you answer the question where are you from and you say Tuva...and that Sergei Shoigu is from here, people answer, 'Damn, that's cool!'" said Evgeniya Bocharova, a 34-year-old accountant whose family moved to Tuva a generation ago.

The defense chief has paid special attention to the 55th Motorized Rifle Brigade, based in Kyzyl since 2016. Some 1,300 personnel—more than 1,000 of them Tuva residents—serve in this unit, show government data. Local officials have described the brigade as a major employer and taxpayer.

The facility boasts administrative buildings and barracks on several floors, in addition to a training center, the state-owned Rossiyskaya Gazeta newspaper reported in 2019. Construction of the base generated hundreds of local jobs, the paper said.

Rossiyskaya Gazeta reported that the brigade consists entirely of professional soldiers who are given additional allowances for serving in a region considered to be a hardship post because of its remoteness and lower standard of living, while residents have benefited from a bridge built across the Great Yenisei River, connecting villages that were cut off.

Dry Forecasts Stoke Africa Food Concerns

By MICHAEL M. PHILLIPS
AND GABRIELE STEINHAUSER

HOLA, Kenya—East Africans grappling with the devastating effects of four straight failed rainy seasons are confronting the likelihood that the next rains will also come up short, deepening a hunger emergency that could tip into famine in some areas within weeks.

Meteorologists are issuing bleak warnings of a fifth disappointing rainy season, which normally starts in October through most of eastern Africa, and projecting dry weather into next year.

Aid organizations, meanwhile, say they lack the funding to stop people from starving, as local crop failures and deaths of livestock are exacerbated by high global food prices, which, despite some recent declines, remain about 8% higher than a year ago, and export restrictions in neighboring countries.

Last week, the U.S. Agency for International Development's Famine Early Warning Systems Network forecast that parts of southern Somalia, where it said local cereal prices were more than three times normal levels, would be in famine between October and December.

A formal classification of famine means two out of every 10,000 inhabitants die from hunger a day and about one in every three children is acutely malnourished.

"With the current level of re-



A boy waters his goats from a hole in the dry Ngenge riverbed in eastern Kenya's Samburu County.

sources we have at hand, it will be a miracle to see how we can avert a full-blown famine by October," said Adam Abdelmoula, the United Nations humanitarian coordinator for Somalia.

Last Tuesday, the U.N. Office for the Coordination of Humanitarian Affairs said it needed an extra \$1 billion—in addition to a previous appeal for \$1.4 billion—to respond to the drought in East Africa, including urgent assistance to more than 7.1 million Somalis, nearly half the country's population.

That same day, the U.N. Children's Fund said about 730 children have died in nutrition centers across Somalia this

year, although the actual number is likely much higher.

Across East Africa, including in Kenya, Ethiopia, Sudan and South Sudan, an estimated 50 million people are facing acute food insecurity, which occurs when a person is no longer able to consume enough calories to sustain life and livelihood, said the Intergovernmental Authority on Development, a regional trade bloc.

Last week, a team from the World Food Program visited Tana River County in eastern Kenya. The aid officials inspected the Boltu Abarufa water pan, an expansive earthen depression the agency

financed a few years ago. When the rains are good, the reservoir is 15 feet deep and contains 13 million gallons. Now it sits empty.

Desperate locals have dug 60 feet down into a dry river bed in search of water, passing the murky mix up in a bucket brigade to a trough where herders wait with thirsty cattle.

"We're in an alarm situation now," said Abdi Musa, the county's drought coordinator. "If the rain fails in October and November, we'll slip into an emergency. The markets will be closed. There will be livestock deaths. There will be malnutrition."

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FROM PAGE ONE

A Foster Home for The Plants

Continued from Page One
tries to obtain health certificates for each plant. So, finding foster families for the green babies is a challenge for many plant lovers.

When Kenneth Lou left London seven years ago for a banking job in Hong Kong, he was so busy packing and relocating his Jack Russell terrier that he neglected to find a home for his leafy dragon plant. Dehydrated, it lost half its leaves before a friend came to its rescue and nurtured it into a three-foot-tall tree.

Mr. Lou, now preparing to

return to the U.K., won't make the same mistake with Olivia, Clement, and Pamela, his potted olive tree, clementine and bamboo palm plants.

He sent out photos of them and canvassed friends, peppering interested parties with questions on their experience caring for plants, how much sun their homes get and the habits of their dogs and cats. "It's a big no-no if their pets love biting leaves," he said.

He eventually entrusted all three plus a lime plant to a Hong Kong friend who promised to care for them as he did, with the same brands of organic fertilizers and chemical-free soil imported from Germany and Belgium.

Mr. Lou said the friend, whose apartment has a balcony, agreed to send regular updates on the plants' growth and development and when they finally grow fruit.

"It means more to me than others because I'm single and I don't have kids. These fruit trees and my dog are my life really," he said.

Katherine Li, a writer who left Hong Kong for San Francisco last year, couldn't find anyone to adopt her plants and resorted to giving them back to the shop where she bought them.

She found out she wasn't the only one doing that. Lily Poon, the shop's owner, sometimes arrives in the morning to find potted plants left outside the entrance with handwritten notes from people explaining that they had to give them up but want them to still be taken care of.

Ms. Poon said she doesn't resell these plants but tries to match them with adopters. She observes and talks to her customers, and gives plants to those she considers genuine

plant lovers. She has also donated them to schools and nursing homes.

"It's good that those plants were given a new purpose in life," she said.

Sunny Hou, a Taiwanese citizen who recently completed a master's degree in New York, was caught off guard when her work-visa application was rejected and she had to leave the U.S.

She had to quickly find new homes for more than 100 house plants she had accumulated during the pandemic—"rehome" them, as plant lovers often say.

She posted dozens of photos in a plant-trading Facebook group detailing each one's stage of growth, health status and special attributes.

"\$25 syngonium erythrophyllum—really dark beautiful leaves with burgundy backs," she wrote in a post that at-

tracted hundreds of bidders. She priced most of her plant "babies" at less than half of her cost, but charged an emotional premium for the ones she loved most.

"Sometimes I feel like if people are willing to pay more for a plant, maybe it means that they're more willing to care for it," she said.

Ms. Hou, who studied accounting and data analytics, keeps spreadsheets that document everything from watering frequencies to each plant's fertilization cycle and pesticide exposure. The meticulous records also serve as care tips for the plants' new owners.

To her, caring for plants is a form of therapy. "The satisfaction of being able to see something grow and thrive after putting in the effort—it is one little aspect of my life that I get to have control of because I don't have control over

a lot of other things," she said.

Some find selling their plants too heart-wrenching and would rather give away their green fortune. Before moving to Spain from Scotland this summer, Laura del Carpio tried to sell her 150-strong botanical collection, and soon regretted it.

"Some people didn't really care about the plants, they just wanted a bargain. It was hard to price things that I spent so many years growing from tiny leaf cuttings," said the 33-year-old.

Ms. del Carpio ended up giving the majority of her plants to friends and family so she could check in on them from time to time.

"That was a lot nicer. Now I know that if I go back and visit, I can see them on the shelves, and I know they will be loved where they are," she said.

Instagram Trails TikTok

Continued from Page One
Reels engagement currently is up, on a month-to-month basis.

"We still have work to do," she said. "But creators and businesses are seeing promising results, and our monetization growth is faster than we expected as more people are watching, creating and connecting through Reels than ever before."

The shift to Reels has taken on urgency following a tough year for the social-media company. In July, Meta reported its first ever decline in revenue, in part because changes made by Apple Inc. to the iPhone's operating system put a major dent in Meta's ability to deliver personalized ads. The company also has had trouble retaining teenage users attracted to competitors such as TikTok. As of Friday, Meta's market value had declined by more than \$620 billion since peaking more than a year ago.

Meta has said that Reels, which was launched in the U.S. in August 2020, accounts for a fifth of the time people spend on Instagram, and that the time users spent engaging with Reels on Instagram and Facebook had risen more than 30% during the second quarter.

"We're seeing good promise in the rollout of Reels, good adoption," Instagram Chief Operating Officer Justin Osofsky said in an interview. "But with that said, we know we also have work to do."

He said Reels make up more than half of the content that Instagram users share with each other in private messages. The ease with which users can share Reels with friends differentiates the service from others, he said.

Other platforms

The internal document showed that nearly one-third of Reels videos are created on another platform, usually TikTok, and include a watermark or border identifying them as such. Meta said it "down-ranks" these videos, meaning it shows them to smaller audiences to reduce the incentives for those that post them, but they continue to proliferate. For Reels users, the result is that often they are shown videos recycled from another, more popular platform.

"People have told us they want original high-quality content," Mr. Osofsky said.

Landen Purifoy, a 22-year-old creator in Plano, Texas, makes videos for TikTok and other platforms, mostly of him using a device called a talk box to make funny sounds and music. Many of his posts get more than a million views on TikTok.

This spring, Mr. Purifoy posted the same video across TikTok, YouTube Shorts, Snapchat's Spotlight and Instagram Reels. The video received millions of views on every platform except Instagram. There, it got less than 100,000.

"Nobody's going to make original content for Instagram," Mr. Purifoy said. "It just doesn't make any sense."

To encourage users like Mr. Purifoy to post more, Meta announced last year that it was launching a fund to pay creators a total of \$1 billion by the end of this year. The inter-



Landen Purifoy, a 22-year-old content creator in Plano, Texas, said his videos have performed better on platforms other than Instagram.

nal document said that Instagram Reels thus far has paid out \$120 million.

"Meta's suite of monetization product offerings is largely in-line with competitive offerings, though limited product scale results in fewer paid creators / low % of payouts," the document said.

The Meta spokeswoman said this payout number is outdated and doesn't include separate payments to Facebook creators that the fund also covers.

TikTok announced its own creators fund in August 2020 that it said would pay out \$1 billion over the next three years.

Meta's ad business is still a behemoth, generating far more revenue per user than TikTok. In 2021, Facebook and Instagram generated revenue in the U.S. market of \$32 billion and more than \$21 billion, respectively, compared with \$3 billion for TikTok, according to estimates in an August report by Bernstein Research.

But Meta's advertising operation faces headwinds, notably from the privacy-related changes from Apple rolled out last year. The company previously said it anticipated a \$10 billion hit to revenue this year due to the changes.

Meta also continues to battle negative perceptions among users, documents show. Meta has long surveyed users about their perceptions of its business, converting their answers into percentage scores. The portion of Instagram users who think the company "cares about" them fell from nearly 70% in 2019 to roughly 20% earlier this summer. On the question of whether the product was "good for the world," the score fell from more than 60% in 2019 to slightly over 45%.

The Meta spokeswoman said that didn't reflect the company's internal data, but declined to elaborate.

The company has also been polling users on a separate question that in many ways gets to the heart of the tech giant's current predicament: "Would you say that Meta's best days are ahead of it or behind it?" The company declined to disclose how users responded to that question.

At least some of the issues affecting Meta reflect shifting views about social media more broadly. TikTok and other platforms also have sparked concerns about their unhealthy aspects and effects on young users.

Other social-media companies have had their business models upended, too. Snap

Inc., maker of the popular Snapchat app, said late last month it was laying off 20% of its staff, halting work on several projects and reorganizing its operations.

Meta, which essentially pioneered social media when Mr. Zuckerberg launched Facebook out of his Harvard dorm in 2004, has long been the industry's 800-pound gorilla.

Over the years, the company has been resilient, executing several strategy shifts to address changes in the competitive landscape. In 2012, Mr. Zuckerberg made mobile-first products a priority for Facebook, which was founded for desktop users. Several years later, the company launched disappearing-posts features, starting with Instagram Stories, leading to criticism that it essentially copied one of Snapchat's features.

While it took some time for Stories to catch on, both moves ultimately proved prescient, helping the company maintain a dominant position in social media for almost two decades and briefly reach a market value of more than \$1 trillion.

TikTok's explosion in popularity presents a big challenge. The app, owned by Beijing-based ByteDance Ltd., launched in the U.S. less than five years ago. It has drawn scrutiny and criticism related to its Chinese ownership, but that has done little to stem its popularity.

TikTok posted an average annual gain of 67% in daily hours spent per user in the U.S. from 2018 to 2021, far exceeding that of its rivals, according to Bernstein's August report. Facebook and Insta-



COOPER NIELL FOR THE WALL STREET JOURNAL (2)

gram posted average annual gains of 9% and 11%, respectively, during that period.

As TikTok has grown, so too has the popularity of short-form video as a format, leading Bernstein Research analysts to write: "The 2020s are the SFV decade."

After TikTok soared in popularity amid Covid-19 lockdowns in early 2020, both Meta and YouTube, which is owned by Google, launched short-form video products of their own. Mr. Zuckerberg has touted Reels as the company's fastest-growing content format, but TikTok has maintained its lead.

"Creators still think of TikTok as being synonymous with SFV and prioritize it for the broad discoverability it brings them," said the internal Meta document.

Reels users are often shown videos recycled from another platform.

Meta's challenges with Reels are significant because the service is central to an effort to reinvent the way the company operates.

Meta's products—first the main Facebook app, then Instagram—succeeded by showing users content from their friends, family and others they know and choose to follow. TikTok succeeded by doing the opposite, showing users content from accounts recommended by an algorithm that figures out what kind of videos users want based on what

they spend time watching. It pushes a feed of content personalized to people's interests, helping them discover new things they never knew they wanted or would enjoy.

This summer, Instagram accelerated a push to be more like TikTok by launching a service it internally called Panavision. Like TikTok, it served content, including a hefty dose of Reels, to users from accounts they don't follow.

User backlash

There was a swift backlash from users, including from celebrities Kim Kardashian and Kylie Jenner. Ms. Jenner reposted a card to her Instagram story that said "Make Instagram Instagram again (stop trying to be tiktok i just want to see cute photos of my friends.) Sincerely, everyone."

Within days, Instagram said it would reduce the amount of content shown to users from accounts that they don't already follow, at least for now. But Mr. Zuckerberg and Instagram head Adam Mosseri have made clear that is the direction the company is moving.

"We've leaned too far into video over the last couple months," Mr. Mosseri said in a video posted to Instagram in late August. "But we still believe video is a long-term important trend."

A big question is whether Instagram users, especially creators, will come along for the ride.

Danny Freeman, a 36-year-old creator in New York, goes by the handle @DannyLovesPasta and makes cooking content for his one million TikTok followers. He said TikTok is his main platform, but he also

posts to Instagram Reels, and he thinks the two can be complementary.

He said he has noticed that more visually appealing content does better on Instagram Reels, while videos where he is talking to the camera about a certain topic might do well on TikTok.

"I do feel like different content does well on Instagram," he said, explaining that he reposts about 30% of his TikToks to Instagram Reels, but sometimes re-edits and tweaks them slightly before he does.

In July, he posted a recipe video on TikTok that got about 440,000 views. He posted the same video on Instagram Reels, and it got one million views.

"I think it's because that was more of a recipe video, more visual, so maybe that's better for Instagram or for the audience," he said.

More than 70% of Instagram's audience is 25 or older, compared with 56% for TikTok, according to research firm Insider Intelligence. That suggests Instagram users generally have more disposable income, making them more attractive to advertisers.

Bernstein analyst Mark Shmulik said Meta charges higher rates partly because its ads spur many users to take action, such as clicking on a link and buying something. TikTok's ads are more akin to YouTube's, which typically merely promote the brand. Those advertisers are paying simply to reach as many people as possible, like a TV ad.

Alexis Bittar, a Brooklyn-based jewelry company, has been advertising its necklaces, bracelets and earrings on Instagram for years. The company's chief revenue officer, Naowna Simon, said she knows the ads bring in new customers and build a lasting relationship with them.

"Beyond just the actual sales revenue return, what we also see with paid revenue advertising is they sign up for our email list, or even if they don't actually hit follow, they're more likely to continue interacting with us informally," she said.

She said the effectiveness of the company's posts with still images has declined as Instagram emphasizes Reels.

The jewelry company doesn't advertise on TikTok, but does have an account on the app.

"We're still baby stepping into TikTok because we're not really sure it's where our resources are best focused," she said. "It's just a fun platform to be on."



Meta has said that Reels accounts for a fifth of the time people spend on Instagram.

NOAH BERGER/AGENCE FRANCE PRESSE/GETTY IMAGES

‘White Lotus’ Blooms at the Emmys

HBO satire nabs statues in every major category in which it was nominated; ‘Succession’ takes best drama prize

By ELLEN GAMERMAN
AND JOHN JURGENSEN

“The White Lotus” proved to be the hothouse flower of the Emmys. The HBO limited series nabbed honors in every category in which it was nominated Monday, including best limited series, supporting actor and actress, writing and directing. Mike White, creator of the HBO series, comes from an eclectic entertainment background, writing the film “School of Rock” but also appearing as a contestant on the reality show “Survivor.” In an acceptance speech, he expressed his love for his work.

“Don’t come for me—don’t vote me off the island, please,” Mr. White said.

HBO and sister streaming service HBO Max dominated the night with 12 wins, adding to their tally of 26 combined wins at preliminary Emmy ceremonies. The haul bolstered HBO’s reputation as an Emmy heavyweight at a fraught time for the company and the television industry as a whole, as the pandemic-era streaming boom faces the harsh realities of dwindling subscribers, budget cuts and cancellations.

HBO, which scored a repeat best drama win for “Succession,” faces pressure from its parent company Warner Bros. Discovery to cut costs, recently laying off 70 staffers across HBO and HBO Max. (HBO Max also picked up an award for “Hacks.”)

Netflix, dealing with market pressure and subscriber losses, only landed three wins Monday night, including trophies for “Squid Game,” which brought the streamer’s total Emmy tally to 25.

“The White Lotus,” a blistering social satire set at a fictional resort in Hawaii, came into the evening with 20 Emmy nominations, one of the highest tallies for any show. Eight of the 14 nominations in the supporting actor and actress races for limited series were for “White Lotus” cast members. In total, “The White Lotus” won 10 Emmys, including five from the Creative Arts Emmys held last week.

Jennifer Coolidge, who played a loopy resort guest in the series, picked up the award for best supporting actress in a limited series. Emmys producers tried to play her off the stage during her acceptance speech, first with operatic music and then something more peppy. But instead of leaving, she started to dance, wiggling in her tight green dress. Even though the audience cheered, Ms. Coolidge didn’t get to finish her speech. Her co-star Murray Bartlett, who played the hotel’s chaotic manager, also won for his performance.



The cast of ‘White Lotus’ celebrates a night of wins. Below, Sheryl Lee Ralph sings as she accepts the award for best supporting actress in a comedy.

HBO’s “Succession,” which went into the award ceremony with 25 nominations across categories, won best drama series. It beat competitors including “Squid Game,” which had sought to become the first foreign-language series ever to win the award.

It is the second drama series win for the HBO saga about backstabbers vying for survival in a family business conglomerate. “Succession” first won the top award in 2020, but sat out the Emmys last year because of pandemic delays.

Matthew Macfadyen won for supporting actor in a drama series for his role as a bumbling son-in-law striving for his titan father-in-law’s approval. Creator Jesse Armstrong won for outstanding writing in a drama series.

In other drama categories, Lee Jung-jae won best actor for “Squid Game,” Netflix’s bloody South Korean sci-fi thriller.

Zendaya took home her second best-actress award for her role as a troubled teen on HBO’s “Euphoria.” She was up against Laura Linney (“Ozark”), Melanie Lynskey (“Yellowjackets”), Reese Witherspoon (“The Morning Show”), and Jodie Comer and Sandra Oh (“Killing Eve”).

Zendaya, now 26, remains the youngest woman to ever land the award. She was 24 at the time of her first best actress win.

In her acceptance speech, Zendaya expressed solidarity with fans of the show and of her character, Rue, a high-schooler struggling with drug addiction. She dedicated the award to “anyone who has loved a Rue, or feels like they are a Rue,” she said, thanking fans for sharing their stories with her: “I carry them with me, and I carry them with Rue.”

Stories ripped from the headlines dominated the field for best



limited series, with “Dopesick” (the opioid crisis), “The Dropout” (the Theranos scandal), “Inventing Anna” (a socialite scammer) and “Pam & Tommy” (the ‘90s celebrity sex tape). The one to beat was “The White Lotus,” which tested the definition of “limited series” with a second season that will premiere in October.

Michael Keaton won the award for best actor in a limited series for his role in the Hulu series “Dopesick,” a drama about the opioid epidemic.

“My face hurts from all the fake smiling I’ve been doing,” he quipped. It was his first Emmy nomination and win for an acting role.

In comedies, Jason Sudeikis won for best actor in a comedy series for his role as a heartfelt soccer coach with a troubled private life in “Ted Lasso.” Among the actors he beat were comedy veterans Steve Martin and Martin Short, who were also competing for the best actor in a comedy award.

Sheryl Lee Ralph won for best supporting actress in a comedy for her role as kindergarten teacher Barbara Howard in the ABC mockumentary “Abbott Elementary.”

Beware the Pitfalls Of Vacation Homes

By VERONICA DAGHER

Nothing fuels the desire to buy a vacation home quite like the end of summer.

As mortgage rates rise and the housing market cools, financial advisers say it is critical for buyers to weigh the unexpected costs and pitfalls that come with that beach house.

The largest share of vacation-home purchases close from the fall to early in the new year, which is typically the off season for primary home buying, said Danielle Hale, chief economist at Realtor.com. For instance, in the Lake Tahoe area, August and September are traditionally two of the busiest months of the year as buyers dream about spending the winter holidays in a new home, and sellers look to avoid having to maintain the property during the winter months, said Brit Crezee, a Realtor who specializes in that region.

Home prices soared during the pandemic in second-home markets such as Phoenix, Naples, Fla., Myrtle Beach, S.C., and Las Vegas, even more than the rest of the country. The typical property in second-home markets sold for \$516,423 in April, up 19.9% from a year earlier, according to the latest data available from Redfin.

The beach house bonanza appears to be ending, many economists said. Sales of second homes are way down from last year’s boom, dipping below prepandemic levels (February 2020) for the first time in two years, due in part to high prices and rising mortgage

rates, said Daryl Fairweather, chief economist at Redfin.

Many Americans still envision a second home as a source of family memories, wealth, rental income and tax benefits, if everything goes to plan. These buyers don’t always grasp the risks such as trouble renting the home, family squabbles over the property and unexpected costs.

“Vacation homes can quickly turn into nightmares if you don’t know how to properly manage them,” said Tony Robinson, a short-term rental investor and the co-host of BiggerPockets’ “Real Estate Rookie,” a podcast about real-estate investing for beginners.

Here are four of the biggest risks of buying a vacation home:

Don’t bank on rental income.

Tim Bauer said he quickly learned to prepare for the unexpected after he bought a ski cabin in Red Lodge, Mont., that he planned to rent out when he wasn’t using it to offset the costs.

While 2021 was a stellar year for rentals thanks to the pent-up demand due to the pandemic and remote-work arrangements, this year a massive flood in the region led to the cancellation of nearly all of the cabin’s bookings for June and July.

He lost about 20% of the annual revenue for the two-bedroom cabin that he rents for, on average, about \$215 a night.

“It’s important to have a buffer of cash to be prepared for the slow times and unexpected events which can cause demand to slow down or even stop completely,” he said.



Jeff and Kristi Barends faced some expensive surprises at their vacation house.

Mr. Bauer, a financial planner, keeps a separate checking account for the cabin with a cushion of about three to four months of expenses.

Relying on the rental income to pay mortgage and other costs can be risky for other reasons, too. Local rules for short-term rentals can change. Darin Eppich, a real-estate agent in Los Angeles, recently had a client decide against purchasing a vacation home in Palm Desert, Calif., when he learned the city had strict rules limiting short-term rentals.

The lake house may start a family feud.

Many vacation homeowners want the property to remain in the family for generations and picture scenes of relatives coming together at the house long after Mom and Dad are gone.

But not all family members feel equally invested in that vision and they may have no interest in keeping the property, said Pam Lucina,

chief fiduciary officer for Northern Trust Wealth Management.

Ms. Lucina has clients where family members debate about how to share expenses and who gets to stay in the house during the prime weeks of the season.

“This becomes a huge source of conflict,” she said.

Create guidelines before there is tension, including a plan for how the property will be managed after the original buyers pass away, said Ms. Lucina. Ask your intended beneficiaries if they want the property and if they have the resources to pay for maintenance, taxes and other costs, she said.

Hidden costs lurk.

Always budget for surprise expenses.

Jeff Barends has owned vacation homes for the past decade with his wife, Kristi Barends. The couple bought a rental house in Jackson Hole, Wyo., last summer. A few days before closing, they learned that to

Your return on investment isn’t guaranteed.

Karen Altfest, a financial planner in New York City, recommends clients spend no more than 15% of their net worth on the value of a vacation property to help reduce their financial stress.

Sam Dogen, creator of the Financial Samurai website and author of “Buy This, Not That,” said people need to understand that their property may not appreciate as much as they expect, especially in the current market, where some experts expect prices to slide.

Mr. Dogen bought a two-bedroom condo in Lake Tahoe for about \$715,000 in 2007. The asking price was \$810,000, so he thought he was getting a deal. However, the property ended up plummeting in value by about 40% over the next several years due to the financial crisis.

Today, the property is still worth less than what he purchased it for, he said. “It was a poor investment,” he said.

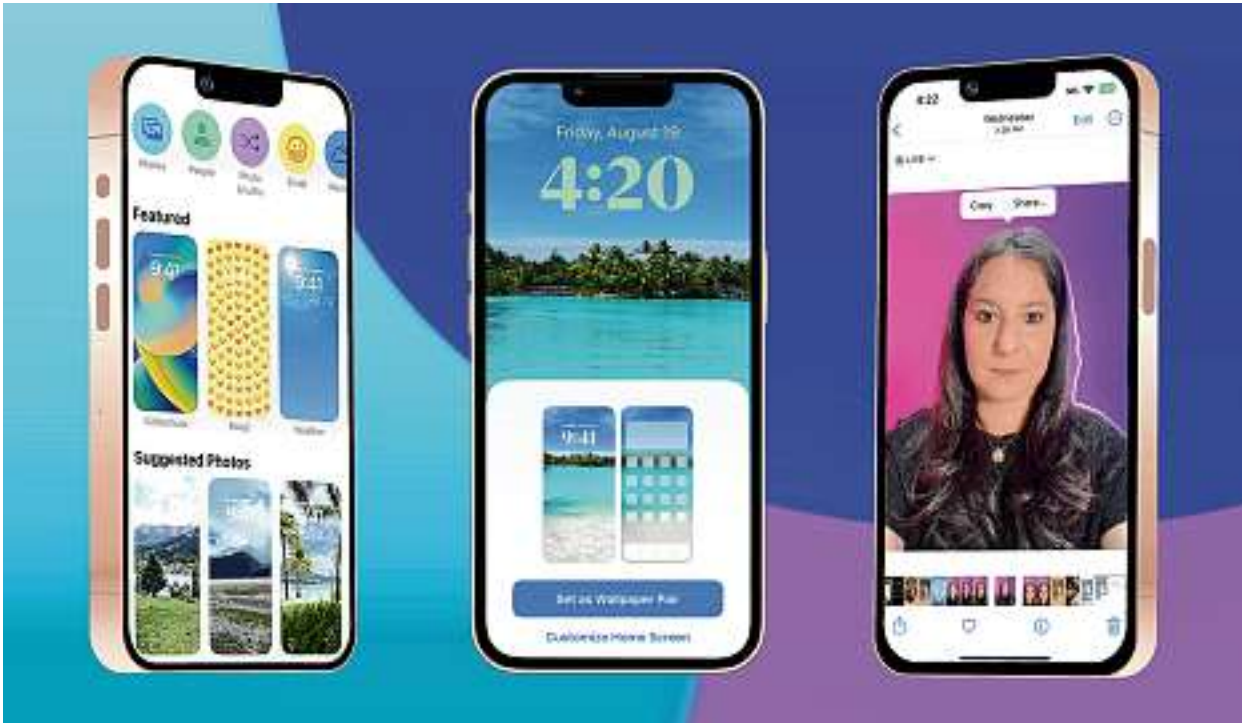
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Your iPhone Makeover Is Ready to Download

Lock-screen changes and new messaging tools improve everyday use



The just-released iOS 16 gives you more control over your lock screen and let's you edit and recall sent text messages.

Sometimes I look at my two young sons on my iPhone's lock screen and think to myself, "Wow, how beautiful...that I could match the color of the clock to the exact color of their eyebrows."

When I tell you there are a million ways to customize your lock screen in iOS 16—released on Monday for models going back to the iPhone 8—it's no exaggeration. There are eight different fonts for the time, hundreds of widgets and a rainbow of text color options.

In the iPhone's 15-year history, there has never been a bigger design change to the screen that greets us all day, every day. And yet if you hate change, everything can stay exactly the same.

That's really the theme in this year's update. Whether it's unsendMessage or setting up medication reminders, Apple's useful new features might go unnoticed unless someone points them out.

That's where I come in. But before we get going, my annual iOS advice hasn't changed: Walk, don't run, to upgrade. No harm in holding off a few days to let the company iron out any unexpected issues or bugs. When ready, go to Settings > General > Software Update.

OK, now let's help you find those new tricks.

Lock-screen stuff

Hold down on the lock screen and then tap the "+" button in the bottom right. This lets you swap out your existing lock screen for a fresh one. Yes, you can have a screen to match every outfit—but please don't.

There are three lock-screen elements you now have more control over:

► **Wallpaper:** Sure, you can still pick your favorite family photo but you might not want to. Among the Astronomy options, "Earth" shows the globe based on your location, while "Moon" shows lunar phases. Emoji options display the charac-

ters in patterns of your choosing. And then there's my fave: The weather background automatically changes based on conditions in your area, so you'll never have to look out a real window again.

► **Time:** You can change the font and color of the time. Tap the rainbow ball option and you'll find more hues than a Sherwin-Williams store. (Tap the little dropper icon to match a color from your lock-screen wallpaper.)

► **Widgets:** Add different widgets to quickly see, for example, the outdoor temperature, the latest headlines or your next appointment. No need to swipe into your phone.

For those who don't aspire to be the Marc Jacobs of lock screens, Apple offers templates you can tweak easily. In fact, tweak your lock screen at any time by holding

down on the screen and selecting "Customize."

Notifications stuff

OK, fine, I lied. There's one big change and there's no going back. Notifications now appear on the bottom of your lock screen.

By default, notifications now appear in a "Stack" view that resembles a loose deck of playing cards. Swipe up on that stack and you get the usual "List" view, so you can see all your alerts. Swipe down and you get "Count" view, which shows you only the number of notifications you have, not their contents. It's a nice way to quickly avoid pop-up distractions.

Messaging stuff

You might have heard a very wise columnist declare text messages the new email.

One new setting in the Mes-

sages app helps you remember the most important ones: In the inbox, hold down on a thread and select "Mark as Unread" or swipe to the right and tap the bubble.

Sometimes you send something you didn't mean to. You can pull a message back, but only within two minutes of sending. In Messages, long-press on a message you'd like to recall and tap "Undo Send." It will remove the message from the chain—so long as the others are running iOS 16 and later. Your recipients will see a note in the chat that a message was unsent. (You can finally unsend emails in Apple's Mail app now, too.)

If you prefer to edit that message, long-press and select "Edit," then make your changes. You have 15 minutes to edit the message. The receiver will be able to see that it was edited—and see what you'd previously written.

Other stuff

► **Battery percentage:** In 2017, Apple did the unthinkable and removed the persistent battery percentage from the top right corner. You had to swipe down to see how much juice you had left. To unhide it, go to Settings > Battery then toggle on battery percentage.

► **Medication reminders:** In the Health app, go to Browse > Medications > Add Medications.

► **Contacts, maps, etc.:** It's even easier to merge duplicate Contacts entries. In Maps, you can add multiple stops to your route. For those with hearing loss, a new Live Captions feature gives you voice-to-text transcription during conversations or FaceTime calls. It can struggle in loud environments.

Missing stuff

As usual, some features Apple announced in June aren't yet ready, and will appear in a future update, or trickle in as they gain adoption from app developers.

Shared Photo Library, coming later this year per Apple, will allow you to automatically share certain photos with friends or family without having to message them or create new albums.

The potentially game-changing Passkey tool stands to replace passwords. The catch? While the support is built into the operating systems, few apps or websites are on board so far.

And then there are the things Apple just hasn't fixed. The wallet interface is still a bottomless pit of digital cards, texting with Android friends is still lame (green bubbles!), collaborating in a Notes document is still painful and Siri still can't set multiple timers.

But all is OK because now I have a lock screen with a spiral of poop emojis—and the clock matches the exact color of the happy poop swirl's smile.

Watch a Video

Scan this code for a video on Joanna Stern's 10 tips and tricks for the iPhone's new software update.

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Trendy Parents Blaze Wagon Trail

By LIA PICARD

When Stephanie Marrs strolls the streets of Old Town Alexandria, Va., with her husband and toddler, she's often stopped by people who want to know about her wagon.

Rather than pushing a stroller, she pulls her son around town in a Veer Cruiser, a model beloved by Khloe Kardashian, lifestyle bloggers and many more parents looking to cart kids and cargo wherever they go. Equipped with harness seats and plenty of room for purchases, these wagons are replacing strollers for some families. While the cherry-red Radio Flyers of yore were shallow with hard siding, new models on the market are made of nylon, fully collapsible and sold by retailers better known for camping tents than chic parenting accessories.

"It's very much an off-the-mountain kind of thing," said Ms. Marrs, who runs the lifestyle blog Magnolia Stripes. "It's very rugged-looking."

On TikTok, parents have taken to posting tips for accessorizing wagons with cupholders, snack trays, all-terrain wheels and canopies. In

addition to the Veer, which starts at \$699, there are models from WonderFold (\$899 for the W4 Luxe Stroller Wagon), Evenflo (\$400), Keenz (\$850 for the luxury comfort stroller wagon that holds four passengers) and the more-affordable MacSports (roughly \$100-\$160, but seatless), among others.

With the canopy up and

said the number of people adding stroller wagons to their baby registries increased about 40% from 2020 to 2021, and grew 55% from 2021 to 2022. According to the market research firm Fact.MR, stroller-wagon sales in the U.S. are poised to reach \$1.5 billion by the end of 2022.

But where there is pull, there is also push-back. In 2019, Disney updated its park rules to ban stroller wagons, as well as oversize strollers (larger than 31" x 52"), to "provide a more enjoyable experience for our guests by easing guest flow and reducing congestion," a spokesperson said.

Online, fans of the park cracked jokes about parents making the "walk of shame" back to their hotels with their oversize carriages. Wagon stalwarts petitioned Disney to reverse the ban; their efforts have so far been futile.

Elsewhere, parents like Lauren Wellbank, a writer and mother in Allentown, Pa., continue to pack their kids into the wagons. "If one of them gets in, all three have to get in," Ms. Wellbank said of her MacSports folding utility wagon.



Wagons are muscling into stroller territory.

snack tray in, parents can look like they are pushing a hot-dog cart full of children. And like status strollers before them, status wagons crib the language of automotive sales to shill luxury features: The \$750 Keenz two-passenger model, geared at ages 6 months and up, comes "fully loaded" with all-terrain wheels, spring suspension and cushioned reclining seats. Online registry Babylist

ARTS IN REVIEW



MUSIC REVIEW | MARK RICHARDSON

Embracing the Mainstream

Rina Sawayama leans toward the center while still keeping some of her distinctive genre-mixing

The 2020 debut album by London-based singer Rina Sawayama, titled after her last name, immediately put her in the company of risk-taking pop figures like FKA Twigs, Rosalía and Charli XCX. These performers are versed in pop sounds from the 1970s to the present and all have made radio-friendly hits, but they experiment freely with both sonics and their boldly surreal costumes and music videos. The archetype for such artists is Icelandic visionary Björk, known for both her startling visuals and music that flirts with the mainstream while steeped in more exploratory and uncommercial sounds. “Sawayama” touched on of-the-moment computerized dance music, but its most striking wrinkle was its incorporation of hard rock—grungy guitars and thudding percussion slotted alongside floor-friendly

beats, and the fusion sounded natural. It wasn’t a huge commercial success, but it made many best-of lists that year and marked Ms. Sawayama, now age 32, as a performer on the rise. Since then, Elton John appeared on a remix of her single “Chosen Family,” she was a featured vocalist on a remix of Lady Gaga’s “Free Woman,” and she’s been tapped to star alongside Keanu Reeves in the film “John Wick: Chapter 4,” due next year. The obvious question for an artist in her position is what happens with album number two: If you double down on experimentation, you risk losing momentum, but if you give yourself over to the pop machinery, you might forgo what makes you special. “Hold the Girl” (Dirty Hit), out Friday, finds her leaning markedly toward the center while still holding on to some of what makes her distinctive. “I wanna write big songs,”

she told music magazine the Fader earlier this month, adding that she wants to translate the ideas from her earlier music into “a much more refined pop songwriting structure, in a way that people might sing along to it at festivals.” The title track of the new album, which appears after the brief scene-setting ballad “Minor Feelings,” has the most adventurous production on the release and also lays out its primary theme. Ms. Sawayama was born in Japan and moved to London when young. Her parents split up when she was still a child, and she has described feeling lonely and alienated as an immigrant with a fractured family. Several songs here, including “Hold the Girl,” are about learning to love and comfort yourself in a world that can be cold and indifferent. She sings these thoughts over skittering drum programming and disco strings, and the soaring melody has the gran-



deur of Broadway, complete with a dramatic key change. “This Hell,” the third track, issued as a single in May, seems to be precisely the festival-ready grand gesture Ms. Sawayama has in mind. She co-wrote and co-produced it

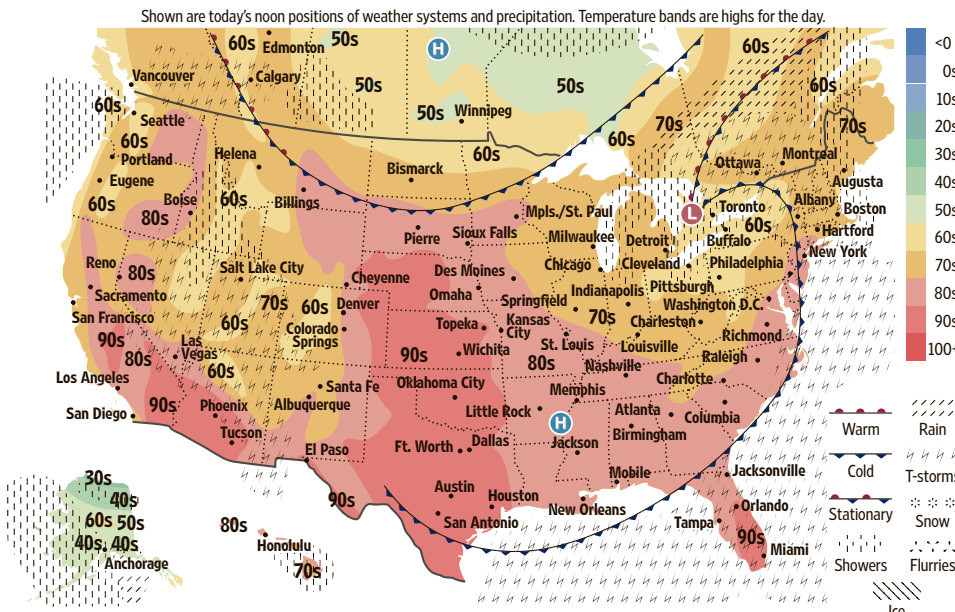
Rina Sawayama performing in London in June

with Paul Epworth (Adele, Rihanna) and it’s an obvious homage to the strutting theatricality of Lada Gaga, all the way down to its trilling phrasing of the word “paparazzi.” It’s a song with a clever hook written to be an anthem of queer pride—“Saw a poster on the corner opposite the motel / Turns out I’m going to hell If I keep on being myself,” she sings. But while a buzzing guitar solo harks back to the rock textures of her debut LP, this is a more familiar brand of pop than what we heard from her before. Elsewhere, Ms. Sawayama tries her hand at more conventional forms designed to work away from the dance floor. “Catch Me in the Air,” co-written and co-produced with the singer’s frequent collaborator Clarence Clarity, with additional production by Stuart Price (Dua Lipa), is a breezy ballad with appealingly quirky melodic turns that build to a catchy singsong refrain. “Frankenstein,” another pairing with Mr. Epworth, is a nervy new-wave number in the vein of Berlin’s “The Metro,” complete with megaton chorus. Late in the album, the acoustic ballad “Send My Love to John” is the one track on the release where the lyrics are more important than the music. Ms. Sawayama has said that she was blown away by the character-driven songs on Taylor Swift’s “Folklore” and “Evermore,” and this seems like her attempt at something similar. Over finger-picked nylon-string guitar, she tells the story of an immigrant who leaves her home country to make a better life in the U.S. The narrator dreams of raising a son who will start his own traditional family, but he turns out to be gay, which the narrator can’t come to terms with. While the melody is nothing special and some of the phrasing is clunky, the story unfolds carefully and with subtle emotional shading. But in both its sound and lyrical specificity, “Send My Love to John” is an outlier. Most of “Hold the Girl” is loud and in your face, aiming for those big-crowd singalongs, and the lyrics are broad, sometimes to the point of cliché. On “Forgiveness,” a stomping midtempo tune about going easy on yourself during moments of self-loathing, lines like “But the pain isn’t done / No no, when battle is won / I’m running in circles again / Reaching dead ends” lack the inspiration that the track’s uplifting message requires. There aren’t any outright misses on this collection and Ms. Sawayama’s voice has grown stronger, but compared to her debut album, surprises are in short supply. Her ear for offbeat genre collisions keeps things interesting, but it’s hard not to wish that she’d taken a few more chances.

Mr. Richardson is the Journal’s rock and pop music critic. Follow him on Twitter @MarkRichardson.

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U.S. Forecasts

s...sunny; pc...partly cloudy; c...cloudy; sh...showers; t...tstorms; r...rain; sf...snow flurries; sn...snow; l...ice

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Anchorage	55	48	c	53	50	c
Atlanta	82	62	s	85	65	s
Austin	95	68	s	93	64	s
Baltimore	83	59	pc	82	63	s
Boise	79	58	pc	83	59	c
Boston	76	64	t	80	59	s
Burlington	76	59	r	73	49	pc
Charlotte	82	60	pc	84	62	s
Chicago	75	58	pc	79	60	s
Cleveland	69	57	pc	80	63	pc
Dallas	91	70	s	93	69	s
Denver	89	60	pc	81	58	c
Detroit	73	56	pc	80	58	s
Honolulu	88	75	s	88	75	s
Houston	92	68	s	92	69	s
Indianapolis	75	57	pc	79	59	s
Kansas City	87	62	s	88	62	s
Las Vegas	85	71	t	88	71	s
Little Rock	89	63	s	89	63	s
Los Angeles	83	67	pc	80	63	pc
Miami	92	79	t	88	78	t
Milwaukee	76	60	pc	74	62	s
Minneapolis	82	58	s	82	63	pc
Nashville	83	58	s	83	61	s
New Orleans	86	71	pc	87	72	s
New York City	82	63	sh	80	63	s
Oklahoma City	91	67	s	91	64	s

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Omaha	86	62	s	89	68	s
Orlando	92	75	t	87	75	t
Philadelphia	83	63	pc	82	64	s
Phoenix	98	79	pc	99	78	s
Pittsburgh	68	53	pc	76	56	s
Portland, Maine	69	59	t	77	52	pc
Portland, Ore.	74	58	pc	75	58	pc
Sacramento	80	57	s	78	57	s
St. Louis	81	59	s	83	62	s
Salt Lake City	77	61	t	74	59	t
San Francisco	72	60	pc	73	59	pc
Santa Fe	77	51	t	74	51	c
Seattle	69	56	pc	71	55	pc
Sioux Falls	87	60	pc	90	68	s
Wash., D.C.	82	63	pc	81	65	s

International

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Amsterdam	70	55	sh	69	57	pc
Athens	84	67	s	84	69	s
Baghdad	112	80	s	107	78	s
Bangkok	90	77	sh	90	77	t
Beijing	90	66	pc	89	63	pc
Berlin	69	52	pc	66	52	c
Brussels	73	58	sh	63	52	r
Buenos Aires	63	52	s	64	54	s
Dubai	103	89	s	105	89	s
Dublin	64	47	pc	64	48	pc
Edinburgh	64	47	pc	63	43	pc

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Frankfurt	73	62	pc	72	58	r
Geneva	81	64	t	76	58	t
Havana	89	72	t	88	72	t
Hong Kong	94	83	s	94	82	s
Istanbul	74	63	pc	77	66	s
Jakarta	91	75	sh	91	76	t
Jerusalem	83	64	s	81	60	s
Johannesburg	71	48	pc	70	51	s
London	70	58	c	71	53	pc
Madrid	75	61	t	77	60	pc
Manila	89	79	c	88	79	sh
Melbourne	56	39	pc	64	55	pc
Mexico City	73	55	pc	71	57	r
Milan	85	67	pc	82	67	t
Moscow	62	47	pc	56	47	c
Mumbai	86	80	t	86	80	r
Paris	79	65	t	76	61	t
Rio de Janeiro	80	70	pc	77	69	pc
Riyadh	109	83	s	109	83	s
Rome	83	65	s	84	73	pc
San Juan	90	79	pc	89	79	t
Seoul	83	69	pc	80	69	r
Shanghai	79	74	sh	81	73	r
Singapore	85	79	sh	85	79	sh
Sydney	60	50	r	63	54	pc
Taipei City	83	76	r	86	76	r
Tokyo	85	76	pc	82	70	pc
Toronto	69	59	r	76	49	s
Vancouver	66	54	pc	66	54	s
Warsaw	67	55	pc	68	54	c
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The WSJ Daily Crossword | Edited by Mike Shenk

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► Solve this puzzle online and discuss it at [WSJ.com/Puzzles](https://www.wsj.com/puzzles).

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AVIV	ERASER	SOB
LANED	ONS	AGAME
ELLI	RIOTED	TRAN
BARRIE	BAT	RIFFLE
BREAD	AND	BUTTER
ANEW	NAILS	ASOF
LIVE	IDEAS	GALL
LEER	TASTY	SUEY

SPORTS

Lamar Jackson’s Big Bet on Himself

The Ravens quarterback is playing out the final year of his contract. The reward could be the biggest deal in NFL history.

By Andrew Beaton

Last week, an underpaid, generational two-way threat showed up to the stadium wearing the uniform of another player from another sport who also tortures opponents in multiple ways. Shohei Ohtani was wearing a Baltimore Ravens jersey with Lamar Jackson’s name on the back.

Ohtani may eventually become the highest-paid baseball player ever because of his unicorn abilities as a hitter and pitcher for the Los Angeles Angels. Jackson could become the NFL’s richest player because of his throwing, running—and his rare decision as an elite quarterback to bet on himself.

When Jackson and the Ravens failed to agree on a contract extension before this season, it set up an unusual scenario with hundreds of millions of dollars on the line. Young superstar quarterbacks almost never hit free agency. Jackson is now playing out the final year of his contract—bringing him closer than his peers to cashing in on the open market.

If Jackson shines, he’ll be positioned to break the bank. Without a long-term deal, though, he also faces the risk of playing a sport rife with the type of injuries that can crater any player’s value.

Jackson’s gamble began Sunday on a rainy field in New Jersey where the Ravens thumped the New York Jets 24-9 while Jackson’s tantalizing skill-set was on display. He launched a 55-yard touchdown pass. He danced his way around Jets defenders with his legs. Even on a day when he didn’t put up gaudy numbers, he displayed the ability that made him the league’s most valuable player just a few years ago.

That performance came just a few days after football’s most closely watched contract negotiations ended with bupkis. Ravens general manager Eric DeCosta said they would continue to work on a long-term contract after the season. Coach John Harbaugh predicted Jackson would be in Baltimore for a “long time.” Yet Jackson eschewed the path that has landed his peers comfortable nine-figure deals.

Hardball contract negotiations these days have developed a familiar ritual. A player sends cryptic messages on social media. Kyler Murray, for instance, deleted all references to the Arizona Cardinals from his Instagram account and unfollowed the team. Fans freak out. The player and team then agree to a new deal, as was the case with Murray, and everything is fine again.

The playbook wasn’t so different with Jackson, who sent Baltimore die-hards into a tizzy when



Lamar Jackson, above, is in the final year of his contract. Left, Kirk Cousins signed a free-agent deal with the Vikings in 2018.

he liked a tweet with a picture of him in a Miami Dolphins uniform. But at the end of this set piece, he audibled and declined to ink an offer that ESPN reported was worth \$250 million over five years.

One of the few rational economic forces in the NFL, with its Byzantine salary cap rules, is that the best quarterbacks are paid the

most money. There are now nine quarterbacks making at least \$40 million annually. Yet even those deals likely don’t capture the true market values of those players. That’s because they almost never hit the open market.

When an NFL team strikes gold with a franchise quarterback, it almost always races to lock him up

as quickly as possible. Players are eligible for an extension after three seasons—and it usually doesn’t take much longer for a lucrative deal to follow.

Patrick Mahomes signed a deal that’s potentially worth over \$500 million after his third season. Earlier this year, Murray and the Cardinals agreed to terms after his third year. The Buffalo Bills’ Josh Allen, who was drafted in the same class as Jackson, did the same a year ago. So the fact that Jackson played last year, his fourth season, without a deal was already beyond the norm. And it’s happening again in 2022.

There isn’t a clear comparison for a quarterback as young and talented as Jackson hitting free agency, but his earning potential is demonstrated by a recent instance when a less celebrated quarterback did. Kirk Cousins has long been viewed as a solid passer, albeit one

who’s a cut or two below the elite. And after he played out his deal with Washington, he received a groundbreaking contract from the Minnesota Vikings that was fully guaranteed in 2018. That’s extremely abnormal in the NFL, where fully guaranteed money is rare—but, as a free agent, Cousins had the leverage to demand it.

Deshaun Watson also landed a guaranteed deal this offseason when he was traded to the Cleveland Browns, and while Watson wasn’t a free agent he also had numerous teams bidding on him after he demanded a trade from the Texans, a situation that simulated what it could look like for a quarterback on the open market. (The contract was also widely criticized because of the sexual misconduct allegations against Watson, which has since yielded an 11-game suspension.)

There has also never been a better time for a player like Jackson to potentially capitalize. The salary cap, at an all-time high of \$208 million, has given teams more money than ever to spend on their marquee players. Murray’s deal is worth up to \$46 million annually. Murray is also not as accomplished as Jackson.

Although Jackson’s contract is up after this season, he’s unlikely to hit free agency just yet. The Ravens will have the option to give him the so-called franchise tag, a binding and pricey one-year deal that helps teams keep their best players. But those franchise tags escalate in cost if a team uses them repeatedly. Playing on back-to-back franchise tags is ultimately what paved Cousins’s path to free agency.

Jackson is also a peculiar candidate to head down this road. He’s so athletic that some pundits suggested he become a wide receiver ahead of the NFL draft. Jackson made that look downright silly when he won MVP in 2019, his first full season starting. He led the league in passing touchdowns that year while also setting the single-season record for rushing yards by a quarterback.

While his ability to run so effectively increases his value, it also creates the perception that there is more risk in counting on him for the long haul. Taking off with the ball more often can increase the number of hits he absorbs, and along with that the chance he gets hurt. And if his speed diminishes as he ages, he could lose a big part of his game. If Tom Brady has gotten a step or two slower over the years, it hasn’t exactly mattered much for his game because he spends all day standing in the pocket.

It’s a risk Jackson is clearly willing to take. The reward could be the biggest deal in NFL history.

Cannabis Set to Stay On WADA’s Prohibited List

By Rachel Bachman
and Louise Radnofsky

The World Anti-Doping Agency appears set to keep cannabis on its list of prohibited substances for 2023, despite friction over American sprinter Sha’Carri Richardson’s suspension last year, according to people who have seen a draft copy of the list.

The decision, which is likely to be finalized at a meeting later this month, means athletes subject to WADA’s drug-testing code will continue to be subject to suspension if they test positive for cannabis in competition.

It also highlights tensions over a drug that is increasingly used legally for medical and recreational purposes in some countries, and whose effects on athletic performance are disputed.

WADA, which oversees drug testing in Olympic and other sports, last year agreed to initiate a scientific review of the status of cannabis on the prohibited list. The review came at the urging of the U.S. Anti-Doping Agency and U.S. politicians amid controversy after the suspension of Richardson, the 2021 U.S. Olympic trials women’s 100-meter champion who tested positive for a chemical found in marijuana and was left off the team for the Tokyo Games.

Richardson’s suspension sparked public debate in the U.S. in particular, where marijuana remains illegal at the federal level but is permitted for medical or recreational use in dozens of states.

Pro athletes such as Odell Beckham Jr. and Dwyane Wade ex-

pressed support for Richardson and fans on social media pointed out that marijuana is legal in Oregon, where the Olympic trials were held. Then-White House press secretary Jen Psaki described Richardson as “an inspiring young woman” while saying it was not appropriate for the president to comment on the suspension itself.

As the deadline approaches to finalize the WADA 2023 prohibited list, however, there are strong indications that cannabis will remain prohibited. WADA’s Prohibited List Expert Advisory Group has backed keeping a ban in place, saying that based on the scientific evidence available, the drug meets the criteria for inclusion on the list.

That advisory group circulated a draft list for 2023 that still includes cannabis. The group provides recommendations on the prohibited-substances list to WADA leadership, which typically follows the advice.

The World Anti-Doping Agency emphasized that the list is still provisional until later this month. “The draft 2023 Prohibited List is still under consideration,” a WADA spokesman said in a statement. “WADA’s Executive Committee will be asked to approve the final version of the List during its 23 September meeting, with the List itself being published on or before 1 October and coming into force on 1 January.”

Officials from the Netherlands have advocated for removing cannabinoids, or chemicals found in cannabis, from the list. The Dutch anti-doping agency published details of WADA’s draft list alongside



Sha’Carri Richardson tested positive for a chemical found in marijuana in 2021.

formal responses from Dutch authorities on its website.

“Cannabinoids most likely have a negative impact on athletic performance,” the agency wrote.

Other concerns raised by the Dutch included the possibility that the ban stood to prevent athletes from using popular CBD products. An agency official said he couldn’t comment further about the draft list.

The official position of the U.S. has been less clear.

Last year, the U.S. Anti-Doping Agency argued that the “rules concerning marijuana must change,” according to a letter to U.S. politicians signed by USADA CEO Travis Tygart.

In the letter, Tygart noted the

different marijuana policy of the Ultimate Fighting Championship, whose anti-doping program USADA oversees. Under that policy, Richardson’s positive test wouldn’t have resulted in a suspension because it was determined not to be intentionally used for performance-enhancing purposes. UFC doesn’t operate under the WADA code.

But WADA said that the U.S. had stopped short of calling for cannabis to be taken off the banned list entirely.

In a statement sent Friday, the WADA spokesman said, “to date neither the United States authorities nor the U.S. Anti-Doping Agency has requested the removal of cannabis from the Prohibited List.”

ecstasy.

Richardson said she had taken marijuana to calm her anxiety about a death in the family. She’s had uneven results since her Olympic-trials race, winning a few small meets but failing to qualify for the world championships earlier this summer in Eugene, Ore. On Thursday she finished seventh in the 100 meters in Zurich in the last meet of the season in the Diamond League, the world’s top professional series.

Richardson’s agent, Renaldo Nehemiah, wrote in a text message regarding the status of cannabis on the 2023 prohibited list: “We adhere to the rules as they’re currently in place” and declined to comment further.

FROM TOP: ADAM HUNGER/ASSOCIATED PRESS, DAVID BERDING/GETTY IMAGES, ANDY LYONS/GETTY IMAGES

OPINION

What if Putin Uses a Nuke?



GLOBAL VIEW
By Walter Russell Mead

Ukraine scored a stunning victory in the Kharkiv region over the weekend. Routed Russian forces ditched valuable weapons and tons of badly needed munitions and supplies in a chaotic rush to safety. This signals a new stage in Vladimir Putin's disastrous war. The Ukrainian army is better armed, better led and more committed to the war than its Russian opponents, and morale among Ukraine's defenders will now be higher than ever.

Mr. Putin's choices look bleak. As he struggles to stabilize the military situation while fending off critics at home, he must choose between accepting a humiliating defeat in Ukraine and doubling down in pursuit of a military victory that, as more Western weapons reach Ukraine's energized defenders, looks very difficult to achieve.

Ukraine can take a moment to celebrate, and even gloat, over a hard-fought military success. The Biden administration deserves credit for leading the surge of allied support that made the Ukrainians' extraordinary achievement possible. And supporters of peace and freedom around the world can rejoice that Mr. Putin's wanton aggression has brought him to such an un-

happy place. Yet Ukraine's northern victory, however welcome, isn't the end of the war. As Mr. Putin contemplates his options, we may be approaching a moment of maximum danger.

For Mr. Putin, the war in Ukraine began as what Council on Foreign Relations President Richard Haass has called a "war of choice." Mr. Putin could have left Ukraine undisturbed and gone on to rule Russia for many years to come. But having chosen to start the war, he can't afford to lose it. Radical Russian nationalists are already blaming him for the military failures in Ukraine. The Kremlin is no place for the weak, and the hard men who run Russia could turn on a politically wounded Mr. Putin in a heartbeat. Regardless of public sentiment across Russia, the people closest to Mr. Putin likely still want him to win the war.

The question is what Mr. Putin does next. If he can stabilize the military front until winter sets in, he has several months to prepare for the spring. He might use that time to organize a general mobilization, building a much larger conscript army for another year of conventional combat. But if the front doesn't stabilize, or if he feels that public resistance to a general mobilization could endanger the stability of the regime, he might look to more drastic options, such as the use of nuclear weapons in Ukraine.

It is anything but clear how the West would respond. Allowing Mr. Putin to use nuclear blackmail to assert his control over Ukraine would be such a craven act that the moral and political foundations of the North Atlantic Treaty Organization would be shaken to the core—and nuclear-armed aggressors elsewhere would take note. Yet the obvious countermove,

If he chooses the path of Khrushchev, President Biden needs to stand like JFK.

placing Ukraine under an American nuclear umbrella, risks the greatest nuclear crisis since John F. Kennedy and Nikita Khrushchev squared off over Cuba in October 1962.

So far, American policy has aimed at avoiding the binary choice between abandoning Ukraine and provoking a nuclear confrontation with Russia. For this policy to work, Washington needs a Goldilocks resistance from Ukraine: not so weak and cold that Russia wins a clear-cut victory, but also not so hot and successful that Russia, faced with a shattering defeat, resorts in desperation to its nuclear arsenal.

The Ukrainian advances in the northeast don't yet force Mr. Putin to choose between nuclear blackmail and abject

defeat. The relatively flat and open terrain of eastern Ukraine historically favors wars of movement, in which armies sweep back and forth over large distances without necessarily achieving decisive military results. That both Russia and Ukraine have stretched relatively small armies across a very long military frontier further increases the chance of breakthroughs. This isn't World War I, in which massive armies were deeply entrenched along a largely static front line. And given shortages of troops and equipment, prudent commanders are unlikely to press Ukraine's current offensive indefinitely forward.

Even so, the West needs to think about the unthinkable: If Washington's Goldilocks scenario doesn't materialize, and continued Ukrainian success turns Mr. Putin into a cornered rat, what then?

Difficult as it may be, President Biden should not blink. The use of nuclear weapons in Ukraine would imperil the security of our NATO allies and set an example of nuclear-backed aggression that would profoundly destabilize the international system. With the support of congressional leaders in both parties, Mr. Biden needs to tell Russia that a nuclear attack on Ukraine would be an act of war against the U.S. If Vladimir Putin chooses the path of Nikita Khrushchev, Joe Biden needs to stand like JFK.

BOOKSHELF | By John P. McConnell

A Diagnosis And a Destiny

Becoming FDR

By Jonathan Darman
(Random House, 407 pages, \$30)

Franklin D. Roosevelt is known to all as the only president elected four times and the only one confined to a wheelchair—polio's most famous victim. Less known is how the experience of sudden paralysis, and a seven-year effort to recover and return to public life, molded a man who remains in the inner ring of presidential greatness. Much more than a mere tale of toughening up, it's the story of a genuine enlargement of character, and Jonathan Darman is a worthy teller in "Becoming FDR: The Personal Crisis That Made a President."

Roosevelt was nominated for national office not four but five times: A former New York state senator and assistant Navy secretary, he ran with James M. Cox on the Democratic ticket that lost to Warren Harding and Calvin Coolidge in 1920. Although many glimpsed in the handsome, 6-foot-2 Roosevelt a charisma recalling his distant cousin



Theodore, in truth few thought he had the same depth or gravitas. Born to privilege and schooled at Groton and Harvard, Franklin seemed to society types a "feather duster"—skittering along life's surface, pleasant enough but not especially reflective or substantial. Skeptics saw, as Mr. Darman puts it, "a shallow, vain man who lacked wisdom and true political skill."

Yet Roosevelt was eager to please and made friends effortlessly. He also displayed, Mr. Darman notes, the supreme

self-confidence instilled by Sara Delano Roosevelt in her only child. He possessed ambition, too, and had dreamt of the presidency since his youth. But on a summer evening in 1921, while vacationing with his wife, Eleanor, and their children on Campobello Island near Maine, Roosevelt took to his bed with fatigue and chills; at daybreak his legs were barely functioning. His condition worsened, and soon the inescapable, life-altering diagnosis was confirmed. Polio "had surprised him, mocked his certainty, and tossed his expectations of triumph aside," Mr. Darman writes. Roosevelt was 39 years old.

All at once a breezy, peripatetic life became one of immobility and isolation—long hours, a friend recalled, with "nothing to do but think." Not naturally inclined to reading and contemplation, Roosevelt now set about studying his affliction, consulting experts and pursuing treatments. From his bedroom at 49 East 65th Street in New York, he corresponded widely, and feelingly, with fellow patients and their families.

Racing against muscle deterioration, Roosevelt labored to regain the use of his legs. Rehabilitative sessions could be agonizing. When rear-knee tendons weakened and his legs contorted backward, doctors put them in plaster casts. Each day an orderly would "attempt to stretch the tendons by driving a wedge further into the back of the cast." Seven-year-old Franklin Jr. asked Eleanor: "Mother, how does he stand the pain?"

As the patient focused on recovery—cheerily declaring that he would again be "on my feet"—his aide Louis M. Howe took up residence with the family. Howe kept the politician's name in the news and cultivated contacts nationwide while also nourishing Roosevelt's mind with books and interesting guests. "Louis saw the opportunity inside this adversity," Mr. Darman writes, "the rare midlife chance to deepen Franklin's knowledge and refine his powers of analysis." Howe's words supply the book's epigraph: "A year or two in bed should be prescribed for all our statesmen."

Doctors fitted his legs with thick steel braces. No longer physically commanding, he set out to master the arts of verbal persuasion.

Roosevelt was ever persistent and hopeful but could never again walk or even stand on his own. Doctors fitted him with thick steel braces, 7 pounds around each leg. "Difficult to put on and painful to maneuver," Mr. Darman writes, "they were a weight on his spirit, a constant reminder of his disability." No longer a physically commanding presence, he concentrated on gaining attention through his words and tone—the key to his later mastery of radio.

The years of trial, Mr. Darman argues, yielded immense growth in the man's empathy, perseverance and breadth of vision. "Forced to deal with his own practical difficulties each day," he writes, "the problems of those less fortunate than him became real and vivid for the first time." At remote Warm Springs, Ga., where he invested more than a third of his personal fortune to develop a polio-treatment center, he came to know rural Americans who had lived their whole lives without a decent education or basic necessities.

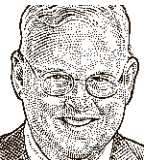
Mr. Darman, a former Newsweek political reporter, doesn't deem polio the but-for factor in Roosevelt's becoming president. The 1920s and '30s didn't bring forth many Democratic giants, so it's easy enough to imagine a healthy FDR being elected governor in 1928 and then, in 1932, winning the White House over a luckless incumbent. "Becoming FDR" leaves no doubt, however, that profound personal hardship made him a better president, indeed a great one.

Political adversaries, Mr. Darman observes, underestimated Roosevelt: "Encountering him in the years after polio, they assumed he was simply a feeble version of the same man he'd been before. Unable to see how much he'd learned, and grown, from his struggle, they paid a heavy price." Roosevelt's presidential mind-set of "action, and action now"; the carefully timed aid to allies and building up of readiness for war; the bond he formed with the "forgotten man"; the reassuring voice and pitch-perfect speeches that would be quoted ever after—all these reflected qualities that had been shaped, and sharpened, in those seven long, quiet years.

According to Geoffrey C. Ward, FDR's premier biographer, a physiotherapist told Roosevelt that polio "was a storm. You were what remained when it had passed." As Mr. Darman's absorbing book reminds us, what remained in the crippled, near-helpless Roosevelt in 1921 was the inner iron needed to begin life anew—and to become the leader who, scarcely more than a decade after a terrifying diagnosis, confidently exhorted an entire nation to cast off fear itself.

Mr. McConnell, who writes speeches for private-sector executives, served as a senior speechwriter to President George W. Bush and Vice President Cheney.

We're All Jews Now



MAIN STREET
By William McGurn

In mid-1960s Brooklyn, my dad was stopped at a traffic light when my brothers and I noticed a group of odd-looking men on the street corner, all with long

beards, dark coats and hats. "Who are *they*?" we asked, pointing.

My father said something along the lines of "they are like us." We didn't have the slightest idea what he was talking about. What he meant was that their strong religious beliefs made them look strange to society—and as Catholics we did too, even if our views weren't manifested in our clothing.

More than 60 years later, these words come back to me as Yeshiva University was granted an 11th-hour reprieve Friday by the Supreme Court. The school had filed an emergency petition with Justice Sonia Sotomayor on Sept. 2, hoping to stay a Manhattan judge's order that the university grant official recognition to the Yeshiva University Pride Alliance in accord with New York City's Human Rights Law. The school had decided an official LGBTQ student club wouldn't be consistent with Torah values at the heart of its identity.

Yeshiva University isn't just any Jewish school. It is the flagship institution of Modern Orthodoxy, committed to the idea that Jews can

be at once fully Orthodox and fully engaged with the world. Arguably it is the sweet spot between Haredi Judaism, which tends to keep the outside world at bay, and Reform Judaism, whose embrace of modernity can over time erode Jewish distinctiveness. New York says Yeshiva doesn't qualify for a religious exemption. The argument seems to be that because it is incorporated as an educational institution—its motto is *Torah Umadda*, roughly, Torah plus secular knowledge—it can't claim to be a religious institution and therefore has no right to an exemption.

What a cramped view this is, as if religion can be so easily separated into neat and distinct boxes—especially at a Jewish university. Ironically, that interpretation inadvertently bolsters the assumption shared by both Haredi Judaism and Reform Judaism: that if you want to be an Orthodox Jew in America you can't be engaged with the modern world—though each tradition answers that challenge in very different ways.

But if people find themselves forbidden to bring their faith, tradition and insights to the public square, and with their own institutions, all America will be diminished. The constitutional issue is no less substantial: whether the state of New York, by insisting Yeshiva recognize the YU Pride Alliance, is trampling on the university's free exercise rights under the First Amendment.

The Supreme Court stay is

only a temporary reprieve. The high court has options in what to do next, including taking the case now or waiting to see what state courts do first. Justice Sotomayor was also the one who in 2013 issued a last-minute injunction halting enforcement of the Obama administration's contraceptive mandate against the Little Sisters of the Poor. Like the Little Sisters, who ultimately prevailed, Yeshiva is being represented by the Becket Fund for Religious Liberty.

Every American has a stake in upholding Yeshiva University's right to free exercise.

"The stakes couldn't be higher, not just for Yeshiva but for the country," says Mark Rienzi, the Catholic University law professor and Becket Fund president who represented the Little Sisters in 2013. "That's why people of many different faiths filed briefs asking the court to protect Yeshiva. If Yeshiva can't even make religious decisions on its own campus, then no religious group is safe from government control."

This case also carries a sleeper. In its brief, Yeshiva University argued it's time for the high court to reconsider its 1990 decision in *Employment Division v. Smith*. In that case, Justice Antonin Scalia famously wrote that the right to free exercise

doesn't relieve a person with religious objections from obeying a valid and generally applicable law. The brief calls this a "terrible foundation for free exercise jurisprudence," and says it's caused a great deal of mischief in the lower courts.

The general idea behind New York's court ruling and human-rights law seems to be that a religious institution's admission to American society can require the jettisoning of certain convictions when they clash with the prevailing secular orthodoxy. In this light, Yeshiva University's insistence on Orthodox Jewish practice and principle looks hopelessly parochial.

But the Constitution offers a profoundly different understanding. The American promise isn't only universal freedom for each man to worship God in his own way—but the right to come together freely to form self-governing entities to that purpose. That's a kind of universalism too. And its reigning impulse is accommodation.

This is the universalism my father alluded to when he recognized a kinship with those Orthodox Jews on that Brooklyn corner so many years ago. The issue is only secondarily about who's right about Jewish law, or whether the YU Pride Alliance should be recognized. The real issue is far more consequential.

It's whether Jews—or any other religious community—decide such questions for themselves.

Write to mcgurn@wsj.com.

Our Friendly Neighborhood Nuclear Reactor

By Mark Naida

At St. Michael the Archangel School, students like me were rarely reminded a nuclear reactor was humming nearby. But we did have periodic evacuation drills. Adults loaded us onto buses in the middle of the day and drove us south from Monroe, Mich., toward Ohio. No one ever told us what would happen after we arrived, or what to expect if a disaster struck. After a 20-minute ride, we simply circled back and returned to school.

Local kids call the Fermi II nuclear reactor the "cloud machine." Its billowing steam constantly drifts out over Lake Erie. Compared with the coal-fired power plant nearby, the nuclear plant feels futuristic and clean. Since coming online in 1988, Fermi II has produced 200 billion kilowatt-hours of carbon-free electricity. It currently employs about 850 people.

The thing about living near a nuclear reactor, especially in a place where there are never hurricanes and where tornadoes and earthquakes are rare, is that you don't think about it. The plant sits next to Sterling State Park, a popular place to swim in the summer. Residents are far more concerned

Monroe, Mich., wasn't fazed by a partial meltdown in 1965.

about the lake's algae blooms than they are about radiation, though you can see the towers from the beach. But naturally, everyone jokes about kids growing gills and catching three-eyed fish.

The level of trust Monroe County residents have in the nuclear reactor is surprising considering that the first version, Fermi I, suffered a partial

meltdown on Oct. 5, 1966. Fermi I was a breeder reactor, a temperamental design that, when working properly, produces more fissile material than it consumes. The incident caused 1% of the fuel to melt. An emergency shutdown ended the crisis after 20 minutes with no serious injuries or radiation leaks.

Monroe is about 30 miles south of Detroit. The meltdown inspired a 1975 book, "We Almost Lost Detroit," and a 1977 Gil Scott Heron song of the same name meant to terrify listeners. After the incident, a joke went around that someone had knocked a beer can into the reactor. In 1968, engineers determined that a zirconium plate, originally installed as a safety measure, had broken loose, causing the partial meltdown. Fermi I was closed in late 1972, when planning for its second iteration was already under way.

After Three Mile Island (1979), Chernobyl (1986) and

Fukushima (2011), you'd think residents would have clamored to close Fermi II. But apart from occasional dust-ups with activists about waste storage or bogus cancer-rate statistics in the surrounding area, there isn't much noise about shutting it down. The first reactor's safety systems worked, and the second one's are expected to.

Rising global energy costs and questions about the reliability of wind and solar have produced a new moment for nuclear. Governments considering keeping their nuclear power plants operating or adding nuclear to their energy mix should know that it isn't inevitable that a new reactor will provoke local opposition. Even a small meltdown didn't prevent a Michigan town from embracing the future of clean energy.

Mr. Naida is an assistant editorial features editor at the Journal.

OPINION

REVIEW & OUTLOOK

China’s Coal Power Boom

An unspoken truth of the climate-change crusade is this: Anything the U.S. does to reduce emissions won’t matter much to global temperatures. U.S. cuts will be swamped by the increases in India, Africa and especially China. Look no further than China’s boom in new coal-fired electricity.

Under the nonbinding 2015 Paris climate agreement, China can increase its emissions until 2030. And is it ever. Between 2015 and 2021 China’s emissions increased by some 11%, according to the Climate Action Tracker, which evaluates nationally determined contributions under the Paris agreement. The U.S. has reduced its emissions by some 6% between 2015 and 2021. Beijing made minimal new commitments at last year’s Glasgow confab on climate, despite world pressure.

S&P Global Commodity Insights recently estimated that China is planning or building coal-fired power plants with a total capacity of at least 100 gigawatts. Those are merely the projects whose development status is confirmed, so the real number is almost certainly higher. Total U.S. power capacity is some 1,147 gigawatts. One gigawatt is enough energy to power as many as 770,000 homes.

The nonprofit Global Energy Monitor tracks coal-fired power projects world-wide of 30 megawatts or more, including those planned for the long-term. It estimates that, as of July 2022, China had some 258 coal-fired power stations—or some 515 individual units—proposed, permitted or under construction. If completed they would generate some 290 gigawatts, more than 60% of the world’s total coal capacity under development.

Global Energy Monitor also reports that as of July China had 174 new coal mines or coal-mine expansions proposed, permitted or under construction that when complete would produce 596 million metric tonnes per year. China has also invested in hydro, wind and solar energy, which account for a growing share of its power generation. But energy demand continues to grow, and coal accounted for nearly 64% of China’s power generation in 2021, according to the energy think tank Ember.

Since China signed the Paris pact, its coal-fired power capacity has increased by some 185 gigawatts, S&P Global Commodity Insights estimated

earlier this summer. The U.S. has decreased its coal capacity by about 80 gigawatts since late 2015. The U.S. Energy Information Administration reported in January that U.S. operational coal capacity was 209.6 gigawatts.

Natural gas plants that emit less CO2 are replacing coal power in the U.S., which accounts for most of the decline in U.S. greenhouse-gas emissions. Yet the climate lobby and Biden Administration want to cut off financing for natural-gas production and make drilling and transport more difficult and expensive.

The reason for China’s coal boom is obvious: The Communist Party’s priority is economic growth, higher living standards, and becoming the world’s leading power. Carbon emissions are an afterthought, and promises of future reductions are the compliment Chinese vice pays to Western virtue signalers.

President Xi Jinping addressed carbon-neutrality goals in March, saying “we can’t be detached from reality. . . . We can’t toss away what’s feeding us now while what will feed us next is still not in our pocket,” according to a South China Morning Post report that cited the state-run People’s Daily. But Biden officials don’t want to believe what they hear.

U.S. climate envoy John Kerry spent much of 2021 trying to convince leaders in Beijing to reduce emissions, but they won’t even slow down their construction of new coal plants. Chinese officials have also made clear that any concessions on climate will require U.S. concessions on Chinese priorities such as Taiwan, trade policy and human rights.

After House Speaker Nancy Pelosi’s recent visit to Taiwan, China’s Foreign Ministry suspended cooperation with the U.S. on climate change, among other issues. Foreign Minister Wang Yi told Mr. Kerry last September that “China-U.S. cooperation on climate change cannot be divorced from the overall situation of China-U.S. relations.”

While the Biden Administration does all it can to restrict U.S. fossil fuels, no matter the economic harm, Beijing is charging ahead with coal imports, coal mining and coal power to become the world’s leading economy. They must marvel at their good fortune in having rivals who are so self-destructive.

Any U.S. CO2 emissions cuts will be dwarfed by Beijing’s plans.

The 2022 Voting Is Already Beginning

Election Day this year, Nov. 8, is still eight weeks away, but modern America has Election Months, which began Friday. That’s when officials in North Carolina started mailing general-election ballots to the 50,000 people who had requested them so far. But caveat emptor, since the state advises: “Once you return your ballot, you may not change or cancel your ballot.”

Yikes. Someone who casts an early vote might regret it. That candidate could withdraw amid a health crisis. And what about debates? North Carolina has a Senate election this year that could decide which party controls the chamber. It’s a winnable seat for Republicans but far from a gimme. The GOP nominee, Rep. Ted Budd, has agreed to debate the Democrat, Cheri Beasley, but local news reports say it probably won’t happen until early October.

Early voting in other states isn’t far behind North Carolina. The period allotted for mail balloting is 50 days in Pennsylvania and 47 in Wisconsin. That’s enough time before Nov. 8 that al-

most anything could happen to a candidate, as recent presidential examples illustrate. In 2020 the New York Post story on Hunter Biden’s laptop was posted Oct. 14. In 2016 President Trump’s lewd remarks on the “Access Hollywood” tape were made public Oct. 7.

Absentee voting is one way to accommodate people who are out of town on Election Day or who have health ailments or caregiving responsibilities that make it difficult to go to the polls. The idea is to expand access and increase democratic legitimacy. But how are those goals furthered by North Carolina’s rules?

Sending mail ballots shortly after Labor Day to anyone who asks diminishes the campaign season when candidates and the media are most engaged. Stretching that timeline into Election Months also hurts challengers who are usually less well known with less money and can’t afford to spread their advertising out over many weeks. It’s hard to argue that weeks of early voting have made Americans feel any better about elections or their choices.

The FDA and an ALS Treatment

Few diseases are as cruelly debilitating as amyotrophic lateral sclerosis (ALS). But a Food and Drug Administration advisory committee this week gave patients a glimmer of hope by backing a new treatment that can slow their decline and provide precious more time to live.

ALS, or Lou Gehrig’s disease, is a neuro-degenerative affliction that gradually robs people of their ability to function. It afflicts about 30,000 patients in the U.S. with 5,000 new cases each year. Patients typically live only two years after a diagnosis as they lose their ability to control essential muscle movements and eventually to chew and breathe.

Scientists don’t fully understand what causes the disease, and there are only two approved treatments. Neither has shown to both extend life and slow functional decline. But Amylyx Pharmaceuticals’s experimental drug did both in a small Phase 2 trial. Patients treated with the drug lived on average 4.8 to 11 months longer than those who weren’t and experienced 25% slower functional decline over 24 weeks.

However, an FDA advisory committee in March voted 6-4 against approving the drug. Many members wanted to wait for results from Amylyx’s Phase 3 trial, which likely won’t be complete until late next year or early 2024. They worried that approving the drug would give patients false hope if the Phase 3 results prove less beneficial. Our guess is that patients will take their chances on any hope.

FDA leaders appeared inclined but reluctant to approve the drug after the political lashing they took for overruling their advisory committee last year to approve Biogen’s experimental Alzheimer’s drug. Billy Dunn, the FDA chief of

neuroscience, was pounded by the public-health left for urging regulatory flexibility amid positive but inconclusive trial results.

The FDA earlier this summer made an unusual decision to let Amylyx submit more trial data and reconvene its advisory committee for a second look. Canadian regulators in June approved the drug on condition Amylyx completes the Phase 3 trial, which prompted some patients to consider heading north to obtain the drug. What an embarrassment for the U.S.

The U.S. is the world’s leading pharmaceutical innovator, and Americans typically get access to more novel treatments, and sooner, than patients in countries with government-run health systems. But the public-health left is campaigning to limit access to expensive new treatments, and Amylyx’s ALS drug was nearly caught in the cross-hairs.

The good news is that advisory members appeared to have been moved at their recent meeting by wrenching testimony from ALS patients and the doctors who treat them. Patients who received the drug said it helped stabilize their conditions and live independently. One could even go hiking.

Dr. Dunn rose in support of patients and urged members to show the broadest flexibility, notwithstanding an FDA staff report that was somewhat critical of Amylyx’s results. Advisory members voted 7-2 in favor of approval. It’s notable that one of the no votes, Johns Hopkins internist Caleb Alexander, was also a leading critic of Biogen’s Alzheimer’s drug.

The advisory committee’s support should give FDA the political cover it was apparently seeking to approve the drug. But the battle over FDA drug approvals will continue, so patients will have to keep fighting to live another day.

A new drug offers rare hope for patients if the agency approves it.

LETTERS TO THE EDITOR

The Misguided Push Toward ‘College for All’

Regarding Jason Riley’s “Student-Loan Forgiveness Raises a Basic Question About College” (Upward Mobility, Sept. 7): I taught at a major Midwestern university for 40 years before retiring recently. Throughout my career, but especially in the past few years, I encountered many students who clearly were uninterested in the subject matter, even when it was part of their major. They seemed to believe all that was necessary was to get that pigskin, not necessarily to master the subject matter.

As a society we must stop telling young people that college is the only path to happiness. After all, a good electrician or HVAC technician is worth his or her weight in gold.

MARK A. MCCARTHY
Palatine, Ill.

During my more than 30 years working in education, most in high school, I always asked students about their post-high-school plans. Answers were enlightening, frightening and sometimes rewarding. The idea that 15-to-18-year-olds have sound ideas about their futures is, in many cases, a fantasy. I think of the future veterinarian who couldn’t pass biology.

So many reached their junior or senior years still undecided about a career or field of study but were sure they were going to college. Their friends were going, siblings went and parents and guidance counselors often helped perpetuate the myth that everyone needs to go to college.

My advice to students and parents was to take advantage of community colleges’ lower costs to explore

classes, earn credits that may be transferred to a four-year school, learn how to study and mature enough to find a passion for something.

GEORGIANNA MURPHY
Tucson, Ariz.

In the U.S. military, “bad paper” refers to a less-than-honorable discharge. But now, U.S. four-year colleges have their own versions of “bad paper.” Many baccalaureate degrees are awarded for curricula that have no corresponding jobs postgraduation. It is no surprise that many college graduates with these “bad paper” degrees wind up working at jobs that require only high-school education.

Unfortunately, to earn many of these worthless degrees, students borrow large sums. It is obvious to this taxpayer that colleges that foist such noncompetitive degrees on their students should be on the hook for at least half the unrepaid loan amount. It only seems fair. If you trade in worthless degrees, be prepared to pay back the U.S. taxpayer for your “bad paper” graduate.

COL. LAWRENCE G. KARCH, USMC (RET.)
Gainesville, Va.

Mr. Riley’s column reminds me of a friend whose son had performed only marginally during his first year in college. When my friend announced that he would no longer fund his son’s educational expenses, the astonished boy asked, “Why?” My friend simply said: “Son, when I pay \$5,000 for a party, I want to be invited.”

LARRY W. WHITE
Dallas

Will the Phillips Curve Ever Be Put to Rest?

About a half-century ago, my investment and economic mentor, Bradford F. Story, remarked that leaders at the Federal Reserve and Treasury would never succeed until they disabused themselves of the Phillips curve, which he called “a pretty idea with no grounding in reality.”

It is thus disheartening to read Jason Furman’s op-ed “Inflation and the Scariest Economics Paper of 2022” (Sept. 8). It is built on the unspoken assumption that policies relying on the veracity of the Phillips curve will determine the future course of U.S. inflation. The curve, which claims to

model an inverse relationship between inflation and unemployment, has been disproved a dozen times. Yet it lives on in the minds of the Keynesians who dominate academia and government.

It isn’t necessary to depress the economy and cause high unemployment to cure inflation. There are two primary economic factors, demand and supply, and that points to a solution for our inflation: Simply reverse the pandemic-driven policy of severely choking supply while simultaneously radically inflating demand.

MALCOLM CLARKE
Jamestown, R.I.

Schools Teach CRT in the Open, Then Deny It

The Bellevue School District, east of Seattle, is considered one of the best in Washington. Yet, in recent years, divisive ideology has taken root (“How Teachers Are Secretly Taught Critical Race Theory” by Nicole Ault and Megan Keller, Cross Country, Sept. 3).

My daughter’s sophomore English class replaced its unit on Shakespeare’s “Macbeth” with a two-monthlong unit on cultural identity in which students read articles about “whiteness,” “queerness” and “cultural assimilation.” The same year, she experienced cultural- or racial-identity units in three other subjects: world history, health and even band.

Since middle school, her core sub-

jects have routinely been interrupted for discussions of microaggressions, and she has been asked to create her ethnic and racial family tree five times. My younger daughter’s middle-school history teacher scrapped the required curriculum (the events leading to World War II) in favor of reading newspaper articles pushing for open borders and illegal immigration.

In my daughters’ history classes, essay prompts are no longer thought-provoking questions but slogans such as “No Human is Illegal” and “Decolonize Your Curriculum.” The slogan “Black Lives Matter” currently appears on the facades of our school buildings and on clothing worn by teachers.

Yet when parents express concern about CRT in the classroom, educators in our district deny its use or inundate us with psychobabble.

LAURA PETERSON
Bellevue, Wash.

Can California Go Electric?

Every summer, I am asked to reduce my electrical usage from 4 p.m. to 9 p.m. (“No Fun in the California Sun,” Review & Outlook, Sept. 1). Under a recent “heat dome,” I also got emails and TV ads urging me to “protect my community” by reducing electrical usage. Yet at the same time California urges me to buy an electric vehicle. The state has also failed to expand its electrical grid.

How will we charge all these electric cars with such a massive increase in demand for electricity?

RAE ROSEN
Mission Viejo, Calif.

Pepper ... And Salt

THE WALL STREET JOURNAL



“Thanks, but I really need a guardian angel experienced in corporate law and financing.”

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WORLD NEWS

Crowds Bid Farewell to Queen in Scotland

Mourners to pay their respects until late Tuesday, when she will be flown to London

Queen Elizabeth II's coffin was borne by procession along the stately streets of Edinburgh on Monday, as tens of thousands of mourners and visitors

By Trefor Moss and Stu Woo in Edinburgh and Max Colchester in London

crowded in the ancient heart of the Scottish capital to bid farewell to Britain's late monarch. King Charles III—dressed in a field marshal's uniform complete with sword and ceremonial baton—and the queen's three other children walked behind the coffin in a slow and solemn march from Holyroodhouse to St. Giles' Cathedral, connected by a famous cobblestone street known as the Royal Mile.

The procession was accompanied by a military guard of honor. There was a festive atmosphere as the crowds waited for the procession, in some cases for more than six hours. But as the procession passed, there was a respectful silence before onlookers broke into applause as the ceremonial party moved up the hill toward the cathedral.

The king and other members of the royal family then attended a memorial service at St. Giles', a 14th-Century church whose onetime minis-



Mourners gathered on Monday to watch the procession of Queen Elizabeth II's coffin to St Giles' Cathedral on the Royal Mile in Edinburgh.

ter was John Knox, the leader of the Scottish reformation.

The queen will spend Monday night at St. Giles', where members of the public will be able to file past the coffin to pay their respects. By Monday afternoon, about 1,000 people were lined up.

"I'm a great admirer of the monarchy. They do the country proud," said Jim Savage, a retired electrician, who was wait-

ing close to St. Giles'.

The 77-year-old from Inverkeithing near Edinburgh said he admired the new king for his longstanding support for the environment, "long before everyone else jumped on the bandwagon."

The scenes in the Scottish city provided a glimpse of the kind of turnout expected later this week when the coffin is flown to London on Tuesday

evening. The queen will lie in state over four days in Westminster Hall, where an estimated one million people are expected to line up to pay their respects before a state funeral on Sept 19.

The U.K. government has warned people planning to visit Westminster Hall that they should be prepared to shuffle along a vast line overnight.

Earlier on Monday, before

he traveled to Scotland, King Charles received the condolences of Britain's Parliament. Britain's lawmakers gathered in Westminster Hall, a cavernous wooden-vaulted building that was built in 1097, to pay tribute to the new king.

The speakers of the House of Commons and House of Lords spoke of their sadness about the queen's passing, and reminded the new king of his

role in upholding the peoples' liberties. "We have seen that this is a loss that is felt across the world," said Lindsay Hoyle, speaker of the House of Commons.

In the building where King Henry VIII was crowned and King Charles I was put on trial before his execution, the new King Charles said he felt "the weight of history surrounding us," and quoted Shakespeare.

"She was a pattern to all princes living," he told the lawmakers, adding that his mother "set an example of selfless duty which with God's help and your counsel I am resolved faithfully to follow."

The lawmakers then sang "God Save the King."

In the coming days, King Charles is slated to travel across the U.K. to meet with politicians and religious leaders in Scotland, Northern Ireland and Wales.

Prince Harry, in his first statement since the queen's death, described Queen Elizabeth as a "guiding compass," and thanked his late "Granny" for her service, advice and infectious smile.

The Duke of Sussex, along with his wife Meghan, the Duchess of Sussex, stepped back from royal duties in 2020. He criticized his father when he was Prince of Wales during an interview with Oprah Winfrey, but used his statement to say he honored him "in his new role as King Charles III."

—Joanna Sugden in London contributed to this article.

King Ushers in a More Informal Monarchy

By Max Colchester

While planning for his accession to the throne, the future King Charles III made a request: that for the first time in British history his proclamation as king be televised live to the world.

The decision to beam the images of the king speaking at the accession council at St. James's Palace on Saturday is part of a wider plan to usher in a more visible, informal and nimble monarchy, palace officials say.

King Charles III's arrival on the British throne was supposed to be laden with potential pitfalls, for him and for the monarchy. If succeeding a uniquely popular Queen Elizabeth II wasn't hard enough, he had to overcome lukewarm public opinion.

But far from giving republicanism a boost, the new king's standing in the public is likely to be bolstered by the transition, some analysts say. Buckingham Palace is using the 10 days of national mourning to place King Charles III firmly in the public eye, further searing the House of Windsor into the nation's psyche.

"I think it will in the short term have the opposite effect as people rally round the institution," said Anthony Wells, director of social polling at pollster YouGov. "People will see him in a very different way."

More broadly, the queen's death has reminded many in Britain of the special place and purpose of the monarchy in their lives, including its power to unite the country. A new generation will always remember where they were when the queen died and a new king came to power. Forty-four percent of Britons say they shed a tear over the queen's death, according to YouGov polling released Monday.

Because a monarch hadn't died in Britain since 1952, most Britons have never seen the pomp and pageantry—honed over centuries of tradition—that mark the accession of a new king nor the stately funeral for a late monarch. Now those elaborate and colorful rituals are being televised live for hours a day to millions.

The transition is also being marked by a series of firsts, as the contours of a new-look

monarchy emerge. Queen Elizabeth II rarely let people touch her. The new king, meanwhile, glad-handed crowds outside Buckingham Palace on Friday.

After George VI died in 1952, the queen was rarely seen publicly and waited over a year before her coronation. In contrast, the king is currently on public display at every opportunity and is touring the nation. On Monday, he

The queen's death reminded Britons of the royal family's place in their lives.

flew from London to Edinburgh, and he is scheduled to visit Northern Ireland and Wales later this week.

"He has made a very good start," said Vernon Bogdanor, professor of government at King's College London. Under his watch, "the monarchy is more open. He is reaching out to the people."

It wasn't only the new king out pressing the flesh. His two

sons, the heir-apparent Prince William and his younger brother, Prince Harry, spent at least half an hour outside Balmoral castle over the weekend greeting crowds of well-wishers and taking time for chitchat. Flanking Prince Harry was his actor wife, Meghan Markle.

The moment marked a show of unity after the Duke and Duchess of Sussex acrimoniously broke away from royal duties back in 2020 to relocate to the U.S., causing a fallout with Prince William.

The queen will be lying in state in two locations, rather than one, in Edinburgh and London, another first that gave many more Britons access to a personal farewell and more opportunity for British television broadcasters to offer wall-to-wall coverage. The once-private expression of condolence by lawmakers to the king on Monday was also televised for the first time.

This has been accompanied by carefully organized glimpses that showed the king's warmer side. An address to the nation where he teared up as he mourned his "mama" and promised to serve

the nation was well received.

The morning after the queen's death, when the new King Charles greeted British Prime Minister Liz Truss, he firmly shook her hand while telling her that his mother's passing was "the moment I had been dreading" before adding: "Let's try to keep everything going."

King Charles, 73, purely by virtue of his health, is likely to revive a more active monarchy, with a smaller number of royals who are expected to provide value to the taxpayers who fund them, officials say.

The change in style reflects the different nation King Charles inherits. When Queen Elizabeth was crowned, around a third of people in Britain believed she was directly appointed by God, Mr. Bogdanor said. Today, around half of Britons don't belong to any religion, according to the 2018 British Social Attitudes survey. The nation's stiff upper lip has softened, and the king will want to reflect that to a degree, some analysts say.

The monarchy "never lead public opinion but they don't want to fall too heavily behind it," Mr. Wells said.

Urban Farming Grows in Brazil as Food Prices Jump

By Samantha Pearson

RIO DE JANEIRO—As a teenager in the Manguinhos slum community in northern Rio de Janeiro, Leonardo Ferreira said he used to spend his mornings packaging cocaine when he wasn't taking part in shootouts with the police.

Now, he tends to his lettuce in the favela's vast vegetable garden, one of thousands of urban farms that have sprung up across Brazil's poorest communities, as residents from grandmothers to drug traffickers resort to growing their own food amid soaring prices.

"People are desperate. We sell the vegetables cheap to the locals at a fair on Fridays—it's normally all gone within 30 minutes," said Mr. Ferreira, 26, who swapped his assault rifle for a garden hose under pressure from his wife.

Wedgeed between makeshift homes on a strip of land the size of four soccer fields, the Manguinhos garden provides enough vegetables for as many as 800 families, say city officials, who assert it is the biggest in Latin America.

Urban agriculture is growing across many of the world's megacities. Rampant inflation and bottlenecks of supplies like fertilizer, which began during the Covid-19 pandemic and were made worse by war in Ukraine, are leading ordi-



A volunteer gardener washes greens before sending them to a street fair in Rio de Janeiro.

nary people to grow more of their own food.

In Brazil—a country of 215 million where about 85% of people now live in urban areas—cities such as Rio are embarking on some of the most ambitious projects.

A 20-minute drive west, in the Madureira neighborhood, the city is building what it says will be the largest vegetable garden in the world by 2024 in a plot of land abandoned after the 2016 Olympics Games. The 27-acre lot will be

capable of feeding some 50,000 families, according to the Rio government.

"The idea is to create a fertile city, a city that not only consumes food but produces it," said Julio Cesar Barros, a government agronomist who runs the city's Carioca Gardens program in Rio. Mr. Barros estimates that Rio is now home to as many as 400 community gardens, including 60 in the program.

Brazil, an agricultural superpower, produces about 10% of

the world's food, from beef to soybeans, orange juice to corn. But buying food is increasingly too expensive for the poorest families. About 33 million people are going hungry in Brazil, compared with about 19 million people at the end of 2020, according to the Brazilian research group Pennsan.

Rio's city hall provides locals with seeds, tools and a \$100 monthly stipend to farm strips of land in the slum communities, requiring them to sell half the produce at cheap prices

and donate the rest. Selling vegetables next to where they are grown cuts out transport costs, and with few expenses thanks to the government support, Manguinhos can sell lettuce and other produce at as little as a fifth of store prices.

"The arrival of the pandemic, the lack of jobs and a difficulty to buy food has only propelled these projects," said Mariella Uzêda, a researcher at Brazil's state-run agricultural agency Embrapa.

When Mr. Barros cooked up the Carioca Gardens program in 2006, Rio's main objective was to stop families from building shacks on unused land. The gardens soon became havens for locals eager to escape the gangs and militias that dominate most of Rio's more than 1,000 favelas.

These days, gang members largely welcome the new gardens. But there is often tension. Every few weeks, the military police storm Manguinhos at dawn, battling local gang members who fight back with a tirade of bullets and the occasional grenade. The plants go unwatered on those mornings.

The gardens have encouraged people to eat a wider range of vegetables, but many of the favela's residents couldn't care less if the vegetables are organic or particularly nutritious. They say they just want enough to eat.

WORLD WATCH

PAKISTAN

Prime Minister Warns Of Food Shortages

Pakistan is grappling with food shortages after deadly floods left the impoverished country's agriculture belt underwater, the prime minister told the Turkish president by phone, as authorities scaled up efforts Monday to deliver food, tents and other items.

Shahbaz Sharif spoke to Turkey's Recep Tayyip Erdogan overnight to thank Turkey for dispatching aid by 12 military aircraft, four trains and Turkish Red Crescent trucks. The International Rescue Committee estimated that the floods have damaged more than 3.6 million acres of crops in Pakistan.

More than 660,000 people, including women and children, are living at relief camps and in makeshift structures after floods damaged their homes across the country, and forced them to move to safer places.

—Associated Press

MONTENEGRO

Russia Is Blamed in Massive Cyberattack

At the government headquarters in Montenegro, the computers have been unplugged, the internet switched off and the state's main websites are down.

The blackout comes amid a massive cyberattack against the small Balkan state which officials say bears the hallmark of pro-Russian hackers and Russian security services.

The coordinated attack, which started around Aug. 20, crippled online government information platforms and put Montenegro's essential infrastructure, including banking, water and electricity power systems, at high risk.

Montenegro officials said the attack was likely carried out by a Russian-speaking ransomware gang that generally operates without Kremlin interference as long as it doesn't target Russian allies.

—Associated Press

VATICAN

Pope Set To Visit Kazakhstan Tuesday

Pope Francis had hoped his trip to Kazakhstan this week would offer a chance to meet with the head of the Russian Orthodox Church—who has justified the war in Ukraine—and plead for peace. Patriarch Kirill bowed out a few weeks ago, but Francis is going ahead with the trip that is being overshadowed by Russia's seven-month war.

Pope Francis is traveling to minister to Kazakhstan's tiny Catholic community and participate in a Kazakh-sponsored conference of world religious leaders.

—Associated Press

BUSINESS & FINANCE

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Miners That Make Crypto Are Besieged

As prices plunge, electricity bills surge and no one wants to buy equipment

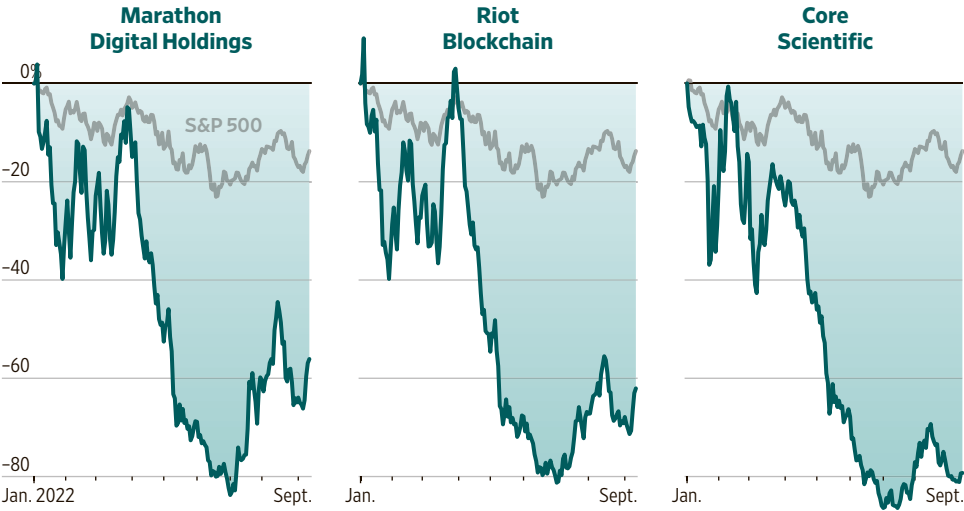
By Caitlin Ostroff
And Vicky Ge Huang

Last year was harvest time for crypto miners. Now, they're getting hit on all sides. Crypto prices are plunging. Miners' electricity bills are surging. Practically no one wants to buy their equipment. It is a sharp turnaround from 2021, when crypto prices were soaring and many mining firms went on a mostly debt-funded buying spree of mining machines. But this year, crypto prices have been dropping and major crypto projects and companies have been wiped out. That has reduced the profits that miners can make from harvesting digital coins and from selling their equipment in a pinch. Meanwhile, prices for electricity, needed to keep the miners' powerful computers running, are soaring. Russia's war with Ukraine has hamstrung global energy supplies, while an extreme heat wave has bolstered energy demand from families that need to

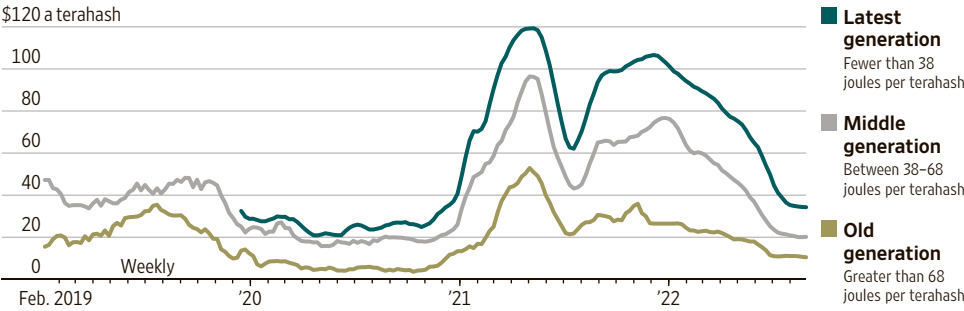
cool their homes. Shares of crypto miners **Marathon Digital Holdings Inc.**, **Riot Blockchain Inc.** and **Core Scientific Inc.** are all down 55% or more this year. "I don't think we are at the max pain yet in mining," said Amanda Fabiano, head of mining at Galaxy Digital. Bitcoin miners set up and run the powerful computers that process bitcoin transactions. Those computers generate random numbers in hopes of finding the right combination to unlock formulas. The first to do so are rewarded with newly created bitcoins. This makes it most profitable to mine bitcoin when the cryptocurrency's value is rising. Near bitcoin's 2021 peak, miners earned more than \$60 million a day, according to data from Blockchain.com. Now, that number is around \$16 million a day. Last year bitcoin's value surged to nearly \$70,000. This year the Federal Reserve started raising interest rates, scaring many investors away from assets like crypto. Last week bitcoin traded around \$19,000. What is more, many

Please turn to page B11
◆ Fidelity weighs trading bitcoin on platform..... B12

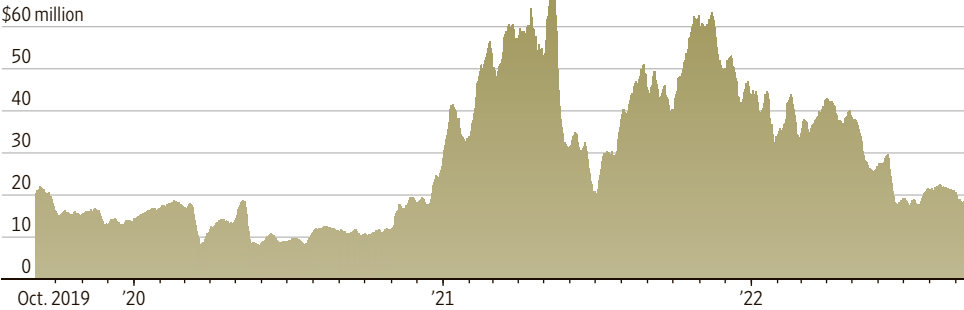
Share-price performance of cryptocurrency miners this year



Price of bitcoin-mining computers, by efficiency*



Total bitcoin mining revenue, seven-day average†



*As of Aug. 29 †As of Sunday Sources: FactSet (performance); Luxor Technology (price of bitcoin-mining computers); Blockchain.com (mining revenue)

Railroads Plan Curb On Freight As Strike Measure

By Esther Fung
And Paul Berger

Freight railroads said they are planning to halt the transport of hazardous materials and sensitive cargoes, such as chemicals used in fertilizer and chlorine for water purification, as they continue negotiations with two labor unions. Railroads have informed customers that they may stop accepting certain types of freight, including bulk shipments, to avoid materials being unattended or unsecured in case of a work stoppage. Rail customers such as agricultural companies are evaluating contingency plans, including shutting down processing plants amid rail delays, or hiring alternative transportation providers such as trucking companies. The ripple effects of the railroads' plans are extending beyond freight traffic. Amtrak said it would begin reducing some passenger services Tuesday by canceling trips over three long-distance routes.

The freight railroads have already reached new labor deals or are completing tentative agreements with 10 unions, and are in continuing talks with two groups representing about 66,000 workers. The two remaining unions, the Brotherhood of Locomotive Engineers and Trainmen, and SMART-Transportation Division, said Sunday that the railroads' plans to restrict cargo is a move to "extort a contract settlement" and that they remain at the bargaining table. The talks involving railroad labor groups and companies including **Norfolk Southern Corp.** and **Union Pacific Corp.** have been going on for months. A White House-appointed panel has already interceded with recommendations for a deal ahead of a Friday deadline for an agreement. If those negotiations remain at a stalemate, workers for two unions representing rail engineers and other employees could decide to stop work. Both groups voted to au-

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New Starbucks CEO to Train With Schultz

By Heather Haddon

Laxman Narasimhan has led multibillion-dollar businesses and helped boost company operations over a decadeslong career. Now he faces a new challenge: leading one of the world's most recognizable brands, alongside three-time CEO Howard Schultz. Starbucks Corp. earlier this month named Mr. Narasimhan as the coffee giant's next chief executive, though he won't assume that title for about seven months. When he joins Starbucks in October, his title will be "incoming CEO." Mr.

Schultz, who built the coffee company into a global brand, will continue to serve as interim CEO, the role he has held since April. "I'm going to be learning from Howard," said Mr. Narasimhan, 55 years old, current CEO of U.K.-based consumer-products company **Reckitt Benckiser Group PLC**, during an internal Starbucks employee forum at its Seattle headquarters last Wednesday. Mr. Narasimhan is inheriting the position with the road map largely set by Mr. Schultz and other Starbucks executives through a strategic plan under way, and Mr. Schultz

will retain a significant role at the company as a shareholder, board member and culture keeper. Mr. Schultz and other executives have spent months devising a strategy aimed to help Starbucks navigate the future. The plan, which is expected to include changes to store operations and more employee perks, is expected to last until 2025, Starbucks said, making it part of Mr. Narasimhan's charge as CEO. Mr. Schultz and other current executives are expected to brief investors on the plan and what it is expected to cost during the company's investor day Tuesday.

Over the coming months, Messrs. Narasimhan and Schultz said, the two are expected to travel across Starbucks's markets, visiting stores and roasting plants to learn about the operations and company culture. By next April, Mr. Narasimhan is slated to take the reins from Mr. Schultz, who will remain on Starbucks's board of directors. Mr. Narasimhan, who likes to drink a doppio espresso macchiato with milk on the side, said he would use part of his transition period to take 30 hours of barista training and hopes to earn one of the company's signature green

aprons. "I'm pretty worried about it," he said about learning to become a barista, garnering laughter at the employee forum. Mr. Schultz bought a six-location coffee chain in 1987 and built Starbucks into a global brand, and the company is tightly wound into his identity. The 69-year-old businessman has written three books about lessons from his time at Starbucks, and he is the company's fifth-largest shareholder, according to FactSet. Mr. Schultz left the CEO role twice before and held a seat on the board until 2018, Please turn to page B2

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Goldman Sachs plans to cut hundreds of jobs following performance reviews. B11

Universal Studios Beijing Cuts Staff

By Yoko Kubota

BEIJING—When Universal Studios Beijing opened last September after two decades in the making, **NBCUniversal** and its Chinese joint-venture partner hoped that the magic of Harry Potter would be a source of profits and jobs. China's strict anti-Covid policies instead have cast a gloomy spell. An almost two-month-long shutdown, caps on visitors and reduced opening hours rubbed some of the magic off Universal Beijing Resort, leading to losses and layoffs. The resort, which includes the theme park and two hotels, laid off some staff when

it had to close for eight weeks in May and June during a Covid outbreak in the city, people familiar with the matter said. Its workforce was around 9,000 at the end of August, based on a social-media group the resort uses to communicate with its employees, down by as much as 25% or so from the opening, according to some of the people. That number is short of the 14,000 new jobs an official at the local district's cultural-tourism zone said the resort would create when he spoke ahead of its opening last year. A spokesman for Universal Parks & Resorts, a unit of Please turn to page B2



Visitors returned this summer after a Covid-19 outbreak in the capital led to the resort's shutdown.

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Resort in Beijing Cuts Staff

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NBCUniversal, said the company adjusted its executive and professional staffing levels and compensation amid the pandemic. "Like many other businesses, we had to make difficult decisions as we've managed through the pandemic," he said. "We are encouraged by what we've seen since we reopened."

NBCUniversal's joint-venture partner didn't respond to requests for comment. The project is 70% owned by Chinese state-owned companies, with NBCUniversal holding 30%.

The park posted a second-quarter loss in earnings before interest, tax, depreciation and amortization, NBCUniversal's parent, **Comcast Corp.**, said in an earnings call in July.

The venture's challenges reflect the impact of China's zero-tolerance Covid-19 control policy—now in its third year—on the economy and some of the biggest companies there, including one of the highest-profile U.S. entertainment investments in China.

For theme parks, China marks a contrast with elsewhere in the world, where many bounced back after Covid-19 shutdowns. Comcast said its theme-park business's 65% year-over-year revenue growth in the second quarter was fueled by rising attendance and guest spending in the U.S. and Japan.

The growth "is without much contribution from Beijing," Brian Roberts, Comcast chairman and CEO, said during an earnings call on July 28.

Shanghai Disneyland also suffered from China's stringent Covid-19 policies. It shut down on March 21, shortly before Shanghai went into a two-month lockdown, and reopened with limited daily capacity on June 30, roughly a month after the city's lockdown was lifted.

Universal's Beijing resort opened last September to a generally warm public reception. It was expected to welcome 10 million to 12 million visitors a year, according to a forecast cited in local media by Beijing Tourism Group, the parent of NBCUniversal's local joint-venture partner.

More than 2.1 million people visited the park by the end of the year, local media quoted Guo Wenjie, deputy director of the Beijing Municipal Bureau of Commerce, as saying in February.

The rise of the Omicron

variant of the coronavirus this year prompted China to lock down major economic hubs. The number of domestic tourists in China in the first half of the year was down 22% from a year earlier, while tourism revenue was down 28%, data from the Ministry of Culture and Tourism showed.

As the capital was hit by its own Covid-19 outbreak, Universal Beijing Resort was forced to shut on May 1. A total of 1,216 infections were reported that month in Beijing—not very many by global standards, but enough for Chinese officials to clamp down.

After the May 1 closure, the resort laid off employees, people familiar with the matter said. Other employees voluntarily left the company after the resort slashed salary payments during the shutdown, these people said.

The theme park was allowed to reopen—with restrictions—on June 25, ahead of the summer season, when one-day tickets cost around \$92 on most days compared with around \$60 in low season. The park closes at 7 p.m. four days a week, instead of the usual 9 p.m.

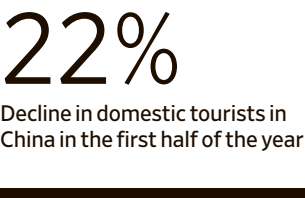
In late August, near the end of the summer break for many students, the park saw a steady flow of masked visitors. Many were dressed in Harry Potter garb, with wands in hand, while others sported Minions T-shirts and caps.

Popular rides like Decepticoaster, a Transformers-themed roller coaster, and Harry Potter and the Forbidden Journey had lines of an hour or more, a sign of demand for the attractions although the park overall wasn't packed. Visitors sipped Harry Potter's Butterbeer and posed for photos in front of quintessential American cars sporting tail fins.

But in the Citywalk shopping zone outside the park's entrance and exit, some restaurants and booths, as well as the guest-services kiosk, were closed, reflecting the lack of business. The Universal Parks & Resorts spokesman said the company temporarily closed some venues in response to the pandemic.

By early September, after the summer holidays, most rides' wait times were down to just five or 10 minutes, with the longest at half an hour, the park's app showed.

—Bingyan Wang contributed to this article.



Railroads Take Strike Measures

Continued from page B1

thorize a strike if a deal isn't reached.

President Biden in July appointed a federal panel to help resolve the railroad labor dispute, a move that opened a 60-day window for mediation. That period ends this week.

Labor Secretary Marty Walsh on Sunday pushed the unions and their employers to reach an agreement to avoid a rail shutdown, said a representative from the Labor Department. The National Economic Council has also held meetings about railroad labor negotiations, and Mr. Biden has been briefed about the progress of negotiations, according to White House officials.

On Monday, the president made calls to union representatives and rail companies in a bid to avert a strike, one of the White House officials said.



Railroads told customers they may halt deliveries of hazardous and other cargoes. A terminal in Illinois.

"The fact that we are already seeing some impacts of contingency planning by railroads again demonstrates that a shutdown of our freight rail system is an unacceptable outcome for our economy and the American people, and all parties must work to avoid that," the Labor Department representative said.

Labor negotiations are also

being closely watched by rail customers and business groups amid broader concerns that a prolonged dispute could upend supply chains.

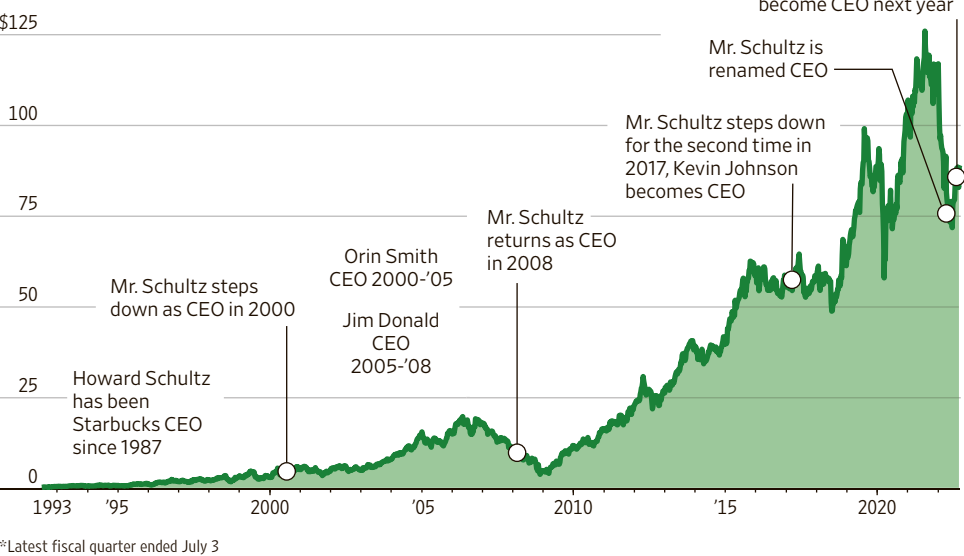
The U.S. Chamber of Commerce, in a letter to congressional leaders Monday, said the restriction on hazardous materials "threatens to send equity and commodity markets spiraling." It warned that a full rail

shutdown could cost the U.S. economy \$2 billion a day.

Amtrak relies on freight railroads for almost all of its intercity routes outside of the Northeast Corridor, and wants to avoid the risk of passenger trains getting trapped in the disruptions, a spokesman said.

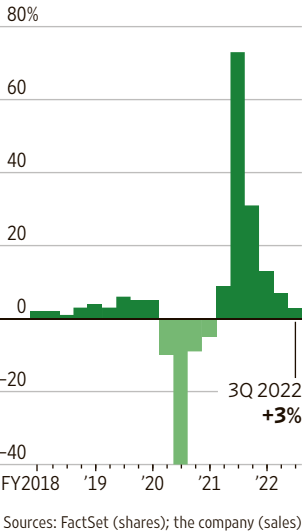
—Andrew Restuccia and Patrick Thomas contributed to this article.

Starbucks share price, weekly



*Latest fiscal quarter ended July 3

Global same-store sales, change from a year earlier*



Sources: FactSet (shares); the company (sales)

Starbucks's Old CEO Steers New

Continued from page B1

when he explored a presidential run. Mr. Schultz continued to keep a close eye on the company and stayed in regular contact with executives there.

Chairwoman Melody Hobson said that Mr. Schultz will have a special voice at Starbucks while holding a regular seat on the board.

"[Mr. Narasimhan] will be the CEO and I will remain the chair, and that's what Howard wanted," Ms. Hobson said in a recent interview about Mr. Narasimhan's appointment.

Mr. Narasimhan will become Starbucks's fifth chief executive in its 35-year history, and the first one to come from outside the company.

One of Mr. Schultz's successors, retailer Jim Donald, exited after three years, with Mr. Schultz returning to fix operations that he said had become too bureaucratic.

Mr. Schultz stepped down as CEO again in 2017, handing over the reins to Starbucks chief operating officer and board member Kevin Johnson. After Mr. Johnson said he would retire, Mr. Schultz returned to Starbucks earlier this year when the board asked him to come back, Mr. Schultz has said.

Since returning, Mr. Schultz has said that the company's sales are strong, but relations with employees have suffered and cafe operations have grown cumbersome. He has mounted a reinvention plan to try to improve Starbucks and has hired executives from outside the company that Mr. Schultz said can bring new skills that Starbucks doesn't currently have.

Mr. Schultz said during an interview earlier this year: "We're fighting for the future of the company, and it requires a commitment to reinvention."

Starbucks's shares have declined 3% since Mr. Schultz took the interim CEO role, while the S&P 500 has fallen roughly 10% and the Dow Jones Industrial Average has dropped around 7% during that time period.

Transitioning leadership from a founding executive to a newcomer to the company is always challenging, said Brad Karp, chairman of law firm Paul, Weiss, Rifkind, Wharton



Laxman Narasimhan gets a road map largely set by Mr. Schultz.

& Garrison LLP, who advises business leaders. The former chief needs to fully support his successor, including through his words and body language, he said.

Outsider CEOs have to win over more constituencies, business advisers said, and lost trust can be hard to recover. CEOs hired from outside a company depart within three years at much greater rates than those promoted from within, according to an analysis of S&P 500 companies by recruitment advisers Russell Reynolds Associates.

Executives who have worked with Mr. Narasimhan described him as humble, but also assertive.

"I think he can stand toe to toe with just about any executive," said Target Corp. Chief Executive Brian Cornell, who worked with Mr. Narasimhan at PepsiCo Inc.

Some business leaders said that the lengthy transition period for Mr. Narasimhan gave them pause and that Mr. Schultz's role should be clearly defined once the hand-off occurs.

"I would want Howard to take the role of being the soul of the company," said Bill George, an executive fellow at Harvard Business School and former CEO of Medtronic PLC, who knows both men. "There can be many CEOs, but only one founder."

Born in India, Mr. Narasimhan said at the Starbucks forum that as a young man he sold many of his belongings to be able to travel to the U.S. to attend the Wharton School of the University of Pennsylvania, and later lived on one meal a day for a stretch while he was studying in Germany.

He advised companies around the world as a McKinsey & Co. manager, and ran PepsiCo's Latin America, Europe and sub-Saharan Africa operations before becoming CEO at Lysol maker Reckitt.

ited some stores on his own.

Mr. Narasimhan said at the employee forum that he would be listening to employees and learning about the company's history and operations before making his own assessments. He said he may have to unlearn some of his previous approaches to companies in coming to a place as unique as Starbucks.

Mr. Narasimhan said he has gotten a peek at the reinvention plan, and believes that improving the customer experience is probably the company's biggest opportunity.

Mr. Schultz said that he has found the leader Starbucks needs in Mr. Narasimhan, and that he would focus on preserving the company's history and values once his role as interim CEO ends.

"My commitment and promise to all of you is doing everything I can to ensure Laxman's success," he said.

—Emily Glazer contributed to this article.

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BUSINESS NEWS

Twitter Deal Set to Win Vote

Shareholder approval expected on \$44 billion purchase that Musk is suing to back out of

By CARA LOMBARDO

Twitter Inc.'s shareholders are poised to approve the \$44 billion takeover that Elon Musk is now trying to exit, according to people familiar with the matter, putting the deal's fate in a Delaware judge's hands as the social-media company tries to force the billionaire to follow through with the purchase in court.

Early votes show investors approving the deal by a wide margin, the people said, though there is always a chance that the results could change as shareholders can alter their votes through a meeting scheduled for Tuesday at 1 p.m. Eastern time.

Mr. Musk, the company's largest shareholder with a roughly 10% stake, hadn't voted his shares one way or another as of Monday after-

noon and was unlikely to, given that he has alleged that Twitter breached the merger agreement, some of the people said. The agreement requires Mr. Musk to vote his shares in favor of the deal, though his support isn't crucial if enough other investors back it.

Other big Twitter shareholders, including index-fund managers who together control roughly 20% of Twitter's stock, are poised to support the deal, some of the people said.

Mr. Musk agreed in April to pay \$54.20 a share for Twitter. The social-media company's shares have been trading well below that since he tweeted in May that the deal was "on hold," a prelude to his later move to back out of it. That means many shareholders stand to gain handsomely if the deal closes on its original terms. The stock closed Monday at \$41.41.

Analysts expect Twitter's shares to drop significantly if Mr. Musk finds a way to walk away without paying a hefty fee.

In July, Mr. Musk unveiled a plan to bail out on the deal

over claims Twitter misrepresented the number of spam accounts on its platform. Twitter then sued him to follow through, arguing that Mr. Musk had a change of heart as the market soured and is still under obligation to complete the deal. The two sides are set to face off in the Delaware Court of Chancery beginning Oct. 17.

While legal experts have so far tended to view Twitter's case as stronger, there remain significant questions. They include whether a recent whistleblower complaint about Twitter could bolster Mr. Musk's case and whether a judge would force a reluctant buyer to follow through with such a large deal, especially for a company with Twitter's significance to society. The so-called specific-performance remedy that Twitter is seeking hasn't been tested on such a scale.

Twitter's former head of security, Peiter Zatk0, filed a whistleblower complaint against the company in July, alleging it failed to protect sensitive user data and lied

about its security problems. Twitter has said his complaint "is riddled with inconsistencies and inaccuracies and lacks important context."

Mr. Musk last week received permission to incorporate the whistleblower's allegations into his countersuit and filed an amended complaint that is under seal for now.

Mr. Zatk0 is set to testify before a U.S. Senate committee about his concerns Tuesday, the same day Twitter shareholders will finish casting their votes on the deal.

In a letter sent to the Securities and Exchange Commission on Monday, Twitter's legal team said that the latest reason for termination put forward by Mr. Musk is "invalid and wrongful" and that it hasn't breached any of its representations or obligations under the merger agreement. The lawyers said that following approval from shareholders expected on Tuesday, all of the conditions to close the deal will be satisfied, aside from those that occur at the closing.



CEO Larry Culp cited concerns about supply chains and inflation.

GE Faces Pressures But Says Breakup Remains on Track

By THOMAS GRYTA

General Electric Co. Chief Executive Officer Larry Culp said that the company's breakup plans are on track but that it continues to battle supply-chain pressures that threaten to slow deliveries and push up costs.

Early Monday, GE named the board for its healthcare business and said it plans to spin it off as a separate company in the first week of January. Mr. Culp will be nonexecutive chairman of the new board, and GE Healthcare CEO Peter Arduini will also be a director. The Boston conglomerate plans to split into three separate public companies over the next two years while it navigates the pandemic's impact on its aviation business and supply-chain problems.

"Supply chains, broadly defined, are still challenging," Mr. Culp said in an interview Monday, highlighting challenges at both the aerospace and healthcare divisions. "You might have success here. You might make progress there, but I don't think we're anywhere close to declaring victory."

Mr. Culp said the company is streamlining its manufacturing processes and working with suppliers to help keep down costs.

"We're continuing to spend a great deal of time, both on supply chain and relatedly inflation," he said, noting the need to be mindful of the connection between the two. "In talking to other CEOs, it continues to be a daily battle for them as well."

Mr. Culp is approaching his four-year anniversary of taking over as CEO. Since that time, he has overhauled manufacturing practices, sold off di-

visions, paid down debt and made GE's far-flung divisions responsible for covering their own costs. Last November, Mr. Culp announced that GE would break up.

Mr. Culp's new role at the healthcare business adds to his existing titles, chief executive of the aerospace division and CEO and chairman of GE. He played down the idea that the numerous titles would become a distraction, saying that he has been working in similar roles for years and that healthcare will require less of his time as his role evolves.

"That has allowed and will continue to allow me to spend more time at aerospace, which is what I've been doing for the last couple of months here," he said.

The planned healthcare board will have eight additional members, including three from GE's current board. Among the members are Cleveland Clinic CEO Tomislav Mihaljevic; Lloyd W. Howell, finance chief of Booz Allen Hamilton Holding Corp.; and Anne Madden, general counsel at Honeywell International Inc. GE hasn't said what valuation it will seek for GE Healthcare, which has about \$18 billion in annual revenue. Overall, GE has a market capitalization of around \$80 billion as investors await the breakup. The shares have fallen about 20% so far this year, compared with a 16% drop in the S&P 500 index. GE's healthcare division plans to hold an investor day in early December.

GE's power and renewables business will combine and form a separate company in early 2024, while GE Aviation will be the surviving unit. Existing GE shareholders will get new shares in the two companies after they are spun off.



After the rocket malfunction seen here, the uncrewed capsule separated and later landed under parachutes at the Texas launch site.

Blue Origin Rocket Fails in Launch

By MICAH MAIDENBERG

A rocket operated by Blue Origin LLC failed during an uncrewed space launch, ending the mission prematurely, the Jeff Bezos-backed space company said.

Roughly a minute after launching Monday morning from a Blue Origin facility in West Texas, the booster the company was using for the operation appeared to malfunction, according to video Blue Origin provided. The capsule carrying cargo separated from the booster and could later be seen landing under parachutes.

"Booster failure on today's uncrewed flight. Escape system performed as designed," the company said in a post on its Twitter account. Blue Ori-

gin declined to comment further.

The Federal Aviation Administration said it would oversee an investigation into the mishap. The agency, which regulates commercial space launches and re-entries, said it would determine whether anything related to the problem affected public safety. Blue Origin won't be able to operate New Shepard, the rocket system in Monday's launch, while that work takes place, according to the FAA.

No injuries or damage to public property related to the booster failure have been reported, the FAA said.

Earlier, Blue Origin said there were three dozen payloads on the capsule, such as an experiment designed to

have artificial intelligence capture suborbital data from sensors and analyze the results in real time.

The New Shepard consists of a capsule that can carry private astronauts or cargo stacked on top of a booster. The suborbital flights last around 11 minutes, with the capsule reaching an altitude of around 62 miles above Earth before it returns to the ground under parachutes.

The booster used on the New Shepard vehicle is designed to land on a pad so it can be reused. Blue Origin said in another tweet Monday that the booster that failed "impacted the ground."

In July 2021, Mr. Bezos and three others flew on the company's first New Shepard flight carrying humans. Since then,

Blue Origin has also taken up crews that included actor William Shatner and the television journalist and former football player Michael Strahan.

Blue Origin completed its most recent New Shepard flight with private astronauts on board in August.

The company, which Mr. Bezos founded more than two decades ago, is also developing a larger rocket called New Glenn, as well as rocket engines and, with other companies, a private space station.

Watch a Video



Scan this code for a video on what caused Blue Origin to abort launch.

AppLovin Calls Off Unity Software Bid

By KATHRYN HARDISON

AppLovin Corp. has scrapped plans to acquire Unity Software Inc. after the company opposed its \$17.5 billion offer.

The mobile-technology company said Monday that it wouldn't submit another proposal to combine with Unity Software.

The deal would have combined two large providers of tools for mobile developers.

AppLovin said that it saw potential in combining with Unity but that it now thinks that remaining independent is better for stockholders and other stakeholders. It will focus on gaining market share and expanding its platform.

The rescinded offer clears a path for Unity Software to pursue a \$4.4 billion purchase of AppLovin competitor ironSource Ltd. AppLovin's offer had called for the two companies to terminate the deal that was agreed upon in July.

Shares of AppLovin rose 2.2% to \$29.14 in after-hours trading, while Unity Software shares fell 3% to \$41.20. Iron-

Source shares climbed 5% to \$4.39.

Unity Software's board opposed AppLovin's deal last month, saying it wasn't in the best interest of shareholders. Instead, they recommended shareholders vote in favor of the ironSource deal.

The deal would have combined providers of tools for mobile developers.

AppLovin's unsolicited proposal valued Unity at \$58.85 a share, or \$17.5 billion, based on the number of shares outstanding at the time, according to FactSet. The deal would have given Unity an enterprise value of \$20 billion.

Under AppLovin's proposal, Unity shareholders would have controlled 55% of the combined company and appointed a majority of the board but have only 49% of voting rights, according to the deal terms.

Rent the Runway to Cut Its Staff by 24%

By CHARITY L. SCOTT AND KATHRYN HARDISON

Rent the Runway Inc. said it would reduce its corporate workforce by 24%, primarily through layoffs, as the fashion-rental service adjusts to a slowdown in consumer spending and shifts from shopping habits adopted earlier in the pandemic.

The New York company on Monday didn't specify the total number of jobs affected. It had 958 full-time employees and 138 part-time employees as of Jan. 31, according to securities filings.

The announcement came as the company reported that despite revenue rising 64% in the second quarter from a year earlier, its active subscriber count unexpectedly dropped from the first quarter.

It ended the July quarter with 124,131 active subscribers, representing an increase of 27% from a year ago, but lower than the nearly 135,000 reported for the first quarter.

The company first noticed more customers pausing or ending their subscriptions beginning in mid-June, at the same time that fewer former

subscribers were rejoining, co-founder and Chief Executive Jenn Hyman said during a quarterly earnings call with analysts Monday. "It remains difficult to predict how customers will behave," she said.

"It is becoming clear to us that our customers live, work, socialize and travel differently in 2022 than they did prior to the pandemic," she said. "We are still learning how these types of changes in customer behavior impact the business, particularly in challenging natural environments."

Shares in Rent the Runway fell 24% in after-hours trading to \$3.76. The company completed an initial public offering in October and its shares were priced at \$21.

Many retailers, including Target Corp. and Amazon.com Inc., have been squeezed by a rapid shift in buying behavior this year. The shift has prompted some online retailers and companies that support them to trim jobs.

Much of Rent the Runway's business prepandemic came from women shopping for work clothes, but this year 20% of rentals are work-related, Ms. Hyman said on the call.

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TECHNOLOGY

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Oracle Sales Increase 18%, Top Forecast

Strong dollar contributed to lower net-income figure for the latest quarter

By DENNY JACOB

Oracle Corp. sales topped expectations in the latest quarter, as its cloud businesses and integration of Cerner Corp. lifted results despite concerns about a slowdown among technology companies in response to economic uncertainty.

The business-software maker said a stronger dollar compared with foreign currencies had a significant impact on its fiscal first-quarter results.

Revenue rose 18% to \$11.45 billion, beating analysts' expectations of \$11.33 billion. Cloud revenue grew 45% to \$3.6 billion.

Chief Executive Safra Catz said the company's two cloud businesses now account for more than 30% of Oracle's total revenue.

Cerner contributed \$1.4 billion in revenue during the quarter. Oracle announced plans last year to acquire the electronic-medical-records company for \$28.3 billion.

Cerner is expected to help revenue and earnings-per-share growth as it is fully integrated into Oracle and benefits from ensuing cost efficiencies. "We expect Cerner to do even better in the coming quarters," Ms. Catz said.



Oracle's two cloud businesses now account for more than 30% of total revenue.

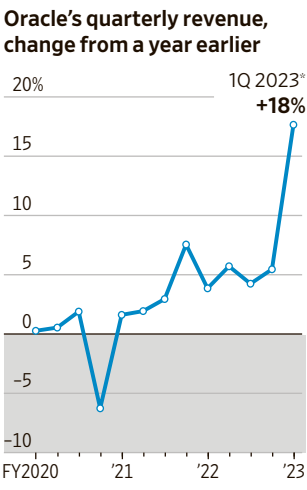
For the quarter ended Aug. 31, Austin, Texas-based Oracle posted net income of \$1.55 billion compared with net income of \$2.46 billion a year earlier. Adjusted for items such as stock-based compensation, Or-

acle said per-share earnings were \$1.03. Analysts polled by FactSet expected adjusted earnings of \$1.08 a share.

Oracle said earnings per share and adjusted earnings per share would have been 8

cents higher without the impact of the stronger dollar.

Oracle's results come as the economic environment remains uncertain. The Federal Reserve may raise interest rates by another 0.75 percent-



*Fiscal quarter ended Aug. 31
Sources: S&P Capital IQ; the company

age point this month to rein in inflation, stoking concerns about a recession. Chairman Jerome Powell has pledged to reduce inflation even if it increases unemployment.

The efforts could worsen recent layoffs that have hit the tech industry in particular. Last month, Oracle laid off hundreds of employees as it gave priority to its healthcare IT services and cloud businesses, with job cuts primarily hitting staff at its advertising and customer experience group.

BUSINESS NEWS

Finance Chiefs Struggle to Pinpoint Guidance

By JENNIFER WILLIAMS-ALVAREZ

Finance chiefs are finding it harder to peg yearly guidance as they struggle for clarity on the direction of the economy, leading them to broaden their annual revenue ranges and revise spending plans more frequently.

Finance chiefs, through their annual guidance, offer clues on the health of the business. But given the mixed signals in the economy, investors are paying close attention to nuances that might indicate slowing or deteriorating company finances. Chief financial officers are adapting by factoring into their outlooks events once considered unlikely, widening the ranges for their revenue forecasts and revisiting spending plans more often.

In the second quarter, 129 S&P 500 companies revised their annual revenue or earnings-per-share forecasts, 50% more than did so in the same period last year, according to Calcbench Inc., a data provider. Fifty-six of those companies revised guidance up, fewer than the 63 that did so in the same period last year, while the remaining 73 either cut guidance, narrowed the range or provided mixed updates by revising revenue in one direction and earnings per share in the other.

FMC Corp., a Philadelphia-based maker of insecticides and herbicides, set the range for its guidance wider than in previous years to account for uncertainties such as pandemic-related disruptions and geopolitical conflicts, Chief Financial Officer Andrew Sandifer said. Russia's war on Ukraine, for one, wasn't part of the forecast, resulting in a \$25 million headwind to earnings before interest, taxes, depreciation and amortization for the year after the company decided to discontinue operations in Russia.

Still, in August, FMC raised the midpoint of its annual revenue guidance to \$5.6 billion



Macy's flagship store in New York City in July. The retailer is one of a number of companies to revise its guidance lower.

as it announced second-quarter results, up from \$5.4 billion at the end of the first quarter.

Demand remains strong and the company is raising its prices, which were up 7% in the second quarter compared with a year earlier, to offset inflation, according to Mr. Sandifer.

He is factoring what historically would have been considered low-probability events into his guidance, including pandemic-related labor shortages among suppliers or the blockage of the Suez Canal last year, one of the world's busiest shipping channels, he said.

"When you start flying through all the math, you end up with broader guidance ranges, because each one of those adds extra volatility and expands the range of potential outcomes," Mr. Sandifer said.

The economy has contracted for two quarters, rais-

ing the question of whether the U.S. is in recession. But the decline in the second quarter was smaller than first reported—a 0.6% annualized drop instead of a 0.9% fall—the labor market remains hearty and many companies continue to report sterling profits.

In the second quarter, 40 S&P 500 companies trimmed their outlooks.

Still, inflation is denting consumer demand, interest rates are ratcheting higher and the energy crisis in Europe and the outlook for China will continue to cast long shadows on the U.S. economy.

The annual guidance acts as a baseline for the performance CFOs expect, said Campbell Harvey, a professor of finance at Duke University's Fuqua School of Business. Inflation and the possibility of recession make it harder to assess whether companies can meet those targets, which is why some have widened their guidance range to avoid disappointing investors.

Agilent Technologies Inc. uses a rolling 12-month planning process, which allows the Santa Clara, Calif.-based life sciences company to update its spending plans on a monthly or quarterly basis, compared with a fixed annual budget. Agilent changed its approach during the Covid-19 pandemic and decided to stick with it because of the shifting economic environment, CFO Robert McMahon said.

In August, Agilent in-

creased its full-year revenue guidance to a range of \$6.75 billion to \$6.775 billion from the previous projection of \$6.67 billion to \$6.73 billion. But coming up with those numbers required more effort and insight into the business's workings in the current economic conditions, according to Mr. McMahon.

"The pandemic, it's still with us and then you add inflation and wars in Europe and other things on top of it," he said. "It's only gotten more dynamic."

In recent months, other companies have revised their guidance downward. In the second quarter, 40 S&P 500 companies trimmed their outlooks, more than double the number in the prior-year period, Calcbench said.

Retailers Macy's Inc., Nordstrom Inc. and Kohl's Corp., which aren't part of the index,

also revised their guidance lower. Last month, Kohl's attributed its lower outlook to the difficult economic environment and a decline in sales. Macy's as well lowered its guidance due to inventory problems and the continued risk that consumers will pull back on discretionary spending. Nordstrom cut its guidance because of softening customer demand and plans to reduce inventory.

Dynatrace Inc., a Waltham, Mass., software-intelligence company, trimmed its guidance. The company uses a six-quarter rolling forecast, said Kevin Burns, the company's CFO.

In the weeks leading up to its Aug. 3 earnings release, it became apparent that guidance for the fiscal year ending in March would have to be clipped as the company was struggling to bring in new customers, Mr. Burns said.

In a "handful of instances," existing clients—which include retailers and financial services and travel companies—put a hold on plans to expand contracts into new areas. Dynatrace was seeing a decline in new customers, down to around 135 from the 150 to 160 new accounts it planned for in the quarter ended June 30, according to Mr. Burns.

Part of the calculus included looking at projections from an internal sales program, as well as the economy overall, Mr. Burns said. The company is now forecasting fiscal 2023 revenue of between \$1.125 billion and \$1.136 billion, down from \$1.142 billion and \$1.158 billion.

"This is the first time in the history of Dynatrace that we've actually had to reduce guidance," Mr. Burns said. "But given the macro pressures, we definitely brought it down."

WSJ.com/news/cfo-journal

Some Union Digital Staff at Times, NBC Defy Office Return

By ALEXANDRA BRUELL

Some union members of the New York Times and NBC News's digital properties vowed not to come to the office this week and instead work remotely, defying their respective employers' back-to-the-office plans.

Starting this week, the Times and NBC News expect employees to return to the office at least part of the week, both news organizations have told staff in recent memos.

The Times union on Sunday said it has more than 1,280 signatures from members pledging to stay home, some of which come from a coordinated effort with the Times's tech and Wirecutter unions. The three Times unions collectively have around 2,000 members.

A Times spokeswoman said the news organization believes

a hybrid work environment best suits the New York Times at this moment. She also said a collaborative work environment is a driver of success.

Multiple Times union members said the action was part of an effort to negotiate for a contract that includes higher wages and more flexible working conditions, among other issues such as improvement in diversity and inclusion efforts.

The Times union is negotiating with management to renew a five-year contract that expired in March 2021.

Some 215 members of NBC News's digital newsroom union vowed to stay home this week, said Tate James, a video editor at NBC News and head of the digital union's bargaining committee. The union, which like the Times's union is part of the NewsGuild of New York, represents about 275 people.



The Times says a hybrid work environment best suits it now.

In a letter that it tweeted last Wednesday, the company's digital newsroom union said NBC was coercing employees to adhere to a plan that hadn't

been negotiated.

The nearly three-year-old union, which includes employees across nbcnews.com and today.com, is also pushing for

increased flexibility to work remotely, Mr. James said.

An NBC News spokesman said the news organization remained committed to a flexible and hybrid workplace and was in discussions with the Guild over a flexible return-to-office policy.

The Times in July told employees that it expected most staff to return to the office at least part of the week, including a hybrid routine with regular attendance, starting the week of Sept. 12. The company previously delayed an earlier planned return due to a Covid spike in New York City.

Labor-organizing efforts across U.S. media have increased in the past few years. Last year, workers at Condé Nast publications the New Yorker, Pitchfork and Ars Technica reached their first contracts with the company.

Hundreds of tech staffers at the New York Times also voted to unionize this March, creating the largest union of tech workers with bargaining rights in the country, the NewsGuild of New York said at the time.

Wall Street Journal parent Dow Jones & Co. recently reached a one-year collective agreement with IAPE, the union that represents more than 1,300 members across Dow Jones publications and other divisions in the U.S. and Canada.

Last week, a team of Wall Street Journal photo-department employees filed a petition with the National Labor Relations Board to be recognized by the union. Beyond the Journal, Dow Jones publishes MarketWatch and Barron's, among other things.

Dow Jones declined to comment.

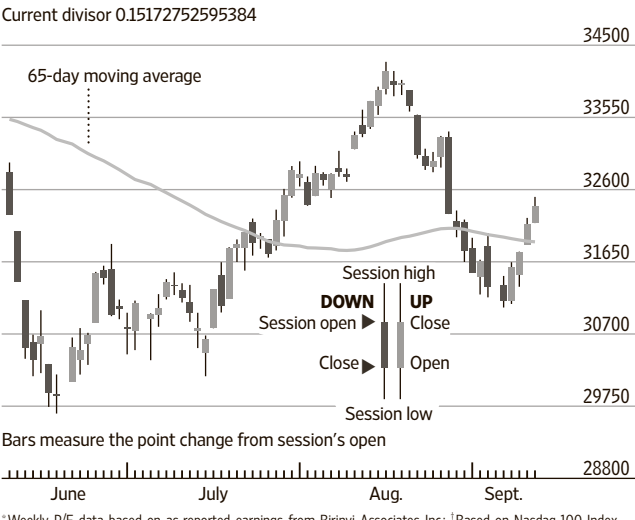
MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

32381.34 ▲ 229.63, or 0.71%
High, low, open and close for each trading day of the past three months.

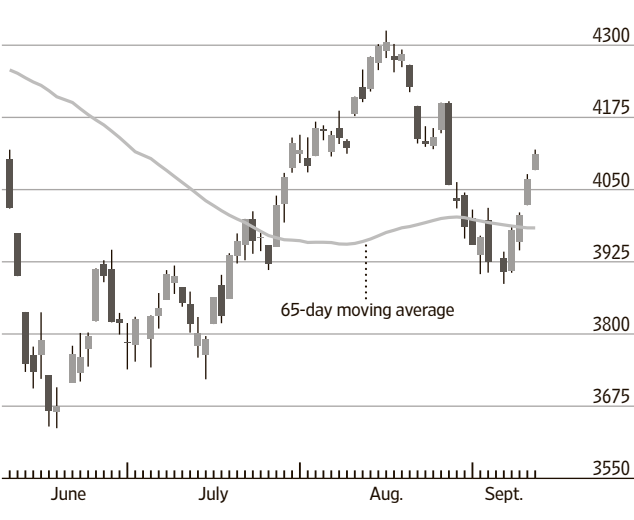
Trailing P/E ratio	19.06	23.70
P/E estimate *	17.04	18.94
Dividend yield	2.23	1.85
All-time high	36799.65	01/04/22



S&P 500 Index

4110.41 ▲ 43.05, or 1.06%
High, low, open and close for each trading day of the past three months.

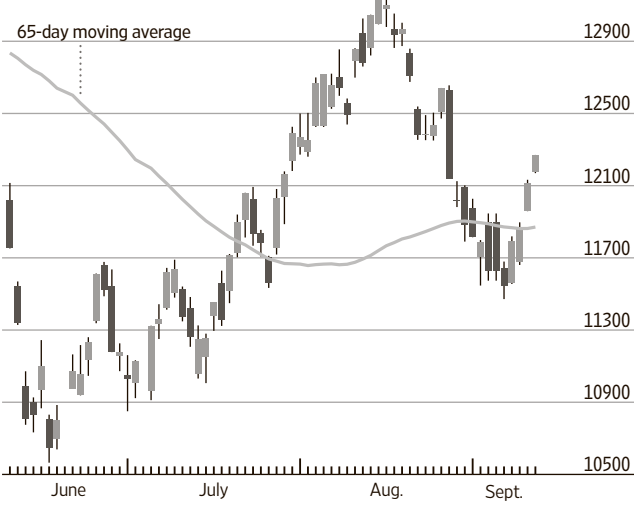
Trailing P/E ratio *	21.80	31.41
P/E estimate *	17.63	22.10
Dividend yield *	1.66	1.31
All-time high	4796.56	01/03/22



Nasdaq Composite Index

12266.41 ▲ 154.10, or 1.27%
High, low, open and close for each trading day of the past three months.

Trailing P/E ratio **	25.32	36.35
P/E estimate **	22.65	29.17
Dividend yield **	0.90	0.66
All-time high	16057.44	11/19/21



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	32504.04	32159.49	32381.34	229.63	0.71	36799.65	29888.78	-7.1	-10.9	6.0
Transportation Avg	14303.53	14105.51	14252.66	191.75	1.36	17039.38	12868.60	-1.4	-13.5	10.0
Utility Average	1063.15	1049.76	1061.77	11.44	1.09	1071.75	869.74	14.5	8.3	7.6
Total Stock Market	41524.85	41203.46	41446.19	439.98	1.07	48929.18	36759.60	-10.5	-14.8	10.3
Barron's 400	952.32	938.98	947.44	8.46	0.90	1127.20	852.16	-7.6	-14.4	11.0
Nasdaq Stock Market										
Nasdaq Composite	12270.19	12169.28	12266.41	154.10	1.27	16057.44	10646.10	-18.8	-21.6	14.4
Nasdaq-100	12752.83	12639.76	12739.72	151.43	1.20	16573.34	11127.57	-17.5	-21.9	17.2
S&P										
500 Index	4119.28	4083.67	4110.41	43.05	1.06	4796.56	3666.77	-8.0	-13.8	10.9
MidCap 400	2534.43	2507.34	2522.66	24.61	0.99	2910.70	2200.75	-6.7	-11.2	8.7
SmallCap 600	1209.57	1197.99	1208.97	15.28	1.28	1466.02	1087.48	-9.6	-13.8	7.5
Other Indexes										
Russell 2000	1906.09	1889.80	1906.09	23.24	1.23	2442.74	1649.84	-14.9	-15.1	6.6
NYSE Composite	15397.14	15190.79	15352.18	161.39	1.06	17353.76	14097.05	-7.7	-10.6	5.4
Value Line	571.45	563.64	570.11	6.47	1.15	696.40	510.18	-13.5	-15.2	2.3
NYSE Arca Biotech	4982.61	4928.66	4963.20	-5.26	-0.11	5983.77	4208.43	-15.0	-10.1	3.9
NYSE Arca Pharma	792.61	781.19	786.27	5.08	0.65	887.27	732.23	4.4	-5.0	10.4
KBW Bank	112.04	110.46	111.16	0.91	0.83	147.56	98.36	-12.7	-15.9	3.3
PHLX ^S Gold/Silver	107.67	105.93	106.58	1.58	1.50	167.76	94.71	-18.1	-19.5	5.4
PHLX ^S Oil Service	71.95	70.44	71.67	0.91	1.28	88.37	49.14	31.5	35.9	0.3
PHLX ^S Semiconductor	2745.49	2701.52	2731.09	9.32	0.34	4039.51	2458.46	-20.8	-30.8	19.2
Cboe Volatility	24.23	23.16	23.87	1.08	4.74	36.45	15.01	23.2	38.6	18.8

^SNasdaq 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	After-Hours % chg	High	Low
ironSource	IS	8,529.6	4.41	0.23	5.50	4.53	4.18
SPDR S&P 500	SPY	7,776.6	411.57	0.60	0.15	422.41	409.81
Apple	AAPL	3,982.5	163.78	0.35	0.214	163.88	163.27
Amazon.com	AMZN	3,949.6	136.64	0.19	0.14	136.72	136.25
Playtika Holding	PLTK	3,704.2	11.39	11.40	11.39
iShares MSCI Emg Markets	EEM	3,507.4	39.56	-0.02	-0.05	39.84	39.41
US Steel	X	3,236.8	23.98	0.05	0.21	24.03	23.93
Kinross Gold	KGC	3,187.2	3.56	3.58	3.55

Percentage gainers...

Company	Symbol	Last	Net chg	After-Hours % chg	High	Low
Planet Labs PBC	PL	418.2	5.95	0.53	9.78	6.45
Jianzhi Educ Tech ADR	JZ	165.9	4.15	0.23	5.87	4.30
ironSource	IS	8,529.6	4.41	0.23	5.50	4.53
Bread Financial	BFH	50.4	41.54	1.97	4.98	41.54
Sarcos Tech Robotics	STRC	113.4	3.62	0.15	4.32	3.63
...And losers						
Rent the Runway	RENT	665.2	3.75	-1.18	-23.94	5.14
Revance Therapeutics	RVNC	135.3	26.05	-2.04	-7.26	28.09
Generation Bio	GBIO	231.8	5.14	-0.21	-3.93	5.35
Genius Sports	GENI	145.1	4.45	-0.16	-3.47	4.68
Hertz Global Holdings	HTZ	86.8	19.30	-0.68	-3.40	19.98

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	830,185,254	13,692,054
Adv. volume*	706,583,989	7,713,152
Decl. volume*	107,815,285	5,828,031
Issues traded	3,377	290
Advances	2,430	146
Declines	771	127
Unchanged	176	17
New highs	42	1
New lows	37	2
Closing Arms ¹	0.48	0.79
Block trades ²	3,804	157
NYSE Nasdaq NYSE Arca		
Total volume*	4,146,687,257	237,348,616
Adv. volume*	2,981,295,719	197,301,269
Decl. volume*	1,126,483,223	38,846,249
Issues traded	4,877	1,716
Advances	2,928	1,422
Declines	1,647	268
Unchanged	302	26
New highs	57	13
New lows	95	22
Closing Arms ¹	0.67	1.55
Block trades ²	22,122	1,055

*Primary market NYSE, NYSE American, NYSE Arca only.
¹(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Net chg	Latest % chg	YTD % chg
World	MSCI ACWI	631.00	8.08	█1.30	-16.4
	MSCI ACWI ex-USA	278.51	4.58	█1.67	-19.1
	MSCI World	2719.01	36.11	█1.35	-15.9
	MSCI Emerging Markets	979.05	8.76	█0.90	-20.5
Americas	MSCI AC Americas	1568.19	17.06	█1.10	-14.2
Canada	S&P/TSX Comp	19987.23	213.89	█1.08	-5.8
Latin Amer.	MSCIEM Latin America	2241.24	28.37	█1.28	5.2
Brazil	BOVESPA	113406.55	1106.14	█0.98	8.2
Chile	S&P IPSA	3436.56	-9.71	-0.28	22.5
Mexico	S&P/BMV IPC	47860.48	817.54	█1.74	-10.2
EMEA	STOXX Europe 600	427.75	7.38	█1.75	-12.3
Eurozone	Euro STOXX	403.43	7.81	█1.97	-15.7
Belgium	Bel-20	3722.45	59.07	█1.61	-13.6
Denmark	OMX Copenhagen 20	1708.93	13.50	█0.80	-8.3
France	CAC 40	6333.59	121.26	█1.95	-11.5
Germany	DAX	13402.27	314.06	█2.40	-15.6
Israel	Tel Aviv	2018.85	3.87	0.19	2.1
Italy	FTSE MIB	22610.40	515.84	█2.33	-17.3
Netherlands	AEX	696.87	10.90	█1.59	-12.7
Russia	RTS Index	1280.67	17.95	█1.42	-19.7
South Africa	FTSE/JSE All-Share	69772.41	1063.93	█1.55	-5.3
Spain	IBEX 35	8194.30	161.20	█2.01	-6.0
Sweden	OMX Stockholm	783.76	16.09	█2.10	-24.4
Switzerland	Swiss Market	10990.75	90.51	█0.83	-14.6
Turkey	BIST 100	3649.21	127.83	█3.63	96.4
U.K.	FTSE 100	7473.03	121.96	█1.66	1.2
U.K.	FTSE 250	19513.87	325.84	█1.70	-16.9
Asia-Pacific	MSCI AC Asia Pacific	155.57	1.27	█0.83	-19.4
Australia	S&P/ASX 200	6964.50	70.32	█1.02	-6.4
China	Shanghai Composite	3262.05	...	Closed	-10.4
Hong Kong	Hang Seng	19362.25	...	Closed	-17.2
India	S&P BSE Sensex	60115.13	321.98	0.54	3.2
Japan	NIKKEI 225	28542.11	327.36	█1.16	-0.9
Singapore	Straits Times	3274.72	11.77	0.36	4.8
South Korea	KOSPI	2384.28	...	Closed	-19.9
Taiwan	TAIEX	14807.43	224.01	█1.54	-18.7
Thailand	SET	1665.74	11.12	█0.67	0.5

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Close	Net chg	% chg	High	Low	% chg
InMed Pharmaceuticals	INM	18.78	7.76	70.42	59.25	5.82	-63.4
Ventyx Biosciences	VTYX	38.11	15.01	64.98	41.29	9.50	...
Arqit Quantum	ARQQ	7.72	2.13	38.10	41.52	4.98	-48.5
PaxMedica	PXMD	4.33	1.16	36.59	10.48	2.80	...
Allego	ALLG	5.90	1.48	33.48	28.44	3.35	-40.3
IDEAYA Biosciences	IDYA	12.09	2.84	30.70	27.71	8.14	-53.8
Annovis Bio	ANVS	19.82	4.52	29.54	39.72	8.39	-42.2
Kaspien Holdings	KSPN	2.86	0.62	27.68	21.00	1.82	-85.8
IHS Holding	IHS	7.83	1.56	24.88	18.48	6.09	...
Gogoro	GGR	5.25	0.92	21.25	17.59	3.92	-46.0
ImmunityBio	IBRX	5.61	0.97	20.91	10.88	2.60	-42.6
POINT Biopharma Global	PNT	10.27	1.70	19.84	11.28	4.25	12.2
Rackspace Technology	RXT	6.32	1.00	18.80	18.50	4.19	-57.2
TuanChe ADR	TC	3.20	0.50	18.52	3.95	1.42	48.8
Magic Empire Global	MEGL	6.00	0.91	17.88	249.94	4.83	...

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Mullen Automotive	MULN	137,480	100.6	0.58	2.18	15.90	0.52
ProShares UltraPro QQQ	TQQQ	135,652	-14.9	30.93	3.65	91.68	21.32
ProSh UltraPro Shrt QQQ	SQQQ	118,519	1.7	40.31	-3.66	67.69	28.15
Apple	AAPL	103,687	40.5	163.43	3.85	182.94	129.04
Amer Virtual Cloud Techs	AVCT	97,241	183.4	0.21	-3.50	3.73	0.13
NeuroBo Pharmaceuticals	NRBO	90,310	113788.7	0.56	101.30	4.29	0.25
NIO ADR	NIO	86,581	72.1	21.75	13.52	44.27	11.67
Advanced Micro Devices	AMD	71,768	-14.1	84.64	-0.95	164.46	71.60
SPDR S&P 500	SPY	68,859	-9.9	410.97	1.07	479.98	362.17
Direxion Dly SCOND 3 BL	SOXL	66,556	0.0	14.78	0.89	74.21	10.53

* Volumes of 100,000 shares or more are rounded to the nearest thousand

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Percentage Losers

Company	Symbol	Close	Net chg	% chg	High	Low	% chg
Yoshiharu Global	YOSH	3.05	-1.12	-26.86	6.50	3.05	...
Intellinetics	INLX	4.58	-1.36	-22.90	11.94	3.76	-12.3
Goosehead Insurance CIA	GSHD	42.28	-11.87	-21.92	181.30	39.00	-71.4
ShiftPixy	PIXY	27.28	-7.17	-20.81	203.00	11.06	-78.5
Entrada Therapeutics	TRDA	11.91	-3.01	-20.17	36.85	5.12	...
DICE Therapeutics	DICE	18.91	-3.74	-16.51	40.50	12.64	...
Immatics	IMTX	10.90	-1.95	-15.18	15.02	5.75	-26.4

COMMODITIES

wsj.com/market-data/commodities

Futures Contracts

Metal & Petroleum Futures						
	Open	Contract High	Low	Settle	Chg	Open interest
Copper-High (CMX) -25,000 lbs.; \$ per lb.						
Sept	3.5545	3.6265	3.5520	3.6255	0.0445	2,509
Dec	3.5560	3.6225	3.5320	3.6105	0.0425	106,816
Gold (CMX) -100 troy oz.; \$ per troy oz.						
Sept	1727.40	1727.70	1727.40	1728.10	11.90	567
Oct	1719.20	1736.40	1712.70	1730.80	12.00	42,120
Nov	1731.00	1737.30	▲ 1728.00	1735.60	12.00	78
Dec	1728.40	1746.40	1722.30	1740.60	12.00	378,797
Feb'23	1740.90	1758.90	1735.90	1753.30	12.20	29,903
April	1754.80	1771.00	1748.00	1765.70	12.30	6,089
Palladium (NYM) -50 troy oz.; \$ per troy oz.						
Sept	2247.00	2247.00	2227.00	2259.20	96.50	13
Dec	2188.50	2280.00	2160.50	2274.60	97.00	5,914
Platinum (NYM) -50 troy oz.; \$ per troy oz.						
Sept				903.30	27.30	
Oct	873.00	905.50	866.90	904.20	27.30	48,785
Silver (CMX) -5,000 troy oz.; \$ per troy oz.						
Sept	19.315	19.890	19.315	19.755	1.097	177
Dec	18.815	20.005	18.775	19.860	1.093	125,294
Crude Oil, Light Sweet (NYM) -1,000 bbls.; \$ per bbl.						
Oct	86.25	89.10	85.16	87.78	0.99	152,567
Nov	85.84	88.64	84.78	87.41	1.05	182,095
Dec	85.26	87.96	84.21	86.86	1.11	218,159
Jan'23	84.69	87.14	83.60	86.21	1.16	73,704
June	81.18	83.27	80.22	82.74	1.22	118,431
Dec	77.73	79.33	76.71	78.98	1.16	147,157
NY Harbor ULSD (NYM) -42,000 gal.; \$ per gal.						
Oct	3.5743	3.7050	3.5589	3.6031	0.244	68,142
Nov	3.5252	3.6407	3.4988	3.5459	0.275	40,788
Gasoline-NY RBOB (NYM) -42,000 gal.; \$ per gal.						
Oct	2.4223	2.4949	2.3951	2.4448	0.117	65,165
Nov	2.3864	2.4530	2.3570	2.4097	0.159	60,477
Natural Gas (NYM) -10,000 MMBtu.; \$ per MMBtu.						
Oct	8.026	8.406	7.855	8.249	-.253	95,659
Nov	8.121	8.447	7.911	8.287	-.243	131,606
Jan'23	8.356	8.688	8.160	8.517	-.239	88,619
March	7.016	7.164	6.888	7.057	-.104	69,809
April	5.554	5.578	5.442	5.547	-.078	74,740
May	5.429	5.429	5.294	5.390	-.071	78,651
Agriculture Futures						
Corn (CBT) -5,000 bu.; cents per bu.						
Sept	690.25	721.50	689.00	712.25	13.75	1,683

	Open	Contract High	Low	Settle	Chg	Open interest
Dec Oats (CBT) -5,000 bu.; cents per bu.						
Sept	681.50	699.50	675.75	696.00	11.00	743,320
Nov Soybeans (CBT) -5,000 bu.; cents per bu.						
Sept	396.00	410.00	391.00	410.00	16.75	3,092
Nov Soybean Meal (CBT) -100 tons; \$ per ton.						
Sept	1480.50	1558.25	1472.50	1549.75	60.50	695
Nov	1409.00	1490.25	1402.25	1488.25	76.00	310,158
Sept Soybean Oil (CBT) -60,000 lbs.; cents per lb.						
Sept	454.40	473.30	445.90	472.90	32.00	249
Dec	410.00	440.70	▲ 409.30	434.60	23.90	191,483
Sept Rough Rice (CBT) -2,000 cwt.; \$ per cwt.						
Sept	69.39	72.44	69.39	71.92	1.67	15
Dec	64.76	67.40	64.01	66.49	1.67	145,944
Sept Wheat (CBT) -5,000 bu.; cents per bu.						
Sept	17.59	17.76	17.39	17.70	-.11	8,088
Sept Wheat (KC) -5,000 bu.; cents per bu.						
Sept	852.50	852.50	837.00	841.25	-12.00	64
Dec	864.75	878.00	848.50	858.75	-10.75	165,800
Sept Cattle-Feeder (CME) -50,000 lbs.; cents per lb.						
Sept	929.25	935.00	914.25	927.00	-2.25	92,321
Sept Cattle-Live (CME) -40,000 lbs.; cents per lb.						
Sept	182.725	183.625	181.000	181.525	-1.475	3,336
Oct	185.550	186.200	182.875	183.125	-2.450	15,164
Oct Hogs-Lean (CME) -40,000 lbs.; cents per lb.						
Oct	145.750	146.100	145.450	145.750	.075	99,010
Dec	151.200	151.600	150.950	151.350	.375	87,826
Oct Lumber (CME) -110,000 bd. ft. \$ per 1,000 bd. ft.						
Sept	514.70	554.90	511.00	554.90	45.90	207
Nov	520.00	559.80	517.70	559.80	49.00	2,084
Sept Milk (CME) -200,000 lbs.; cents per lb.						
Sept	19.77	19.90	19.77	19.89	.10	4,650
Oct	20.93	21.68	20.93	21.67	-.74	6,103
Sept Cocoa (ICE-US) -10 metric tons; \$ per ton.						
Sept	2,372	2,388	2,339	2,386	26	119
Dec	2,275	2,285	2,225	2,275	-.375	123
Sept Coffee (ICE-US) -37,500 lbs.; cents per lb.						
Sept	227.50	228.15	227.50	227.75	-3.75	101,995
Dec	229.00	230.05	224.10	224.75	-3.75	101,995
Sept Sugar-World (ICE-US) -112,000 lbs.; cents per lb.						
Oct	18.26	18.52	18.13	18.35	.13	194,429
March'23	17.86	18.01	17.74	17.95	.12	269,417

	Open	Contract High	Low	Settle	Chg	Open interest
Sugar-Domestic (ICE-US) -112,000 lbs.; cents per lb.						
Nov				35.40	.15	1,802
Cotton (ICE-US) -50,000 lbs.; cents per lb.						
Oct				110.21	.69	72
Dec	105.00	108.10	102.02	105.71	.87	111,380
Orange Juice (ICE-US) -15,000 lbs.; cents per lb.						
Sept				181.05	.85	4
Nov	170.50	172.65	170.50	171.05	.85	7,873
Interest Rate Futures						
Ultra Treasury Bonds (CBT) - \$100,000; pts 32nds of 100%						
Sept	144-150	145-180	142-250	143-070	-1-13.0	21,303
Dec	144-090	145-120	142-160	142-310	-1-13.0	1,336,447
Treasury Bonds (CBT) - \$100,000; pts 32nds of 100%						
Sept	133-130	134-100	132-200	132-270	-20.0	36,943
Dec	132-290	133-260	132-020	132-100	-20.0	1,177,613
Treasury Notes (CBT) - \$100,000; pts 32nds of 100%						
Sept	115-245	116-055	115-160	115-190	-4.5	29,118
Dec	115-215	116-060	115-160	115-195	-4.0	3,563,093
5 Yr. Treasury Notes (CBT) - \$100,000; pts 32nds of 100%						
Sept	110-080	110-155	110-037	110-057	-2	17,071
Dec	110-042	110-145	110-017	110-045	...	3,981,430
2 Yr. Treasury Notes (CBT) - \$200,000; pts 32nds of 100%						
Sept	104-020	104-042	104-000	104-008	-1	21,848
Dec	103-292	104-011	103-286	103-300	-.7	1,961,285
30 Day Federal Funds (CBT) - \$5,000,000; 100 - daily avg.						
Sept	97.4525	97.4525	97.4475	97.4475	-.0025	190,074
Oct	96.9450	96.9500	96.9350	96.9400	.0000	344,421
10 Yr. Del. Int. Rate Swaps (CBT) - \$100,000; pts 32nds of 100%						
Sept	89-270	90-210	89-270	90-000	-9.0	15,326
Dec	94-185	94-275	94-045	94-085	-3.5	n.a.
Three-Month SOFR (CME) - \$100,000,000; 100 - daily avg.						
June	98.0600	98.0625	98.0575	98.0600	.0025	692,127
Dec	96.1100	96.1350	▼ 96.0850	96.1050	-.0050	978,156
Eurodollar (CME) - \$1,000,000; pts of 100%						
Sept	96.5900	96.6125	96.5850	96.5925	.0100	1,119,543
Dec	95.7950	95.8450	95.7900	95.8250	.0300	1,622,124
March'23	95.7700	95.8250	95.7650	95.7950	.0100	1,058,316
Dec	96.1700	96.2450	96.1600	96.1750	...	917,519
Currency Futures						
Japanese Yen (CME) -¥125,000,000; \$ per 100¥						
Sept	.7023	.7038	.6973	.7010	-.0002	231,316
Dec	.7088	.7103	.7037	.7076	...	45,452

	Open	High	low	Settle	Chg	Open interest
Canadian Dollar (CME) -CAD 100,000; \$ per CAD						
Sept	.7675	.7713	.7670	.7698	.0026	127,173
Dec	.7673	.7712	.7669	.7698	.0026	23,874
British Pound (CME) -£62,500; \$ per £						
Sept	1.1631	1.1712	1.1602	1.1681	.0090	218,139
Dec	1.1650	1.1732	1.1622	1.1701	.0091	55,478
Swiss Franc (CME) -CHF 125,000; \$ per CHF						
Sept	1.0430	1.0521	1.0412	1.0488	.0073	39,007
Dec	1.0507	1.0599	1.0490	1.0566	.0075	8,295
Australian Dollar (CME) -AUD 100,000; \$ per AUD						
Sept	.6841	.6901	.6824	.6881	.0040	165,150
Dec	.6853	.6912	.6836	.6893	.0040	15,040
Mexican Peso (CME) -MXN 500,000; \$ per MXN						
Sept	.05025	.05057	▲ .05022	.05025	.00004	190,471
Dec	.04941	.04973	▲ .04939	.04944	.00007	27,482
Euro (CME) -€125,000; \$ per €						
Sept	1.0092	1.0202	1.0062	1.0122	.0074	614,530
Dec	1.0156	1.0265	1.0127	1.0187	.0075	102,560
Index Futures						
Mini DJ Industrial Average (CBT) -\$5 x index						
Sept	32210	32505	32137	32386	222	55,354
Dec	32318	32612	32235	32498	233	22,153
Mini S&P 500 (CME) -\$50 x index						
Sept	4077.25	4119.75	4062.25	4110.75	43.50	1,869,291
Dec	4096.00	4137.75	4080.25	4130.00	44.50	592,091
Mini S&P Midcap 400 (CME) -\$50 x index						
Sept	2505.80	2536.70	2497.30	2523.50	25.80	31,278
Dec	2514.10	2543.40	2503.70	2531.60	25.90	24,174
Mini Nasdaq 100 (CME) -\$20 x index						
Sept	12626.00	12773.75	12573.25	12740.75	148.25	242,283
Dec	12702.25	12865.75	12648.00	12823.50	153.25	52,719
Mini Russell 2000 (CME) -\$50 x index						
Sept	1884.40	1910.50	1885.70	1906.50	23.60	420,015
Dec	1891.60	1918.00	1878.80	1913.60	23.80	138,732
March 23				1921.40	23.30	4
Mini Russell 1000 (CME) -\$50 x index						
Sept	2252.20	2268.80	2244.60	2263.80	22.50	13,572
Dec	2275.40	2279.10	2253.40	2274.80	23.90	30
U.S. Dollar Index (ICE US) -\$1,000 x index						
Sept	108.62	108.87	107.80	108.32	-.68	52,221
Dec	108.37	108.61	107.57	108.10	-.64	5,436
Source: FactSet						

Wells Settles Probe on 401(k) Payments

By COLIN KELLAHER
AND BEN EISEN

Wells Fargo & Co. agreed to pay about \$145 million to resolve Labor Department allegations that the bank's retirement plan overpaid for its own stock.

The Labor Department found that the bank's 401(k) plan and its trustee paid between \$1,033 and \$1,090 a share for preferred stock, which later converted to \$1,000 in common stock when it was allocated to plan participants, the government agency said Monday.

Wells Fargo and **Great-Banc Trust Co.**, the trustee, also used the dividends paid on the preferred shares to repay stock-purchase loans, thereby offsetting their own obligations to contribute to the 401(k) plan, the Labor Department said.

The transactions took place between 2013 and 2018, before the company's current chief executive, Charles Scharf, stepped into his role.

San Francisco-based Wells Fargo said Monday that it disagrees with the allegations and believes it followed applicable laws. Still, resolving the legacy matter is in its best interest, the bank said.

Under the settlement, Wells Fargo neither admitted nor denied the Labor Department's allegations.

The bank agreed to pay about \$131.8 million to eligible current and former 401(k) plan participants, along with a nearly \$13.2 million penalty.

\$145M

Amount of money that Wells Fargo agreed to pay

Wells Fargo also agreed to redeem certain preferred securities held by the 401(k) plan in exchange for common stock.

The bank has been working to contain the fallout from a sales-practice scandal, in which it was found to have created perhaps millions of fake bank accounts.

Since the scandal broke in 2016, the bank stepped back from some of the retirement-plan services it provides to other companies.

It sold a business that provides retirement plan record-keeping, administrative services and other services in 2019.

Separately, a Texas judge ruled last month that the bank failed to sell shares of Occidental Petroleum Corp. on behalf of an employee trust in early 2020, leading to losses when the coronavirus pandemic caused the stock market to fall.

The bank said it was disappointed with that ruling and will continue to defend the case.

Stocks Rise Before Inflation Data

S&P, Dow and Nasdaq Composite notch their fourth consecutive day of gains

By WILL HORNER
AND JUSTIN BAER

Stocks rose ahead of inflation data that are expected to show further cooling of consumer prices.

The S&P 500 gained 43.05 points, or 1.1%, to 4110.41 after it closed higher for the

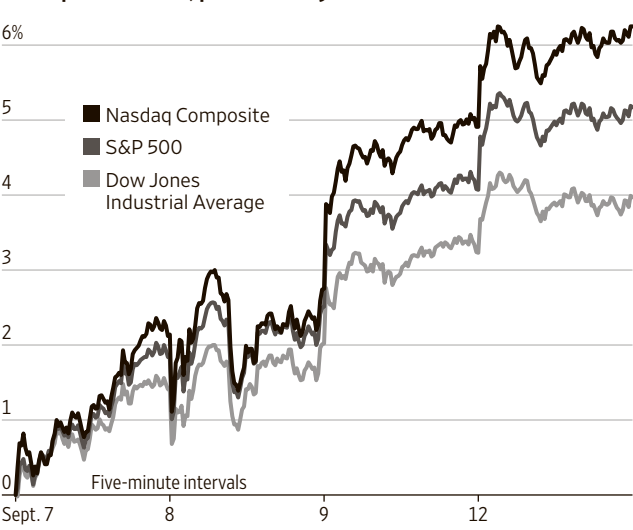
MONDAY'S MARKETS week on Friday. The Dow Jones Industrial Average added 229.63, or 0.7%, to 32381.34. The technology-heavy Nasdaq Composite climbed 154.10, or 1.3%, to 12266.41. All three indexes logged their fourth consecutive trading day of advances.

Indexes have charted a steady rise in recent sessions as concerns about large interest-rate increases have been alleviated.

Tumbling commodity prices have lifted hopes that the worst of inflation has passed. Meanwhile, the labor market has remained a source of economic strength. Gauges of business activity have been stronger than expected.

"The biggest thing driving markets now is investor optimism that inflation is fall-

Index performance, past four days



Source: FactSet

ing," said Michael Arone, chief investment strategist for the U.S. ETF business at State Street Global Advisors. "We're in that period where earnings season is over, and it does become all about the biggest story of the year: the Fed and what is the end-target federal funds rate."

U.S. consumer-price inflation data, due Tuesday, will likely dominate investors' focus this week.

The data are expected to show August was the second month of cooling inflation pressures. The figures will help Federal Reserve officials gauge how far their fight against soaring prices has

come and how much further they might need to lift interest rates. Fed officials have an interest-rate meeting next week.

"If inflation moderates quicker than expected, I think the Fed can get more comfortable that their job might be closer to being done than they originally thought," said Stephanie Lang, chief investment officer at Homrich Berg.

Inflation has likely peaked, she added, but markets are unlikely to push much higher until the Fed begins to moderate its tightening campaign. "What the market is pricing in right now is a soft landing, which I think is pretty opti-

mistic," she said.

Despite some signs of inflation decelerating, investors largely expect Fed officials to continue tightening for some months to be sure price pressures have abated. Many investors expect the Fed to raise interest rates by another 0.75 percentage point next week.

"The Federal Reserve will require at least three months of reassuring inflation data—along with evidence of a cooling labor market—before considering softening its tone," said Mark Haefele, chief investment officer at UBS Global Wealth Management, in a note.

Bristol-Myers Squibb jumped \$2.20, or 3.1%, to \$72.36 after the Food and Drug Administration approved the drugmaker's psoriasis treatment, Sotyktu.

Gilead Sciences gained \$2.73, or 4.2%, to \$68.01 after the company said it settled a patent case related to its HIV therapies.

Twitter fell 78 cents, or 1.8%, to \$41.41 after the company's lawyers said Twitter intends to enforce its purchase agreement with Elon Musk. Mr. Musk's legal team on Friday cited a whistleblower payment as a new reason to drop the takeover.

The yield on the benchmark 10-year Treasury note rose to 3.361% from 3.321% on Friday. Bond yields and

prices move in opposite directions.

Overseas, European indexes rose across the board. The pan-continental Stoxx Europe 600 jumped 1.8%.

Early Tuesday, Japan's Nikkei 225 and Hong Kong's Hang Seng Index were each up 0.2%, while the Shanghai Composite was up 0.3%. S&P 500 futures rose 0.1%.

AUCTION RESULTS

Here are the results of Monday'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.

	13-Week	26-Week
Applications	\$152,606,665,400	\$130,740,635,400
Accepted bids	\$58,533,971,700	\$45,526,255,400
* noncomp	\$1,294,545,600	\$1,248,968,400
* foreign noncomp	\$365,000,000	\$592,000,000
Auction price (rate)	99.222708 (3.075%)	98.248250 (3.465%)
	3.142%	3.576%
Bids at clearing yield accepted	41.06%	5.42%
	912796K79	912796V17

Both issues are dated Sept. 15, 2022. The 13-week bills mature on Dec. 15, 2022; the 26-week bills mature on March 16, 2023.

THREE-YEAR NOTES

Applications	\$102,244,035,000
Accepted bids	\$41,000,013,000
* noncompetitively	\$208,435,000
* foreign noncompetitively	\$0
Auction price (rate)	99.819428 (3.564%)
Interest rate	3.500%
Bids at clearing yield accepted	83.62%
Cusip number	91282CFK2

The notes, dated Sept. 15, 2022, mature on Sept. 15, 2025.

NINE-YEAR, 11-MONTH NOTES

Applications	\$75,794,186,400
Accepted bids	\$32,000,010,400
* noncompetitively	\$18,181,400
* foreign noncompetitively	\$0
Auction price (rate)	95.132618 (3.330%)
Interest rate	2.750%
Bids at clearing yield accepted	4.32%
Cusip number	91282CFF3

The notes, dated Sept. 15, 2022, mature on Aug. 15, 2032.

Crypto Miners Besieged

Continued from page B1

once-highflying crypto lenders have buckled, leaving mining companies with few places for funding.

Crypto enthusiasts used to routinely mine bitcoin with one machine at home. Now, bitcoin mining companies run banks of high-powered—and noisy—computers to get the job done.

When bitcoin's value soared last year, bitcoin-mining machines became a hot commodity. The rush to load up on mining rigs then was akin to "buying spades in the middle of the gold rush," said Andy Long, chief executive of bitcoin miner White Rock Management.

Prices for the most-efficient tier of bitcoin miners are now one-third of their cost in December, according to Luxor Technology Corp., a bitcoin mining data analytics firm.

The steep decline has especially grave repercussions for the miners that borrowed funds to finance their equipment purchases last year. As bitcoin's price tumbled, these miners were forced to sell some of their mining rigs and bitcoin holdings to avoid running out of cash. But few people want to buy the machines on the secondary market, driving the price of mining machines even lower.

Some analysts worry that more forced selling of bitcoin



Near bitcoin's 2021 peak, miners earned more than \$60 million a day. Now that number is around \$16 million a day. A mining container.

could lie ahead, particularly as miners also struggle with energy-price shocks.

Average power prices for the largest users in Texas had climbed to 7.52 cents per kilowatt-hour in June, up 41% from the same month last year, according to government data. Their German equivalent was at €525 a megawatt hour this month, roughly equivalent to the same number in dollars and up almost 140% from last December. A White House report last week warned that crypto miners could strain the Texas power grid.

Bitcoin-mining company **Compass Mining LLC** recently had to close two facilities in Georgia after their local utility providers increased electricity prices by 50%. **Northern Data**, a Frankfurt-based mining company, said it would run its machines only in the hours when power grids have less demand.

Publicly traded miners were forced to unload about 240,000 bitcoin at fire sale prices in May and June, according to Arcane Research, though the pressure has eased since then.

Miners of ether, the second-biggest cryptocurrency, face an even bleaker winter than their bitcoin counterparts.

Currently, crypto platform Ethereum uses a model similar to bitcoin, rewarding the fastest miners with new tokens. A software upgrade known as "the Merge" will change that. After the update, planned for this month, the Ethereum network will no longer require miners and their machines.

Already, there is less money to be made. Ether miners are averaging about \$20 million in

revenue a day, down from \$50 million in 2021, according to crypto research firm CoinMetrics.

Ether miners will be able to migrate to platforms that still require miners, though those might not be as lucrative.

If ether miners decide to stop mining altogether, they can sell their machines to gaming or machine-learning companies, said Kyle Waters, a research analyst at CoinMetrics. That is because most ether mining machines have features that allow them to be repurposed, he said.

Goldman to Cut Hundreds Of Jobs Following Reviews

By CHARLEY GRANT

Goldman Sachs Group Inc. is preparing to lay off hundreds of staffers as soon as next week.

The job cuts are part of the bank's annual performance reviews that had been suspended during the pandemic, according to a person familiar with the matter.

Goldman reinstated those reviews this year following a slump in Wall Street deal-making activity. Goldman had 47,000 employees on staff at the end of June, up from 41,000 a year earlier.

The New York Times earlier reported on the impending layoffs.

After a record-setting 2021, the industrywide slump in mergers and new initial public offerings has hit Goldman's bottom line this year. Second-quarter investment-banking revenue fell 41% from a year ago, and Goldman's profit fell



The company had 47,000 employees on staff at the end of June, up from 41,000 a year earlier.

by nearly half in that period. Chief Financial Officer Denis Coleman said at the time that the bank would slow its pace of hiring and would be slower to replace departing staff as a result of economic uncertainty.

"There's no question that economic conditions are tightening to try to control infla-

tion, and as economic conditions tighten, it will have a bigger impact on corporate confidence and also consumer activity in the economy," Chief Executive David Solomon said on a conference call with analysts in July. "I think it's hard to gauge exactly how that will play out, and so I think it's prudent for us to be cautious."

Fidelity Weighs Trading of Bitcoin on Brokerage Platform

By JUSTIN BAER

Fidelity Investments is weighing a plan to allow individual investors to trade bitcoin on its brokerage platform, people familiar with the matter said, marking the financial giant's latest foray into cryptocurrencies.

Fidelity launched a bitcoin-trading business for hedge funds and other institutional investors in 2018, and earlier this year allowed corporate clients to add the digital asset to the 401(k) retirement plans it manages for them. Now, the Boston firm is working toward bringing crypto to its more than 34.4 million brokerage accounts, the people said.

Led by its chief executive, Abigail Johnson, Fidelity was among the first mainstream financial firms to champion digital assets and the technology that underpins them. Ms. Johnson began holding weekly

crypto discussions with her lieutenants nearly a decade ago, and in 2015 Fidelity started mining bitcoin. Later, it added a link on retail customers' accounts to Coinbase, the crypto exchange, to track their holdings. In 2020, it opened its own crypto fund for wealthy customers.

When Fidelity opened its 401(k) accounts to bitcoin, industry executives came to believe it was only a matter of time before the firm moved to allow brokerage customers to hold crypto in their accounts. Some of its competitors, including Robinhood Markets Inc., have used access to digital assets as a key selling point for a new generation of investors who had started trading everything from stocks and options to bitcoin in 2020.

On Monday, Mike Novogratz, **Galaxy Holdings** Ltd.'s CEO and one of Fidelity's first crypto clients, signaled

Fidelity would soon join them.

"A bird told me that Fidelity, a little bird in my ear, is going to shift their retail customers into crypto soon enough," Mr. Novogratz said during a speech at the SALT Conference. "I hope that bird is right. And so we are seeing this institutional march."

Fidelity hasn't shared its plans with its clients yet.

Anything Fidelity does to expand crypto's reach to individual investors is likely to draw scrutiny from Washington. The Labor Department has said it was concerned about companies' decisions to allow its employees to invest in cryptocurrencies through their Fidelity retirement plans. Several U.S. senators also raised questions about the plan, citing the risks inherent investing savings in such risky assets.

—Vicky Ge Huang contributed to this article.