

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **Apple joined the AI arms race**, saying it plans to bring a more personalized version of artificial intelligence to its 2.2 billion device users, including striking a deal with ChatGPT maker OpenAI. **A1**
- ◆ **OpenAI named well-known tech executive Sarah Friar** as its next finance chief, saying she would help the company grow in a complex operating environment. **B4**
- ◆ **Former media executive Edgar Bronfman Jr.**, backed by Bain Capital, expressed an interest in buying the company that controls Paramount Global. **B1**
- ◆ **The S&P 500 and Nasdaq** both rose 0.3% to records and the Dow gained 0.2% ahead of a much-anticipated Fed meeting on Wednesday. Bond yields ticked higher. **B11**
- ◆ **Dockworkers at U.S. East Coast and Gulf Coast** sea-ports canceled labor talks that were due to start this week and raised the possibility of a strike later this year. **B1**
- ◆ **Volvo recalled all of its new fully electric EX30 sport-utility vehicles** after discovering a bug in its display software. **B3**
- ◆ **Norway's \$1.6 trillion sovereign-wealth fund** said it would vote against Elon Musk's \$46 billion pay package at Tesla. **B3**
- ◆ **A former Allianz fund manager** who ran a group responsible for steep investor losses during the 2020 market meltdown pleaded guilty to fraud charges. **B3**
- ◆ **Media network Newsmax** plans to publicly list its shares later this year and is looking to raise capital beforehand via a private placement. **B3**

World-Wide

- ◆ **A jury began deliberating** in Hunter Biden's gun trial after days of testimony that prosecutors hope will prove their allegations that he lied when he claimed to be drug-free on an application to buy a revolver. **A3**
- ◆ **The White House is close** to naming derivatives regulator Christy Goldsmith Romero to head the FDIC, replacing the agency's longtime chairman Martin Gruenberg. **A3**
- ◆ **The Biden administration** will close an Immigration and Customs Enforcement detention center in Dilley, Texas, which had long been used to jail migrant families who crossed the southern border illegally. **A3**
- ◆ **Blinken began a three-day tour** of the Middle East, meeting leaders in Egypt and Israel to push a Biden-backed ceasefire plan that Hamas and Israel have viewed skeptically. **A6**
- ◆ **The FDA and Justice Department** said they are stepping up enforcement by forming a multiagency task force to go after the illegal distribution and sale of e-cigarettes. **A3**
- ◆ **Trump's proposal to make workers' tips nontaxable** introduces an untested idea to raise take-home pay that would encourage businesses and employees to recharacterize taxed wages as untaxed tips. **A3**
- ◆ **The main channel** to the Port of Baltimore fully reopened, nearly 11 weeks after a cargo ship lost power and slammed into the Francis Scott Key Bridge. **A4**
- ◆ **The success of Marine Le Pen's far-right National Rally** in European elections brought 28-year-old French politician Jordan Bardella into the spotlight. **A7**

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A screen in Tel Aviv on Monday showed the reunion of Noa Argamani, an Israeli hostage rescued from Gaza, with her father.

Gunbattle Nearly Sabotaged Gaza Hostage Rescue Mission

The two Israeli commando teams had just pulled off a historic rescue mission, freeing four hostages from homes

By Carrie Keller-Lynn, Abeer Ayyoub and Michael Amon

where they were held captive in central Gaza. Now came the hardest part: getting out of Gaza alive.

A shootout that started Saturday in one of the homes ex-

panded into a gunbattle on the packed streets of Nuseirat between the commandos and responding Israeli forces and militants, the Israeli military said. With the teams' cover blown, the Israeli Air Force began striking dozens of militant targets in a bid to divert Hamas's attention and give the hostages a fighting chance to get out.

In the crossfire, a vehicle packed with special forces and hostages was hit and disabled, said David Tsur, the former

commander of Yamam, the Israeli police team that carried out the extraction. An Israeli armored vehicle swooped in to rescue the rescuers, but it too was disabled by fire, so another force arrived to deliver the hostages to helicopters waiting to take them to Israel, reported Army Radio, an independent news organization run by the Israeli military.

"There was a thin line between being a huge success and a huge failure," an Israeli

military official said.

The firefight almost prevented the hostages and the commando team from making it out alive. It prompted a ferocious response from the Israeli military that helps explain the high casualty count among Palestinians, Israeli officials said. The officials said they estimated Hamas fire

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◆ **Blinken returns to region to push peace plan..... A6**



WRIGHT

PART 3 | GOOGLE'S SECRET WEAPON

A Breakup Brings Down Big Tech's Proudest Ally

Joshua Wright enjoyed a career as the cleverest mind in antitrust law—until his past caught up with him

By Brody Mullins

For a time, Joshua Wright juggled a wife, three children, three mistresses and a career as a law professor and antitrust consultant for Google, Qualcomm and Facebook.

He might have been able to keep it going. But in October 2021, Wright ended a years-long affair with Elyse Dorsey, and everything started to tumble. He dumped Dorsey in a text, saying he was back with a former lover. "I'm so embarrassed for thinking you ever respected me," she told him.

Dorsey, a former antitrust lawyer for the Justice Department, knew secrets that Wright had kept from his wife, employers

and corporate clients. By last summer, everybody knew.

Since at least 2006, Wright had extramarital affairs with students who took his classes at George Mason University's law school in Arlington, Va. Some of the women said they met his sexual demands out of fear he might sink their careers if they refused, according to court records.

During much of that time, Wright was the leading defender of Google, Qualcomm and other corporate giants against antitrust probes by federal regulators. While Wright was little-known outside of Washington, he built a multimillion-dollar career persuading

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Cicada Swarm Has Illinois Bugged Out

Rare convergence of two broods; 'It's really loud'

By Joe Barrett

Dale Nickos is a total lawn guy, but he let his grass grow nearly a foot tall recently out of concern for the big, noisy bugs that have overrun his backyard for a few weeks.

"I didn't want to go out there and slaughter them," said Nickos, a 53-year-old engineer in the Chicago suburb of Downers Grove, Ill. "They waited 17 years to come up and do this, so what difference does it make if I wait a little longer?"

Finally, last week, he climbed on his riding mower in a winter hat, safety glasses, a long-sleeve shirt and tight-cuffed sweatpants—and immediately got divebombed by hordes of cicadas. They clung to his clothes and smacked

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Risky Startups Cash In With Crowdfunding

By Dave Michaels

Risky startups with a flair for digital marketing are using a regulatory exemption that allows them to hype their moonshot products and raise huge sums of money from individual investors.

Two companies with completely different products—one is designing three-wheel solar

cars, the other builds tiny houses that unfold like tents—exemplify this growing segment of the market, known as crowdfunding.

Tens of thousands of small investors have poured \$170 million into Aptera Motors and Boxabl but have little to show for it.

The companies have sometimes misled investors as they

burn through tens of millions of dollars, struggle to generate sales and continue to seek more money, according to people close to the companies, internal documents and whistleblower complaints filed with the Securities and Exchange Commission.

Aptera has been telling investors for three years that it would soon deliver its first so-

lar-powered car but still hasn't shipped any. Tiny-house maker Boxabl says its wait list exceeds 175,000 customers, but it has sold only six units this year, according to its most recent disclosures.

The SEC approved the exemption nearly a decade ago, as part of an effort to make it easier for smaller companies to

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Scammers Go Beyond Fake Products, Impersonate Small-Business Owners

By Ruth Simon

Copycats are stepping up their attacks on small businesses.

Sellers of products including merino socks and garden accessories said they have lost customers to online scammers who use the legitimate business owners' videos, logos and social-media posts to assume their identities and steer customers to cheap knockoffs or simply take their money.

"We used to think you'd be

targeted because you have a brand everywhere," said Alastair Gray, director of anticounterfeiting for the International Trademark Association, a nonprofit that represents brand owners. "It now seems with the ease at which these criminals can replicate websites, they can cut and paste everything."

Technology has expanded the reach of even the smallest businesses, making it easy to court customers across the globe. But evolving technology

has also boosted opportunities for copycats; ChatGPT and other advances in artificial intelligence make it easier to avoid language or spelling errors, often a signal of fraud.

Imitators also have fine-tuned their tactics, including by outbidding legitimate brands for top position in search results. "These counterfeiter will market themselves just like brands market themselves," said Rachel Aronson, co-founder of Coun-

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Apple Unveils Plans to Bring AI To iPhone

Personalized system to offer features using ChatGPT and stress privacy

By Aaron Tilley

Apple joined the artificial intelligence arms race, saying Monday it plans to bring a more personalized version of artificial intelligence to its 2.2 billion device users—including striking a deal with ChatGPT maker OpenAI.

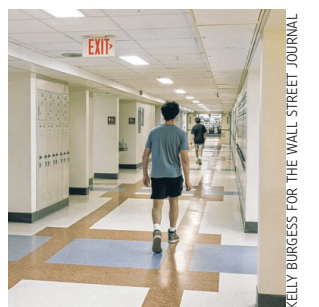
The new AI system, which it called "Apple Intelligence," offered a preview to what many consider to be the holy grail of AI, a voice assistant empowered with enough personal user information to meaningfully help complete an array of tasks. Apple teamed up with OpenAI, and its ChatGPT, for some new AI functions, such as answering more complex queries or composing messages, capabilities that Apple's AI cannot handle.

The announcement comes after the iPhone maker saw its market value stagnate compared with rivals that were quicker to incorporate generative artificial intelligence into their core products.

"We think Apple Intelligence is going to be indispensable to the products that already play such an integral role in our

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INSIDE



PERSONAL JOURNAL
How an anonymous-messaging app upended a high school. **A9**