



# WSJ

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SATURDAY/SUNDAY, JULY 19 - 20, 2025 - VOL. CCLXXXVI NO. 16

WSJ.com ★★ ★ \$6.00

### What's News

#### Business & Finance

- ◆ **An arbitration panel** cleared the way for Chevron to complete its \$53 billion purchase of Hess, dismissing Exxon's claim that it had a right to bid for Hess's crown-jewel assets in Guyana. **A1**
- ◆ **Insurers are seeking** hefty 2026 rate increases for Affordable Care Act marketplace plans, citing higher healthcare costs and changing federal policy. **A1**
- ◆ **The S&P 500 and Nasdaq** ground to new highs this past week, gaining 0.6% and 1.5%, respectively. The Dow edged 0.1% lower. **B11**
- ◆ **Reckitt Benckiser** is selling a majority stake in its home-care business to Advent International in a deal that values the unit at up to \$4.8 billion including debt. **B9**
- ◆ **Economists' latest** forecasts in the quarterly WSJ survey showed a reduced chance of recession and stronger GDP growth in the second quarter. **A2**
- ◆ **Meta won't sign** the EU's code of practice for general-purpose AI, saying the code adds uncertainty and goes beyond the scope of AI legislation in the bloc. **B9**
- ◆ **Saab shares jumped** after the Swedish defense company reported a second-quarter earnings beat and raised full-year sales guidance. **B10**

#### World-Wide

- ◆ **President Trump** filed a lawsuit against WSJ's publisher, alleging the newspaper defamed him in an article about a birthday letter sent to Jeffrey Epstein. **A4**
- ◆ **The Justice Department** asked a federal court to publicly release grand-jury transcripts from the sex-trafficking cases of Epstein and Ghislaine Maxwell. **A4**
- ◆ **El Salvador** sent more than 250 Venezuelans it was holding in a maximum-security prison to Caracas in exchange for 10 Americans detained by Venezuela. **A8**
- ◆ **The Trump administration** has moved Germany ahead of Switzerland for the next Patriot air-defense systems off the production line, paving the way for Berlin to send two Patriots to Ukraine. **A7**
- ◆ **The EU agreed to impose** its toughest sanctions on Russia since its invasion of Ukraine, blocking attempts to revive the Nord Stream gas pipelines and lowering a price cap for Russian oil sales. **A7**
- ◆ **The U.K. named 18** Russian spies and sanctioned three Russian military intelligence units for what it said was a widespread campaign to destabilize Ukraine and other European nations. **A7**
- ◆ **Brazil's Supreme Court** ordered Jair Bolsonaro to wear an electronic ankle tag and barred him from speaking to foreign officials. **A8**

#### NOONAN

MAGA's Epstein fault line **A13**

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# Chevron Closes Megadeal for Hess

### Arbitrators clear \$53 billion acquisition of Hess, after Exxon tried to pre-empt deal

By COLLIN EATON

An arbitration panel cleared the way for Chevron to complete its \$53 billion purchase of Hess, dismissing Exxon Mobil's claim that it had a contractual right to bid for Hess's crown-jewel assets in Guyana.

The ruling handed down Friday from the International Chamber of Commerce in Paris resolves an often tense and long-running dispute between the two largest descendants of John D. Rockefeller's Standard Oil monopoly over one of the world's most coveted oil projects. Chevron originally struck the deal for Hess in October 2023.

Exxon threw a wrench in Chevron's plans last year when it asserted a right to pre-empt its rival's bid for Hess's 30% stake in Guyana's prolific Sta-

brook offshore block. Chevron had argued a right-of-first-refusal on the Guyana project wouldn't apply to the corporate takeover of Hess.

Exxon's move to block the deal stunned the oil industry, which hadn't seen titanic oil companies battle to these extremes since a court fight with Pennzoil forced Texaco into bankruptcy in the 1980s.

Just hours after Friday's decision was announced, Chevron said it had closed its deal for Hess, and that it plans to nominate John Hess, the

smaller company's longtime chief executive, to its board. The Federal Trade Commission had set aside orders Thursday that had previously barred Hess from serving on Chevron's board.

"It has been a long process, and it didn't need to be," Chevron CEO Mike Wirth said in an interview. "It's unfortunate that Hess's employees and shareholders were put through such an extended timeline. It should have been resolved quicker. The outcome was never in doubt."

Exxon said that it disagreed with the ICC panel's interpretation but respects the arbitration process. The company said that it had a duty to its investors to consider its pre-emption rights.

With a 45% stake in the Guyana project, Exxon operates vessels that are currently pumping about 650,000 barrels of oil a day. China's Cnooc, which sided with Exxon in the dispute, has a 25% stake. The oil companies aim to produce 1.2 million barrels daily by *Please turn to page A8*

## Sectarian Clashes Flare in Southern Syria



**PALE HORSE:** A Bedouin rides in Sweida province Friday after renewed fighting broke out between Druze militias and Bedouin clans, despite a truce. The conflict, which has drawn in Syrian government forces and Israeli airstrikes, has killed hundreds. **A7**

## Health Insurers Seek Big Premium Increases

By ANNA WILDE MATHEWS

If you buy your own health insurance, you are probably going to pay more next year—a lot more.

Insurers are seeking hefty 2026 rate increases for Affordable Care Act marketplace plans, the coverage known as Obamacare. Blue Cross & Blue Shield of Illinois wants a 27% increase, while its sister Blue Cross plan in Texas is asking for 21%. The largest ACA plans in Washington state, Georgia and Rhode Island are all looking for premiums to surge more than 20%.

The companies said the big increases are needed because of higher healthcare costs and changing federal policy, including cuts to subsidies that help consumers pay for plans. The higher premiums would come after years of enrollment growth and mostly single-digit rate increases in the Obamacare market, where individuals and families buy insurance for themselves. About 24 million people have ACA plans.

At the request of The Wall Street Journal, the health-research nonprofit KFF analyzed the rate requests for the largest ACA plans by enrollment in 17 states where the insurers' filings have already become public, as well as the District of Columbia.

They showed that some of the biggest national ACA players, including Centene and Elevance Health, are seeking double-digit increases in several states. The Blue Cross & Blue Shield plans of Texas and Illinois are both owned by Health Care Service, a giant nonprofit. *Please turn to page A4*

## Smaller Cities Lure New Grads

By RAY A. SMITH AND HALEY ZIMMERMAN

Memo to job-hunting college grads: It pays to take your search to cities just beyond the U.S.'s biggest metro areas.

In one of the toughest markets for entry-level jobs in years, several second-tier cities—including Raleigh, N.C.—rise above the pack for their strong hiring, decent salaries and affordability. Instead of Atlanta or Chicago, consider Birmingham, Ala., or Milwaukee. Or think Baltimore, in lieu of Washington, D.C.

Those alternative cities,

along with Austin, Texas, rank as the top five most promising locations to find work for recent college graduates, according to a new study by payroll-services provider ADP.

Researchers crunched public cost-of-living data and ADP payroll data for more than five million U.S. workers in their 20s to rank 55 metro areas on three metrics: affordability, wages and hiring activity. They then weighed hiring rates for jobs that typically require a degree against affordability-adjusted wages in each city to devise a single, overall ranking.

What sets the top-ranking

cities apart? Raleigh, Baltimore and Austin—all of which scored in last year's top five, too—tend to have a higher-than-usual concentration of technology, health and financial firms, said Ben Hanowell, ADP Research's director of people analytics.

Like Birmingham, they are home to research and health-care institutions that do a lot of hiring themselves. Milwaukee's job market, meanwhile, is benefiting from the expansion of Eli Lilly and other companies in the area.

All of those factors are bright spots in an otherwise difficult job market for 20-

somethings. Though the national unemployment rate hovers around 4%, it was 7.3% in June for recent college graduates. Many of them are running into a bottleneck in entry-level openings as employers slow hiring and fewer older workers switch jobs. It doesn't help that more companies are relying on artificial intelligence to do some of the grunt work new graduates often do.

"There's a lot more great people than there are great jobs," says Susan De La Vega, a senior vice president at global consulting firm Korn Ferry. *Please turn to page A4*

### These Boats Make Big Waves On and Off the Water

Wakesurfing vessels leave neighbors split: Clean fun or the monster trucks of lake life?

By JOE BARRETT

LAND O' LAKES, Wis.—Keith Montgomery was standing on the public pier of a glacial lake here when he saw a boat cruising along the shore so slowly that he didn't think it would kick up a wake.

Instead, it sent a wave barreling toward a pontoon boat tied up at a dock nearby. A man on board clung to the railing to avoid falling backward and a woman on the

dock tried to stabilize the craft as it bounced from below her knees to her waist.

"He was holding on for dear life," said Montgomery, a 68-year-old retired college administrator and president of the Black Oak Lake

Preservation Foundation, who spoke out to support a ban on boats making extra big wakes in the town of 950.

Speed boats designed to produce a wave so tall that a *Please turn to page A2*



Endless summer

### EXCHANGE



**FAMILY FEUD**  
Inside the power struggle that is rocking a hotel dynasty. **B1**

### Late-Night TV Faces An Uncertain Future

By JOE FLINT AND JOHN JURGENSEN

"The Late Show With Stephen Colbert" was profitable as recently as a few years ago.

Now, it loses about \$40 million per year, according to a person familiar with its budget. On Thursday, CBS pulled the plug on the show and an entire franchise launched in 1993, making it the biggest casualty yet among late-night talk shows contending with cord-cutting, changing tastes among younger viewers and declining ad revenue.

The budget for the show, filmed in New York City's Ed Sullivan Theater, includes a live band, a staff the host said numbered 200 people, and an

annual salary of \$20 million for Colbert, a person familiar with the show's operations said.

That hefty cost of production, a withering business model and a parent company under pressure struck fatal blows. The TV mainstay is slated to go dark next May.

Late-night shows have been one of the most enduring formats in television, with Colbert, Jimmy Fallon and Jimmy Kimmel presiding over newsy monologues and celebrity guests much like their legendary predecessors Jack Paar and Johnny Carson. Into the 2000s, high profit margins and cultural clout helped fuel the so-called late-night wars between David Letterman and Jay Leno *Please turn to page A6*