

# THE WALL STREET JOURNAL.

## What's News

### Business & Finance

**Tesla** said it bought \$1.5 billion in bitcoin, a disclosure that follows CEO Musk's promotion of the cryptocurrency and other digital-currency alternatives on Twitter. **A1**

◆ **The electric-vehicle** maker has been summoned by Chinese authorities citing consumer complaints about quality issues. **B1**

◆ **SoftBank** posted net profit of about \$11 billion for its latest quarter, underpinned by investment gains at its Vision Fund and a smaller successor. **A1**

◆ **Boeing's board** failed to challenge Muellenburg on the safety of the 737 MAX or his campaign to counter negative news reports between two fatal crashes, according to a lawsuit by shareholders. **B1**

◆ **Major U.S. stock indexes** closed at records, with the S&P 500, Dow industrials and Nasdaq rising 0.7%, 0.8% and 0.9%, respectively. **B1**

◆ **Raising the federal** minimum wage to \$15 an hour by 2025 would lift 900,000 Americans above the poverty line but cost 1.4 million jobs, a CBO study said. **A2**

◆ **The DOJ** dropped its challenge to California's net-neutrality law, in what may signal a shift back to an Obama-era policy aimed at equal access to the internet. **A3**

◆ **Reddit**, which played a role in the recent stock-trading frenzy, doubled its valuation to \$6 billion in a new round of funding. **B1**

◆ **Electronic Arts** said it is acquiring Glu Mobile in a \$2.4 billion deal. **B1**

### World-Wide

◆ **Lawyers for Trump** argued it is unconstitutional for the Senate to hold an impeachment trial for a former president and denounced the case as "political theater," while Democrats said Trump was trying to escape accountability for allegedly inciting last month's riot at the Capitol. **A1**

◆ **The elaborate national** security network set up after 9/11 to identify and thwart threats failed ahead of the Capitol riot, as law enforcement didn't act on intelligence about potential violence and prevent the assault. **A6**

◆ **House Democrats** released the biggest piece of their coronavirus relief bill, offering a measure that would extend a \$400-a-week unemployment insurance bonus through Aug. 29 and send \$1,400 per-person payments to most households. **A3**

◆ **WHO officials** expressed confidence that AstraZeneca's Covid-19 vaccine can prevent severe cases of the disease, despite questions about the protection it offers against a fast-spreading strain first detected in South Africa. **A9**

◆ **U.S. prosecutors** are investigating Honduras's president for allegedly accepting bribes to protect drug traffickers who shipped tons of cocaine to the U.S., according to a court filing. **A10**

◆ **The acting U.S. attorney** general plans to ask hold-over U.S. attorneys appointed by Trump to resign, exempting two top prosecutors overseeing politically sensitive inquiries. **A6**

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## Thousands Protest in Myanmar Before Military Bans Rallies



**DIVIDING LINE:** Riot police on Monday face off against demonstrators in Naypyitaw, Myanmar, protesting the military coup. Thousands attended rallies before the military rulers issued decrees banning protests in the country's two biggest cities. **A9**

## Tech-Fund Turnaround Powers SoftBank to \$11 Billion Profit

By PHRED DVORAK AND MAUREEN FARRELL

TOKYO—SoftBank Group Corp.'s massive tech funds are finally starting to produce golden eggs. That is how Masayoshi Son, SoftBank's ebullient chief executive, characterized a record-breaking quarter for the Japanese company's signature \$100 billion Vision Fund.

That fund, along with a smaller successor, rode red-hot markets to investment

gains of \$13 billion in the three months ended December, their best quarter ever. Those gains underpinned a net profit of ¥1.17 trillion for SoftBank, equivalent to about \$11 billion.

Mr. Son said he expected SoftBank's funds—which have investments in 164 companies when a third capital pool focused on Latin America is included—could produce between 10 and 20 initial public offerings a year.

"We've finally entered the harvest phase" for the funds,

Mr. Son said at a Tokyo news conference, standing in front of a slide showing a goose laying golden eggs, representing SoftBank's hit IPOs and exits. A later slide depicted the golden eggs marching out of the goose to the tune of Tchaikovsky's "March of the Toy Soldiers."

A successful run could revive the reputation of Vision Fund, after missteps and the market's decline early in the pandemic left it with a nearly \$17 billion investment loss for the year ended March 2020. Good re-

turns are critical for Mr. Son, who hopes to roll out a series of successor funds, but has found investors too skeptical of the first fund's performance to contribute to a second.

Anticipation of strong results pushed SoftBank's stock price up 4.4% to ¥9,485 Monday, a level last seen in February 2000, when the company's shares peaked during the in-

◆ **China rebukes Tesla** on quality issues..... B1  
◆ **Heard on the Street: SoftBank's** vision when markets rise... B12  
◆ **Heard on the Street: Bitcoin** purchase raises concerns... B12

## Netanyahu Pleads Not Guilty in Corruption Case



**Israeli Prime Minister Benjamin Netanyahu, right, speaking to a member of his legal team in court in Jerusalem, pleaded not guilty Monday to charges of corruption. A10**

## Trump's Lawyers Lay Out Defense On Eve of His Trial

By REBECCA BALLHAUS AND LINDSAY WISE

WASHINGTON—Lawyers for Donald Trump argued it is unconstitutional for the Senate to hold an impeachment trial for a former president and denounced the case as "political theater," while Democrats said Mr. Trump was trying to escape accountability for allegedly inciting last month's riot at the Capitol.

The pretrial filings came a day before the Senate trial formally begins, with a brief debate and vote on the constitutionality of trying the former president set for Tuesday, followed by

several days of presentations that could include witnesses. Mr. Trump, who last month became the first president to be impeached twice, is the first former president to face a Senate impeachment trial.

In their brief Monday that offered the fullest picture of their defense, the former president's team argued that the Senate can't convict Mr. Trump, a Republican, because he is no

◆ **Impeachment puts Trump** back in center of GOP..... A4  
◆ **Warnings of Capitol riot** weren't acted upon..... A6

## Trade Fracas Snares Wrong Robin Hood

Historical society mistaken for the online brokerage

By JAMES HOOKWAY

The day Robinhood Markets Inc. brokerage restricted trading in GameStop Corp., a howl rose among the small-time traders looking to take a swing at Wall Street big shots during the market's end-of-January frenzy.

The trading folderol caught the attention of Robin Hood enthusiasts in Nottingham, England, where legends swirl of past campaigns to squeeze the rich.

Bob White, at home that day, Jan. 28, was the first to see opportunity. His phone started beeping and wouldn't let up. As chairman of the

## The Bill Comes Due For Mall Theme Parks

Operators spent billions to woo shoppers with entertainment. It's made matters worse.

By ESTHER FUNG

SYRACUSE, N.Y.—Destiny USA is New York's largest shopping mall, a six-story structure by Onondaga Lake. Its feature attraction is WonderWorks, a 40,000-square-foot theme park where children can experience a simulated earthquake, learn about space travel wearing an astronaut suit or play laser tag.

They could, that is, until the state made the mall close many of the attractions in November for the second time last year to counter Covid-19. Only 18% of the space leased to entertainment tenants is open currently, said a spokesman for the mall's owner, Pyramid Management Cos.

Adding theme-park-like attractions was a strategy that Pyramid viewed as crucial to drawing foot traffic and reversing the yearslong struggles of mall operators battling online shopping. Now, the strategy looks less like a lifeline and more like a millstone.

Even as new pandemic measures have allowed the mall's stores to reopen, regulations have kept many of its entertainment attractions closed. Pyramid, which is privately held, borrowed heavily to expand and to build entertainment extravaganzas at Destiny USA and another mall, Palisades Center in West Nyack, N.Y., and the bills are coming due.

In April, the Pyramid enti-

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## U.S. NEWS

# House Plan Keeps Checks At Same Levels

BY RICHARD RUBIN  
AND ANDREW DUEHREN

WASHINGTON—House Democrats released the biggest piece of their coronavirus relief bill Monday, offering a measure that would extend a \$400-a-week unemployment insurance bonus through Aug. 29 and send \$1,400 per-person payments to most households without lowering the income thresholds from earlier rounds.

Democrats have been debating whether to reduce those income levels, but the version headed for a Ways and Means Committee vote this week gives the full amounts to individuals with incomes up to \$75,000 and

**The Covid-19 relief measure would send \$1,400 per person to most households.**

married couples with incomes up to \$150,000. The legislation also expands the child tax credit, broadens child-care assistance and bolsters tax credits for health insurance.

It will be combined with pieces advancing through other House committees with the aim of getting through the full House later this month. Together, the measures make up President Biden's \$1.9 trillion aid plan, which Democrats are trying to push quickly through Congress.

"Our nation is struggling, the virus is still not contained, and the American people are counting on Congress to meet this moment with bold, immediate action," said Rep. Richard Neal (D, Mass.), the committee chairman whose panel will begin considering the bill on Wednesday.

Other sections of the relief plan will provide \$130 billion in

funding for K-12 schools, \$40 billion for colleges and universities and \$39 billion for child-care providers. Mr. Biden has also proposed offering funds for vaccine distribution, unemployment programs and state and local governments, among other measures.

The legislation will also incorporate a minimum-wage increase to \$15 an hour although some Democrats, including Mr. Biden, have questioned whether it would be possible to pass in the final legislation.

Rep. Kevin Brady of Texas, the top Republican on the committee, criticized the plan. "Our focus should be on crushing the virus and rebuilding our economy," he said. "Unfortunately, the bill placed before us at this late hour doesn't fit that effort."

One of the largest pieces is the \$1,400 payments, which are similar to the \$1,200 checks issued after the March economic-relief law and the \$600 payments issued after December's law. This round of payments would total \$422 billion.

There are some key differences, however. This time, children and adult dependents would be eligible for the full \$1,400. Those adult dependents haven't been previously eligible.

A married couple with two children under 17 would get as much as \$5,600, compared with \$3,400 from the first round of payments and \$2,400 in the second round. A single parent with a college student would get up to \$2,800, compared with \$1,200 from the first round and \$600 in the second round.

Compared with previous versions, the payments phase out faster as incomes rise, responding to lawmakers' concerns about higher-income households possibly getting money. According to a committee summary, individual payments go to zero once individual income reaches \$100,000 and married couples' payments go to zero when income hits \$200,000.



Election workers opened mail-in absentee ballots for tabulation in Lawrenceville, Ga., on Jan. 6, a day after two Senate runoff races.

## Post-Election Battle Over Mail-In Voting Rules Set to Begin in Georgia

BY CAMERON McWHIRTER  
AND JON KAMP

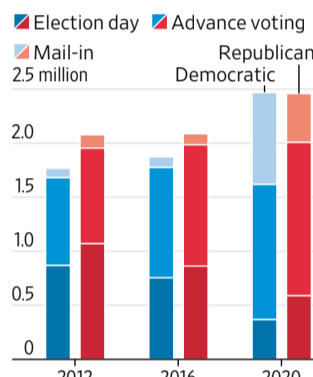
ATLANTA—Georgia lawmakers are gearing up for a brawl over proposed election-law changes, following key Democratic victories in this longtime Republican stronghold.

Republican lawmakers are pitching new bills that would add requirements or restrictions to mail-in voting, which was used heavily by Georgia voters during the coronavirus pandemic and helped President Biden and two Democratic senators secure wins.

Republicans say changes are needed to shore up shaken public faith in the voting process. "There has been so much noise and misinformation about the election that I think we've got to restore confidence," Georgia state Sen. Larry Walker III, vice chairman of the Republican Senate caucus, said in an interview.

Democrats said the proposals are attempts by recent election

**Votes in presidential elections, by type and party of candidate\***



losers to game the system. Georgia held two recounts and a forensic partial audit and found no widespread fraud. "Those [Republican] policies are not based on any kind of evidence," said state Rep. Bee Nguyen, a Democrat from Atlanta.

Former President Donald

Trump's defeat—and his repeated, unsupported claims that the election was rigged—have amplified a long-running political debate over election laws. Proponents of adding voter requirements or restrictions often say they are needed to guard against fraud. Opponents of the restrictions say fraud is rare and such laws make it harder to vote.

Georgia has allowed no-excuse absentee voting under a 2005 law passed by a Republican-controlled Legislature. The pandemic caused this method to surge in popularity. About 849,000 of the 1.3 million residents who voted by mail chose Mr. Biden; about 450,000 voted for Mr. Trump. The Democrat won the state by about 12,000 votes out of five million cast.

Several bills proposed by Republican Georgia state legislators would change rules for mail-in voting, including one that would require voters to supply a reason to vote absentee. Other bills would ban ab-

sentee-ballot drop boxes and set limits on who can mail absentee applications to voters.

One proposal would require people to provide proof of identification when applying for mail-in ballots and when they send in ballots. People voting in person in Georgia are required to provide an I.D.

GOP-backed legislation stretches beyond voting by mail, including proposals to end automatic voter registration when people get a driver's license and to expand poll watchers' access in tabulating centers.

Similar fights are brewing in other states that flipped blue in the November election. A Republican-backed bill in Pennsylvania would dial back provisions the GOP-controlled Legislature passed two years ago allowing all voters the option to request and cast a mail-in ballot without giving a reason. A GOP-sponsored measure in Arizona would require mail-in ballots to be notarized.

## U.S. Drops Challenge to California's Net-Neutrality Law

BY JOHN D. MCKINNON

WASHINGTON—The Justice Department dropped its challenge of California's net-neutrality law, in what may signal a shift back to an Obama-era policy aimed at equal access to the internet.

The Federal Communications Commission's acting chairwoman applauded the Justice Department decision, which was conveyed through a

one-sentence notice in federal district court in California that the case was being dismissed.

"By taking this step, Washington is listening to the American people, who overwhelmingly support an open internet, and is charting a course to once again make net neutrality the law of the land," said Jessica Rosenworcel, who was designated as the FCC's interim leader by President Biden.

Net-neutrality rules are aimed at preventing internet providers—mostly cable and phone companies—from favoring some internet content over others, for instance through higher speeds.

Reinstating the Obama-era rules has taken on added importance for some advocates since the Covid-19 pandemic, because the regulations, which treated carriers like utilities, could help form the basis for

addressing broadband affordability problems, for instance through eventual rate regulation of the service.

But the path forward on net neutrality for the Biden administration remains unclear.

The FCC is currently deadlocked along party lines at 2-2, making it unlikely that any net-neutrality rules could be approved in the short term. That leaves possible next steps up to Congress, at least until

another Democratic commissioner can be confirmed by the Senate.

Under former President Donald Trump, the FCC rolled back the Obama-era net-neutrality regulations in 2017, with the support of much of the telecommunications industry.

Telecom companies argued that the sweeping Obama-era rules would deter broadband investment. The Trump FCC

substituted new rules that required providers to be transparent about practices that favor or disfavor particular content.

In response, California passed its own net-neutrality law.

The Justice Department challenged that law, on grounds that the federal government and not states has sole authority to regulate the internet.

## Hacker Tampered With Florida Water System

BY ARIAN CAMPO-FLORES

A water-treatment plant in Oldsmar, Fla., was hacked, and the intruder briefly increased the amount of lye used to treat water to a dangerous level, authorities said Monday.

A plant operator noticed the alteration Friday and immediately reversed it, avoiding adverse effects on the city's water supply. But the breach highlights the exposure of utilities to cyberattacks.

"Water systems, like other public utility systems, are part of the nation's critical infrastructure and can be vulnerable targets when someone desires to adversely affect public safety," said Pinellas County Sheriff Bob Gualtieri at a news conference Monday about the incident.

The hacking began on Friday morning at the plant in Oldsmar, a city of about 15,000 people in the Tampa Bay area, Sheriff Gualtieri said. Around 8 a.m., a plant operator noticed that someone remotely accessed a computer system he was monitoring that controls chemicals used to treat water as well as other functions. The computer system has a software program that allows authorized users to access it remotely.

The intruder got into the utility's industrial control system through TeamViewer, a tool that allows engineers to monitor and repair computers



The amount of lye used to treat water at the plant was briefly raised to a dangerous level.

and network machines, Sheriff Gualtieri said in an interview. Though the utility had switched to a different tool six months ago, he said, the TeamViewer program remained in place but unused, providing the door through which the intruder entered and gained full access to the system.

The intrusion was brief, and the operator didn't think much of it because his supervisor and others remotely access his computer screen to monitor the system, Sheriff Gualtieri said at the news conference. Then at around 1:30 p.m. Friday, someone again entered

the system remotely. A plant operator observed the intruder opening various software functions that control the water being treated in the system, the sheriff said.

One of them regulates the level of sodium hydroxide, or lye—a main ingredient of drain cleaners that also is used to control water acidity and remove metals from drinking water, Sheriff Gualtieri said. The hacker increased the amount of lye from about 100 parts per million to 11,100 parts per million, he said.

"This is obviously a significant and potentially dangerous increase," Sheriff Gualtieri said.

Even if the employee hadn't caught the intrusion, other checks in place would have alerted operators of problems ahead of water being released to residents. So the public was never in danger, the sheriff said.

The sheriff's office launched a criminal investigation, and a digital forensics unit is trying to find out how the breach occurred and who is responsible, Sheriff Gualtieri said. It is unclear whether the intrusion originated in the U.S. or outside the country, or why the Oldsmar plant was targeted, he said. No suspect has been identified.

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U.S. NEWS

# Biden's Aid Push Need Not Kill Bipartisanship



CAPITAL JOURNAL  
By Gerald F. Seib

When President Barack Obama took office in 2009, the country was in the throes of a financial crisis requiring immediate action. The result was a quick, \$831 billion economic stimulus plan, pushed through Congress in less than a month.

The plan was passed almost entirely with Democratic votes; not a single House Republican supported it, and just three Senate Republicans did so. Politically, the problem with that outcome was that it set a partisan tone that lingered, making it hard for the Obama administration and Republicans to come together on subsequent initiatives. The residue of mutual bitterness and mistrust had lasting effects.

Fast forward to 2021, and the capital is in a similar situation. The Biden administration has taken office in crisis mode, facing a coronavirus pandemic that it believes requires immediate action—specifically, a new economic stimulus plan that can be in place before supplemental federal unemployment benefits expire on March 14. Once again, there is the prospect that action will be taken entirely, or almost entirely, with Democratic votes, because the gap between what the



CARLOS BARRIA/REUTERS

The risk is that the stimulus debate in the opening hours of President Biden's term will set a tone of partisanship that sticks.

White House wants and what Republicans think is necessary is yawning.

Once again, the risk is that the outcome could set a partisan tone that colors the rest of the Biden term.

Administration officials say they hope that isn't the case. Even if the stimulus plan is passed under special reconciliation rules in the Senate to avoid a Republican filibuster and allow it to be passed with only Democratic votes, officials hope it still will pick up some Republican votes, giving it at least a patina of bipartisanship.

Perhaps more important, officials say that they will

continue to pursue bipartisan outcomes—and that other items on the early to-do list should attract support in both parties.

Indeed, at least in theory, there should be grounds for cross-party cooperation on some big items on the country's post-pandemic list of needs. In the more populist, Donald Trump-influenced Republican Party, there is support for the kinds of help for manufacturing industries that President Biden has promised in his so-called "Build Back Better" economic plan, as well as for his calls for buy-American steps to lure manufacturing and supply chains back to the U.S.

Likewise, there is discern-

ible support in both parties for a big plan to improve American infrastructure. In particular, heartland lawmakers in both parties want a plan to expand broadband service in rural sectors. The grounds for a bipartisan effort in both areas were there in the Trump years, but bitterness over Democratic investigations of the president got in the way.

There even is the basis for some bipartisanship on building up the country's so-called "green infrastructure"—a network of charging stations for electric cars, for instance, and an expanded solar-power network. Increasingly, the business community, a traditional core element of the Republi-

can base, sees movement toward green energy as inevitable, and it wants government support.

Two obvious obstacles stand in the way of post-stimulus bipartisanship. The first is that there simply won't be enough money left. The new coronavirus package is just the latest of a handful of such pandemic plans financed, in effect, with borrowed dollars.

Republicans, having essentially looked the other way at a sea of red ink unleashed in the past four years, now are paying more attention to the rising federal debt load. But so are some Democrats.

The broader risk is that the stimulus debate, kicked

off in the opening hours of the Biden term, will set a tone of partisanship that sticks.

Maybe partisanship is inevitable in today's divisive political climate; maybe it is simply naive to think otherwise. The partisan divides of 2021 aren't created simply by attitudes but by the changing nature of the Democratic and Republican parties from the ground up.

The Pew Research Center last year produced a broad study of the changing faces of the two parties over the past quarter century, which chronicled how they increasingly are divided along racial, gender and educational lines.

"The Republican and Democratic coalitions, which bore at least some demographic similarities in past decades, have strikingly different profiles today," the Pew analysis concluded. It found "profound shifts" in party identification over the past two decades.

The Democratic Party is increasingly racially diverse, female and focused in urban areas along the coast. The Republican Party is increasingly male, populated by voters without college degrees and focused in the heartland outside of coastal urban areas.

Yet even within these changes lies some hope for common ground. The new Republican Party is full of working-class Americans who should share Democrats' affinity for government help during the pandemic, and Mr. Biden's promises to help manufacturing in the long run. The trick will be to prevent hopes for bipartisanship from being extinguished in these early days.

## Shelby Won't Run Again in Alabama

By KRISTINA PETERSON

WASHINGTON—Sen. Richard Shelby (R., Ala.), the top Republican on the Appropriations Committee, said he wouldn't run for re-election next year.

Mr. Shelby, 86 years old, is currently serving his sixth term in the Senate. He is the latest in a string of Senate Republicans to announce that they don't plan to run for re-election in 2022, joining Sens. Richard Burr of North Carolina, Pat Toomey of Pennsylvania and Rob Portman of Ohio.

While Republicans are expected to retain Mr. Shelby's seat in Alabama, the seats in Pennsylvania and Ohio are expected to be competitive, given that Democrats hold one seat apiece in those two states. North Carolina also has played host to tight races in recent elections.

So far, no Democrats up for re-election have announced their retirements. The party split in the Democratic-controlled Senate is currently 50-50, with Vice President Kamala Harris able to break any ties.

Mr. Shelby was first elected to the U.S. House in 1978 as a Democrat, before switching parties and running as a Republican in 1994.

Mr. Shelby said he has served in the Senate longer than any other senator from Alabama.

"Although I plan to retire, I am not leaving today. I have two good years remaining to continue my work in Washington," Mr. Shelby said Monday. "I have the vision and the energy to give it my all."

## Pick of Bank Regulator Divides Democrats

By ANDREW ACKERMAN AND BEN EISEN

WASHINGTON—A dispute over the choice of a top banking regulator is highlighting fault lines among Democrats—on issues from racial diversity to ties to the Obama administration—as President Biden fills out his leadership team.

Michael Barr, an Obama and Clinton administration alumnus who leads the University of Michigan's public policy school, is the leading contender to head the Office of the Comptroller of the Currency, which oversees companies including JPMorgan Chase & Co. and Wells Fargo & Co.

But some progressive Democrats are making a last-ditch effort to install Mehrsa Baradaran, an Iranian-born law professor at the University of California, Irvine and author of "The Color of Money: Black Banks and the Racial Wealth Gap."

Their records suggest that Mr. Barr and Ms. Baradaran are likely to pursue racial equity and expand financial services in low-income communities. Several progressives,



Some Democrats are pitching Mehrsa Baradaran, left, rather than Michael Barr to head the Office of the Comptroller of the Currency.

including Ohio Sen. Sherrod Brown, have lined up to support Ms. Baradaran, while others back Mr. Barr. Mr. Brown chairs the Senate Banking Committee, which will have to green-light the nominee.

Mr. Biden has emphasized building a diverse leadership team and has made a number of barrier-breaking selections. Progressives have been pushing candidates for several key posts with some, but not complete, success—looking for diversity and left-leaning re-

ords or skepticism of business and finance. Their focus on financial regulatory posts stems from their view that the Obama administration's response to the financial crisis did too little to help homeowners and relied heavily on people from Wall Street.

"An immigrant of color is key, and particularly in this moment," said freshman Rep. Jamaal Bowman (D., N.Y.).

Yet Mr. Biden's other appointments—including Obama and Clinton alumnus Gary

Gensler to head the Securities and Exchange Commission—suggest he favors experience in Washington. Ms. Baradaran hasn't previously had a regulatory role in Washington, while Mr. Barr served in the Treasury under Barack Obama and helped craft the 2010 Dodd-Frank Act.

Sen. Elizabeth Warren (D., Mass.), in a 2014 book, described Mr. Barr as a "hero" for helping create the Consumer Financial Protection Bureau as part of the legislation. "Michael has consistently come down on the side of the underserved," said Bill Bynum, the chief executive of Hope Credit Union in Jackson, Miss., who has known Mr. Barr since the 1990s, when they worked together to boost investment in impoverished communities when Mr. Barr served in the Clinton Treasury.

The OCC is an independent bureau of the Treasury. It oversees about 1,200 banks with total assets of about \$14 trillion, some two-thirds of the total in the U.S. banking system, making it a powerful regulator.

After The Wall Street Journal reported that Mr. Barr was

the likely pick to lead the OCC, progressive politicians and activists organized on social media to raise questions about his record dealing with the 2008 financial crisis and its aftermath.

In op-ed articles and letters to Mr. Biden, lawmakers promoted Ms. Baradaran's credentials, including her calls to offer financial services through post offices to reach people who lack bank accounts or credit cards. Though banking-industry groups oppose the idea, Mr. Biden embraced it on the campaign trail.

The contest also reflects growing attention to the burgeoning financial-technology industry. Mr. Barr served as an adviser to financial-technology firms Ripple Labs Inc. and LendingClub Corp. Some critics on the left say he is too close to the industry and that his ties could conflict with OCC's supervision.

Mr. Barr's defenders say the alleged conflicts are contrived. He advised both firms on consumer protection and financial inclusion and had no responsibility for running the firms, they say.

## Impeachment Puts Trump Back at Center of GOP

By JOSHUA JAMERSON AND LINDSAY WISE

WASHINGTON—A reporter couldn't even finish saying former President Donald Trump's name before Sen. John Cornyn (R., Texas) interrupted mid-sentence.

"So, Donald—" "We're still doing that?" said Mr. Cornyn, cutting off a TV journalist asking about developments ahead of Mr. Trump's Senate trial.

Nearly three weeks after President Biden stepped into the Oval Office, Republicans are still adjusting to life being shut out of power in the White House and both chambers of Congress. Republicans on Capitol Hill, where the Senate is beginning on Tuesday its second impeachment trial of Mr. Trump in two years, continue to hone what the GOP represents with Mr. Trump out of office but broadly popular among the party rank and file.

They have found functional upsides. Republicans are for the first time in four years living without fear of presidential tweets inviting primary

election challenges, or having to comment on his often controversial pronouncements. "Members definitely don't miss it," said one GOP Senate aide. Some Republican lawmakers and strategists are privately hoping Mr. Trump's exile from Twitter might make it easier for the party to move on from him to focus on the policy issues at hand—and on countering Mr. Biden.

But the start of Mr. Trump's trial this week not only has kept the former president at the forefront of the Washington agenda but means Senate Republicans face another public test of their loyalty to him, with base voters watching.

The former Republican president will stand trial after the House impeached him for inciting the Jan. 6 riots on Capitol Hill, as lawmakers were certifying President Biden's election win. Mr. Trump and his allies have denied any wrongdoing.

Charlie Shaffer, the former chair of the Piscataquis County Republican Committee in a GOP stronghold in Maine, said he still supports Mr. Trump because his drain-the-

swamp messaging in 2016 was refreshing and he thinks it is a winning message for Republicans. "He had a vision, and he had the personality to carry it through," Mr. Shaffer said, adding that Democrats are pressing for conviction in the impeachment trial to damage Mr. Trump politically. "Why are you concerned with him running again? Let him go!"

### Senate Republicans face another public test of loyalty to the former president.

Tami Martinek, co-chair of the Boone County Republicans in central Iowa, said she wants her state's Republican senators—Joni Ernst and Chuck Grassley—to vote to acquit Mr. Trump. "It is a complete waste of time, it is unconstitutional, and I think they are focusing on," Ms. Martinek said.

Stewart Peay, chair of the

GOP in Utah County, Utah, said the outcome of the looming Senate trial shouldn't dictate the future of the party because Republicans should focus more on policy. "Regardless of who the leader is, we need to get back to pushing conservative ideals and away from personality-based politics," he said.

According to a Marist poll conducted in late January, after Mr. Trump left office, 90% of Republican voters surveyed said the Senate should acquit Mr. Trump, compared with 5% who thought he should be convicted.

Other polls of Republicans give a mixed picture. Surveys by Remington Research Group showed Mr. Trump's popularity among Republicans holding steady in several House districts after Jan. 6. For example, in South Carolina's 7th District—home to Rep. Tom Rice, one of 10 House Republicans who voted to impeach Mr. Trump—83% of GOP primary voters gave Mr. Trump a favorable rating Feb. 1. But a national Quinnipiac poll released Jan. 18 indicated Mr. Trump had a 73% approval rating

among Republicans nationwide, down from 89% in December.

Mr. Trump has been barred from many social-media outlets and has put out only a handful of statements. He has kept in touch with top Republicans, from House Minority Leader Kevin McCarthy of California to freshman Rep. Marjorie Taylor Greene of Georgia and Sen. Lindsey Graham of South Carolina, who said he talked to the president in recent days.

Sarah Chamberlain, president of the centrist group Republican Main Street Partnership, said that Ms. Greene's promotion of conspiracy theories had replaced Mr. Trump's tweets as a political headwind for the GOP, particularly in suburban areas.

"Marjorie Greene is sucking up all the air," Ms. Chamberlain said. "Trump is gone, he is out of office and out of the day-to-day, but he has been replaced by her." She pointed to ads in competitive districts by the Democratic Congressional Campaign Committee, the party's House of Representatives campaign arm, featuring Ms. Greene.

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## U.S. NEWS



Workers on Monday repair glass on the East Front rotunda doors that was damaged during the deadly Jan. 6 assault at the U.S. Capitol.

# Capitol Riot Warnings Weren't Acted On

System broke down as officials dismissed or missed indicators of potential violence

The elaborate national security network set up after the 9/11 terrorist attacks to identify and thwart threats failed ahead of last month's Capitol

By Rachael Levy,  
Dan Frosch  
and Sadie Gurman

riot, as law enforcement didn't act on intelligence about potential violence and prevent the assault.

Offices spread across the country that share intelligence among federal, state and local law enforcement pointed out alarming online discussions about weapons in the days before the Jan. 6 rally in Washington. A Federal Bureau of Investigation field office reported a rallying call for war and the sharing of maps of the Capitol. The Department of Homeland Security warned about the heightened potential for violence in the rally's run-up, though mentioned no specific threat for Jan. 6.

While the information was shared, this multipoint warning system broke down, failing to generate sufficient follow-up, as officials spotted and dismissed these signals while missing others entirely, according to interviews with current and former officials and a review of internal government documents.

The result: The extensive local and federal law-enforcement network that protects

Washington was never fully prepared, leaving the usually heavily guarded city center vulnerable to attack. That assault came Jan. 6 when a pro-Trump mob stormed the Capitol as Congress was preparing to certify President Biden's election victory.

"Nothing significant to report," read a Jan. 5 national summary from DHS's Office of Intelligence and Analysis that was sent to law enforcement across the country, according to a copy reviewed by The Wall Street Journal. The office is responsible for monitoring threats online and sharing them with federal, state and local law enforcement.

Some of the Jan. 6 violence, in which five people died, was spontaneous and chaotic. But the government's prosecutions of alleged rioters cite some evidence of coordination and planning to disrupt Congress by members of far-right fringe groups such as the Proud Boys, Oath Keepers and Three Percenters.

"There's no explanation that I can give for the failure to produce analytical products that would have predicted what was going to happen. You could see it building," said Frank Taylor, a retired Air Force brigadier general who led DHS's intelligence branch from 2014 to 2017. "And the fact that we didn't means that we failed, along with several other agencies. This was a systemic failure."

Four government watchdogs and several congressional committees are now scrutinizing a response that amounts to one of the biggest lapses since the federal security ap-

paratus was overhauled following the Sept. 11 attacks nearly two decades ago. That restructuring created DHS and its intelligence branch, among other changes, to better pinpoint threats and coordinate responses.

There were many reasons why the mob was able to reach the Capitol and overwhelm a security force chiefly made up of members of the Capitol Police. Washington, D.C., Mayor Muriel Bowser on Jan. 5 urged federal agencies not to send additional forces without consulting local police, after racial-justice protests in which heavily armed security forces clashed with protesters outside Lafayette Square near the White House last summer. The Capitol Police declined Pentagon offers of National Guard reinforcements ahead of time, though a small group of D.C. Guard troops was deployed to augment policing in other parts of the city.

But the inability of law enforcement to fully mobilize demonstrates how a system chiefly designed to protect against terrorist attacks emanating from abroad struggles to confront violent domestic extremism, which the FBI and DHS have identified as among the most serious terror threats facing the country.

Combating domestic terror vexed law enforcement long before Jan. 6. U.S. officials are constrained in their ability to monitor communications between those who may be intent on violence, lacking the sweeping surveillance powers against U.S. citizens that they can use overseas. No catchall,

federal domestic terrorism statute gives officials greater power. That means authorities can do little to intervene preemptively without evidence of a planned violent act or other crime.

The torrent of online and social-media communications also means it can be difficult to distinguish online bravado from a genuine threat. And some current and former officials pointed to a broad reluctance to take any pre-emptive action against President Donald Trump's supporters who came to Washington for a permitted political rally on the Ellipse near the White House where Mr. Trump spoke.

**'This was a systemic failure,' said a retired Air Force brigadier general.**

Both the FBI and DHS said they didn't issue a joint intelligence bulletin—a widely disseminated alert to law enforcement nationwide—because they had no specific, credible threats about Jan. 6. Both agencies said they shared information they had with other law-enforcement agencies. The FBI, aware of the potential for trouble, discouraged some people thought to be violent agitators from traveling to Washington. It set up 24-hour command posts at the Washington field office and headquarters about a mile from the Capitol and put tactical teams on standby, which it

hadn't done for two earlier pro-Trump marches.

A spokeswoman for DHS's intelligence unit declined to comment on the Jan. 5 summary the unit issued. She said the unit didn't know in advance what Mr. Trump would say at the rally and that "national figures would be encouraging action against the Capitol and government officials." Mr. Trump has denied responsibility for the violence, and his lawyers have said he didn't incite it.

Justice Department and Capitol Police officials have since said that they underestimated the potential for Trump supporters to rampage through the Capitol, thinking the event would be like two other recent pro-Trump rallies in Washington, which saw only isolated violent incidents. Mayor Bowser has acknowledged security failures occurred and called for Congress to appoint a nonpartisan commission to hold officials accountable.

One change implemented almost two decades ago to improve intelligence-sharing between local, state and federal law enforcement and emergency-response agencies was the creation of "fusion centers" in every state and territory. On Jan. 4, the heads of the fusion centers convened a rare national call to discuss alarming information they were gathering about the coming Trump rally.

The offices were seeing an unsettling amount of online posts about people planning to bring weapons to the event, raising the potential for violence, said one participant in

the call. As is protocol, the information was funneled through the Washington, D.C., fusion center to the federal and local agencies handling security for Jan. 6.

"We all assumed there were going to be problems based on the various issues we were hearing," the participant said. The fusion centers have no say in how their intelligence is used, and it is unclear what steps were taken in response to sharing the information.

The DHS intelligence agency spokeswoman declined to say whether the department, which participated in the call, took any action based on the information. The FBI said it discussed the likelihood that protesters would come armed during a separate phone call with other law-enforcement agencies the same day that the fusion centers held their call. The FBI said such information was widely known.

"The issue here was not the lack of intelligence or the lack of information," Christopher Rodriguez, a Washington, D.C., official who oversees the district's fusion center, said in congressional testimony. "The issue here was the inability, or the unwillingness, to act on the intelligence."

The chief of the Capitol Police, Steven A. Sund, who has since resigned, said the department lacked intelligence that suggested a coordinated attack on the Capitol was being planned, according to a letter he sent to congressional leaders this month.

—Michelle Hackman, Warren P. Strobel and Brett Forrest contributed to this article.

## Trump's Team Lays Out Case

Continued from Page One longer in office. Democrats have said they are on solid constitutional ground, writing in a brief last week that Congress wasn't rendered "defenseless against a president's treachery in his final days...simply because he is a lame duck."

The House voted to impeach Mr. Trump last month, alleging he encouraged the mob that stormed the Capitol on Jan. 6 as part of a last-gasp effort to overturn President Biden's election victory. The article of impeachment cites a speech Mr. Trump gave at a rally preceding the riot where he urged supporters to "fight" and march to the Capitol.

Some of that day's violence, in which five people died, appears to have been spontaneous. More than 170 people have been charged, and the prosecutions of alleged rioters cite some evidence of coordination to disrupt Congress by members of far-right fringe groups.

On Monday, Mr. Trump's lawyers said Mr. Trump didn't incite the crowd and that the rioters who breached the Cap-

itol "did so of their own accord and for their own reasons." The lawyers said that in Mr. Trump's speech that day he used the word "fight" a "little more than a handful of times and each time in the figurative sense," making no explicit mention of rioting. The lawyers said the president was exercising his First Amendment rights.

Much of the brief focused on the argument that a former president can't face an impeachment trial. Trump attorney Bruce L. Castor Jr. said in an interview the defense is arguing that "we are in the same spot as we would be if Donald Trump had died and they were still trying to impeach him." Legal experts have noted that removing a president from office isn't the only consequence of impeachment; the Senate could also vote to disqualify a person from holding future office.

The lawyers made no mention of the unfounded claims of election fraud that Mr. Trump pushed for months after Election Day, and Mr. Castor said he doesn't plan to raise them. "It's such a polarizing issue, I don't see any tactical advantage in injecting a problem into the case," he said.

The Democratic House impeachment managers, acting as prosecutors during the trial, responded in their own five-page brief, saying Mr. Trump "has no valid excuse or defense" for his actions. "His efforts to escape



House impeachment managers walked through the Capitol Rotunda to the Senate chamber Monday.

accountability are entirely unavailing," wrote Rep. Jamie Raskin (D., Md.) and the other managers.

The managers also said that Mr. Trump's alleged incitement was itself "a frontal assault" on the First Amendment.

The case against Mr. Trump is about inciting insurrection, not about protected speech, the managers wrote. "The House did not impeach President Trump because he expressed an unpopular political opinion. It impeached him because he willfully incited violent insurrec-

tion against the government." Senate Majority Leader Chuck Schumer (D., N.Y.) said he had reached an agreement with Sen. Mitch McConnell of Kentucky, the chamber's GOP leader, over the parameters for the trial. "All parties have agreed to a structure that will ensure a fair and honest Senate impeachment trial of the former president," Mr. Schumer said. He called the Trump team's claims that the trial was unconstitutional a "fringe legal theory."

Mr. Trump's office issued a statement saying it was pleased

that there was bipartisan support for the structure. It said the structure will allow his defense to show that it is "absurd and unconstitutional to hold an impeachment trial against a private citizen."

The trial will include up to four hours of debate on the constitutionality of the trial, followed by a vote at a simple majority threshold, and starting on Wednesday, up to 16 hours per side for presentation by Mr. Trump's defense and the House managers, acting as prosecutors.

## Prosecutors To Be Asked To Resign

By SADIE GURMAN

Acting Attorney General Monty Wilkinson plans to ask holdover U.S. attorneys appointed by former President Donald Trump to resign, officials familiar with the matter said, as the Biden administration moves to put its stamp on the Justice Department.

Exempt from the decision, however, are two top prosecutors overseeing politically sensitive inquiries, including Delaware U.S. Attorney David Weiss, whose office is conducting a criminal tax investigation into President Biden's son, Hunter Biden, a senior Justice Department official said.

Another prosecutor, John Durham, is expected to remain as a special counsel overseeing a wide-ranging inquiry into the origins of the FBI's 2016 Russia investigation, while relinquishing his position as Connecticut's U.S. attorney, the official said. Former Attorney General William Barr named him special counsel in October and announced the decision in December.

The planned action was reported earlier by CNN.

## U.S. NEWS

## Texas Lawmaker With Virus Dies

By KRISTINA PETERSON

Rep. Ron Wright (R., Texas) died on Sunday after contracting Covid-19, his campaign office said, making him the first member of Congress to die from the coronavirus in office.

Mr. Wright's death at the age of 67 came two weeks after he was admitted to Baylor Hospital in Dallas, his campaign said. He said on Jan. 21 that he had tested positive for Covid-19 after coming into contact with someone who was infected. He was also being treated for cancer, his office said.

"Despite years of painful, sometimes debilitating treatment for cancer, Ron never lacked the desire to get up and

go to work, to motivate those around him, or to offer fatherly advice," his campaign said Monday.

Mr. Wright was starting his second term in Congress. He previously served as a member of the Arlington, Texas, City Council and as chief of staff for former Rep. Joe Barton, a fellow Texas Republican who previously represented the district, south of Dallas.

Mr. Wright hadn't received the Covid-19 vaccine, his spokesman said. It wasn't immediately known why the lawmaker hadn't been vaccinated.

Members of Congress have been eligible to be vaccinated since mid-December, and leaders from both parties publicly

announced that they had received the shots.

Brian Monahan, the attending physician of the Capitol, notified lawmakers in mid-December that the National Security Council had notified him that Congress would be provided with vaccines for purposes of continuity of government. Since then, many lawmakers have been vaccinated.

In late December, GOP Louisiana Rep.-elect Luke Letlow died of Covid-19, just days before he was set to be sworn in as a new member of Congress, at the age of 41.

Mr. Wright, often seen sporting a bow tie, spent more than a decade as a congressional staffer before becoming a

lawmaker himself. This year, he voted to object to President Biden's electoral victories in both Arizona and Pennsylvania and voted against the impeachment of former President Donald Trump.

He had been undergoing cancer treatment for the past few years, while continuing to work in both Washington and in Texas, his office said.

"Throughout his time in Congress, he worked to save small businesses, honor our veterans, and protect our most vulnerable citizens," House Minority Leader Kevin McCarthy (R., Calif.) said Monday.

More than 50 lawmakers have tested positive for the coronavirus, even after con-



Rep. Ron Wright (R., Texas), 67 years old, was starting his second term in Congress and had also been treated for cancer.

BILL CLARK/CO. ROLL CALL/GETTY IMAGES

gressional leaders have instituted new practices intended to curb its spread, such as holding House votes in smaller groups.

"While his tenure in the House was brief, his service will be missed," House

Speaker Nancy Pelosi (D., Calif.) said of Mr. Wright on Monday.

Mr. Wright is survived by his wife, Susan, their three children and nine grandchildren.

## U.S. WATCH

NEW YORK

## Giuliani Associate Gets Prison Term

A federal judge sentenced a businessman to a year and a day in prison for lying to federal election authorities and for duping investors in a fraud-insurance company after convictions that stemmed from an investigation that ensnared several associates of Rudy Giuliani.

David Correia pleaded guilty last fall to one count of making false statements to the Federal Election Commission about the source of a \$325,000 donation to a pro-Trump super PAC and to one count of conspiracy to commit wire fraud in connection with the fraud-insurance company, Fraud Guarantee.

Mr. Correia admitted to working with Mr. Giuliani's associate, Lev Parnas, to persuade investors to put more than \$2.3 million into Fraud Guarantee. The company never got off the ground, and Messrs. Parnas and Correia used much of the funds to pay for personal expenses, prosecutors said. Mr. Parnas has pleaded not guilty.

Messrs. Correia and Parnas were arrested on campaign-finance charges in October 2019, and the investigation expanded to include scrutiny of Mr. Giuliani's business affairs and his efforts to push for investigations in Ukraine that could benefit former President Donald Trump. Those efforts helped lead to Mr. Trump's first impeachment; he was acquitted by the Senate.

Mr. Giuliani was never charged and has denied wrongdoing.

Mr. Correia also must pay \$2.3 million in restitution. A lawyer for Mr. Correia declined to comment.

—Rebecca Davis O'Brien

WASHINGTON, D.C.

## Suit Over Ex-Aide's Book Is Dropped

The Justice Department moved to dismiss a lawsuit against a onetime aide to former first lady Melania Trump that had sought the proceeds of her tell-all book, in the latest Biden administration shift away from the priorities of the Trump era.

In a brief one-sentence order, the agency said it "voluntarily dismisses this action," filed in October against Stephanie Winston Wolkoff.

The lawsuit accused Ms. Wolkoff of violating a nondisclosure agreement she had signed with the government. Ms. Wolkoff argued the provisions ended when the White House terminated her job, and that the suit was an effort to silence her.

—Aruna Viswanatha and Sadie Gurman

PHILADELPHIA

## School Reopening In Hands of Mediator

A mediator will decide if Philadelphia teachers must return to their classrooms despite safety concerns as the district plans to resume some in-person instruction later this month.

Teachers protesting outside their buildings Monday said they feared the ventilation systems in the city's aging schools weren't sufficient to address the potential spread of the coronavirus.

The district had ordered lower-grade teachers to report to their schools Monday, but then backed off while a mediator reviewed issues raised by the teachers union.

Later in the day, the city announced a joint effort with Children's Hospital of Philadelphia to start vaccinating teachers and other school staff in late February. Mayor Jim Kenney said the city planned to hold pop-up vaccination sites at schools.

—Associated Press

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U.S. NEWS

# Demand for Shots Overwhelms States

Federal guidance to broaden eligibility has created a free-for-all; 'like the Hunger Games'

BY JARED S. HOPKINS AND ARIAN CAMPO-FLORES

Federal guidance to rapidly expand eligibility for Covid-19 vaccines has caused skyrocketing demand in some states, overwhelming local providers and frustrating people seeking shots.

In Pennsylvania, vaccine demand has local health offices contending with crashed appointment systems and flooded phone lines. In Maryland, some counties and providers struggle to handle newly authorized groups. In Missouri—where officials made vaccines available to first responders on a Thursday last month, and then to millions more the following Monday—one provider has 100,000 residents on a waiting list with no more doses to give.

"It's like the Hunger Games for Covid vaccines," said Clarence Lam, a state senator in Maryland, which opened eligibility to large pools of people last month. "People are just desperate to find a vaccine."

The free-for-all stems from governors and public-health officials implementing recommendations made Jan. 12 by the Trump administration—and continued by the Biden administration—to immediately make people 65 and older and adults with comorbidities eligible to start the two-shot vaccine regimen. The federal government wanted to speed up vaccinations, particularly for high-risk



The Covid-19 vaccine being administered to drive-through participants inside Broadbent Arena in Louisville, Ky., last month.

18 to people 75 and older and groups including educators—860,000 people. A week later, he opened eligibility to adults 65 and older and essential workers—773,000 people.

Mr. Hogan expected supply would increase, a spokesman said, and also consulted with public-health officials two days before to get input. But the state received only 10,000 doses a day, and local providers were inundated with phone calls and emails.

"Most of us were somewhat taken aback" by Mr. Hogan's decision, said Howard County Executive Calvin Ball.

The county is still working through the more than 70,000 health-care workers, teachers and others in earlier groups before vaccinating adults 65 and older. It's impossible with the current supply to vaccinate groups recently prioritized, said Maura Rossman, the Howard County health officer. "It's like, 'Which 65-year-old do I pick?' It's impossible math."

Missouri Gov. Mike Parson expanded eligibility to seniors and adults with comorbidities on Jan. 14 because of the Trump administration's suggestion and promise of more supply. But his decision was made without consulting a panel of health experts, said panel member Larry Jones, executive director of the Missouri Center for Public Health Excellence.

CoxHealth Chief Executive Steven Edwards said Missouri's expansion is helping ensure doses don't go unused. But due to high demand and limited supply, his hospital network will prioritize high-risk segments.

—Julie Wernau contributed to this article.

populations, and ensure doses didn't go unused.

The expansion departs from recommendations late last year by the Advisory Committee on Immunization Practices, a group of external medical experts that advises the Centers for Disease Control and Prevention. Because initial supply was expected to be limited, the committee suggested vaccines first go to health-care workers and long-term care facility residents, with adults 75 and older and essential workers next.

But the U.S. "kind of threw the ACIP recommendations out of the window," said Marcus Plescia, chief medical officer of the Association of State and

Territorial Health Officials.

Although state officials often cite limited vaccine supply, manufacturers are producing largely on schedule. Pfizer Inc. and Moderna Inc. since December have supplied about 60 million doses, nearly one-third of the 200 million the companies together must deliver by the end of March. The firms are also ramping up to supply another 200 million combined doses in the spring. The U.S. could see more doses should Johnson & Johnson's vaccine, now under review for emergency use, be cleared in the coming weeks.

Responding to demand, some local providers have de-

layed governors' prioritization plans to focus on people previously eligible. Some counties are requiring people to prove residency. Some hospitals are combing patients' records to inoculate those most in need.

Gov. Tom Wolf said Jan. 19 that Pennsylvania would expand eligibility to people 65 and older, as well as people with serious medical conditions—a move that some providers say came with no advance notice. Chuck Kray, owner of Hershey Pharmacy, said the announcement triggered about five to six calls and one to two emails a minute at each of two locations. His staff logged about 10,000 vaccine re-

quests in three days.

"The sudden change did create a significant amount of chaos," Mr. Kray said. "It literally shut our business down. All we were doing was answering vaccine questions."

As a result, he said, people in their 70s or 80s who might not be computer-savvy have been crowded out by younger people.

Mr. Wolf said at a recent news conference that the state expanded eligibility under the assumption that the federal government would increase supply. "That didn't materialize," he said.

In Maryland, Gov. Larry Hogan expanded eligibility on Jan.

# Differing Aims Test Vaccine Push

BY STEPHANIE ARMOUR

President Biden took office promising to address the pandemic with plans that included a swifter nationwide rollout of vaccines and a focus on getting them to minority and lower-income people who have been hit hard by Covid-19.

As new variants increase the urgency for vaccinations, competing pressures are testing his administration's capacity to accomplish both goals.

The administration has said it wants to notch 100 million vaccinations in its first 100 days, has increased its weekly vaccine supply to states to at least 10.5 million doses, and is buying enough doses to inoculate most of the U.S. population by the end of the summer.

At the same time, the administration is launching a plan to send about one million vaccines a week to pharmacies that initially will be selected based on proximity to minority and underserved communities, where people have been hit harder than the broader population. These communities have populations that traditionally highly distrust medical treatments and broadly have less access to everything from digital technology to easy transportation.

"You're talking about people who don't have access to computers, don't have good transportation, don't have a motor vehicle," said Anthony Fauci, chief medical officer for the Biden administration.

But focusing on those im-

pediments could draw reaction from other communities. "There may be pushback," Dr. Fauci said. "That's unfortunate."

The virus has killed Black, Latino, Native Americans and Pacific Islanders at double the rate of Asian-Americans and whites, according to adjusted mortality rates from APM Research Lab, which analyzes national data.

The Biden administration has said addressing those disparities is crucial for its emphasis on health equity.

Race and ethnicity information was known for only about half of the individuals vaccinated. From the known data, 5.4% of individuals vaccinated during the first month of the rollout were Black and 11.5% were Latino, based on available federal data, which showed that about 40% of those vaccinated overall were racial and ethnic minorities.

Roughly half of the states with publicly available vaccination plans factored addressing racial disparities into their strategies, according to a November analysis by the Kaiser Family Foundation.

"Covid-19 took advantage of where there are gaping inequities," Marcella Nunez-Smith, an associate professor of medicine and epidemiology at the Yale School of Medicine who is head of Mr. Biden's new Health Equity Task Force, said in an interview.

The Biden administration will ask some states to revise their vaccination plans by add-



A Covid-19 vaccine was given at a site in Greenville, Miss., on Jan. 15.

ing measures that take housing or access to transportation into account when identifying communities for more-targeted outreach. A social vulnerability index by the Centers for Disease Control and Prevention provides an algorithm with 15 factors that identify more vulnerable populations.

The CDC under the Trump administration also called for more-equal vaccine distribution, and while the federal government largely isn't forcing states into any action, it can choose which pharmacies get vaccines first.

Myriad reasons exist for the disparities, so there is no one-size-fits-all fix. Each state has taken its own approach to the rollout because the Trump administration allowed state governments to determine vaccination strategies.

"You have to balance efficiency in getting the vaccine out with equity," said Arkansas

Republican Gov. Asa Hutchinson on Jan. 26.

Finding the balance isn't easy. In Washington, D.C., early data indicated people in lower-income and minority neighborhoods more affected by the virus weren't getting vaccinated as frequently as residents of more affluent neighborhoods that have seen fewer cases.

The district in mid-January began allowing only individuals in specific, generally lower-income ZIP Codes to register on some days. When the district failed to publicly clarify that additional appointments would soon be available to all senior residents who were eligible, some were "angered and alarmed," City Councilwoman Mary Cheh said in a Jan. 15 tweet.

Walter Olson, a senior fellow at the Cato Institute, said policy makers need to tread carefully because excluding people from getting vaccinated be-

cause they live in a specific area could raise legal concerns.

In another case, Dallas County commissioners in January decided to prioritize vaccines for eligible people in ZIP Codes that included minority neighborhoods. But the Texas Department of State Health Services told the county its vaccine allocations could be reduced if it solely prioritized certain ZIP Codes.

The commissioners had to rescind the plan. A state health department spokesman said prioritizing vaccines is fine but the county can't bar people from getting a shot based on where they live.

Some Texas commissioners disagreed. "We had already erred in the other way pretty badly of it going to mostly rich white people, and we were going to prioritize these hard-hit communities," said J.J. Koch, a Republican commissioner who backed the plan.

# New Cases Dip Below 100,000 Daily Mark

BY DAVID HALL

Newly reported coronavirus cases in the U.S. fell below 100,000 for the first time this year, and hospitalizations continued to decline, as vaccination rollouts picked up speed.

The U.S. reported 88,044 new coronavirus cases for Sunday, according to the latest data compiled by Johns Hopkins University. Overall, more than 27 million people in the U.S. have tested positive for Covid-19 since the pandemic began, accounting for more than a quarter of all confirmed cases world-wide, according to Johns Hopkins data.

The U.S. also reported its lowest daily death toll from the disease since the beginning of the year. The country added 1,276 fatalities to the death toll, bringing the total to more than 463,000, according to Johns Hopkins.

While supplies of Covid-19 vaccines are still limited, states are ramping up vaccinations. About 9.5% of the U.S. population has been given at least one dose. The rates vary from state to state, from roughly 6% of the population in Alabama to more than 12% in Alaska, according to data from Centers for Disease Control and Prevention.

There were an average of 1.1 million doses administered daily in the U.S. for the week ended Saturday.

# Bucs' Win at Home Spurs Worry of a Spreading Event



Fans celebrated in the streets of the Ybor City area of Tampa, Fla., after their team's Super Bowl win Sunday night.

BY ANDREW BEATON

TAMPA, Fla.—Car horns blared into the wee hours of the morning. Large crowds spilled into the streets. Fans gathered for a historic Super Bowl celebration—many without face coverings in the throes of this Covid-19 pandemic.

The Tampa Bay Buccaneers became the first NFL team to ever win the Super Bowl on its home field when the team throttled the Kansas City Chiefs 31-9 Sunday night. It was a cause for such widespread celebration that some, including Tampa Mayor Jane Castor, are now expressing concern about potential coronavirus spread in the wake of a night of partying that was

preceded by a week of growing crowds inside the city.

"I'm worried now that we might see another surge," said Marissa Levine, a professor of public-health practice at the University of South Florida and former state health commissioner in Virginia. "We never know until after the fact if an event has been a super spreader."

This Super Bowl itself was a testament to pandemic-related safety measures in numerous ways. The NFL reached this point as scheduled only after pouring tens of millions of dollars into daily testing for its personnel, contact tracing for infected individuals and protocols that mandated social distancing and mask wearing inside team facilities. The

game itself featured a reduced capacity crowd of 24,835, which included 7,500 vaccinated health-care workers.

But that couldn't control the throngs of fans eager to celebrate Tom Brady and Rob Gronkowski after the entire city teemed with mounting anticipation throughout the week.

"It is a little frustrating because we have worked so hard," Ms. Castor said Monday morning of those who opted to not wear masks. "At this point in dealing with Covid-19, there is a level of frustration when you see that because it can be passed on to those individuals who are least likely to recover safely from it."

This is the second pandemic championship for Tampa Bay after the NHL's

Lightning won the Stanley Cup last fall. That celebration also featured crowds that raised eyebrows, including when fans joined in on drinking from the actual Stanley Cup.

Ms. Castor and the city made concerted efforts in anticipation of the Super Bowl's breadth. The mayor noted mask giveaway efforts and an executive order she signed in January that temporarily required face coverings in certain outdoor areas and entertainment districts surrounding Super Bowl event zones.

The majority of individuals understood the significance of wearing a mask, Ms. Castor said, adding that the excitement around the game was also a boost for local businesses.



# WORLD NEWS

## WHO Backs AstraZeneca Vaccine

Officials say efficacy against severe cases could clear agent for emergency use soon

World Health Organization officials expressed confidence that **AstraZeneca** PLC's Covid-19 vaccine can prevent severe cases of the disease, as well as hospitalizations and deaths, despite questions about the protection it offers against a fast-spreading strain of the virus first detected in South Africa.

By Gabriele Steinhäuser in Johannesburg and Jenny Strasburg in London

The remarks followed a release of information over the weekend about a small clinical trial of the vaccine in South Africa, which prompted the government there to halt a planned rollout of the shot.

The preliminary data, which hasn't been published in detail, suggested the vaccine may not prevent mild and moderate cases of Covid-19 from a new variant that has become the dominant version of the virus in South Africa and the broader southern African region.

The WHO's director-general, Tedros Ghebreyesus, said the trial's findings were "clearly concerning news," but stressed that they came with "important caveats."

Those included the small number of volunteers in the trial—around 2,000—and their relatively young median age of just 31 years. WHO officials and outside researchers said the trial was too small and its volunteers too young to draw clear conclusions about the vaccine's efficacy against the variant, known as B.1.351, especially when it comes to preventing more severe cases of Covid-19. Younger people tend to suffer from milder versions of Covid-19 and experience se-



People on Monday lined up outside a hospital in Pretoria, South Africa, as the nation grapples with a new variant of the coronavirus.

vere cases less often.

"Looking at the evidence on the AstraZeneca vaccine, across a number of trials, it is very clear that [the AstraZeneca vaccine] has efficacy against severe disease, hospitalizations and deaths," said Katherine O'Brien, director of the WHO's immunization program.

Dr. O'Brien and other senior WHO officials suggested that the body would list the AstraZeneca vaccine—seen as a cornerstone in the world's fight against the pandemic thanks to its low cost, high-volume target and easy storage—for emergency use this week.

"There was a very positive view about proceeding with the use of the vaccine, including in settings where variants are circulating," she said. The South African strain has been detected in at least 32 countries, including the U.S.

Emergency-use listing from the WHO would serve as a recommendation for a range of countries, particularly poorer ones, to move forward with adopting the vaccine, speeding its path to widespread use around the globe.

It would also allow for the first shipment of some 340 million doses of the vaccine from the WHO-supported Covax facility to poor countries, including several in southern Africa where the B.1.351 variant has driven powerful waves of infections in recent weeks.

"It is vastly too early to...be dismissing this vaccine," said Richard Hatchett, chief executive of the Norway-based nonprofit Coalition of Epidemic Preparedness Innovations, which is funding Covid-19 vaccines. "This is a very important part of the global response to the current pandemic."

Recent trials of other Covid-19 vaccines in South Africa, including for shots developed by **Johnson & Johnson** and **Novavax** Inc., also found lower efficacy rates against the new variant, compared with predecessor versions of the virus. That has prompted vaccine makers to begin working on new shots to better target emerging coronavirus strains.

Large-scale human trials for Covid-19 vaccines already in use, such as the ones developed by **Moderna** Inc. and **Pfizer** Inc., were largely completed before more contagious newer versions of the virus came to drive infections in the U.K., South Africa and Brazil. Drugmakers say new vaccines will be ready in coming months, and updated shots could come to serve as annual boosters, altered based on emerging characteristics of

the virus.

Many countries' hopes are riding on the AstraZeneca vaccine, developed in collaboration with the University of Oxford. AstraZeneca has promised to deliver more doses this year—roughly three billion—than any other vaccine maker. The partners said last week they hope to have an updated version of the vaccine, targeted at new variants such as the South African one, ready by autumn.

South Africa said it would speed up the deployment of the J&J and Pfizer vaccines until it has more data about the AstraZeneca shot's effect on severe illness. Other countries in the southern African region, such as Zambia, Malawi or Mozambique, have fewer options. They are almost entirely dependent on free AstraZeneca doses from the Covax facility.

## Trials of China's New Shot Show Hope

By CHAO DENG

TAIPEI, Taiwan—Early clinical trial results from several countries showed that a Covid-19 vaccine candidate jointly developed by the Chinese military and a private Chinese firm was 65.7% effective at preventing symptomatic cases of the coronavirus, potentially giving China a third effective vaccine candidate in fighting the pandemic.

The results from late-stage trials—which were first made public in a tweet by Faisal Sultan, special assistant on national health to Pakistan's prime minister—come as global public-health experts have called for more transparency from Beijing and Chinese drugmakers on the efficacy and safety of their Covid-19 vaccines.

The single-shot candidate, developed by **CanSino Biologics** Inc. in conjunction with the Chinese military, is being tested in five countries: Pakistan, Russia, Argentina, Mexico and Chile.

Based on a multicountry analysis, Mr. Sultan tweeted, CanSino's vaccine is 90.98% effective at preventing severe diseases. He wrote that the global analysis included 30,000 participants and 101 confirmed cases of Covid-19, though he didn't disclose details of what was considered a symptomatic case, and which of those would then count as severe.

A person familiar with the matter confirmed the efficacy figures. The Chinese military couldn't be reached to comment after working hours.

A headline efficacy rate of 65.7% would put CanSino's vaccine above the 50% regarded by international public-health experts as the threshold for a vaccine's ability to control the spread of a virus.

## Coup and Coronavirus Hinder Myanmar's Garment Factories

By JON EMONT

SINGAPORE—A decade ago, as Myanmar was turning toward democracy from military rule, Western governments began dropping crippling sanctions—drawing fast-fashion labels to the country. Factories sprang up, employing hundreds of thousands of people making shirts and dresses for consumers in Europe and elsewhere.

Last week's military coup threatens to turn back the clock. Factory owners fear political instability will push Western clients away, and that any Western efforts to pressure the generals by restoring broad sanctions or withdrawing trade preferences would be crushing.

"I am very afraid of going back to that time because I already know what the situation was like with sanctions," says Aung Myo Hein, who opened a garment factory in Myanmar in 2013, when the European Union gave Myanmar's garment exports duty-free access.

On Monday, protesters took to the streets to oppose the military's seizure of power for a third straight day, with tens of thousands attending rallies and marches. They included teachers, engineers, retail workers and others responding to activists' strike calls. A message on state television in the afternoon said action would be taken against those seen as disturbing the nation's stability and authorities later issued decrees that effectively banned public protests in parts of the country's two biggest cities.

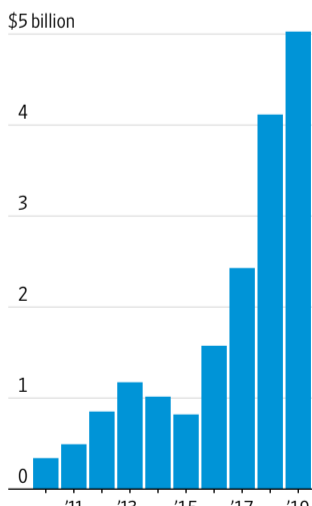
Only a third of the 1,200 people Mr. Aung employs reported for work on Monday, while others joined the demonstrations, he said.

The coronavirus pandemic has wiped out orders and caused layoffs. Before it hit last year, apparel exports had been rising sharply—to about \$5 billion in 2019, 15 times the 2010 total—creating an industry that employed 700,000 people. Brands include fast-fashion retailers **Hennes & Mauritz** AB of Sweden, **Mango**



Protesters in Yangon held portraits of Aung San Suu Kyi on Monday.

Myanmar's apparel exports



Source: U.N. Comtrade

of Spain, **Next** PLC of the U.K. and **Primark**, a retailer with stores across Europe.

Myanmar's garment industry has a small share of the global business, but it has been seen as a promising, low-cost alternative to China for clothing from simple shirts to more complex jackets and coats.

Retailers buying clothes in Myanmar haven't yet said what they will do about the military takeover. Primark has no current plans to change its sourcing strategy, it said, but is closely monitoring the situation. H&M said it is concerned but wouldn't comment on how it will respond. Next and Mango didn't answer requests for comment.

As Western governments weigh their options, experts

are warning against measures that could hurt Myanmar's poor and civilian businesses, such as withdrawing EU trading preferences.

EU officials said the bloc will explore all options. The EU considered doing just that in 2018 over human-rights concerns. In the end, it didn't act against Myanmar.

If the trade benefits disappear in response to the coup, factories would be forced to close, Mr. Aung said. His factory makes mainly shirts, selling 85% of its production to Europe.

"I will consider switching to another business" if EU orders fall, he said.

Western countries seeking to pressure the generals don't have much leverage. The U.S. says it is reviewing its aid to Myanmar, but most of the money goes to civil society and no programs directly benefit the military. Senior military leaders are under sanctions for a deadly 2017 military operation against the country's Rohingya minority.

According to State Department officials, the U.S. is reviewing its sanctions posture toward companies associated with military leaders, which are involved in industries including mining and construction. But even targeting military interests has to be done delicately, Western researchers and consultants familiar with Myanmar's economy said, as they include ports and other infrastructure used by civilian industry.

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WORLD NEWS

Russia Snub Gives U.S. an Opening

The European Union's latest clash with Russia has presented an opportunity for the U.S. to advocate a joint position on Moscow, as officials

By Laurence Norman in Brussels and Thomas Grove in Moscow

on both sides of the Atlantic consider how to hold the Kremlin accountable for the treatment of opposition leader Alexei Navalny.

EU foreign-policy chief Josep Borrell visited Moscow last week, the latest move in a push to bolster ties with Russia led by French President Emmanuel Macron that has prompted anxiety among some member states that border Russia.

But Russian Foreign Minister Sergei Lavrov used a joint news conference to scold Mr. Borrell for criticizing Mr. Navalny's sentencing. Hours later, Mr. Borrell learned during a meeting with Mr. Lavrov that Moscow was expelling three European diplomats. Mr. Borrell on Sunday wrote in his blog that "Russia is progressively disconnecting itself from Europe and looking at democratic values as an existential threat."

Moscow in recent years has



The jailing of opposition leader Alexei Navalny has intensified tensions between Moscow and the West.

sought to divide the U.S. and the EU, its biggest trading partner, exploiting wariness in some EU capitals about economic sanctions imposed on Moscow after Russia's 2014 intervention in Ukraine.

But last week's developments have given an opportunity to the Biden administration. Secretary of State Antony Blinken said last week that Washington wants to coordinate closely with its European allies over Moscow's handling of Mr. Navalny, who last week was sen-

tenced to 3 1/2 years in prison, sidelining him from growing protest against the rule of President Vladimir Putin.

U.S. officials joined EU, U.K. and other counterparts on Monday to discuss Mr. Navalny.

"Russia has long had an illusion that it can deal with individual capitals constructively but that Brussels is the unreliable actor here," said Andrej Kortunov, head of the Russian International Affairs Council, a government-sanctioned think tank. "Looking at

it from Washington's perspective and its desire to boost the trans-Atlantic partnership, the trip went quite well."

Later Friday, as three hours of talks with Mr. Lavrov were ending, Mr. Borrell learned from social media that Russia planned to expel diplomats from Sweden, Poland and Germany for allegedly attending pro-Navalny rallies.

On Monday, Sweden, Germany and Poland said they were each kicking out a Russian diplomat in response.

Investigation Targets Honduran President

By José de Córdoba

MEXICO CITY—U.S. prosecutors are investigating the president of Honduras for allegedly accepting bribes to protect drug traffickers who shipped tons of cocaine to the U.S., according to a court filing.

The latest filing came in the criminal case of an alleged Honduran drug trafficker, Geovanny Fuentes Ramirez, who prosecutors say paid President Juan Orlando Hernández large bribes to fund the Honduran leader's 2013 presidential campaign in exchange for protection of his drug business.

While the Honduran leader has been implicated in several drug trials in the U.S., the filing marks the first time American prosecutors have made public that they are investigating the president.

The Honduran government denied the allegations. "The claim that Pres. Hernández supposedly accepted drug money from a Geovanny Daniel Fuentes Ramirez, or gave protection or coordination to drug traffickers is 100% false," said the Honduran government Twitter account. The allegations, the government said, were "based on lies of confessed criminals who seek re-

venge or to reduce their sentences."

Mr. Hernández wasn't named in the court filing by name. Rather, he was described as CC-4, or co-conspirator 4, in a court document filed late Friday in the Southern District of New York.

The document said the U.S. investigation was targeting "high-ranking officials, such as CC-4," identified as the brother of Juan Antonio "Tony" Hernández, the president's younger brother. The younger Mr. Hernández is awaiting sentencing in New York after being convicted in 2019 of trafficking 200 tons of cocaine to the U.S.

President Hernández, who was also named as an unindicted co-conspirator in his brother's trial, hasn't been charged with any crime.

One of the poorest countries in the hemisphere, Honduras poses a difficult challenge for the Biden administration. The new administration says it wants to focus on lowering corruption and improving the rule of law as part of a drive to lower illegal migration from the Northern Triangle countries of Central America—Honduras, Guatemala and El Salvador.

WORLD WATCH

ISRAEL

Netanyahu Formally Pleads Not Guilty

Israeli Prime Minister Benjamin Netanyahu formally pleaded not guilty to charges of corruption Monday, setting the stage for a lengthy legal fight to determine the political fate of the country's longest-serving leader.

In his second appearance in the Jerusalem courtroom since the trial began in May, Mr. Netanyahu referred to his defense team's submission to the court denying wrongdoing.

The charges center on allegations that he accepted expensive

gifts from rich businessmen in exchange for official favors and offered two media moguls regulatory and financial benefits in exchange for positive news coverage. He faces up to 10 years in prison if convicted of bribery, the most serious charge.

—Dov Lieber

CHINA

Censors Appear to Block Audio-Chat App

Beijing's censors appeared to slam the door on Clubhouse, Silicon Valley's latest social-media hit, after a frenzied week in which the audio-only chat app helped

spark a rare outpouring of free-wheeling debate on taboo topics in the Chinese-speaking world.

On Monday evening, Clubhouse users from Beijing to Shenzhen said their chats were disconnected mid-conversation, replaced by an error message.

Calls to Beijing's internet regulator, the Cyberspace Administration of China, went unanswered.

—Wenxin Fan

UNITED NATIONS

U.S. to Resume Ties to Human Rights Council

The Biden administration said

it would resume cooperating with the United Nations Human Rights Council and seek to overhaul the group, which critics say amplifies rights concerns about Israel, while sweeping apparent violations by other countries under the rug.

Secretary of State Antony Blinken said Monday the U.S. would begin working with the council as an observer in the immediate term. He didn't say whether Washington would seek a seat on the council when a position becomes available.

The Trump administration withdrew from the council in 2018, saying it was a failure and calling it hypocritical.

—William Mauldin



RISING WATERS: Rescue workers help people after several days of rain caused the Charente River to overflow in western France.

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## FROM PAGE ONE

## The Bill Comes Due For Malls

Continued from Page One ties that operate the two malls became delinquent on securitized debt called commercial mortgage-backed securities, or CMBS, according to real-estate-data provider Trepp LLC, eventually negotiating extensions and deferrals.

It's a plight facing another privately held major mall owner that bet on on-site entertainment, Triple Five Group. It owns Mall of America in Minnesota and a New Jersey mall, American Dream, that have invested heavily in attractions from giant waterslides to an indoor ski slope.

Pyramid and Triple Five have gone much further than other mall owners in adding grand spectacles to their biggest U.S. properties, racking up debt they are now having trouble repaying. Last year, three of their four big U.S. malls defaulted on some CMBS debt, according to Trepp; the fourth mall is delinquent on some local-government bills.

Among all CMBS mall loans that ratings firm DBRS Morningstar tracks, about 14% of \$50.6 billion were delinquent at the end of 2020, up from 2.7% at 2019's end.

Entertainment typically draws foot traffic, but today it has become an unsustainable

### 'We're concerned about the survivability of the business here.'

expense, said Nick Egelanian, president of retail-consulting firm SiteWorks. "This is one of the great dilemmas," he said. "You think about all the things we're experimenting with to take the place of the department store anchor, entertainment is the most expensive. Anything that requires mass gatherings isn't a good idea during a pandemic."

These burdens will become benefits again after the pandemic, Mr. Egelanian said, assuming vaccines are effective and something akin to normal life can resume.

Pyramid and Triple Five have more payments coming due this year without a clear idea of how long Covid-19 restrictions will affect revenue. A Triple Five spokesperson didn't respond to requests for comment.

Pyramid Chief Executive Stephen J. Congel said he is confident Destiny USA will make it through. During the summer, he said, when Destiny USA reopened, traffic was as high as 80% of its year-ago numbers, as overworked parents and bored children streamed through its doors.

They will again, he said, after the vaccine becomes widely available. "That segment has been hit hard," he said of the entertainment business. "But it will eventually return to be healthy."

While many factors, such as



Mall operators began looking to experiential games and rides to woo foot traffic; waterslides at the American Dream mall in New Jersey after it reopened in October.

retailer bankruptcies and competition from nearby properties can contribute to a mall's default, analysts said, owners that borrowed to build entertainment attractions are more vulnerable in the pandemic. Still, they said, lenders are less inclined to foreclose on malls with large-scale entertainment venues because taking the keys back means taking on the complexities of running such a center or finding another buyer.

The pain goes further at Pyramid, which owns 14 malls: Entities that operate 11 of those malls, including the big two, missed repayments starting April on \$1.2 billion of their \$1.6 billion in CMBS debt, according to Trepp. Destiny USA defaulted on \$430 million and Palisades Center on \$418.5 million.

Pyramid negotiated extensions and deferrals with its lenders and resumed making payments in November, according to Trepp. Pyramid said its remaining three malls aren't in default.

"These difficulties are very consistent with the entire mall industry," a Pyramid spokesman said. "We expect to work out financial restructurings, as needed, as we have done so successfully in the past."

### Mall malaise

Malls have been staples of suburban life since the 1950s, but big department stores and retailers started closing outlets as consumers shifted toward shopping online and at independent stores, and spending on experiences instead of goods. Of the roughly 1,500 U.S. properties that were once enclosed shopping malls, at least 500 no longer are, said Ellen Dunham-Jones, a Georgia Institute of Technology professor who studies the retrofitting of dying malls.

Mall operators began looking to experiential games and rides to woo foot traffic and help cure the mall malaise. Several hundred malls now feature a few attractions—mini-golf, karting, bowling lanes, gaming arcades—that consumers can't replicate at home. For most

malls, these attractions are a small piece of business: Entertainment tenants occupy about 2% of U.S. mall space, according to CoStar Group, a provider of commercial-real-estate data and analytics.

Pyramid and Triple Five have bet more. About 12.5% of Destiny USA's square footage is entertainment attractions and about 12.2% of Palisades Center's, said the Pyramid spokesman. Pyramid's other 12 malls are in smaller markets and have entertainment square footage ranging from 3.8% to 18.1%, he said.

When American Dream opened in 2019, Triple Five said it would feature 55% entertainment. It said that year that Mall of America in Bloomington, Minn., which opened in 1992, has 25% entertainment, including roller coasters and a giant sea aquarium.

Mall of America's roller-coaster rides closed in March, reopened in August, closed again on Nov 21 and reopened on Jan 11.

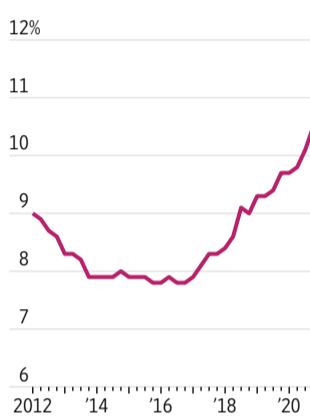
Triple Five missed multiple Mall of America mortgage payments on its \$1.4 billion loan last year. After negotiations with its lenders, the loan was modified and it secured interest-only repayment terms until maturity and is deemed current since December, according to Trepp.

Triple Five's American Dream, in East Rutherford, N.J., across the Hudson River from Manhattan, became one of the first U.S. malls to devote more space to entertainment, restaurants and theme-park rides than to traditional retail when the \$5.7 billion project opened—the costliest U.S. mall ever, analysts said.

Attractions include a 1,000-foot-long indoor ski slope and it planned to open a giant indoor wave pool in March but closed that month under pandemic restrictions. The mall partially reopened in October; two-thirds of its stores are operating, its website says. The water park, Nickelodeon theme park, mini-golf and the ice skating rink are open. Other attractions have yet to open even for a day, because they are either still under renova-

### Footfall

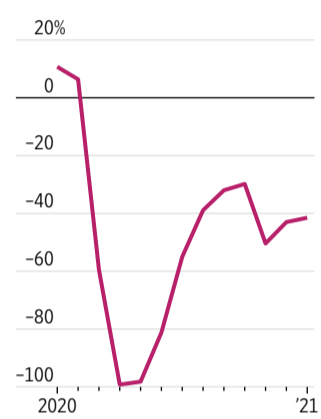
Quarterly vacancy rates at U.S. malls were already rising...



\*change from year earlier

Note: Destiny USA was closed between late March and early July. Sources: REIS Moody's Analytics (vacancies); Placer.AI (foot traffic)

...when the pandemic hit foot traffic" at the Destiny USA mall.



tion or are waiting for more people to get the vaccines. Other attractions that haven't opened include the aquarium, Legoland and mirror maze.

Triple Five is on the hook for \$2.7 billion in loans, including through municipal bonds, for the mall, according to municipal-market information provider Electronic Municipal Market Access. The Journal couldn't determine whether Triple Five was delinquent on any payments on that debt; the firm didn't take out any CMBS for American Dream.

American Dream is delinquent on payments of \$1 million in 2019 and \$2 million in 2020 in a payment-in-lieu-of-taxes deal with East Rutherford, said Anthony Bianchi, the borough's chief financial officer. Triple Five, of Edmonton, Alberta, also operates a mall in Canada.

### Pyramid's bet

Mr. Congel's father co-founded Pyramid in 1968 as a Syracuse construction company. It built its first mall, in New York, in 1971 and by 1976 had completed 22. In 1990, it opened a mall on a former scrapyard, naming it Carousel Center for the merry-go-round that was the main feature. In 2012, Pyramid expanded it by 883,000 square feet to its current 2.4 million, renaming it Destiny USA.

To help fill the space and woo traffic, it added experiences typical of amusement parks: indoor go-kart operation, the WonderWorks theme park including a ropes course. Destiny USA's foot traffic in 2012 rose by more than a third, and sales per square foot were 25% over the prior year, Pyramid said.

Destiny USA, which also added laser tag, a mirror maze, bowling and simulated rides, became a tourist attraction. Shoppers from Buffalo, N.Y., and Canada drove hours to experience it. "People were curious to see what it would be like," said Frank Cerio, who grew up nearby and is chief operating officer of 5 Wits, which runs interactive and fantasy games at Destiny USA and other Pyramid malls.

Pyramid began offering day passes for access to entertainment sites at Destiny USA and developed a 209-room Embassy Suites hotel nearby. Girl Scouts held sleepovers at WonderWorks. Pyramid spent hundreds of millions bringing on more entertainment attractions to Destiny USA and other properties, Mr. Congel said.

The mall's net operating income rose 16.7% from 2010 through the first quarter of 2014, according to a Standard & Poor's report in 2014. But Destiny USA suffered declining net operating income every year after 2016, and Pyramid's Palisades

Center has experienced declining income since 2017, according to Standard & Poor's.

A Pyramid spokesman said: "While Pyramid has not been immune to the past decade's fluctuation trends, which were exacerbated by the pandemic, we have confidence in the long-term outlook, based on our diversification strategy."

When New York state implemented shutdowns in March, Destiny USA closed. Tenants struggled to pay rents and Pyramid became delinquent on the repayment of its mortgages for Destiny USA and Palisades Center starting April. Pyramid secured deferrals on debt service payments and delayed the maturity dates for the loans.

"We're concerned about the survivability of the business here," said Nicole Montgomery, general manager of WonderWorks at Destiny USA, referring to the theme park's operations.

Destiny USA is now around 70% occupied, down from as high as 97% in 2013, said the spokesman. A J.C. Penney store shut in October. Lord & Taylor closed there in December as part of its bankruptcy and Best Buy said it is closing its Destiny USA store in March. Macy's and TJ Maxx stores are still there, but Macy's apparel maker Untuckit said it is in talks about opening there, and Women's clothing retailer Anthropologie said it is opening a store this year.

Depending on each tenant's sales and circumstances, Destiny USA said, the mall has agreed to consider granting rent reductions.

One afternoon in December, yellow tape cordoned off the mall's arcades, shutters were down on a laser-tag area and a peek inside Dave & Buster's sports bar and videogame rooms revealed mostly darkness. The arcades and Dave & Buster's remain closed.

Adam Liu, a 22-year-old Syracuse University student, stopped by Destiny USA but said he wasn't taking chances with the ropes course, the only part of WonderWorks open that day. "Not today," he said, "because of the pandemic."

## Traders Aim at the Wrong Guy

Continued from Page One World Wide Robin Hood Society—a band of some 10 people—Mr. White handles the group's Twitter account, @robinhood. Most days, he said, he gets one or two pings. Furious traders messaged him as the feud between Reddit users and Wall Street blew up, thinking his was the Twitter account of Robin Hood, the brokerage, not Robin Hood, the legendary outlaw's booster group.

"The thing was just going ping, ping, ping," the 77-year-old author and amateur historian said. "All these messages were just scrolling off the screen, about how they couldn't trade these stocks."

Mr. White and his associates decided to use the case of mistaken identity to spread the word about their Robin Hood, the one who stole from the rich to give to the poor.

"Lovely to have all these new followers," another member, Lisa Douglas, tweeted from the group's Twitter account.

"We only know about old fashioned stock I'm afraid," Ms. Douglas said in another tweet, referring to the wooden restraints used to shame criminals back in the day.

Many who wrote to complain decided to follow the society's Twitter account after learning it was connected to the Robin Hood of lore. The group's Twitter feed ballooned to nearly 62,000 followers from 350 or so.

Among those joining the bandwagon was Four Seasons Total Landscaping in Philadelphia, the outfit confusingly selected—instead of, say, the city's Four Seasons hotel—for a news conference to claim fraud in the Nov. 3 presidential election.

"Huzzah! Let us know if Sherwood Forest needs any tree pruning done," a company tweet said.

"All sorts of people have been getting in touch," said Tim Pollard, 56. Before the pandemic lockdown, he dressed as Robin Hood and led historical tours of Nottingham. Mr. Pollard and others in



Ezekiel Bone, a Robin Hood performer, posing in costume.

the World Wide Robin Hood Society explore the legacy of the outlaw's legend, compiling studies about how the tales originated. The group also sells felt green hats and related souvenirs online.

"The story of Robin Hood absolutely speaks to what's going on in the markets, or the headline news at least, about the small guy taking on the hedge funds," Mr. Pollard

said. "It's not just the name of the app."

With its newfound celebrity, the Robin Hood society is publicizing Nottingham and the surrounding area, where, legend has it, Robin Hood, Maid Marian, Little John and Friar Tuck and others among the merry men in Sherwood Forest went toe-to-toe with the Sheriff of Nottingham. Ezekiel Bone, who blends

performance, history and comedy while leading his own city tours, hopes the attention helps local tourism once the pandemic eases. "This could be the moment we have been waiting for," he said.

Local tourism chiefs are keeping close watch.

"We noticed that our website traffic increased quite a lot, about 24% up on the previous week, so we sat down and had a bit of a think about how we could take advantage of this," said Sophie Milne, who works with Visit Nottinghamshire, a regional group.

Townpeople are upbeat, too. "It's been a dreadful few months with the lockdown and everything, so this has been a good distraction," said Lindsey Hall, 51.

If all goes well, Nottingham might be able to catch such popular visitor spots as Oxford and Cambridge. Data from 2019 shows that besides London, Liverpool lures tourists through its association with The Beatles, while Manchester's draw is its soccer teams Manchester United and Manchester City.

"Robin Hood is the biggest name in England, though," Mr. Bone said. By chance, Notting-

ham Castle is set to reopen this spring, after a £30 million renovation (about \$41 million), he added.

Historians suspect there might have been outlaws who operated in the forests around Nottingham hundreds of years ago. Traveling troubadours likely augmented the stories with the idea of sharing spoils with the poor, as well as adding new characters, said Mr. White, who gathers history and lore for the Robin Hood society.

New merry men continue to surface. In the 1980s, a British TV network made a series that included a mysterious figure known as the Saracen, who was captured and brought back to England during the Crusades before joining Robin Hood's band of outlaws. The character showed up in the Kevin Costner movie, "Robin Hood: Prince of Thieves," and was played by Morgan Freeman.

"Even our lifetime, the story is still evolving," said Mr. Pollard, the tour guide. "Who knows, maybe in 100 or 200 years, there will be a bunch of day traders added to the story instead of the merry men."

## GREATER NEW YORK

## NYC Indoor Dining Returns Friday

Cuomo moves up the start date by two days as both state, city plan live-arts programming

By MELANIE GRAYCE WEST

New York City restaurants can begin indoor dining with limited capacity on Friday, two days earlier than planned, and a program to provide live-arts programming will begin later this month, New York Gov. Andrew Cuomo said Monday.

The moves came as both Mr. Cuomo and New York City Mayor Bill de Blasio expressed optimism for the months ahead, saying that arts and culture are key to the state's reopening and return to normalcy.

Mr. Cuomo said testing for Covid-19 would be crucial to reopening Broadway, noting the success of a recent Buffalo Bills game where 7,000 fans were tested beforehand and allowed to watch in-person at Bills Stadium.

"You can open a Broadway stage with a set percentage of occupants, where people have tested prior to walking in," said Mr. Cuomo. "Would I go see a play and sit in a playhouse with 150 people? If the 150 people were tested, and all negative, yes, I would do that."

The state's new arts initiative is a baby step toward restarting live performances, with 300 free pop-up performances across the state that will begin on Feb. 20 and run through the summer. The idea is to have lots of performances all over the state with small audiences, the governor's office said.

In rolling out a separate arts initiative that permits outdoor performances on New York City streets, Mr. de Blasio said Monday that "if you're



New York City restaurants had been set to resume indoor dining at 25% capacity on Valentine's Day, but the date has been moved up.

talking about our economy coming back, our life coming back, I think you're thinking about this summer and fall."

The mayor also announced that a new mass-vaccination site would open Wednesday at Citi Field stadium to vaccinate Queens residents, taxi drivers and food workers.

The optimism—and planning—come as the state's seven-day rolling average of people testing positive for Covid-19 fell to 4.4%, a rate not seen since November and down from a recent January high of 7.9%.

About 7,700 people are hospitalized across the state, which is lower than a post-

holiday peak of 9,200 people on Jan. 19.

At the same time, 391 New Yorkers per million residents are hospitalized, according to data from the Covid Tracking Project. Only Arizona has more residents hospitalized per million, with 413 people.

Mr. Cuomo previously said New York City restaurants could roll out indoor dining on Feb. 14, operating at 25% capacity. That had frustrated some restaurant owners who said they could, and needed to, open sooner.

Indoor dining in the city has been restricted since early December.

Randy Peers, Brooklyn

Chamber of Commerce president and chief executive, applauded Mr. Cuomo's decision to move up indoor dining, saying it offers "a few days' head start for struggling small businesses and workers to earn a little more money to support themselves and their families."

Mr. Cuomo also said Monday that approximately 10 million New Yorkers are eligible to get a vaccine, but the competition is extreme, and frustrating, as people vie for roughly 300,000 doses a week.

New Yorkers who have health conditions that are considered comorbidities for Covid-19 will be able to sign up for a vaccine at one of the

state's sites on Feb. 14, with vaccinations to begin statewide for that group on Feb. 15.

New Yorkers will have to provide proof of eligibility for the pre-existing condition, which could be a doctor's note, medical information noting the comorbidity or a signed certification, the governor said, adding that the state will audit health departments to make sure the eligibility rules are followed.

"This is a precious resource. There will be fraud, there will be mistakes, there will be inefficiency," said Mr. Cuomo. "Everybody wants this vaccine, but the rules should be followed."

## Middle Schools To Resume In-Person Classes

By LEE HAWKINS

New York City's public middle schools will reopen for some in-person learning on Feb. 25 after their students had been receiving fully remote instruction for more than two months, Mayor Bill de Blasio said.

About half of the city's 471 middle schools will operate on a five-day-a-week schedule, city officials said. The other half will operate on a remote or hybrid basis until they are ready to fully reopen.

City officials said they are still formalizing a plan for when high schools can reopen.

Mr. de Blasio closed all public schools in November after an increase in the number of Covid-19 infections. Elementary schools reopened for some in-person learning in December.

Under the plan announced Monday, middle-school teachers and staff will return a day early to prepare the schools and will be vaccinated on a prioritized basis at city hubs during the Feb. 12 to Feb. 21 winter break for public schools, the city's Education Department said.

"When we talk about the city coming back strong, so much of it depends on our public schools," Mr. de Blasio said.

The announcement comes as the mayor aims to have five million New Yorkers vaccinated by June, which he sees as a critical benchmark toward returning the city to business as usual. Reaching that also would move the city's Education Department closer to its goal to reopen schools for the city's nearly one million students for five-day-a-week, in-person instruction by September.

Schools Chancellor Richard Carranza said the agency is hiring additional staff to conduct weekly Covid-19 testing in middle schools and continue the testing already being done in elementary schools. Mr. de Blasio said the city "had the pieces we needed" to reopen middle schools, but that the reopening of high schools would be "a more complex situation."

"I want to get our high schools back during the course of the current school year, but there's going to be more work

needed," Mr. de Blasio said. The mayor said parents would still have the option to keep their children fully remote.

Mr. de Blasio said the Feb. 25 reopening date means educators will be asked to return before receiving their second vaccination dose but that "schools are amongst the safest places in all of New York."

Mr. Carranza said that the roughly 235 schools that might not be immediately ready to offer in-person instruction to all students will give priority to students with disabilities, multilingual learners and those living in shelters.

Mr. de Blasio said the city has the capacity to conduct weekly testing at middle schools, having already reached a citywide testing capacity of about 120,000 tests a day.

Michael Mulgrew, president of United Federation of Teachers, which represents 120,000 DOE employees, said the UFT "will be monitoring to ensure that the testing regimen, the presence of personal protective equipment and social-distancing requirements are strictly adhered to as new grades and buildings reopen."

Mr. Carranza said that even when schools are able to return to full-time in-person instruction, some form of remote learning will "stay with us well beyond the end of the pandemic."

"We're looking at this being a component of what the new normal looks like post pandemic, in a good way," he said. "Not to replace in-person learning, but to keep the best parts of what we really built."

## Police Hunt for Killer in Yale Student's Death

By BEN CHAPMAN

Connecticut investigators are searching for clues in the fatal shooting of a Yale University graduate student, New Haven Police Department officials said Monday.

Kevin Jiang, 26 years old, was shot to death in a car at about 8:30 p.m. on Saturday in New Haven's East Rock neighborhood, the police officials said. Mr. Jiang was a second-year student in the forestry program at the university's School of the Environment, according to university officials.

Mr. Jiang's killing was the city's sixth homicide of the year, police officials said.

New Haven Police Department Chief Otoniel Reyes said at a Monday news conference outside the department's headquarters that officers discovered Mr. Jiang with gunshot wounds after several 911 callers reported hearing gunfire and seeing a man injured.

Mr. Jiang was operating a vehicle when he was shot mul-

tipled times, according to police officials.

Chief Reyes said police are investigating whether Mr. Jiang was the intended target of the shooter and whether the killing may have been related to a conflict involving another motorist.

Mr. Jiang's family couldn't be reached for comment.

New Haven has seen a rise in crime in the past year, Chief Reyes said. Police officials recorded 122 shootings and 20 homicides in 2020, up from 77 shootings and 11 homicides in 2019.

The dozen shootings recorded in the city so far this year outpaces the same period in 2020, Chief Reyes said.

"We're experiencing a spate of violence, but I have full confidence that we're going to turn this around," Chief Reyes said.

New Haven Mayor Justin Elicker said at Monday's briefing that he believes the coronavirus pandemic is one of the driving factors behind the rise



New Haven police officials are investigating the death of Kevin Jiang, a 26-year-old graduate student found fatally shot in a car.

in crime because it has strained peoples' finances and left them stranded at home.

"We wouldn't be seeing the significant increase in violent crime around the nation had it

not been for Covid," Mr. Elicker said. "There's a lot of speculation as to why exactly that's happening."

Yale University President Peter Salovey said at the brief-

ing that school officials were working with authorities on the investigation, and that counseling would be made available to students and staff.

Mr. Jiang was engaged to be married and had served in the U.S. Army National Guard, Mr. Salovey said. The victim's LinkedIn page said he served as a tank operator in the National Guard and was serving as an officer at the time of his death. Representatives for the National Guard didn't respond to a request for comment.

Mr. Salovey said Mr. Jiang had a keen sense of public service and had volunteered at a homeless shelter.

Mr. Jiang's research at Yale had recently focused on the presence of mercury in fish from the Quinipiac River, he said.

"The Yale community is grieving right now," Mr. Salovey said. "This is the loss of an extraordinary young man. He was committed to applying his talents to improving the world."

## GREATER NEW YORK WATCH

## CONNECTICUT

## State Weighs Letting More Staff Give Shots

Connecticut legislators were urged Monday to pass a bill that would allow certified medical assistants to perform vaccinations, with the Connecticut Vaccination Association noting the "difficult undertaking of vaccinating every resident of the state" with the Covid-19 vaccine without more trained staff.

But the concept is receiving some pushback, especially from nurses, who question whether certified medical assistants are properly trained for the task and would receive adequate oversight.

"Certified medical assistants are a valuable part of the health care team, however the administration of a medication requires more than technical skill of inserting a needle," said John Brady, a registered nurse and vice president of the union AFT Connecticut, during a public hearing held by the General Assembly's Public Health Committee. "It requires the ability to assess the patient before, during and after the administration of that medication."

He noted that training for a certified medical assistant can vary greatly.



ART FOR ART'S SAKE: Visitors looked at paintings Monday at the Metropolitan Museum of Art, which is open at reduced capacity. Visitors must reserve timed tickets online and wear a mask.

The Connecticut Hospital Association suggested that certified medical assistants first be required to complete a vaccination training program approved by the state Department of Public Health commissioner.

The bill awaits further action in the General Assembly's Public Health Committee.

—Associated Press

## NEW JERSEY

## Fleeing Motorist's Death Is Probed

State officials launched an investigation after a motorist stopped by police ran off and was struck and killed on a highway in New Jersey, officials said. The 26-year-old drove away

after being stopped by Camden County police on Saturday night, the attorney general's office said. The driver crashed in an underpass, ran up an embankment onto Interstate 676 and was struck by several vehicles and killed, authorities said.

Authorities haven't released the man's name.

—Associated Press

## CENTRAL NEW YORK

## Brindisi Concedes in Congressional Race

Democratic U.S. Rep. Anthony Brindisi conceded Monday that it was "time to close the book on this election," hours after New York officials certified Republican Claudia Tenney's razor-thin victory in the nation's last undecided congressional race.

The statement came three days after a state judge ruled that Ms. Tenney won the race for central New York's 22nd Congressional District by 109 votes. Mr. Brindisi said he congratulated Ms. Tenney and offered to make the transition as smooth as possible after several months of legal wrangling over the results.

Justice Scott DelConte on Friday directed New York to certify results immediately. Commissioners with the state Board of Elections approved the results Monday in less than two minutes.

Ms. Tenney had been the district's representative for one term, until she was defeated by Mr. Brindisi in 2018.

Justice DelConte's ruling came after he spent three months reviewing ballot challenges and trying to fix a series of problems with vote tabulations.

—Associated Press

## GREATER NEW YORK

# Sovereign-Debt Tactics Under Scrutiny in N.Y.

By ALEXANDER GLADSTONE

Some New York lawmakers are planning legislation designed to blunt hedge funds' ability to resist sovereign-debt restructurings, while easing financial settlements for government borrowers in distress.

New York state Sen. Gustavo Rivera and Assemblywoman Maritza Davila, both Democrats, plan to introduce legislation as soon as this week to allow a supermajority of a nation's creditors to amend or restructure its debt contracts and bind any dissenters that could otherwise hold out.

Many sovereign bonds in Latin America, Africa, and other emerging markets contain collective-action clauses that require all creditors to honor agreements that a majority of them make with the borrower. But others lack such mechanisms, leaving no ready way for settlements made with majority support to become binding on all members of a creditor class.

This means that financial investors can buy distressed sovereign debt at a discount, then refuse to accept a restructuring negotiated by other creditors, push for a higher recovery and possibly litigate for full repayment.

Unsustainable sovereign debt burdens can limit access to capital markets, drive up borrowing costs and restrict a developing nation's ability to fund capital projects or finance essential services.

Prolonged debt restructurings also have exacerbated hardships for the populations of struggling countries, including deepening a famine in the Democratic Republic of Congo, according to activists who support the New York legislation.

Since roughly half the world's sovereign debt is governed by New York law, the legislation could provide an inter-

national framework for struggling countries and territories to more easily restructure their debts and obtain financial relief, according to the activist group, which includes Center for Popular Democracy and New York Communities for Change.

Members of the group emphasized that New York is home to many immigrant communities from countries in which sovereign restructurings were drawn out by financial investors seeking to boost recoveries.

"New York has the power to completely change and restructure the way vulture funds operate across the world," said Sen. Rivera. "That's why I am currently working on a piece of legislation that will hold multi-billion-dollar hedge funds accountable for the destruction that comes with betting on a nation's economic failure and close some of the loopholes that allow these hedge funds to rake in such profits."

Democrats control the New York Senate and Assembly. Representatives for Assembly Speaker Carl Heastie and Senate Majority Leader Andrea Stewart-Cousins said they would review the legislation.

A spokesman for Democratic Gov. Andrew Cuomo also said he would review it.

A risk of the legislation is that investors would sue to challenge it because it could retroactively change certain contracts already in place. Changing contract rights can be justified under certain circumstances, if doing so advances a compelling state interest.

Bill components also include giving new lenders priority over a nation's existing creditors, mandating an audit before any restructuring, and empowering the New York State Department of Financial Services to oversee elements of the negotiating process.

—Jimmy Vielkind  
contributed to this article.



The New York State Thruway Authority has spent about \$3.7 billion to build the Mario M. Cuomo Bridge, which fully opened in 2018.

## Bridge Builders Sue N.Y. Authority

By JIMMY VIELKIND

A consortium of contracting firms that built the Mario M. Cuomo Bridge sued the New York State Thruway Authority on Monday, accusing the authority of interference in the construction of the \$4 billion project, leading to delays and extra expenses.

Tappan Zee Constructors LLC is seeking more than \$961 million in the suit, plus interest, which the consortium says came after nearly three years of efforts to settle the dispute privately. The lawsuit was filed in the New York State Court of Claims, which handles legal actions against the state and certain authorities, including the Thruway.

The Cuomo bridge was commissioned by the Thruway and carries the highway over the Hudson River north of New York City. It fully opened in 2018 and replaced the Tappan Zee Bridge.

Thruway officials have said the consortium's allegations, which were referenced in a 2020 TZC lawsuit seeking documents from the authority, are a negotiating tactic. Thruway spokeswoman Jennifer Givner

said Monday the authority doesn't comment on litigation, adding all valid invoices from the consortium had been paid in full and the consortium's claim is still being evaluated.

"The Authority is committed to protect the interests of its toll payers and the public by making certain that its contractors perform in accordance with all contract re-

**Thruway interfered in Cuomo span project, leading to higher costs, lawsuit says.**

quirements," Ms. Givner said.

In a letter sent to the authority last week, Sam Choy, the TZC executive in charge of the project, said the authority had breached the contract and damaged the consortium members.

"Ignoring debts due does not make them go away," Mr. Choy said in the letter, which was reviewed by The Wall Street Journal. "Interest accrues and the behavior drives

the most experienced companies away from doing business with the State."

The authority has spent roughly \$3.7 billion for the bridge and plans to borrow another \$312 million this year to pay for it, according to authority budget documents approved in December. Higher toll rates took effect in January for vehicles crossing the Cuomo bridge, with discounts for local residents. Non-E-ZPass users across the 570-mile Thruway system also are paying higher tolls to cover rising debt-service costs.

If successful, the suit would increase the cost of a project that Gov. Andrew Cuomo named in honor of his late father and has touted as a model for a major infrastructure project completed "on time and on budget."

In 2012, the Thruway Authority selected Tappan Zee Constructors—a consortium of Fluor Enterprises Inc., American Bridge Company, Granite Construction Northeast Inc. and Traylor Bros. Inc. The consortium says in the new lawsuit that delays began almost immediately when the authority waited three months

to issue a notice to proceed, pushing the start of construction to winter 2013.

The authority hired HNTB, an engineering firm, to help oversee the process. TZC says in the lawsuit that HNTB repeatedly interjected in the consortium's design activities in a way that was inappropriate for a design-build project.

The company isn't a party in TZC's lawsuit. An HNTB spokeswoman didn't respond to requests for comment.

In an April 2014 letter to the authority, TZC expressed concern that the authority was requiring its approval of all TZC responses to the authority's comments before design work could progress. The authority "regularly performed unnecessary, detailed reviews of TZC's design, which significantly impeded and disrupted the design-development process, in breach of NYSTA's obligation to collaboratively work with TZC," the suit says. TZC also says it asked for time extensions after severe weather events and a crane collapse. The requests were denied, leading contractors to hasten their work at a higher cost, the suit said.

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 **NO KID  
HUNGRY**

BY ELLIE AUSTIN

Kelli Wheeler always knew she wanted to have children. But in April, her boyfriend broke up with her right as the pandemic set off social-distancing mandates that make dating much more complicated. The 34-year-old decided she would have to re-think her path to motherhood.

"Even if I met a guy quite quickly, I was three or four years away from having kids because I'd want some time where it was just the two of us," says Ms. Wheeler, a digital-content producer in Los Angeles. "I began looking into ways I could take control of my fertility, without a man." She booked a consultation at a fertility clinic and plans to freeze her eggs this spring.

Ms. Wheeler is one of many single women in their 30s and 40s who have found themselves reassessing their plans for having children in the past year. The pandemic has both made it harder to meet a partner and provided time for introspection. For some women, that has sparked a realization that they want to prioritize motherhood, regardless of whether they are in a relationship. Plenty of men, of course, have had similar epiphanies, but biology forces women to take action within a more limited window of time.

"For a single person who thought they wanted to have children within an established relationship, Covid has put a year-long hold on their ability to meet someone," says Laura Lindberg, principal research scientist at the Guttmacher Institute, a research and policy organization. "That may lead to some difficult decision making."

In a June report from Guttmacher, more than 40% of women surveyed said the pandemic had changed their plans about when to have children and how many they wanted to have. The survey looked at women overall, not single women specifically. Thirty-four percent of women said they were putting motherhood on hold or planning to have fewer children because of the disruption caused by the virus.

Yet for other women, the pandemic has accelerated fertility decisions. A number of fertility clinics across the country say they have seen an increase in egg freezing retrievals. These patients aren't all single, but egg freezing is one com-



Clockwise from near left: Lindsay Smith booked fertility assessment; Victoria Mathew aims to pursue adoption and fostering; Kelli Wheeler plans to freeze eggs.

ping point. She had dated on and off throughout her 30s but hadn't been in a serious relationship for a decade. In March, she left her apartment in New York City for her parents' home in West Chester, Pa., where she has been living ever since.

She spent the first few months of the pandemic consumed by her job in program management for a medical device company—often working 100-hour weeks, she says. By the time November came

around, she found herself in a more introspective mood.

"Although I loved so much about my life, I was feeling down because I didn't have a family of my own," she says. "The pandemic pushed me to the brink from a work perspective, but it's also given me the time for a lot of soul-searching around an alternative approach to what my life could be in the future."

Ms. Smith is hoping to undergo a cycle of

embryo freezing, where her eggs will be fertilized with donor sperm soon after they are retrieved. Her doctor advised this course so that she knows immediately whether she's capable of creating healthy embryos before spending thousands of dollars to store her frozen eggs.

Victoria Mathew, a 43-year-old science teacher in Baltimore, spent 2020 wrangling with a dilemma which had dominated the second half of her 30s: How would she have children when she couldn't find a partner who wanted the same future as she did? All her closest friends had children and as the holidays approached, she felt increasingly isolated. "Experiencing Christmas on

my own in a pandemic just set me off," she says.

She decided she wanted to pursue fostering and adoption. "I thought, 'I want to stuff a stocking. I want to cook a big Christmas meal for my children,'" she says. "I decided then and there that I

wasn't going to wait around for a man anymore. I'm going to provide a home on my own for kids who really need one. This pandemic makes you put your life under a microscope and get to the core of what you really want. I'm not wasting any more time."

## New Fertility Decisions For Some Single Women

The pandemic has made dating tougher and fueled more introspection

mon way that women without partners seek to preserve their options. NYU Langone's Fertility Center in New York reported a 33% increase in women starting egg-freezing cycles year-over-year between June and November 2020. Shady Grove Fertility, which has 36 clinics across the U.S., saw a 22% increase in egg freezing retrievals from January to November last year compared with the same period in 2019 (figures for December aren't yet available). Kindbody, with clinics in locations including California, New York and New Jersey, says it saw a "tremendous uptick" in egg freezing in 2020.

Some increase in interest likely stems from pent-up demand after spring lockdowns, but the numbers are higher than many fertility experts expected. "We thought we'd see a decrease in people coming to us as starting a cycle might not be a priority in a pandemic," says

Brooke Hodes-Wertz, a reproductive endocrinology and infertility specialist at NYU Langone.

Dr. Hodes-Wertz says she has seen more single women coming to her since this past summer. "A lot of women in New York City who have stable incomes have had time to reflect during the pandemic, and they've also had the physical time to start a cycle because they're not traveling."

Following a fertility assessment, a consultation where a specialist evaluates the health of a woman's reproductive system, usually via blood work and an ultrasound, Ms. Wheeler decided that she would freeze her eggs with a view to having them thawed in about three years if she is still single. She would then have them fertilized with donor sperm and implanted.

"Because I'm not rushing to work every day, the pandemic has

given me the time to sit down and process big decisions about my future," she says. "Could I be a single mother? I know it wouldn't be easy and I'd like to meet someone before I have to make that decision, but giving myself the choice feels so powerful."

Freezing eggs without the support of a partner can be daunting, both financially and emotionally. The cost of egg freezing ranges from around \$6,500 to \$18,000, fertility clinics say, depending on factors such as how many eggs a patient wants to freeze and for how long. Many insurance plans don't fully cover elective egg freezing, if at all. Some larger employers, however, have expanded their fertility benefits in recent years.

For Lindsay Smith, her 38th birthday in November was a tip-

**33**  
Percent rise in women starting egg-freezing cycles at NYU Langone Fertility June to November 2020 versus the year-earlier period

## Mask Strategies to Combat Covid Variants



**YOUR HEALTH**  
SUMATHI REDDY

**IT'S TIME TO** up your mask game.

As new, more-contagious coronavirus variants circulate, doctors say it's important to improve the effectiveness of your mask practices—such as by "double masking" to wear two at once. Numerous studies have found that masks help protect the wearers as well as those around them from the virus that causes Covid-19.

"Now more than ever, the next four to six months are the most

critical time to really up your mask," says John Volckens, a professor of mechanical engineering at Colorado State University in Fort Collins, Colo.

But how exactly do you mask better? And what other guidance on masking has changed? Here's what you need to know.

**What is double masking and why are people talking about it?**

Double masking is wearing one mask over another. This blocks more particles, because you have two layers and the fit is more snug, creating a tighter seal around your face with fewer gaps. "Double masking is really shorthand for improving your mask," says Linsey Marr, a professor of civil and environmental engineer-

ing at Virginia Tech.

**What's the best way to double mask?**

Most experts say a cloth mask over a surgical mask is the way to go. A cloth mask can also help when worn over a KF94 mask, which are certified in South Korea to filter at least 94% of very small particles, says Dr. Marr. KF94s can be somewhat loose on the sides, so a cloth mask can help pull it tighter to your face.

A second mask is generally not necessary when wearing an N95, which are certified to filter out at least 95% of very small particles, or a KN95, the Chinese equivalent of an N95. But it could help protect the N95's material and extend its use.

It's important to maintain breathability when double masking, says Dr. Volckens. "If a mask isn't

breathable, one of two things happens," he says. "If there's too much resistance the mask will leak, or if it's too uncomfortable you will take it off."

**What about cloth masks with filters?**

A large filter that fits over your nose and mouth can improve filtration, says Mark Rupp, chief of the division of infectious diseases at the University of Nebraska Medical Center in Omaha. But if the filter is covering only a small area, it's probably not very helpful. He



More experts are recommending 'double masking' to better protect against the virus.

says filters should be replaced when they are damp or soiled. Dr. Volckens recommends masks with a permanent built-in filter.

**I have an N95. Should I wear it?**

More experts are recommending wearing an N95 if you have one to better protect against new variants, although the CDC has said they should be reserved for medical workers. Legitimate N95s can be difficult for regular consumers to find.

The risk level of your setting is important, says Joseph Allen, director of the Healthy Buildings Program at the Harvard T.H. Chan School of Public Health. You probably don't need to wear an N95 if you're going on a walk with a friend or to the playground outside. But if you're working indoors in a restaurant or grocery store, or going to an indoor location with many people, it's a good idea to wear one.

**What's the difference between a N95, KN95 and KF94? Is one bet-**

ter than the other? Dr. Allen says a close second to N95s are KF94s, a mask certified in South Korea that American consumers can easily find online. "We can have a lot of confidence in these masks," says Dr. Allen. "They capture 94% of particles and they are a lot more comfortable."

**How effective are the widely available blue surgical masks?**

The filtration of blue surgical masks can vary. Look for ASTM

certification on surgical mask boxes. "Those are very good at filtering out aerosols of all sizes," says Dr. Marr. Level two and three are especially good. The downside of surgical masks is they don't fit snugly on most faces. "There are inevitably gaps on the side so they leak like crazy," says Dr. Marr. This is where double masking can be helpful.

**How can I tell if my mask has a good fit?**

When you breathe in, the mask should press in or flex into your face with the air flow. You can also breathe out. There shouldn't be air gaps coming out the mask's sides. If your glasses fog up, that means air is escaping around the top of your mask by the nose bridge, says Dr. Volckens. If you don't wear glasses, put on a pair of sunglasses to see if they fog up.

Another good test: Stand in front of a mirror and breathe out forcefully. Did you blink? If so, that means air hit your eyelids and is escaping around the mask.

## PERSONAL JOURNAL. | HEALTH &amp; WELLNESS

WHAT'S YOUR WORKOUT? | JEN MURPHY

# He Spent Less Than \$300 On a DIY Gym

James Thompson is proof that a home gym doesn't have to cost a fortune or take up a ton of space. When Jim McNally Boxing in North Reading, Mass., closed in March due to Covid-19, Mr. Thompson set up a boxing gym at home for less than \$300.

Instead of investing in a heavy punching bag, he made his own from a commercial fishing buoy filled with water and hung it from his back deck. "The majority of boxing brands sell water-filled heavy bags, marketing them as having more give and being easier on the arms and shoulders than traditional bags," he says. "They all looked identical to the buoy but with a price tag more than three times what I paid." He also bought a jump rope, a TRX suspension trainer, a resistance band and boxing gloves.

Mr. Thompson and his wife have four sons aged 18 to 27. He is the general counsel of a public company in Cambridge, Mass., and says the demands of his job require an efficient, effective workout. Boxing combines cardio and strength and doesn't aggravate age-related body aches, he says. "I have a lot of knee and shoulder issues from a universe far, far away when I was a competitive swimmer and water polo player," he says.

Mr. Thompson, who is 60 years old, jokes that he doesn't dream of turning pro. "I've never hit anyone and I don't relish the thought of being hit," he says. Hitting the bag



Mr. Thompson with his TRX suspension system, above, and the punching bag he made himself.

has been a stress reliever during the pandemic. "It's been great for my mental health," he says. Mostly working from home, he says sneaking in a midday workout between Zoom calls brings his energy back. "It delivers that quick jolt of dopamine so you can push through the rest of the day," he says.

Mr. Thompson had been working out on his deck, but recently moved his DIY boxing bag into the basement to prevent the water from freezing.

## The Workout

Mr. Thompson's workout takes 30 to 45 minutes and generally consists of a combination of jumping rope to warm up, body-weight suspension exercises using the TRX, resistance-band work for the shoulders, floor work and two to four rounds of heavy-bag work. He completes nine to 11 sets of three-minute rounds with one minute in between.

Mr. Thompson uses an app called Interval Timer to track rounds. He aims to get in four to five workouts a week. "I keep a log to keep myself honest," he says.



## TAKING CARE OF YOUR KNEES

"As people age and begin to experience knee pain, they usually don't want to exercise anymore, which is the opposite of what they should be doing to help their knees," says Martin Boublik, an assistant professor in the department of orthopedics at the University of Colorado and team physician for the Denver Broncos. As we get older, we experience loss of muscle mass and our joints begin to get stiffer as

we develop certain elements of arthritis, he says. Dr. Boublik estimates that 30% of his patients in their 60s have some form of symptomatic knee arthritis either caused by repetitive trauma over the years or a specific injury. To help these patients, he recommends nonimpact activities such as biking and swimming, as well as stretching and strengthening exercises. "The goal isn't to regain the knees you had in your 20s but to stay active and manage the symptoms," he says.

Riley Williams, a sports-medicine surgeon at Hospital for Special Sur-

gery in New York and medical director for the Brooklyn Nets basketball team and Red Bulls soccer team says he encourages patients to strengthen the quadriceps, hamstrings, gluteal muscles and the core muscles of the abdomen when dealing with debilitating knee pain.

Dr. Boublik says lifelong runners don't have to give up the sport, but he suggests decreasing mileage and intensity, incorporating recovery days, replacing sneakers every 200 to 300 miles and running on softer surfaces.

**Round 1:** Jump rope warm-up  
**Round 2:** Band work for shoulders  
**Round 3:** 15 fly-to-chest presses followed by 15 high shoulder pulls with the TRX  
**Round 4:** TRX tricep extensions and biceps curls  
**Round 5:** One-legged TRX squats, 15-20 per leg and regular squats  
**Round 6:** 50 hip thrusts followed by 100 superman leg lifts  
**Round 7:** Freestyle on the bag working on combinations to get

the heart rate up to 130-140 beats per minute  
**Round 8:** More bag work  
**Round 9:** 50 leg-raised crunches, 50 toe touches and plank pose

## The Diet

**Seasonal Flux:** "We grill in the summer, but during the winter we eat less healthfully," he admits. "I've definitely gained the Covid 10" [pounds].  
**Essential Food Group:** Coffee

**Breakfast:** Yogurt and muesli  
**Splurge:** A thick steak with a glass of pinot noir

## Essential Gear

**Jump rope:** \$6 from Walmart  
**Heavy bag:** Polyform LD-3 low-drag buoy \$51  
**Mat:** "I bought a moving blanket for \$5," he says.

## Playlist

Old-school metal or punk rock

DAVID KASNIC FOR THE WALL STREET JOURNAL



Talk with grandparents before a visit to make sure everyone is comfortable with the terms.

ASK

PERSONAL JOURNAL

## VISITING GRANDMA

Is it safe to visit the grandparents once they have been vaccinated against Covid-19?

### The bottom line

The risks of getting sick are lower for grandparents after they have been vaccinated. But vaccination doesn't eliminate risk—to grandparents or to their visitors—so it's a good idea to assess your circumstances, continue to take some precautions and make sure everyone is comfortable with the terms of the visit.

### The details

The virus that causes Covid-19 continues to mutate, raising the prospect that certain variants may make the vaccines less effective. And it's not yet clear how much protection vaccines offer against transmission of the virus—so it may be possible for grandparents to spread Covid-19 to their visitors even if the vaccine keeps them from getting sick themselves.

Vaccines from Pfizer and Moderna have been shown to be highly effective in prevent-

ing disease. And those vaccines, which were cleared for use in the U.S. in December before certain new variants were identified, appeared to provide at least some protection against emerging strains in lab tests. Yet they weren't tested in humans exposed to the new strains. And vaccines from Johnson & Johnson and Novavax recorded lower effectiveness levels in studies in South Africa that took place after a new variant was identified there, compared

**It's safer, but not risk-free, to visit grandparents once they're vaccinated.**

with their performance in other regions. (Vaccine makers are readying new shots that would zero in on the new variants more precisely.)

Scientists also don't yet have enough information to fully determine how much protection the vaccines offer against transmission. One encouraging sign came recently when researchers from the University of Oxford said its Covid-19 vaccine could have a substantial effect on curbing virus trans-

mission after one dose, the first data to show a vaccine might be able to slow the spread of the disease, not only prevent people from developing symptoms of it. But the data was preliminary and not peer reviewed.

At the same time, spending time with family is important, too—especially with grandparents who have been isolated for months and may not have many years left to see their loved ones. "That's not trivial," says Arthur Caplan, director of the division of bioethics at the New York University Grossman School of Medicine. "Some are thinking...I'm not sure I'll be here another year," he says.

If you decide to visit, it's still a good idea to take precautions, such as masking or meeting outdoors. If an outside visit isn't possible, staying more than 6 feet away, adding ventilation and washing hands can help reduce risks.

And don't just show up. Come to a consensus about what each generation is comfortable with before the meeting, says Dr. Caplan. Decide how long you're staying, determine the exact location and make sure everyone is clear on whether you're still planning to social distance and wear masks. "It needs to be a mutually agreed upon visit," he says. —Alina Dzik

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ARTS IN REVIEW



The British rapper Tyron Frampton, who performs as Slowthai, in 2019; his new album, out Friday, is 'Tyron,' below

another world musically, one where samples of old soul grooves and fingerpicked guitars are welcome. But though the sonic backing and subject matter take a turn, Slowthai's voice provides the through-line. Instead of projecting outward, these songs look within to find pain and flickers of hope.



rus from singer Dominic Fike and a few phrases from rapper Denzel Curry—on a song that explores self-acceptance in the face of self-loathing.

It's a risk when an artist known for spitting bile takes a softer and more emotional turn. The music can easily come off as manipulative or overly precious. "Push," which features acoustic guitar and a chorus by Los Angeles singer Deb Never, comes close to crossing that line.

The rapper gives half of "Feel Away" over to English singer-songwriter James Blake, whose viscous tone radiates sadness. Accompanied by glitchy production from Dom Maker of the experimental electronic duo Mount Kimbie, Slowthai raps about the perils of an intimate relationship and the difficulty of giving yourself to another.

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

MUSIC REVIEW | MARK RICHARDSON

A Rapper's Two Sides

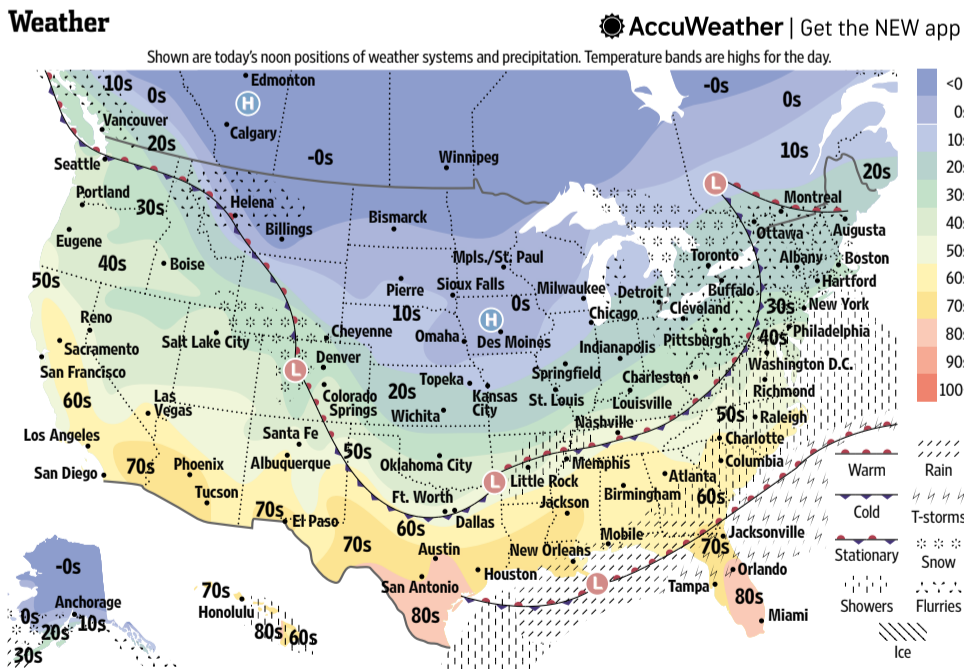
Slowthai tries to reconcile his angry past with his hope for a more grounded future

The distinctive voice of British rapper Slowthai is simultaneously a squeak and a scream. It's as if the 26-year-old MC, born Tyron Frampton, knows that making his vocal tone slightly annoying will also make it impossible to ignore.

keeping open the possibility of redemption. In 2019, when Slowthai released his debut LP, "Nothing Great About Britain," that rage was directed at the political situation in the U.K., specifically the country's pending exit from the European Union.

to make a big commercial splash on these shores. But it's an excellent collection of songs that builds on and broadens the sound of its predecessor while maintaining the artist's essential identity. In an interview with the British magazine Dazed from June, Slowthai described the new work as reflecting "two sides of Tyron as a person," by which he meant the person he used to be and the person he hopes to become.

opening "45 Smoke" finds the rapper spitting his words defiantly over an ominous, bass-heavy U.K. drill beat by Kwes Darko, who handles most of the production here. He raps lines about being misunderstood as evil but also drawing power from being feared, using it as a kind of armor.



U.S. Forecasts table with columns for City, Today Hi/Lo/W, and Tomorrow Hi/Lo/W.

International forecasts table with columns for City, Today Hi/Lo/W, and Tomorrow Hi/Lo/W.

The WSJ Daily Crossword | Edited by Mike Shenk

Crossword puzzle grid with numbers and black squares.

- 68 Webmaster's medium
27 Group that gives out IQ Awards
69 Emmy winner Gilda
28 Urbi et Orbi address deliverer

HERE COMES TROUBLE! By Evan Kalish

- Across
1 Ophthalmologist, informally
7 "Never I ever..."
11 Visibility reducer
14 Portuguese explorer Vasco
15 "I'll do that ASAP!"
16 Prez on a penny
17 Like the modern economy
18 Like medieval castle halls
20 Source of shade in a glade
21 Bringing on
23 Intermission preceder

- Down
1 Boundary
2 Pronoun with an apostrophe
3 Incassant self-Googleer, perhaps
4 Smidgen
5 Home of TD Ameritrade's headquarters
6 The 656-mile Route 1 runs along it
7 Good that flies off the shelves
8 Shortly, quaintly
9 Ornamental climbing plant
10 "And more," for short
11 Gandolini's on-screen spouse
12 Posthumous write-ups
13 "Funny joke, right?"
19 Impose a moratorium on
22 Cardi B specialty
25 Guns on the street?

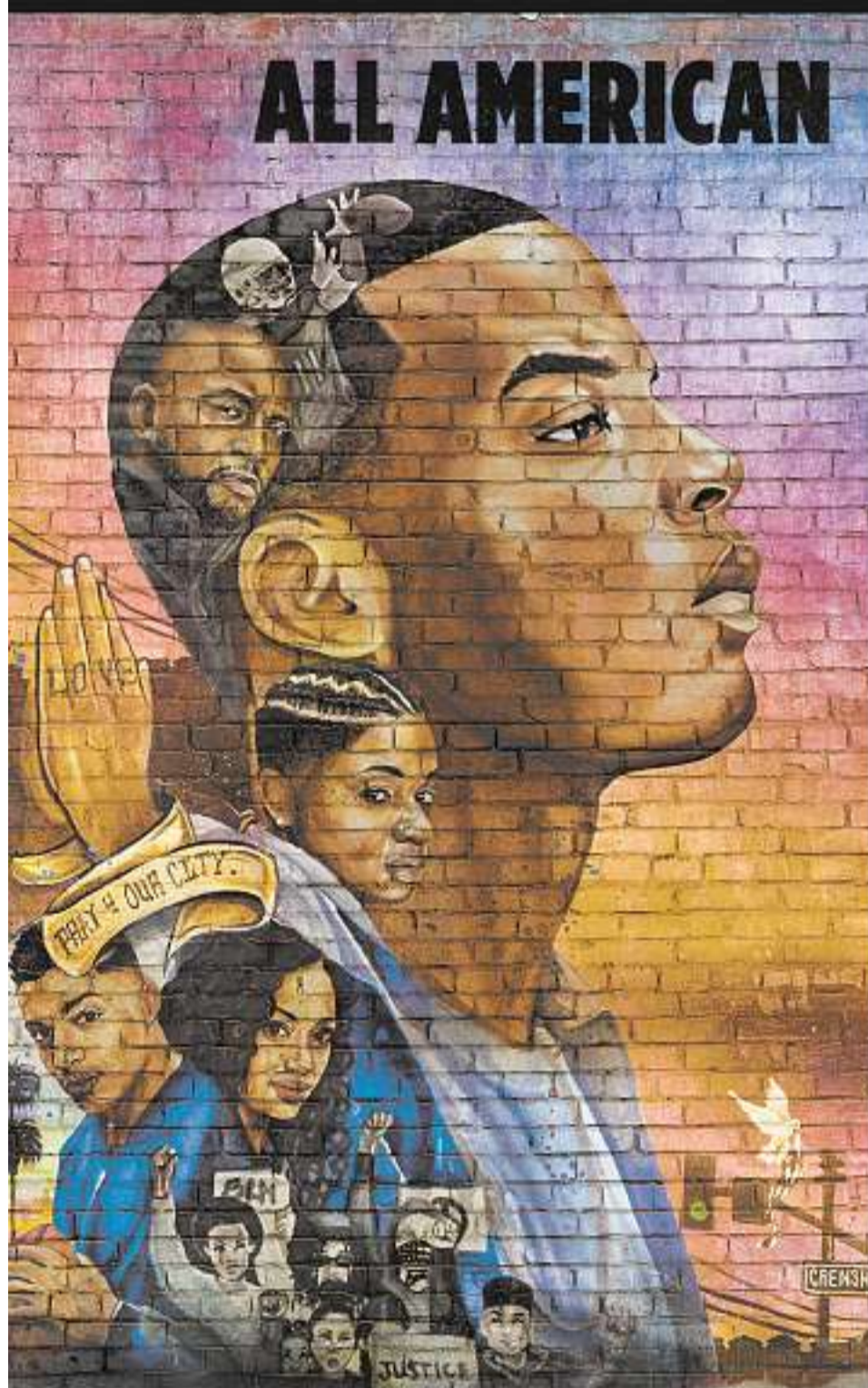
Previous Puzzle's Solution grid with words like CLARP, ALLOOF, EBBBS, etc.

Solve this puzzle online and discuss it at WSJ.com/Puzzles.



# THE CW HITS NEW HIGHS

IN BOTH DIGITAL AND LINEAR



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**ALL AMERICAN**

MOST STREAMED SINGLE EPISODE EVER ON THE CW APP

## LINEAR

**ALL AMERICAN**

HIGHEST RATED ALL AMERICAN EPISODE EVER

SOURCE: Nielsen NPM L7 AA P2+ 000s/A18-49 Rtg

**WALKER**

MOST WATCHED CW SERIES DEBUT SINCE 2016

SOURCE: Nielsen NPM L7 AA P2+ 000s

## SPORTS

# How Tom Brady Lasted to Win A Seventh Super Bowl at Age 43

The NFL began changing its rules to protect quarterbacks at the start of his career. It helped him claim another ring.

By Andrew Beaton

On a warm Sunday afternoon almost 20 years ago, New York Jets linebacker Mo Lewis lowered his shoulder and delivered a brutal blow to a New England Patriots quarterback scrambling to the sideline. Drew Bledsoe crumpled to the ground. Soon, a little known 24-year-old named Tom Brady stepped onto the field.

Football was never the same. Brady, now finishing his first season with the Tampa Bay Buccaneers, won his record seventh Super Bowl on Sunday in a dominant 31-9 thumping of Patrick Mahomes and the Kansas City Chiefs. The title follows six championships he won with New England.

Looking back, the one play that happened to launch football's greatest career wasn't simply a grisly hit. It explains why Brady, now 43, is still atop the sport to this day: football's rules changed to safeguard players like him right as he embarked on his unrivaled career.

Brady changed the NFL. The NFL also changed in ways that helped extend Brady's greatness.

"I haven't had a lot of time to think about all the things like that," Brady said of winning this Super Bowl at this stage of his career. "I'm just blessed."

He's blessed because his career happened to dovetail with an evolution inside the sport that has never made it more sustainable to play the game's most important position for longer. As Brady rewrote football's record book, the league rewrote football's rulebook to protect its players—and particularly its quarterbacks.

The NFL wanted quarterback safety. It has produced Brady claiming four Super Bowls—after he turned 37. Quarterbacks like Brady, and a host of his peers, have lasted longer than ever because they're hit less often and less hard. Brady has also credited his well-publicized diet and training methods for his durability.

Brady is only the forefront of an era of quarterbacks who have persisted and played better at an older age than anybody could have imagined in the wake of these overhauls. Peyton Manning won his second Super Bowl five years ago at 39. Drew Brees, who turned 42 dur-

ing these playoffs, has remained the engineer of elite offenses in New Orleans. Aaron Rodgers was crowned MVP this year after turning 37. The oldest MVP: Brady three years ago.

It's no coincidence that the greatest passing era of all time has aligned with an unprecedented run for quarterback longevity. In the same era that NFL teams have embraced passing more, and passing has become more efficient, quarterbacks are protected unlike ever in the game's history.

Quarterbacks were sacked on just 5.9% of dropbacks in 2020, near the lowest in league history. Net yards per pass attempt are the highest in the Super Bowl era. Passer ratings reached an all-time high. It's a progression that has been the undercurrent of Brady's career.

It was in 2002, fresh off Brady's first Super Bowl title, when the NFL accelerated a series of reforms designed to improve player safety—and quarterbacks in particular. A minor tweak made it illegal to hit a quarterback helmet-to-helmet any time after a change of possession. But it foreshadowed years of far more extensive overhauls.

Low hits on quarterbacks, when they could be avoided, were banned in 2006.

In 2007, the 2002 change was amended to include hits to a quarterback's head not just by an opponent's helmet, but also from their forearm and shoulder. Those were just some of the 50 changes the NFL has made since 2002 to protect players in recent years, with the vast majority of them protecting offensive players.

Tom Brady entered professional football at a moment when it was getting safer than ever before to be Tom Brady. His body absorbed fewer, and less crushing, blows than his predecessors. Brady has suffered just one injury in his entire career that kept him out of action, a knee injury in 2008.

Brady has been sacked on 4.7% of his dropbacks in his career, which is 11th lowest rate ever, but what's more telling is the rest of the list. Of the top 15 quarterbacks in that stat, seven of them have played since 2015. This is an era when quarterbacks are simply hit less, and that doesn't include the other blows that have been weeded out of the game.

There are two ways offenses and



Tom Brady has long suggested that he wanted to play football until he was 45, an idea that once seemed crazy.

the quarterbacks who run them have exploited this phenomenon. They both happened to be on display in this Super Bowl.

One is embodied by Mahomes, the forefront of a generation of mobile and freewheeling quarterbacks. They run more than their predecessors. They run side-to-side more for the purpose of passing. They can do this both because modern offenses increasingly embrace this style—and because they're shielded from so many of the crushing blows that would have once been leveled on them.

"I want to play as long as they let me," Mahomes said ahead of the game. "In order to do that, I have to take care of my body as much as I can and leave everything else on the field."

Brady plays nothing like Mahomes. He leads a group that has taken advantage of football's

sweeping changes to avoid hits in the pocket and play longer than anyone at his position ever has. The four quarterbacks with the lowest sack percentage this season: Ben Roethlisberger, Brees, Brady and Philip Rivers. They're all 38 or older. They all made the playoffs this year.

The difference: Brady was better than them.

He beat Brees and the New Orleans Saints in the NFC divisional round.

He beat Rodgers and the Green Bay Packers in the NFC Championship.

Then, to top it off, he beat the 25-year-old Mahomes in the Super Bowl.

There was a brief time, in between Brady's Super Bowl win two years ago with the New England Patriots and his one Sunday, when the traits that made his game tai-

lor-made to longevity were to his detriment. He dumped off short passes, threw the ball away to avoid hits and his numbers suffered last year.

Then, when he became a free agent, he chose the perfect team to breathe new life into his career. The Buccaneers had one of the NFL's best offensive lines and the passing weapons he sorely lacked near the end of his Patriots tenure. That was clear in the Super Bowl, when he completed 21 of 29 passes for 201 yards with three touchdowns while getting sacked only once.

Brady has long suggested that he wanted to play until he was 45, an idea that once seemed crazy. Ahead of Sunday's game, he was asked if he would consider playing longer. Suddenly, his answer doesn't seem so crazy. "I would definitely consider that," he said.

**34-11**

Tom Brady's postseason record, after going 4-0 in this season's playoffs

JASON GAY

## How About That Tampa Bay Defense?



make it a thing, but it never happened.

"They stepped up to the challenge," Brady said of his team's defense.

Nine points? No touchdowns? Nobody does that to the Chiefs. It was the lowest scoring output in Mahomes's professional career. That Bucs defense—names like Devin White, Shaq Barrett, Jason Pierre-Paul, Lavonte David, led by

Tampa Bay defensive coordinator Todd Bowles—became a force in these playoffs, winning on the road in New Orleans vs. Drew Brees, then Lambeau vs. Aaron Rodgers, then finishing it off at home, making a potent defending Super Bowl champ seem mortal, pressuring and overwhelming a patchwork Chiefs line and giving Mahomes little room to operate.

"The worst I think I've been

beaten in a long time," Mahomes said afterward.

It was a rough and tumble masterpiece. The Tampa Bay D deserves a bow. And perhaps, the Super Bowl MVP.

Of course, the way it works in football is that the quarterback is the CEO, who gets the blame, and also the credit, and the MVP. Brady did more than simply steer the gal- leon into port, however. He was

The Tampa Bay defense kept the high-powered Chiefs offense out of the end zone in Super Bowl LV.

fairly impeccable Sunday: 21 for 29, 201 yards, no interceptions, three touchdown passes. Those numbers are a fraction of his Super Bowl heights, but he doesn't need big stats to prove a point anymore. Brady plays within his limits—he doesn't try to exert his will on the game; he will take the incomplete pass and simply move on to the next play—and maybe that's really his secret, not the protein shakes or deep-tissue massages.

Aging can be tough, but wisdom is a formidable counterweight.

Brady found The Gronk, Rob Gronkowski, twice for touchdowns. That had to be an awkward feeling up in New England, watching that combination do it again in the first week of February, in new laundry, for some other town.

That's the risk of letting a leg-end walk out the door.

The retelling matters now. Another Super Bowl will fade into the rear view, and the NFL will push on to a new season and a fresh set of Roman numerals. Before we know it, what happened on Sunday is going to look like another gray set of stats on a page, and we are going to have to be the ones who remind that Tampa Bay won this game because its defense was magnificent, and so was the new guy under center, who got another one, in Florida, after leaving it all behind.

It's a perfect exit, were he to exit. Tom Brady is not on script. He indicated on the championship stage he wants to keep going, at age 44—"Oh yeah, we're coming back"—so it appears we will get it again. There's never been anyone in sports quite like him; we don't really have the language for what he's doing. Let's stick to "absurd." More absurdity, due this fall.



What Tom Brady's done is absurd. His career was absurd before this, of course, mocking the standard trajectory for a football

quarterback, but the absurdity has truly become something to behold.

He's really gone and done it now. The Brady reverence was suffocating in the weeks heading into this Super Bowl, and it will be even more suffocating now that he's done it, won Super Bowl No. 7, with a new team, in a new city, in a new conference, after leaving Bill Belichick and a Patriots dynasty...and even still, I wonder if we're moderately underselling it, how amazing it is, what he's accomplished, at the defiant age of 43.

With Tampa Bay, Brady's added a deeply personal chapter.

To win and win throughout your career, but to do it in the same shop, repeatedly, a bit mechanically, to the point that people start to wonder if it's more about the shop, and less about you, and then to leave, bittersweetly, for another shop, a new coach, and a whole fresh set of co-workers, and win it again, right away?

Brady is not the type of athlete to publicly parse his emotions, but it's got to be one of the most satisfying feelings in sports.

Not revenge—something more elevated, sweeter.

And yet, Tampa Bay's defense won that game. I think that's an important thing to say, up high. Brady may tell you that himself, that the Buccaneers offense lived up to its expectations Sunday, and that it was the defense which delivered the critical edge. Kansas City got shut down early, and stayed shut. Patrick Mahomes is the most magical talent in the NFL, and he never got going. I kept waiting for the Chiefs to surge, to rally for 21 in five minutes, and



## OPINION

## REVIEW &amp; OUTLOOK

## Why Democrats Want a Trump Trial

The Senate on Tuesday begins the second impeachment trial of Donald Trump, now the former President. Democrats say the trial is crucial to punishing Mr. Trump for the Jan. 6 Capitol riot, but it seems more likely to do the opposite by acquitting him. It also looks like a needless partisan exercise that will further polarize America's political factions.

**They already know the result, but they think it will hurt the GOP.**

As we've said several times, Mr. Trump's actions that day and after the November election were disgraceful. He made false claims about a stolen election and later about overturning the Electoral College count. He also misled his supporters about Vice President Mike Pence's solely ceremonial role in presiding over the vote count.

By rallying his supporters to march on the Capitol in the false hope of overturning the election result, and then refusing for hours to ask them to stand down, Mr. Trump tolerated an assault on a constitutional branch of government. Republicans who think this is impeachable conduct will get no criticism from us.

Yet the House impeachers don't limit themselves to that charge. In their single and sloppy impeachment article, they accuse Mr. Trump of "incitement of insurrection." This is a stretch, not least because Mr. Trump called on the marchers to behave "peacefully." The House managers mention this only in passing in their trial brief. It is doubtful that Mr. Trump's Jan. 6 remarks would qualify as incitement under the criminal code.

The assault on the Capitol was a riot, and a violent one, but it wasn't an "insurrection." It wasn't a coup. Law enforcement was overwhelmed but it was all on the side of the Congress. Once the mob was dispersed, the Members returned to the House chamber to count the votes. There was never any chance that Joe Biden would not become President on Jan. 20, whatever the fantasies of Mr. Trump and his courtiers.

We advised Mr. Trump to resign and take responsibility for the events of Jan. 6, but he rode out his term, was impeached by the House within a week, and is out of office. The relevant issue three weeks into a new Presidency is what purpose does a trial serve now?

Democrats say it will deter future impeachable acts late in a President's term, but that is unlikely if Mr. Trump is acquitted, as he likely will be. He will claim vindication. The greater rebuke would come from letting him suffer in isolation, without power and with the stigma of a bipartisan House impeachment vote.

Democrats say a conviction would also allow a simple majority vote to bar Mr. Trump from holding federal office again. That is tempting to some GOP Senators who know Mr. Trump's party dominance has cost them control of the House and Senate. But he probably won't be convicted, and in any case voters should decide if they want him in office again. Mr. Trump's electoral defeats are a more compelling rebuke than a partisan ban by Congress.

Most Senate Republicans seem poised to vote for acquittal on grounds that impeaching a former President is unconstitutional. There are good arguments on both sides of the question, but the courts are unlikely to rule on the matter. The prudential point is that the trial won't have the deterrent or censoring effect that Democrats claim to want.

So why hold this trial? The answer is transparently political. Hatred for Donald Trump is the Democratic Party's single most unifying principle. Democrats have prospered politically since Mr. Trump was elected, and they'd like to keep him as a foil for as long as they can.

They know he divides Republicans, and they hope a trial will cross-pressure the GOP in 2022. Witness the state party censures of Rep. Liz Cheney and Sen. Ben Sasse for their criticism of Mr. Trump's post-election conduct. If GOP Senators vote to convict, they will face Mr. Trump's wrath in future campaigns. If they vote to acquit, Democrats will run against them as apologists for the Capitol riot.

Perhaps the trial will turn up some new evidence that moves the Senate toward conviction. But don't count on it. The House rushed impeachment without hearings, and the only witness the managers have called is Mr. Trump—an obvious political stunt. The irony of this trial is that Republicans would like to move on to debating Mr. Biden's agenda, but Democrats can't let Mr. Trump go.

## Biden's Yemen Gamble

The State Department told Congress Friday that it will reverse the Trump Administration's designation of Yemen's Houthi rebels as a foreign terrorist organization. By Sunday Foggy Bottom was asking the group to stop behaving like a terrorist organization.

"As the President is taking steps to end the war in Yemen and Saudi Arabia has endorsed a negotiated settlement, the United States is deeply troubled by continued Houthi attacks," a State Department spokesman said Sunday. "We call on the Houthis to immediately cease attacks impacting civilian areas inside Saudi Arabia and to halt any new military offensives."

Yemen's civil war has been a humanitarian disaster since the Iran-backed Houthis seized the capital city of Sana'a more than six years ago. Saudi Arabia, with U.S. assistance, has led a coalition to support the country's internationally recognized government. Democrats and some isolationist Republicans, critical of Saudi conduct, tried and failed to force the Trump Administration to end its involvement.

Last week President Biden announced the U.S.

would pull its assistance for "offensive operations" and cancel "relevant arms sales." Mr. Biden paradoxically promised the U.S. still would help Saudi Arabia defend itself from Houthi attacks.

The State Department also appointed an envoy to begin a fresh push to end the conflict. Seeking a negotiated peace for a war that has killed nearly a quarter-million people is important. But in the Middle East, adversaries read unilateral concessions as weakness unless they are made from a dominant position.

These early moves will have ramifications beyond Yemen. In an interview recorded Friday, Mr. Biden said the U.S. won't lift sanctions until the Iranian regime ends its violation of the 2015 nuclear deal. Supreme Leader Ayatollah Ali Khamenei responded that Iran won't comply with the accord until sanctions are lifted. The Iranians believe Mr. Biden will blink first.

Backed by an Iran that expects to be courted by the U.S., the Houthis think they're winning and will try to gain ground as America retreats. Undermining friends and emboldening adversaries is not a good formula for peace.

**The Houthis escalate against the Saudis after a U.S. concession.**

**How many jobs for the young and unskilled do Democrats want to lose?**

## Reality Check for a \$15 Minimum Wage

President Biden says his priority is creating new jobs and he wants "to grow the economy for all Americans." But look at how the Congressional Budget Office sizes up his proposal for a \$15 federal minimum wage. Phasing in this mandatory wage floor by 2025, according to the CBO's new average estimate, would result in a loss of 1.4 million jobs.

The idled workers would be disproportionately younger and less educated, and CBO projects that half of them would drop out of the labor force. Prices would also rise for goods and services that rely on entry-level labor, "such as food prepared in restaurants." The federal budget deficit through 2031 would increase \$54 billion, CBO says, as the government spent more on unemployment benefits and health-care programs.

Low-wage employees lucky enough to keep their jobs would get a raise. CBO says 17 million workers would be "directly affected" by the \$15 minimum, and poverty "would be reduced by 0.9 million." This is not a free lunch, no matter how often Mr. Biden and Bernie Sanders say so. Those gains would come at a high cost for the young and unskilled who will have a harder time grabbing the first rung of the economic ladder.

Even those figures are a guess, since setting the minimum wage at a high of \$15 would essentially put the country through an economic experiment. This would mean imposing the urban labor costs of San Francisco and Manhattan on every out-of-the-way gas station in rural America. The U.S. economy is made up of local and regional labor markets with prevailing wage rates

that depend on varying standards of living, the kinds of employers, and the availability and skill of the workforce. Some 20 states have a minimum wage no higher than the current national minimum of \$7.25.

The good news is that the \$15 wage's route through Congress looks bumpy. Mr. Biden told CBS he's willing to push a \$15 wage floor in separate legislation, but he doesn't think it'll pass buried in his \$1.9 trillion Covid bill: "Apparently that's not going to occur because of the rules of the United States Senate."

Mr. Biden is referring to the Byrd Rule. The Senate aims to approve his Covid bill using the budget reconciliation process, which bypasses a filibuster and requires only 51 votes. Under the Byrd Rule, however, the Senate parliamentarian should and probably will say a \$15 minimum wage isn't germane to the budget.

It won't be for lack of trying. "We have a room full of lawyers," Bernie Sanders said over the weekend, "working as hard as we can to make the case to the parliamentarian that, in fact, raising the minimum wage will have significant budget implications and, in fact, should be consistent with reconciliation rules."

If the parliamentarian won't bend, Democrats could hold a vote to overrule her. But in an interview last week with the Bipartisan Policy Center, Sen. Joe Manchin put his cards on the table. "I'm not going to let the Byrd rule be decimated," he said. Can you blame him? West Virginia's minimum wage is \$8.75 an hour. Its *median* hourly wage, \$16.31 in the 2019 data, is only a tick above what Mr. Sanders insists starting sandwich artists must be paid.

## LETTERS TO THE EDITOR

## Truth, Not a Truth Ministry, Will Set Us Free

Regarding your editorial "Liberalism's Ministry of Truth" (Feb. 4): I am struck again by how much closer our political environment is now to that described in George Orwell's book "1984" than when I first read it in the 1960s. I recently reread it and found disturbing how rapidly we are moving to the world Orwell imagined. Anyone who read "1984" years ago and forgot about it should reread it now. It is depressingly prescient.

JAMES R. DANIEL  
Fredericksburg, Va.

I find your editorial extremely frustrating, especially after reading that the Republican members of the House did nothing to rebuke Rep. Marjorie Taylor Greene's opinions that have been broadcast on social media and in the news over the past few years. Your editorial gives people like her free rein to express whatever they choose. I won't pass judgment on content, only that there has to be a filter for information that is false, slanderous, racist, derogatory and inflaming.

To say that liberals are trying to censor conservatives is missing the point. Everyone should be working at stopping the spread of disinformation and oppose usurping democracy and the promoting of suppression.

ROGER PARRISH  
Taos, N.M.

What citizens and taxpayers want to know are the facts. Truth has become subjective in left-wing and progressive circles. We all want to know the facts, whether or not we ever learn the truth. There is a difference between facts and truth. Truth cannot be looked up in a reference book.

JOHN MCGILL  
Frankfort, Mich.

Regarding the suggestion that we need a "reality czar" to determine what is acceptable speech, and conservatives need not apply: Only the New York Times, the bastion of truth, could propose this with great sincerity. Has anyone ever reminded the people there that when the Bolsheviks took over Russia, journalists were one of the first groups taken to the wall and executed because the

Bolshevik vanguard elite, the chosen ones, would be the definers of truth going forward and would harbor no competition.

This harks back to my old combat days in Vietnam when I heard: "We had to destroy the village to save it." Keep up the good work.

BILL KLEIN  
Springfield Ill.

In "YouTube Cancels the U.S. Senate" (op-ed, Feb. 3), Sen. Ron Johnson says that Dr. Pierre Kory stated before a Senate committee hearing that an antiparasitic drug, ivermectin, prevented Covid in health-care workers in Argentina. What he doesn't mention is that the Argentinean study used ivermectin with another presumed antiviral drug, Iota-carra-geenan, so the results don't show that ivermectin was the effective drug.

The NIH is currently looking at ivermectin and its effect on viruses, and in particular the Covid-19 adenovirus. Up to this point, there are no U.S. or world-wide studies that have been completed.

There may be a good reason Google removed the YouTube video of the Senate committee meeting that was hearing testimonies on the treatment of Covid-19.

ROY LEVIT, M.D.  
New York

To threaten physicians with sanction, firing or some form of retribution is the way of politics. To act in the best interest of one's patients has always fortified doctors to make decisions in context, acting as the patient's guide and advocate. As an employee in many, if not most, health-care corporations or a virtual employee of the government in a socialist single-payer system, the threats to any physician who deviates from the financial, political or current social orthodoxy adds intervening nonmedical threats to decision-making. For the medical profession to acquiesce to these political or corporatist demands will destroy the profession and the very institution of medicine in the eyes of our citizens, their patients.

ALLAN DOBZYNIK, M.D.  
Eastport, Mich.

## Inflation's Fire Next Time May Soon Be Here

Phil Gramm and Mike Solon make a convincing case for looming inflation in "The Risks of Too Much 'Stimulus'" (op-ed, Feb. 3), yet the Federal Reserve appears clueless about the dangers. The Federal Open Market Committee projects that personal-consumption expenditure inflation won't even reach 2% until 2023. Someone is very wrong here, and basic monetary theory suggests it is the Federal Reserve.

The Fed now totally ignores monetary trends. It still publishes the data, except for the M3 aggregate which was discontinued in 2006. As a result of this lack of analysis, it has failed to realize that much of the recent monetary increase is in household accounts, as stimulus checks have and are being saved and deposited. This is entirely different from the quantitative-easing jolts to the accounts of bond traders and financial institutions. All that is needed is a rapid increase in the velocity of money to cause rapid increases in aggregate demand.

The attainment of herd immunity to Covid-19 will guarantee a release in

pent-up demand that will drive velocity higher. This will occur in an economy that is in reasonably good shape, contrary to the portrayal by hysterical media elements.

What happens when we get a new round of stimulus checks, along with rising costs due to a weak dollar in import markets, a surge in antibusiness regulations and perhaps an increase in the minimum wage? Add in the 28% increase in M2 last year with more to come, and the result is clear to anyone who remembers the inflation of the late 1960s and the '70s, and to anyone who has studied the monetary analysis of Milton Friedman.

EM. PROF. ROBERT F. STAUFFER  
Roanoke College  
Salem, Va.

I laughed out loud reading "The Risks of Too Much 'Stimulus.'" To the progressive mind, there is no such thing as "too much." If the spending fails to achieve its objectives, then progressives will simply say: "It wasn't enough."

EDWARD J. KMIEC  
Black Mountain, N.C.

## The Filibuster Really Isn't Much Help for Democracy

In "The Senate's Byrd Call" (Potomac Watch, Jan. 29), Kimberley A. Strassel defends the filibuster as a means of achieving bipartisanship, and she further argues against undermining the so-called Byrd rule, which places limits on the Senate's use of budget reconciliation to circumvent the filibuster.

But the mere invocation of former Sen. Robert Byrd illustrates precisely why the filibuster should be done away with. Byrd infamously spoke for over 14 straight hours in a futile attempt to derail the Civil Rights Act of 1964. He presumably came to reject his regressive resistance to racial equality, but the example serves to illustrate that the point of the filibuster is not—and has never been—to achieve bipartisan consensus; it is instead a tool that aims to, and succeeds at, disempowering the majority.

In short, the filibuster is profoundly and effectively antidemocratic. For that very reason, it should be buried in the ash heap of history, regardless of which party controls the Senate.

PROF. DAVID R. DOW  
University of Houston Law Center

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

## Look for Huge Job Gains Ahead for Programmers

Regarding the New York Sun editorial cited in "Program" (Notable & Quotable, Jan. 28) on reprogramming Trump deplorables: I live in California and my sisters live in Missouri. We haven't seen each other for some time. May we respectfully request that we be placed in the same reprogramming camp?

JUDY HOVIS  
Lincoln, Calif.

## Pepper ... And Salt

THE WALL STREET JOURNAL

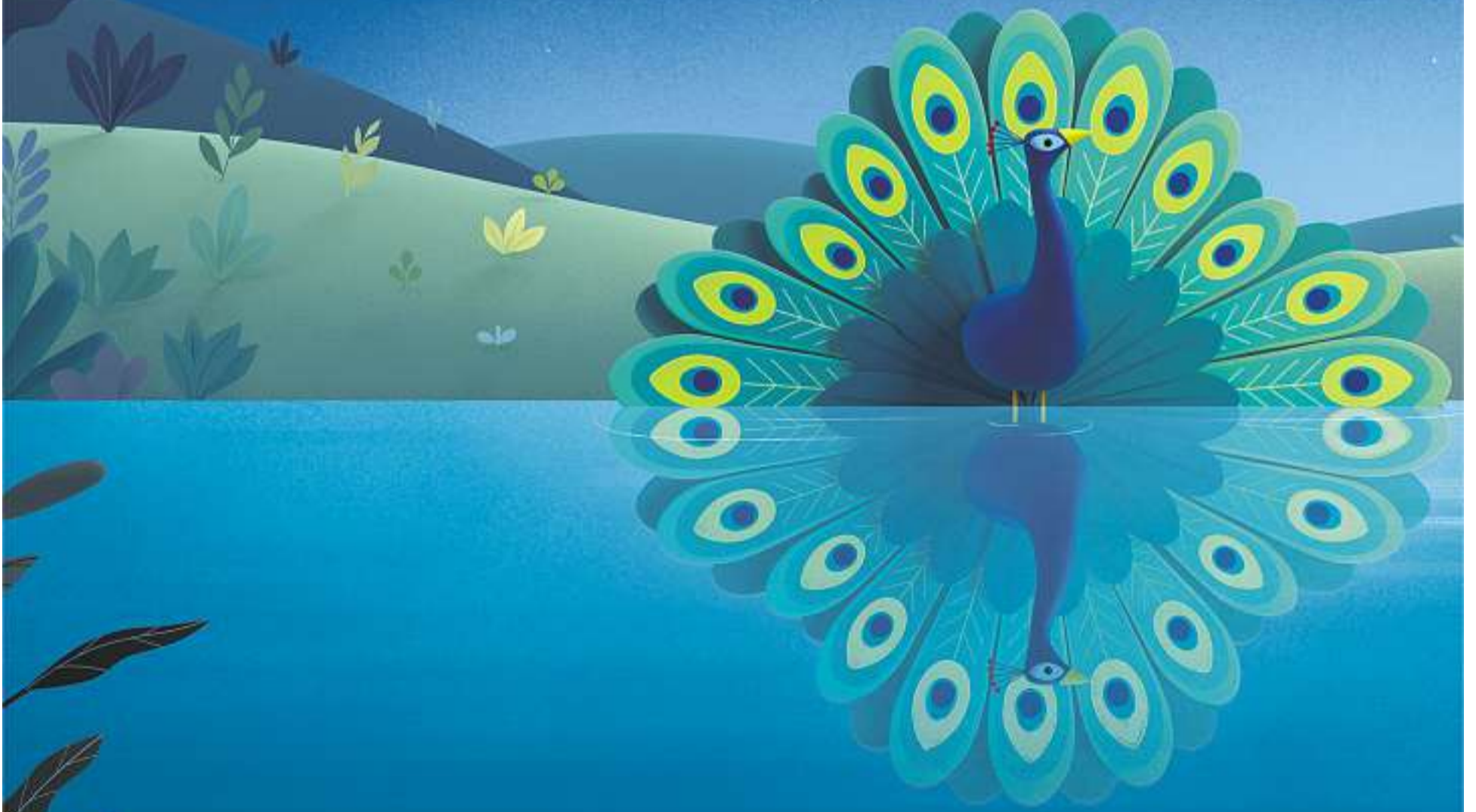


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# BUSINESS & FINANCE

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THE WALL STREET JOURNAL.

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## Boeing Board Draws Fire on CEO

Shareholders in suit say directors failed to challenge Muilenburg on postcrash media plan

By ANDY PASZTOR AND ANDREW TANGEL

Boeing Co.'s board failed to challenge then-Chief Executive Officer Dennis Muilenburg on the safety of the 737 MAX or his campaign to counter negative news reports between two fatal crashes that claimed 346 lives, according to newly released portions of a shareholders' lawsuit that cites internal company documents.

About two weeks after the

initial crash in late 2018, Mr. Muilenburg devised "a public relations, investor relations and lobbying campaign," according to the lawsuit, partly designed to push back against the bad publicity and criticism by U.S. airline-pilot groups attacking Boeing's disclosures regarding the jet's design. He discussed the plan with then-lead director Kenneth Duberstein and board member David Calhoun, now Boeing's CEO, according to internal emails cited in the suit.

Around the same time, Boeing was publicly pointing to pilot and maintenance errors as important factors in the fatal plunge of Lion Air Flight 610 in Indonesia, even as it was privately beginning work on a fix

to an automated flight-control system implicated in that crash. The system, called MCAS, later also led to a second MAX crash in early 2019 in Ethiopia.

The new details, contained in a recently amended version of a shareholder lawsuit filed against Boeing's board in Delaware's Court of Chancery, included inner workings at the highest levels of the company as it became embroiled in one of the biggest corporate crises in modern American history. U.S. regulators late last year allowed the MAX to resume passenger flights, ending a nearly two-year grounding.

A Boeing spokesman on Monday said the company was

seeking to dismiss the shareholders' suit, which he said lacked merit. He said Boeing was dedicated to safety, quality and integrity and that the company's senior management and board had engaged in "robust safety oversight," including extensive reviews of engineering, airplane-development and production processes. He said Boeing had improved safety, quality and compliance since the MAX crisis.

"It should come as no surprise that a filing by plaintiffs seeking to gain advantage in a lawsuit presents a misleading and incomplete picture of the activities of Boeing and its board of directors," the spokesman said. Mr. Muilenburg de-

clined to comment. The company declined to make current executives and directors available. Former directors and executives either declined to comment or couldn't be reached. After the crashes, Boeing revamped its internal structure to give the board greater oversight of safety matters.

The Wall Street Journal previously reported on an earlier version of the suit that had been heavily blacked out. The suit, which relies on a trove of internal Boeing documents, includes communications such as emails among executives and directors during the nearly five-month period between the two crashes and their after-

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## EA to Buy Maker of Mobile Games

By SARAH E. NEEDLEMAN

Electronic Arts Inc. said Monday it is acquiring Glu Mobile Inc. in a \$2.4 billion deal aimed at expanding an area of business in which the videogame giant has had mixed success.

The all-cash deal, which is expected to close in the June-ended quarter, will bring Glu's mobile games such as "Kim Kardashian: Hollywood," "Diner Dash" and "MLB Tap Sports Baseball" to EA. Glu shareholders will receive \$12.50 a share, representing a 36% premium to Glu's closing price Friday, EA said.

Glu shares rose 34% to \$12.56 in extended trading Monday.

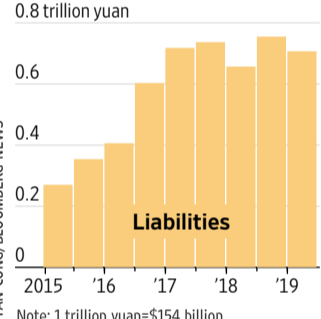
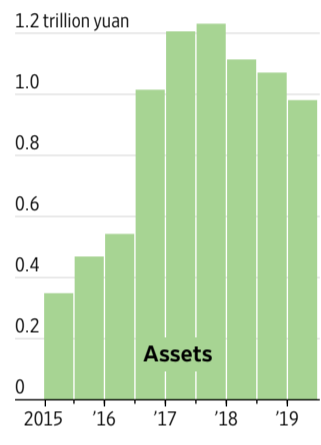
"We did this deal because we believe mobile is the fastest-growing platform on the planet" for videogames, EA Chief Executive Andrew Wilson said. "The combination of these two companies creates a market leader in lifestyle and sports."

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Hainan Airlines is one of three listed carriers controlled by China's HNA. They said billions of dollars were misappropriated.

HNA Group grew rapidly by acquiring assets around the world, before it was forced to downsize under the weight of large debts.



Note: 1 trillion yuan=\$154 billion Source: S&P Capital IQ

## Reddit Doubles Valuation In Funding

By SARAH E. NEEDLEMAN

Reddit Inc. doubled its valuation to \$6 billion in a new round of funding that comes as the social-media company has added users through the pandemic and more recently gained attention for its role in the Wall Street trading frenzy.

Reddit on Monday said it raised \$250 million in a late-stage funding round led by venture-capital firm Vy Capital. Previously it was valued at \$3 billion after its last funding round in February 2019, according to PitchBook, a provider of private market data. Current investors in Reddit also include venture-capital firm Andreessen Horowitz and internet conglomerate Tencent Holdings Ltd.

The company, founded in

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## Deal-Making Spree Catches Up With HNA

By MARTIN MOU

From 2015 to 2017, as the Chinese conglomerate HNA Group Co. collected stakes in overseas hotels, financial institutions and office towers in a \$40 billion deal-making frenzy, a question lingered: How did the company get so much money to spend?

Now, following the downfall of one of China's most acquisitive companies, the findings of a provincial government working group are shedding some light on the unorthodox ways that money was moved around within HNA, which has a

sprawling web of more than 2,000 subsidiaries, affiliates and shell companies.

Three publicly listed companies controlled by HNA, including its flagship carrier Hainan Airlines, said in late January that billions of dollars were misappropriated from their businesses and that their coffers were drained by HNA's activities. The three firms said their assets were also used to guarantee debts of HNA and its related entities.

An HNA spokeswoman declined to comment.

The recent disclosures are just the tip of the iceberg. HNA

creditors, which include state-owned financial firms, have asked a court in Hainan to reorganize the company and disentangle the many complex financing arrangements that once powered its aggressive global expansion. HNA, which was sunk by massive debt, said it would submit to the legal process.

Gu Gang, a top official at Hainan's state-owned development agency who was recently named as the top Communist Party official overseeing HNA, said in an open letter that the company's problems began accumulating well before the cor-

onavirus pandemic dented its core airlines business.

Mr. Gu, who heads a working group that spent much of the past year developing a plan to defuse the company's risks, said HNA found itself in a deep hole because of its wild growth and poor past decisions. "When I thought about having to examine each and every asset that was lost as a result...I would be filled with anger and resentment. How did such a good group become like this today?"

The company grew out of Hainan Airlines, which started operating in the early 1990s. It

became China's biggest private airline by expanding and acquiring other regional airlines, and added other businesses, from travel agencies and hotels to shipbuilding and logistics.

The group made headlines globally over the past decade when it bought stakes in Deutsche Bank AG and the Hilton hotel chain and took control of California-based electronics distributor Ingram Micro, among a multibillion-dollar portfolio of trophy assets it assembled. During its heyday, an HNA executive compared the firm with Warren Buffett's

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## Stock Clearing Process Challenged on Speed

By ALEXANDER OSIPOVICH

When Robinhood Markets Inc. and other brokers abruptly restricted trading in GameStop Corp., it cast a spotlight on a normally obscure corner of the financial markets: the clearinghouse that processes U.S. stock trades.

Robinhood's move infuriated its customers, prompted dozens of lawsuits against the

Menlo Park, Calif., startup and will be scrutinized in a hearing on Capitol Hill next week. Initially, many investors assumed the firm's decision to limit buying GameStop shares was directed by hedge funds that had bet against the stock or by high-frequency trading firms.

In fact, the move was prompted by something more mundane—a \$3 billion margin

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## China Rebukes Tesla on Quality Issues

By TREFOR MOSS AND YOKO KUBOTA

SHANGHAI—Tesla Inc. has been summoned by Chinese authorities citing consumer complaints about quality issues, a warning for the electric-vehicle maker in a country where it has enjoyed a welcome rarely seen for foreign companies.

The State Administration for Market Regulation, China's top market regulator, said Monday that it and four other regulators had instructed Tesla to abide by Chinese laws and regulations and strengthen internal management to ensure the quality and safety of its products.

It was a rare rebuke for Tesla, the first foreign auto maker to operate a wholly owned plant in China.

In a statement late Monday in China, Tesla Shanghai said it "sincerely accepted the guidance of government departments." It said it had "deeply reflected on shortcomings" and was working on strengthening its operations. It also said it would investigate Chinese consumers' complaints and abide by Chinese laws and regulations.

The tone the car maker



A sales assistant driving a Tesla Model Y last month in Shanghai, where production is ramping up.

struck in its response to Chinese regulators differed sharply from the stance Chief Executive Elon Musk has taken in the U.S. when he has come in for government scrutiny. In 2018, he sparred with the Securities and Exchange Commission, which investigated his tweets about taking Tesla private, a move that didn't happen. Last year, he battled with

local authorities in California that temporarily ordered his lone U.S. car plant closed to slow the spread of the coronavirus.

When a U.S. car regulator this year requested the recall of some Model S and Model X vehicles, Tesla agreed to fix affected models, but said it disagreed that touch-screen failures constituted a defect and

called the agency's rules "anachronistic."

China's highly public message of dissatisfaction with Tesla's quality issues comes as the Palo Alto, Calif., electric-car maker ramps up production of the Model Y compact crossover vehicle at its plant in Shanghai. It also follows recent global recalls of the U.S.-made Model X

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# BUSINESS & FINANCE

## Reddit Stands by Approach

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2005, has raised roughly \$800 million since its inception.

"It's a good market to fundraise," Reddit Chief Executive Steve Huffman said in an interview. "Valuations are very high right now. It never hurts to raise money when there's an opportunity to do so and Reddit had a strong year."

For example, advertising revenue for the company shot up 90% in the quarter ending in December from a year earlier, he said.

San Francisco-based Reddit is known for its message boards on a multitude of topics as well as its "ask me anything" digital town halls with celebrities, politicians and subject-matter experts. The company, which isn't profitable, was sold to Condé Nast in 2006 and the magazine publisher's parent, **Advance Publications Inc.**, spun Reddit off in 2011 and remains a shareholder.

Mr. Huffman said Reddit plans to use the new funding to invest in areas such as video, advertising and consumer products as well as to expand into international markets. Late last year Reddit bought video-sharing app Dubsmash to expand its presence in user-created video, one of the hottest corners of the internet, for an undisclosed sum. "Our strategy isn't materially changing," Mr. Huffman said. Reddit also plans to double



The toy diamonds represent 'diamond hands,' or holding a stock for the long term, and an image WallStreetBets users have embraced.

its employee headcount this year to around 1,400, Mr. Huffman said, noting that one reason the company raised new funding was to help it attract talent. Reddit recently hired a handful of executives who will start in the coming months, he added, declining to specify their titles or name them.

The financing deal comes after Reddit's WallStreetBets community gained attention as some members successfully egged on people to buy shares of heavily shorted stocks such as GameStop Corp. U.S. regulators are probing whether the ensuing market upheaval resulted in securities-law violations.

The incident has helped bring Reddit millions of new users as well as new advertisers, which provide the company's main source of revenue, Mr. Huffman said.

The 37-year-old Reddit co-founder recently changed his Reddit profile image to WallStreetBets' cartoonish mascot of a Wall Street trader with so-called diamond hands, in a show of support for the group.

Reddit lets users rate all posts and comments on the platform and relies on tens of thousands of its own users to voluntarily police speech. By contrast, larger social-media platforms such as Facebook Inc. and Twitter Inc. rely mainly on algorithms and paid help to do that kind of work.

The most recent user numbers from Reddit put the daily average at 52 million as of October, which was up 44% from the same month a year earlier.

Mr. Huffman said the WallStreetBets episode has demonstrated the durability of the company's model, as it matures and grows.

"This whole event is showing the power of large communities of everyday people," said Mr. Huffman. "Not just massive institutional and professional investors get to participate in the stock market."

Social-media companies have long grappled with how best to moderate and curate their content and now face the prospect of lawmakers' changing how they do business. One possibility is an overhaul of Section 230 of the Communications Decency Act, which since 1996 has shielded social-media companies from civil liability potentially resulting from content that users post on the platforms. A congressional hearing on the recent market gyrations has been scheduled for Feb. 18. Mr. Huffman said Friday he hadn't yet been asked to participate.

Reddit's relationship with its volunteer moderators hasn't always been harmonious. Hundreds of communities shut down in 2015 to protest the sudden firing of a popular Reddit employee. The company's CEO at the time, Ellen Pao, apologized for how Reddit handled the matter and resigned shortly after. Mr. Huffman took over the position.

Reddit in June banned "The Donald," a community devoted to former President Donald Trump, saying moderators frequently ignored content that violated the platform's rules. "It was a political community dedicated to a president, so there's a heavy weight to that," Mr. Huffman said. "We gave them many opportunities to be good citizens of Reddit, and they were never able to do so."

The membership of WallStreetBets alone more than quadrupled to 8.7 million subscribers this year.



Boeing's ex-CEO, Dennis Muilenburg, right, at a 2019 Senate hearing on the crashes. In the back, family members hold up victims' photos.

## Boeing Board Draws Fire

Continued from page B1  
math. Previously redacted portions of the earlier version of the suit became public Monday after the Journal asked the court to release the information.

Morgan Zurn, vice chancellor of the Delaware state court, said in her Feb. 1 order that Boeing's internal "communications are at the very heart of this board oversight case." Saying that little had been revealed about how Boeing's board responded to the MAX crashes, she added: "The public interest favors disclosure."

The lawsuit sheds light on a key period of Boeing's recent history that resulted in Mr. Calhoun, a director since 2009, becoming Mr. Muilenburg's successor as CEO. A former top executive at aircraft engine maker General Electric Co., Mr. Calhoun became the board's chairman after the second MAX crash before directors ousted Mr. Muilenburg in December 2019.

After the Lion Air crash in October 2018, which was soon followed by the Federal Aviation Administration's conclusion that MCAS "posed an unacceptably high risk of catastrophic failure," the suit alleges directors didn't order an immediate safety investigation of the system or how it was approved by regulators or investigate its safety. Instead,

according to the suit, "the board supported the public relations campaign" of Mr. Muilenburg "to attack accurate media coverage respecting the 737 MAX."

Among the news articles discussed inside the company was a Nov. 12, 2018, Journal article that said Boeing withheld information about the MAX's new flight-control feature from airline pilots. That feature was part of the FAA's initial safety certification.

The following day, according to the latest version of the suit, Mr. Muilenburg sent an update to the board calling the Journal article "categorically false."

By early December 2018, according to the suit, Mr. Muilenburg instructed Anne Toulouse, then the company's chief spokeswoman, to "keep pushing back" on coverage by the Journal, telling her "the only engineering and PR problem we have is the pseudo problem fabricated by the WSJ."

A Journal spokesman said: "The Journal's reporting on Boeing has been fair, accurate, and we stand by our conclusions. We will continue to cover Boeing in the same responsible manner."

Earlier this year, Boeing struck a \$2.5 billion deal with the U.S. Justice Department to settle a criminal investigation centered on two company employees who allegedly misled FAA training specialists about the suspect flight-control system.

As part of that settlement, Boeing acknowledged that portions of its flight manuals gave pilots false, inaccurate and incomplete information.

In discussing an emergency safety bulletin the FAA issued

after the Lion Air crash, the suit said that Mr. Muilenburg was more concerned with potential cash-flow disruptions than safety matters. "We need to be careful" that the FAA's interest in the contents of flight manuals, he wrote to Greg Smith, the company's chief financial officer, "doesn't turn into a compliance item that restricts near-term deliveries."

The risk-management update to the board after the first crash didn't include oversight of airplane safety, according to the suit, nor did safety issues surface as part of a December 2018 meeting of the board's audit committee.

### Mr. Muilenburg's chief of staff urged him to address safety problems objectively.

The committee, then headed by director Larry Kellner, a former airline executive who is now Boeing's chairman, discussed a plan to further ramp up MAX production and supplier disruptions that affected aircraft deliveries, according to meeting materials cited by the suit.

Safety concerns gained prominence internally with the March 2019 crash of Ethiopian Airlines Flight 302. Just days later, Mr. Muilenburg's chief of staff, Ann Schmidt, urged the CEO to address safety problems objectively, telling him not to "drink [Boeing's] own bath water." The reputation of Boeing and the 737 "has been severely hit if not destroyed at this

## Deal Spree Caused HNA Woes

Continued from page B1  
Berkshire Hathaway Inc., The Wall Street Journal previously reported, seeking to model itself after the Omaha, Neb., conglomerate's collection of profitable, diverse and cash-generating businesses.

But unlike Berkshire, HNA piled on debt as it made acquisitions, getting loans from domestic and foreign banks and selling bonds that often didn't have credit ratings. At one point, HNA estimated that it had the equivalent of around \$100 billion in debt. Chinese authorities began scrutinizing its activities, prompting foreign lenders and investors to back away. Under government pressure, the company shed the majority of its overseas assets.

HNA was one of a number of sprawling, hyperacquisitive conglomerates that have fallen from favor in China, alongside

others such as Anbang Insurance Group, Dalian Wanda Group and CEFC China Energy, which also spent heavily on overseas deals before being reined in by authorities.

In February 2020, when the coronavirus pandemic ravaged the airline industry, HNA was effectively taken over by the Hainan government, which sent a working group to take control of the company's board and comb through the books and shareholding structures of numerous HNA-linked companies. The goal of the court-led bankruptcy and reorganization is to return HNA to financial stability so it can continue to operate as China's fourth-largest aviation company.

In all, HNA and related companies obtained about 60 billion yuan, the equivalent of \$9.3 billion, in funding and loan guarantees from Hainan Airlines, Ccoop Group Co. and HNA Infrastructure Investment Group Co., the filings from the three mainland-listed firms showed. The units said funds were misappropriated, because the money didn't go toward their own operations.

—Jing Yang contributed to this article.

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—Alison Sider contributed to this article.



## BUSINESS NEWS

# DoorDash to Buy Meal-Prep Startup

Chowbotics purchase is part of growing interest in automating food production

By PREETIKA RANA

DoorDash Inc. said it is acquiring robotics startup Chowbotics, signaling increased interest in automating food production when ordering in is at a high.

The companies didn't disclose the terms of the deal. Chowbotics was valued at \$46 million in 2018, when it last raised money, according to data firm PitchBook.

Chowbotics' technology can whip up salads and poke

bowls, among other things, and DoorDash is exploring how to deploy it across restaurants, a person familiar with the matter said.

Ideas include using the technology to help restaurants expand their menus or to allow a salad bar to try out new locations, such as at an airport kiosk, without the need for more manpower.

"We're working on solutions to help merchants grow in an ever-challenging and changing landscape, and with Chowbotics we hope to enhance that level of support," DoorDash said in a blog post announcing the acquisition.

The company said Chowbotics installed its meal-making robots in hundreds of loca-

tions, including universities, hospitals and grocery stores.

While automating food production could save restaurants time and cost, it's unclear how amenable potential diners are to these technologies.

Uber Technologies Inc. invested in building delivery drones for its Eats business, but dialed back those ambitions amid a restructuring last year.

Food delivery grew at a blistering pace during the pandemic. DoorDash Chief Executive Tony Xu said in December that the company became more operationally efficient during the crisis, resulting in faster deliveries.

The San Francisco company controlled almost half of the U.S. food-delivery market as of



Chowbotics' kiosks with their meal-making robots can create and dispense a customized salad.

mid-October, up from one-third a year earlier, giving it a lead over Uber Eats, Grubhub Inc. and other rivals.

Food-delivery companies expanded their offerings during the lockdown. Uber agreed to buy alcohol-delivery service

Drizly for \$1.1 billion last week. Both Uber and DoorDash made forays into grocery-delivery last year.

The crisis pushed the money-losing industry to consolidate. Grubhub agreed to merge with the U.K.'s Just Eat

Takeaway last year while Uber acquired Postmates Inc.

Founded in 2014, Hayward, Calif.-based Chowbotics' signature robot, called Sally, has 22 compartments that can be used to stock greens, vegetables, fruits, nuts and more.

# Stellantis Dealers Seek Brand Fixes

By NORA NAUGHTON

U.S. auto dealers selling Chrysler, Dodge, Fiat and other brands under the recently formed auto-making company Stellantis NV have a message for the new leadership: Help us fix the ailing parts of the lineup or consider cutting back.

For years, Fiat Chrysler Automobiles NV, the car company that recently merged with Peugeot-maker PSA Group to create Stellantis, has operated seven vehicle brands in the U.S.—more than many of its closest rivals. While some marques like Jeep and Ram have thrived, others have withered in recent years, dinged by a lack of new investment, aging models and sluggish sales, analysts and dealers say.

The question of how to revive Fiat Chrysler's weaker brands has lingered for years, and it now falls to Stellantis Chief Executive Carlos Tavares to answer it. Mr. Tavares has

Dodge has some popular muscle cars, but many models haven't been redesigned in years. Meanwhile, attempts to reboot Alfa Romeo and Maserati in the U.S. remain a work in progress. While Alfa Romeo has had some recent sales success, the two premium Italian brands together still accounted for less than 2% of the U.S.'s total luxury market in 2020, according to J.D. Power.

Mr. Kelleher said he hopes Mr. Tavares will give priority to the better-known U.S. brands, such as Chrysler and Dodge, that have heritage but need more models and fresher offerings.

"I don't want to see them die on the vine, but right now, they are limited," he said.

The brand challenge Stellantis faces in the U.S. mirrors one that Mr. Tavares will confront globally: In merging the two car companies, he will have to figure out how to manage a collection of 14 automotive brands—some of them in need of repair, industry analysts say.

The auto maker, now the world's third largest by sales, is also competing against rivals that have over time culled their brand lineups, in part because they were too capital-intensive to sustain.

Ford Motor Co. began selling off brands during the financial crisis, a move that helped it avoid bankruptcy. General Motors Co. halved the number of brands it sold during its government-led restructuring in 2009.

Other major car makers, like Toyota Motor Corp. and Honda Motor Co. have long only sold two brands: a luxury make and one for mass-market models.

Former CEO Sergio Marchionne, who took control of Chrysler from bankruptcy in 2009, had a different tack. He reintroduced Fiat and Alfa Romeo to the U.S., hoping to expand global sales of those brands and fill factories in Italy that were being underused. He also splintered off Ram from the Dodge lineup in 2009, making it into its own separate truck-focused brand. Mr. Marchionne died in the summer of 2018.

Mr. Tavares has said he wants to refocus investment on low-priority marques and use the group's engineering heft to quickly redesign models and freshen stale lineups.

"You will see some of those brands rebound based on the clarification of the vision," he said.

## The auto maker has to compete against rivals with smaller lineups.

said he doesn't plan to cut any brands, and a Stellantis spokesman added that the company values its diverse lineup of brands, ranging from off-roaders at Jeep to family-haulers at Chrysler.

Chrysler, a nearly 100-year-old badge that once was the company's namesake, now sells three models—two minivans and a large sedan—about half the number of nameplates it sold in showrooms a decade ago. Its U.S. sales have steadily slid: last year, it sold roughly 110,500 vehicles, about one-third its volume in 2015, according to company figures.

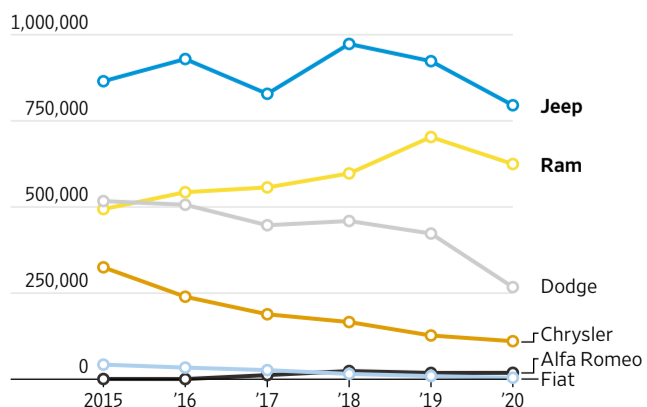
Fiat, a maker of small cars reintroduced to the U.S. in 2011, has also struggled with a limited lineup, quality woes and a sharp drop-off in sales.

"I don't think anyone would cry if Fiat left the U.S. marketplace," said David Kelleher, a Chrysler, Dodge, Jeep and Ram dealer in Pennsylvania who also chairs the auto maker's U.S. dealer council.

But there are still some dealers who have sunk money into stand-alone Fiat-brand stores, and would like to see a return on that investment, he said.

Jeep and Ram have thrived in recent years while other brands have struggled.

### Stellantis U.S. vehicle sales by brand



Note: Excludes Maserati sales  
Source: Edmunds.com



Many industry employees remain unsure of the vaccines' safety and effectiveness. A Smithfield Foods plant in Sioux Falls, S.D., last year.

# Meatpacking Workers Are Wary of Vaccine

By JACOB BUNGE

Meatpacking workers are among the next wave of people eligible for Covid-19 vaccinations in some states. Their bosses want to make sure they get the shots.

Meat-industry officials said vaccines now being provided to some essential workers offer the best chance of ensuring safety for employees who cut meat, standing shoulder to shoulder, for hours at a stretch each day. Vaccination rates among plant workers could determine whether the \$213 billion U.S. meat sector can move beyond the crisis that has upended the industry this past year, sickening thousands of workers and killing more than 130, according to labor union estimates.

Many meatpacking-plant employees remain unsure of the vaccines' safety and effectiveness, according to company surveys, worker groups and some workers. Some worry about having to provide proof of immigration status to get a shot, worker advocates said, while others who don't speak or read English might struggle to find out where to get one.

"There is no doubt that if we can get very high acceptance of the vaccine, it will be instrumental in helping us bring the pandemic under control," said Tom Brower, senior vice president of health and safety for Tyson Foods Inc., the largest U.S. meat processor by sales. The Arkansas-based company last week administered vaccines to 45 employees in a North Carolina chicken-processing plant, among the first shots offered to the hundreds of thousands of U.S. meatpacking workers.

So far, meat companies have said they won't require workers to be vaccinated. Instead, companies including Tyson, Pilgrim's Pride Corp., Sanderson Farms Inc., Smithfield Foods Inc. and Perdue Farms Inc. are producing educational videos, posters and presentations to promote the shots, joining employers in other industries in taking a bigger role to share public-health information with workers. Pilgrim's and JBS USA Holdings Inc., the country's biggest beef processor, will offer employees cash bonuses for getting vaccinated, and about 500 have taken the shots so far, a spokeswoman said.

Trust could be an issue, too.

Some plant workers and advocates said meat companies lost credibility after what critics called their slow or weak efforts to protect workers as infections spread through plants last year.

"There is this distrust in the company," said Magaly Licolli, co-founder of the worker-advocacy group Venceremos, which works with Arkansas chicken-plant employees. Ms. Licolli said she is encouraging workers to be vaccinated, but said meat plants shouldn't mandate the shots.

Meat companies said they have spent hundreds of millions of dollars on Covid-19 safety measures, providing workers with masks, screening them for symptoms and spacing out cafeteria seats. Some company offi-

cial say certain jobs can't be socially distanced, due to how processing lines are designed. Infection rates among workers have declined, companies say, although plants continue to suffer outbreaks.

Chicken company Foster Farms and beef producer Cargill Inc. temporarily closed plants in December after infections spread among workers. JBS in November removed hundreds of employees from a Colorado plant after an outbreak.

At Sanderson Farms, the third-largest U.S. chicken company, Chief Executive Joe Sanderson received a Covid-19 vaccine in mid-January while a camera rolled. The Mississippi-based company will soon play the video, with doctors ad-

ressing common questions about the vaccine, in break rooms and training sessions.

Last year, Sanderson analyzed employees' acceptance rates for the free flu vaccines the company has offered at plants in years past. The data showed that fewer than 10% of workers took them, prompting Sanderson to begin a campaign promoting the Covid-19 shots. "There were a lot of misconceptions," said Mr. Sanderson, 73 years old, referring to the flu shots on a December conference call. "We do not want that to happen with the Covid vaccine."

At Tyson, Mr. Brower said employee surveys show a majority have interest in the vaccines.

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PERSONAL TECHNOLOGY | By Joanna Stern

# Unlock iPhone When Face ID Can't



**Apple in 2017:** "Nothing has ever been simpler, more natural, more effortless. We call this Face ID." This is an actual executive quote, from back when the company introduced facial recognition on the iPhone X.

**Apple in 2021:** "Nothing has ever been...less natural or more difficult. We call this Face No ID." This is a very made-up quote, reflecting the breakdown of facial recognition now that masks are essential apparel.

The pandemic threw a wrench into Apple's cutting-edge, lickety-split mug scanner: Our faces can't be seen. And typing passcodes in full view of strangers and co-workers can be a security risk.

Well, mask or no mask, Apple's Face ID works again—sort of.

With the iOS 14.5 update—released Thursday through the company's public beta software program, and expected to go into wide release this spring—you can unlock your iPhone without typing a passcode, even if your face is obscured. Just one expensive little catch: You need an Apple Watch—and it needs to be unlocked and on your wrist. Talk about a well-engineered Apple trap. That aside, this synergy is great.

I've followed the developments of this crucial, life-altering struggle for nearly a year now. Last April, there was an effort to create Face ID-compatible masks. (Surprise! They didn't catch on.) Soon after, with iOS 13.5, Apple made the passcode screen come up faster when the phone can't see your face. (It's still a pain.)

Compared with those, this new watch-dependent solution is almost as good as the naked-face real thing. It's



A new iOS feature lets your Apple Watch unlock your iPhone while you're wearing a mask.

fast and easy to set up. I've been testing a prerelease version for the past few days, unlocking my iPhone while wearing all sorts of masks, in all sorts of conditions. In anticipation of your questions, I've gathered the answers:

## How Does It Work?

If your watch is unlocked on your wrist and your iPhone can't read your face, your watch will gently buzz and your iPhone will unlock. And it does it really fast. Check out the stats:

- ◆ Unlocking with no mask, using Face ID: 0.8 second
- ◆ Unlocking with mask, using watch trick: 1.4 seconds
- ◆ Unlocking iPhone SE with Touch ID fingerprint scanner: 0.7 second
- ◆ Unlocking with a passcode: a year. Fine, three whole seconds

Here's what's happening behind the scenes: The array of sensors in that notch at

the top of your iPhone's screen—what Apple calls the TrueDepth camera—tries to identify you as usual. If it can't see your nose and mouth, it looks for your unlocked watch to unlock your iPhone. If it doesn't see any face—or sees an unmasked face it doesn't think is yours—it stays locked.

## How Secure Is It?

This solution is only as secure as your passcode. Remember, this isn't using biometrics to authenticate you.

But let's pretend some bad guy stole your Apple Watch and thought that was his ticket into your iPhone. First, he'd have to put on your watch and enter your watch passcode. (It locks whenever you remove it from your wrist.) Then, to get this whole auto-unlock trick to work, he'd have to enter your passcode. At that point, he'd realize he didn't need

your watch in the first place!

Still, it's a good moment to remember the cardinal rule: Don't share those codes with people you don't trust with your life. And choose strong numeric passwords.

A more realistic fear? That a masked person picks up your phone and is able to unlock it just by being close to the unlocked watch on your wrist. While the iPhone does check for the presence of a face, it could be anyone under the mask (and your eyes don't even have to be open). I tested this with several people.

The person would have to be pretty close—within about 10 feet, according to my tests. The proximity, like much of this software, isn't final, an Apple spokeswoman told me. Apple also seems to have anticipated this: You get an alert on your Apple Watch saying your iPhone has been unlocked. You can tap a button in the alert to

lock the phone again.

Plus, this Apple Watch shortcut is good only for unlocking your iPhone. If you're wearing a mask while trying to buy something via Apple Pay, App Store or iTunes, the phone will still require your passcode.

You know what does all that and doesn't require an extra \$200-and-up accessory? A fingerprint sensor. That's obviously a better option when wearing a mask, but the only current iPhone that still has Touch ID is the low-price iPhone SE. According to my reporting and what others have written, Apple is considering adding an in-screen fingerprint sensor along with facial recognition to future iPhones. Samsung's latest Galaxy already has both. Apple declined to comment on future products.

## How Do I Get It?

This feature requires your iPhone to run iOS 14.5 and your Apple Watch to run Watch OS 7.4. Once you have that software, turn on the feature by going to Settings > Face ID & Passcode > Unlock with Apple Watch.

While Apple says the software is coming this spring, you can get it now if you sign up for Apple's beta program, where you test new software versions and provide feedback. Anyone can join at beta.apple.com. After you sign up, you'll need to install a special profile to your iPhone and follow the steps. You'll have to do the same for the Apple Watch.

Usually, I guide the uninitiated against this. There can be bugs and battery drain with unfinished software. That said, I've been using it for five days, and haven't seen these issues so far. For those who constantly wear masks, and who own both an iPhone and Apple Watch, I can understand wanting to get rid of Face No ID ASAP.

## EA to Buy Mobile Game Firm

*Continued from page B1*

Mr. Wilson added that Glu, which has about 800 employees, will be able to build games based on EA's intellectual property and take advantage of its marketing expertise and global presence to grow. Glu will be integrated into EA but continue to work independently on the games in its portfolio, with Chief Executive Nick Earl, who once served as the head of EA's mobile division, remaining in charge.

"As successful as they've been, they haven't had great international reach yet," Mr. Wilson said. "This is an opportunity for us to help them unlock that door."

EA is the second-largest U.S. videogame publisher by market capitalization after Activision Blizzard Inc.

The videogame industry has benefited greatly over the past year from pandemic-fueled demand for at-home entertainment, which has led to a surge in investment and acquisition activity.

Mobile games accounted for about half of the nearly \$175 billion that consumers worldwide spent on videogame software last year, according to estimates from analytics firm Newzoo BV.

Last week, both EA and Activision reported holiday-quarter results showing increased revenue and net bookings from a year earlier that exceeded Wall Street analysts' expectations.

On Monday, **Take-Two Interactive Software Inc.** also reported increased revenue and net bookings for the December-ended quarter.

Glu on Monday said its fourth-quarter revenue rose 25% from a year earlier to \$141.4 million, while net bookings rose 15% to \$124.8 million.

Profit more than doubled from the year-earlier period to \$23.9 million.

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## CMO Network

### Member Voices

The Wall Street Journal CMO Network connects leaders of the world's most influential brands to examine what — and who — is driving trends and provide the facts they need to chart the path forward.



#### Harshvendra Soin

Global Chief People Officer and Head of Marketing, Tech Mahindra

#### Who makes up your most important communities, and how do you connect with them?

Our most important communities are our stakeholders, the customers we work for, the communities we help grow and the society we live in. We strive to create a culture of technology-led innovation where diversity of thought is celebrated — empowering our associates, clients and partner ecosystem across the world to Rise™.

Our associates are at the core of everything we do, and their well-being is our top priority. When it comes to customers, we provide an elevated experience to each one of them. We put them at ease by focusing on hyperpersonalization by adapting to the specifications of their industry and speaking in their language. We also work in the areas of education, employability and disability through our skill development programs, which have impacted over 200,000 beneficiaries.

#### How did your organization overcome the adversities COVID-19 brought on?

Strong leadership, people-centricity and our mantra of "Survive, Revive & Thrive" were the key enablers in steering us through uncertain times. While "Survive" leveraged

our existing infrastructure to keep employees safe and ensure business continuity for our customers, "Revive" aims to reintegrate our workforce with workplace safety by practicing physical distancing, enhanced cleanliness and adoption of new tech solutions. "Thrive" will reimagine the workplace of the future with science-based solutions that integrate emerging technology to deliver safety and higher levels of mental and physical well-being.

We are guided by the culture of driving positive change, celebrating each moment and empowering all to "Rise™ to dream, do and become more." Our associates, clients, stakeholders and shareholders are all branches of the Tech Mahindra tree, which stands firm against the ravages of the pandemic and finally bears fruit.

#### How has your marketing team been able to differentiate itself in these conditions and for the future?

We lived our brand philosophy of "Connected World. Connected Experience," finding new digital solutions for our customers. We completely reconfigured our strategy to align with new business needs and challenges while maintaining customer focus. We will continue our focus on the 3Cs — connect,

change, create — to offer innovative and customer-centric experiences. In addressing the immediate needs of the business ecosystem, a well-intended, empathetic and trustworthy "connect" tops the list. The next crucial step has been a welcoming "change," which is not restricted to the adoption of a new set of decision-makers and business priorities, but which also spans across the core thought process — developing from the narrowly led to focusing on supporting the full buyer journey is the way ahead. In "create," brands must create differentiated omnichannel touch points in the new normal, while creating self-service platforms.

#### Imagine you're not Global Chief People Officer and Head of Marketing — what would you do?

As a child, I was enthralled by the thought of being an athlete representing my country, watched by millions across the globe. I always dreamt of serving my country. There was something irresistibly mesmerizing about these athletes, carrying the hopes and dreams of millions. Every time they hit the field, they portrayed the spirit of never giving up till the clock ran out. Some of that spirit has permeated into me and has carried me forward in every aspect of my life. I wonder, can I still switch careers?

The Wall Street Journal news organization was not involved in the creation of this content.



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MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

31385.76 ▲237.52, or 0.76%
High, low, open and close for each trading day of the past three months.



S&P 500 Index

3915.59 ▲28.76, or 0.74%
High, low, open and close for each trading day of the past three months.



Nasdaq Composite Index

13987.64 ▲131.35, or 0.95%
High, low, open and close for each trading day of the past three months.



Major U.S. Stock-Market Indexes

Table with columns for Index Name, High, Low, Latest Close, Net chg, % chg, 52-Week High/Low, % chg, YTD, and 3-yr. ann. Includes Dow Jones, Nasdaq, S&P, and Russell 2000.

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...

Most-active issues in late trading

Table listing companies like Zomedica, Zynka, Kinross Gold, Intel, Microsoft, etc., with columns for Volume, Last, Net chg, After Hours % chg, High, and Low.

Percentage gainers...

Table listing companies like Glu Mobile, SelectQuote, Protalix BioTherapeutics, etc., with columns for Volume, Last, Net chg, % chg, High, and Low.

Trading Diary

Volume, Advancers, Decliners

Summary table for trading diary with columns for Total volume, Adv. volume, Decl. volume, Issues traded, Advancers, Declines, etc.

International Stock Indexes

Table listing international stock indexes by region/country, including MSCI ACWI, Euro Stoxx, Nikkei, etc., with columns for Index, Close, Net chg, % chg, and YTD % chg.

Percentage Gainers...

Table listing percentage gainers with columns for Company, Symbol, Close, Net chg, % chg, 52-Week High/Low, and % chg.

Most Active Stocks

Table listing most active stocks with columns for Company, Symbol, Volume, % chg from 65-day avg, Latest Session Close, % chg, 52-Week High/Low, and % chg.

Percentage Losers

Table listing percentage losers with columns for Company, Symbol, Close, Net chg, % chg, 52-Week High/Low, and % chg.

Volume Movers

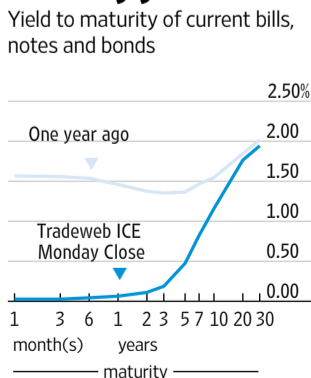
Table listing volume movers with columns for Company, Symbol, Volume, % chg from 65-day avg, Latest Session Close, % chg, 52-Week High/Low, and % chg.

CREDIT MARKETS

Consumer Rates and Returns to Investor

Section containing U.S. consumer rates (30-year mortgage, 10-year Treasury note yield) and Selected rates (Bankrate.com avg, Astra Bank, etc.).

Treasury yield curve



Forex Race



Corporate Borrowing Rates and Yields

Table listing corporate borrowing rates and yields for U.S. Treasury, Aggregate, Muni Master, and EMBI Global.

CURRENCIES & COMMODITIES

Currencies

Table showing U.S.-dollar foreign-exchange rates for various countries like Argentina, Brazil, Canada, etc.

Commodities

Table showing commodity prices for DJ Commodity, Crude oil, Natural gas, and Gold.

# COMMODITIES

## Futures Contracts

Table with columns: Metal & Petroleum Futures, Open, High, Low, Settle, Chg, Open interest. Includes Copper-High, Gold, Palladium, Platinum, Crude Oil, NY Harbor ULSD, Gasoline, Natural Gas, Agriculture Futures, Corn, Oats, Soybeans, Soybean Meal, Soybean Oil, Rough Rice, Wheat, Wheat (KC), Cattle-Feeder.

Table with columns: Open, Contract, High, Low, Settle, Chg, Open interest. Includes Cattle-Live, Hogs-Lean, Lumber, Milk, Cocoa, Coffee, Sugar, Sugar-World, Sugar-Domestic, Cotton, Orange Juice, Ultra Treasury Bonds, Treasury Bonds, Treasury Notes, 5 Yr. Treasury Notes, 2 Yr. Treasury Notes, 30 Day Federal Funds, 10 Yr. Del. Int. Rate Swaps, Eurodollar, Japanese Yen, Canadian Dollar, British Pound.

Table with columns: Interest Rate Futures, Ultra Treasury Bonds, Treasury Bonds, Treasury Notes, 5 Yr. Treasury Notes, 2 Yr. Treasury Notes, 30 Day Federal Funds, 10 Yr. Del. Int. Rate Swaps, Eurodollar, Japanese Yen, Canadian Dollar, British Pound.

Table with columns: Currency Futures, Japanese Yen, Canadian Dollar, British Pound.

Table with columns: Open, Contract, High, Low, Settle, Chg, Open interest. Includes Swiss Franc, Australian Dollar, Mexican Peso, Euro, Index Futures.

Table with columns: Open, Contract, High, Low, Settle, Chg, Open interest. Includes Mini DJ Industrial Average, S&P 500 Index.

Table with columns: Open, Contract, High, Low, Settle, Chg, Open interest. Includes Mini S&P 500, Mini S&P Midcap 400, Mini Nasdaq 100, Mini Russell 2000, Mini Russell 1000, U.S. Dollar Index.

## Bonds | wsj.com/market-data/bonds/benchmarks

### Tracking Bond Benchmarks

Return on investment and spreads over Treasuries and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Table with columns: Total return, YTD total return, Index, Yield, Total return, YTD total return, Index, Yield. Includes Broad Market, U.S. Corporate Indexes, High Yield Bonds, Mortgage-Backed, Global Government.

## Cash Prices | wsj.com/market-data/commodities

Monday, February 8, 2021

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

Table with columns: Monday, Monday, Monday. Includes Energy, Metals, Fibers and Textiles, Grains and Feeds, Fats and Oils.

KEY TO CODES: A=ask B=bid; BP=country elevator bids to producers; C=corrected; E=Manfra, Tordella & Brookes; H=American Commodities Brokerage Co; M=monthly; N=nominal; n.a.=not quoted or not available; R=SME Energy; S=Platts-TSI; T=Coatlock Limited; U=USDA; W=weekly; Z=not quoted. \*Data as of 2/5

## Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

### Money Rates

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Table with columns: Inflation, U.S. consumer price index, International rates, Prime rates, U.S., Canada, Japan, Policy Rates, U.S. government rates, Discount, Federal funds, Treasury bill auction, Secondary market, Fannie Mae, Other short-term rates, Call money, Commercial paper, Libor, Euro Libor, Secured Overnight Financing Rate, DTCC GCF Repo Index.

## Key Interest Rates

Data are annualized on a 360-day basis. Treasury yields are per annum, on actively traded noninflation and inflation-indexed issues that are adjusted to constant maturities. Data are from weekly Federal Reserve release H.15.

Table with columns: Week Ended, 52-Week High, Low. Includes Federal funds (effective), Commercial paper, Nonfinancial, Financial, Discount window primary credit, Treasury yields (secondary market), TIPS, Treasury yields at constant maturities.

Notes on data: Federal-funds rate is an average for the seven days ended Wednesday, weighted according to rates on broker trades; Commercial paper rates are discounted offer rates interpolated from sales by discounted averages of dealer bid rates on nationally traded certificates of deposit; Discount window primary credit rate is charged for discounts made and advances extended under the Federal Reserve's primary credit discount window program; rate is average for seven days ended Wednesday; Inflation-indexed long-term TIPS average is indexed and is based on the unweighted average bid yields for all TIPS with remaining terms to maturity of 10 years or more.

## Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasuries on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose (▲) or fell (▼) in the latest session

Table with columns: Coupon (%), Maturity, in years, Latest, Yield (%), Spread Under/Over U.S. Treasuries, in basis points. Includes U.S. 2, Australia 2, France 2, Germany 2, Italy 2, Japan 2, Spain 2, U.K. 2.

## Corporate Debt

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific expectations

### Investment-grade spreads that tightened the most...

Table with columns: Issuer, Symbol, Coupon (%), Yield (%), Maturity, Spread, "in basis points". Includes Marathon Oil, International Business Machines, Delta Airlines, DuPont de Nemours, United Airlines, General Motors, Westpac Banking, Entergy Utility Affiliates.

### ...And spreads that widened the most

Table with columns: Issuer, Symbol, Coupon (%), Yield (%), Maturity, Spread, "in basis points". Includes Sumitomo Mitsui Financial, Toronto-Dominion Bank, Daimler Finance North America, Caterpillar Financial Services, General Motors Financial, Credit Suisse, Chevron, Lockheed Martin.

### High-yield issues with the biggest price increases...

Table with columns: Issuer, Symbol, Coupon (%), Yield (%), Maturity, Bond Price as % of face value, Spread, "in basis points". Includes Transocean, United Airlines Holdings, Genworth Holdings, Carnival, L Brands, Springleaf Finance, Intesa Sanpaolo, American Airlines.

### ...And with the biggest price decreases

Table with columns: Issuer, Symbol, Coupon (%), Yield (%), Maturity, Bond Price as % of face value, Spread, "in basis points". Includes American Airlines, CIT, Netflix, HCA, Ford Motor Credit, Navient, Sprint Communications, Bombardier.

\*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for 2-spread. Note: Data are for the most active issue of bonds with maturities of two years or more. Source: MarketAxes

BIGGEST 1,000 STOCKS

How to Read the Stock Tables
The following explanations apply to NYSE, Nasdaq and Nasdaq Composite...

Footnotes:
\*New 52-week high.
\*New 52-week low.
♦Indicates loss in the most recent four quarters.

Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.

†NYSE bankruptcy
†NASDAQ delisting on primary market
†In bankruptcy or receivership or being reorganized under the Bankruptcy Code...

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Main table of stock prices with columns for Stock, Sym, Close, Net Chg, and various stock symbols including Disney, Goldman Sachs, Liberty Global, etc.

Table of Dividend announcements with columns for Company, Symbol, Yield, Amount, Frequency, and Payout/Record dates.

New Highs and Lows | WSJ.com/newhighs

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market...

Table of new highs and lows with columns for Stock, Sym, Hi/Low, % Chg, and various stock symbols including AAOA, ACI Worldwide, etc.

Low's

BANKING & FINANCE

Robinhood Sued Over Trader's Suicide



Alex Kearns thought his maximum loss was capped, the suit says.

User panicked over negative \$730,000 balance, got no reply to queries, family says

By Peter Rudegeair

The family of a 20-year-old student who took his own life after believing he racked up big trading losses on Robinhood Markets Inc. filed a lawsuit against the company, saying its "reckless conduct directly and proximately caused the death of one of its victims."

The father, mother and sister of Alex Kearns, a Robinhood user and an undergraduate at the University of Nebraska-Lincoln, said in a complaint filed in California state court on Monday that Robinhood contributed to his death through "misleading communications" about his investments and "virtually non-existent" customer service. They are seeking unspecified damages.

"We were devastated by

Alex Kearns' death," a Robinhood spokesman said in an email. "We remain committed to making Robinhood a place to learn and invest responsibly."

Robinhood was one of the biggest beneficiaries of the boom in retail trading during pandemic lockdowns, which reached new heights last month with the mania around GameStop Corp. and other stocks favored by Reddit's WallStreetBets forum.

The company amassed about 20 million users by the end of last year, and executives have told investors that Robinhood is planning an initial public offering in the first half of 2021, The Wall Street Journal previously reported.

But amid Robinhood's growth, the company at times failed to give priority to things like customer service, communications and risk management.

Mr. Kearns initiated a sophisticated options trade through Robinhood in which he believed his maximum loss

was limited to less than \$10,000, the complaint said. One weekend in June, Robinhood emailed Mr. Kearns to alert him that he needed to deposit about \$178,000 in a few days' time to help rectify a negative balance, which the app showed was roughly \$730,000, according to the complaint.

Mr. Kearns emailed Robinhood's customer-support team three times overnight asking for more information but received only auto-generated replies, the complaint said. He wrote a note to his family asking how someone of his inexperience was allowed to trade so easily, then killed himself, the complaint said.

Robinhood's emails failed to inform Mr. Kearns that the negative \$730,000 balance may have referred to only one leg of his trade and that he had offsetting options that he could exercise that would have "more than covered his obligation," the complaint said. Robinhood doesn't maintain hotlines for customers to call, so Mr. Kearns

didn't have the option of reaching a live agent by phone.

"Though Alex's panic and confusion were clearly caused by Robinhood's misleading communications, Robinhood was impossible to reach at the most critical moment to repair the damage it had created," the complaint said.

Since June, Robinhood has added more tools and educational materials around options and revised its eligibility requirements for options trading, a spokesman said in an email. The company also changed its customer-service protocols to escalate requests for assistance with the exercise and early assignment of options and added a "live voice support" for customers with open or recently expired options positions, he said.

Robinhood is also facing class-action lawsuits from dozens of customers over its decision last month to restrict trading in GameStop and other highflying stocks.

—Kirsten Grind contributed to this article.

Clearance Challenged On Speed

Continued from page B1 call from the Depository Trust & Clearing Corp.

Robinhood and others are now calling for a modernization of the way DTCC processes nearly \$1.7 trillion of securities trades each day to help prevent such an occurrence from repeating.

The DTCC is responsible for clearing and settling U.S. stock trades. In other words, after every trade, it ensures that the shares are delivered to the buyer and cash is delivered to the seller, a process that takes two business days.

To protect against the risk that a buyer or seller will default during those two days, a DTCC subsidiary known as the National Securities Clearing Corp. maintains a multibillion-dollar fund to be tapped in case of such a failure. The fund is maintained by deposits from brokerages including units of many Wall Street banks as well as Charles Schwab Corp. and Robinhood.

Each day, the NSCC adjusts the fund's size based on such factors as market volatility and trading volume, and it can demand additional funds from any of its member brokerages. Typically such margin calls are relatively small, but in extreme cases brokers have a matter of hours to put up large amounts of cash.

Last week, Robinhood Chief Executive Vlad Tenev called for that two-day time frame, known as T+2 settlement, to be replaced with real-time settlement—or immediate process-

ing of trades. The current system forces cash to be tied up at the clearinghouse while investors are left waiting for trades to clear, Mr. Tenev wrote in a blog post.

Such a stance could help Robinhood deflect blame as its actions are probed by regulators and politicians. Still, many on Wall Street say Mr. Tenev is right about T+2 settlement.

"In this day and age, there's no reason it should take that long," said Charles Cascarilla, chief executive of Paxos, a cryptocurrency startup that is leading a pilot project to settle U.S. stock trades on blockchain, the technology behind Bitcoin. "You can order anything from Amazon, from toilet paper to toothbrushes, and get it in one day. But you can't settle stock trades."

The DTCC, which is owned by a financial-industry consortium, says it is in favor of speeding up the settlement cycle for stock trades, though it has argued for next-day or same-day settlement, rather than real-time settlement.

Even a modest acceleration of the settlement process would be a heavy lift involving regulators and numerous banks, brokerages and financial-software providers, which would all need to update their systems to prepare for the change. It took years to push through the last big adjustment to the process, when Wall Street moved to two-day from three-day settlement in 2017.

"We are very supportive of shortening the settlement cycle, and to the extent that it's become a larger topic of conversation in and around the industry, we see that as a net positive," Murray Pozmanter, the DTCC's head of clearing agency services and global business operations, said in an interview.

Robinhood wasn't alone in receiving steep margin calls from the DTCC. Other firms, such as Apex Clearing, faced similar problems. Apex provides clearing services to such brokers as Webull Financial LLC, which also curbed trading in GameStop.

Mr. Tenev has said Robinhood's operations team learned of the DTCC's \$3 billion demand at 6:30 a.m. ET Jan. 28, an unusually large margin call prompted by customers pouring into a few volatile stocks. After Robinhood agreed to implement the trading restrictions, lowering its riskiness according to the DTCC's formulas, the clearinghouse cut its demand to \$700 million. Robinhood has since then raised \$3.4 billion in a hasty fundraising spree, helping to ensure it can meet future collateral requirements.

Robinhood could have handled the situation better, according to current and former brokerage executives. For instance, Robinhood could have had larger credit lines in place with its banks to handle margin calls, or it could have moved earlier and more gradu-

ally in imposing trading curbs on GameStop, they said.

"They should have been better prepared for this eventuality," said Thomas Peterffy, chairman of Interactive Brokers Group Inc., which restricted trading in some popular stocks. "Markets do get volatile, and when they have large positions they must be able to meet such calls by the clearinghouse."

The episode has fueled an arcane debate over whether clearinghouses, rather than being a stabilizing force, can contribute to risk in the financial system.

Proponents of central clearing say that requiring firms to funnel trades through clearinghouses bolsters market certainty and ensures a swift, clean resolution if a financial institution defaults. But some economists and financial-lobbying groups say central clearing can fuel volatility during times of market stress.

That is because clearinghouses seek to amass thicker buffers against losses when markets are volatile. That leads them to issue margin calls to banks and brokerages,

which might need to sell assets quickly to raise cash—potentially exacerbating selloffs.

Last February and March, for instance, a coronavirus-fueled nosedive in many markets led clearinghouses worldwide to demand hundreds of billions of dollars in additional collateral, according to FIA, a futures-industry group. That "contributed to an abrupt and disorderly 'dash for cash' across the financial markets that caused extreme dislocations in the U.S. Treasury markets," FIA said in an October report.

Something similar happened in miniature with DTCC margin calls at the peak of GameStop's rally, said Craig Pirrong, a professor of finance at the University of Houston. He pointed to sharp swings in the S&P 500 and the Cboe Volatility Index, or VIX, around the time Robinhood and other brokers were wrestling with the collateral demands.

"It shows that some oddball stocks can have consequences throughout the financial system," Mr. Pirrong said. "In some respects, that is even more sobering."

WordPress Buys Content Analytics Firm Parse.ly

By Allison Prang

WordPress VIP is buying content analytics company Parse.ly in a move aimed at boosting its customers' access to information on how their content performs on social media.

WordPress VIP, which is owned by Automattic Inc., didn't disclose the terms of the deal, but Automattic Chief Executive Matt Mullenweg said in an interview that the deal is Automattic's largest by cost and revenue. Automattic is also the parent of media platforms Tumblr and Longreads.

Companies use platforms like WordPress VIP to publish and manage articles and other content online. The platform can cost companies anywhere from \$25,000 a year into seven figures. Automattic also owns blogging site WordPress.com.

The deal will allow customers of WordPress VIP to access data analytics from Parse.ly, whose customers include organizations like the National Basketball Association and Bloomberg. Parse.ly's customers can see how many people are viewing their content.

Parse.ly customers will gain access to WordPress VIP's platform.

In adding Parse.ly, WordPress VIP's customers combined will total around 800, more than half of which will be from Parse.ly, WordPress VIP CEO Nick Gernert said in an interview.



Robinhood CEO Vlad Tenev seeks real-time settlement of trades instead of the current two-day period.

Exchange-Traded Portfolios | WSJ.com/ETFResearch

Table with multiple columns showing ETF performance metrics: Symbol, Closing Price, Chg, YTD, and %.

Mutual Funds

Data provided by LIPPER

Table with multiple columns showing Mutual Fund performance metrics: Fund Name, NAV, Net Chg, YTD, and %.





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FINANCIAL ANALYSIS & COMMENTARY

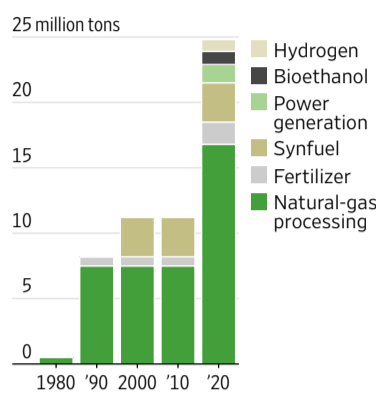
Exxon Joins Carbon-Capture Trend

U.S. energy companies are getting into the business in time to help their reputations and their bottom lines

All the cool kids are doing carbon capture. Exxon Mobil is the latest to embrace the trend, announcing on Feb. 1 that it formed a new business unit to commercialize its low-carbon technology portfolio...

sure, but they are timely for other reasons, too: The stars are aligning just so on the policy front. The oil-and-gas industry has in fact been using carbon capture well before global warming became a concern...

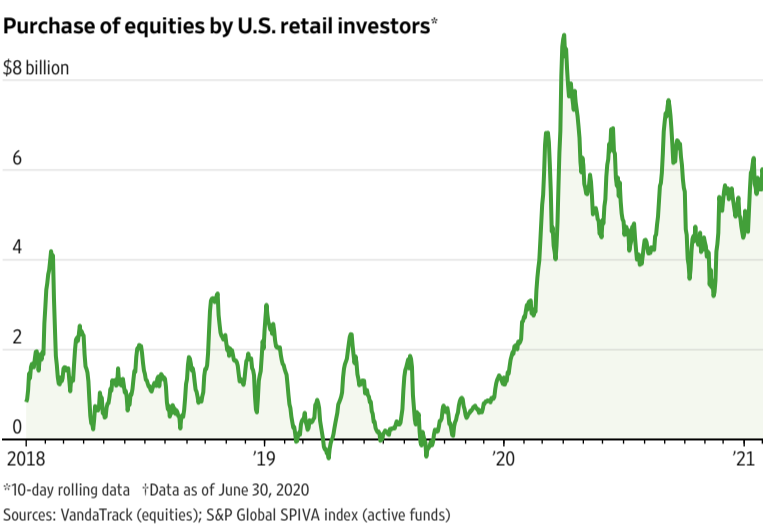
U.S. large-scale carbon capture, utilization and storage facilities by application



too. The company spent more than \$10 billion on lower-emission investments since 2000, so the new commitment means the company would be increasing its investment into the space by roughly 20% on an average annual basis.

That sounds like a lot but, based on the conservative end of Exxon's spending program, its allocation toward low-carbon technology would amount to roughly 3% of its capital expenditures over that period.

start capturing carbon. The stars have aligned in other policy areas, too. A federal tax credit for carbon capture has been around since 2008 but only became a substantial carrot for new investment since 2018...



Percentage of active funds outperformed by their benchmark\*



SoftBank's Vision Is at Its Clearest When Markets Rise

Japan's SoftBank, a big investor in technology companies, has certainly regained its confidence after a humbling 2019. Whether that confidence persists through the next market downturn is another question.

2019, may finally be turning a corner. The company is in talks to come to public markets to combine with a special-purpose acquisition company, The Wall Street Journal reported last month.

Easy Markets Access Has Risks

GameStop mania was the wrong way to 'democratize' finance

Was the Reddit mania a win for "democratizing" investment? Or was it a demonstration that too much people power in financial markets stokes dangerous bubbles?

whether amateur or professional investors won or lost more in the GameStop saga risks missing the point. Most asset managers make their money through fees.

to a surge in trading volumes by individual investors, and pushed them to dabble in derivatives like options. Research overwhelmingly shows that day traders tend to lose relative to more patient holders.



Buoyant stocks mean SoftBank may keep listing some investments at high values.

Tesla Buys \$1.5 Billion in Bitcoin—What Could Go Wrong?

GameStop mania was a wake-up call, but now the capital markets have truly reached ludicrous mode. Electric-car maker Tesla said in a securities filing Monday that it has purchased \$1.5 billion of bitcoin and that it expects to begin accepting payment in the cryptocurrency for its products in the future.



The company said it expects to accept bitcoin for its products in the future.

day, the decision introduces even more risk to owning what is already one of the most speculative stocks of the current bull market.

prices for digital assets such as bitcoin have been volatile in the past. Cryptocurrencies are a fairly recent development and their long-term adoption by consumers,

investors and businesses is highly uncertain. That adds to the speculative fervor already gripping Tesla's stock price in a feedback loop. Indeed, the manager of the most popular active fund recently, Cathie Wood of ARK Invest, has made big bets on both Tesla and a trust that owns bitcoin, fueling a record pace of inflows.

tant Chinese market. While digital assets are relatively new, a tour of financial history suggests similar speculative use of an industrial company's funds aren't—and they have ended badly.