

Newest S&P 500 Entrant Makes AI Splash

Shares of server maker Super Micro skyrocket, topping even those of Nvidia

BY ASA FITCH
AND BEN GLICKMAN

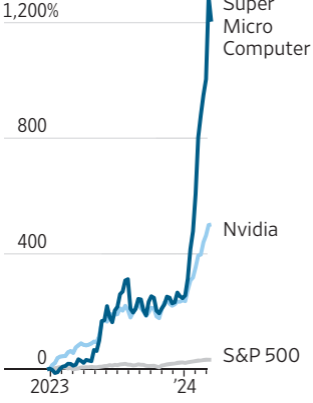
Nvidia has reigned as the investor darling of the artificial-intelligence boom, more than quadrupling the value of its shares in the past year. But one of the chip maker's customers is performing even better.

Once under the radar, server maker Super Micro Computer has become a go-to supplier for companies and governments eager to participate in the AI rush. Runaway sales of its servers filled with Nvidia's AI chips are projected to double the company's revenue this year and have leapfrogged it ahead of some of its biggest competitors.

Super Micro Computer's shares have increased more than 12-fold in the past 12 months, and it is set to become part of the S&P 500 in-

Please turn to page A2

Share-price and index performance*



Note: Fiscal year ends in June *Weekly data

Source: Factset

Fights — and at Trian

the hot seat after
employee tensions

later threw his support behind the effort.

The firm is now waging what's expected to be the

“You have to look at whether banks are willing to continue making loans to consumers, and the data suggests they’re not quite as keen as they were a year ago or two years ago,” said Peter Berezin, chief global strategist at BCA Research in Montreal.

Household savings buffers for lower-income consumers also appear to be exhausted. Bank deposits and money-market funds are below prepandemic levels when adjusted for inflation for all but the 20% most affluent households, said Berezin.

Ian Borden, chief financial officer at McDonald’s, said last week that more consumers are eating at home. And executives at home builder Lennar said more prospective buyers were struggling to qualify for a loan because they had too much debt.

While job growth is strong and unemployment stable, the number of open jobs is declining and wage growth has slowed, which both point to cooler demand for labor.

The challenge of unscrambling conflicting signals explains why officials are focusing on inflation. If inflation continues to move lower, “you could say, ‘Why keep rates where they are?’” Kashkari said. But if the economy is expanding solidly, it is fair to ask “why do anything?”

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- ◆ **Homing in on mortgage discounts..... A11**
 - ◆ **Heard on the Street: At the Fed, suspense builds B10**
-

NEW JERSEY

Suspect in Fatal Shootings Detained

A man suspected of fatally shooting three people in suburban Philadelphia and then barricading himself in a New Jersey home was in police custody late Saturday, officials said.

Authorities identified the suspect as Andre Gordon, 26. He was likely armed with at least one weapon when he fled Falls Township, Pa., around 9:15 a.m. Saturday after the shootings, according to local authorities.

The first report of a shooting came in just before 9 a.m. in a residence in Levittown, Pa., authorities said. Police found two victims inside and identified them as the suspect’s stepmother and teenage sister. A few minutes later, the suspect broke into a second home in Levittown and shot a 25-year-old woman, police said.

—Ginger Adams Otis

The AI processor market is expected to keep growing rapidly. Chip maker Advanced Micro Devices is projecting the market for AI accelerators will reach \$400 billion by 2027, and analysts expect demand for servers to increase in tandem.

Supermicro’s AI-oriented servers made up more than half of its nearly \$3.7 billion in sales in its latest quarterly re-



JOSEPH PREZIOSO/AFP/GETTY IMAGES

South Boston. The day marks
d in 1776.

Media of Drugs

abuse of controlled substances such as Adderall.

A Journal investigation in 2022 highlighted telehealth companies' ads that touted benefits of medications with no mention of side effects and promoted drugs for uses that weren't approved by the FDA—skirting traditional FDA advertising rules. The FDA has typically limited the scope of its regulatory authority to packers, distributors and manufacturers of prescription drugs. The telehealth companies told the Journal that they aren't subject to FDA rules because they are medical providers—not the manufacturers, packers or distributors of the drugs.

Sellers have recently advertised counterfeit versions of blockbuster weight-loss drugs on Meta's platforms, including one drug that is still at least two years away from receiving FDA approval, the Journal has reported. Meta took down some of the ads that were flagged by the Journal, but in some cases, nearly identical ones popped up soon after.

Last month, a bipartisan group of senators sent a letter to the FDA, requesting that the agency take action against the marketing of prescription drugs on social media, citing the Journal's previous reporting about telehealth company ads promoting easy access to prescription drugs.

A Journal investigation in 2021 found that TikTok served minors thousands of videos containing drug and other adult content; TikTok didn't respond as to whether it also received a subpoena.

Housing

Abortion

Stance Soon

BY ALEX LEARY

WASHINGTON—Presumptive Republican presidential nominee Donald Trump said he would make a decision soon on where he stands on federal abortion limits, aiming for a middle ground that would protect access earlier in a pregnancy but bar later procedures for women nationwide.

On abortion, Trump is staking out a position on a contentious issue that has been blamed for weaker-than-expected performances by Republicans in recent elections, as Democrats rallied to the polls to protect abortion access in the wake of a 2022 Supreme Court ruling that ended the right to the procedure.

Trump was asked in the Fox News interview about a New York Times report that he was settling on a ban after 16 weeks of pregnancy and whether that would be politically acceptable. “We’re going to find out and pretty soon I’m going to be making a decision,” Trump said, without confirming that specific number. “I would like to see if we could make both sides happy.”

Trump said he believes in exceptions for rape and incest and to save the life of the mother. “You have to go with the exceptions. And the number of weeks, I’ll be coming up with a recommendation fairly soon,” he said.

The Supreme Court’s ruling overturning *Roe v. Wade* kick-started a wide-open debate about abortion laws, both at the state and federal level. Some states have backed near-total bans on the procedure, while others have set limits after a certain number of weeks of pregnancy. Other states have passed laws preserving broader access to the procedure, up through around 24 weeks.

The former president has taken credit for the ruling overturning *Roe v. Wade*—he put three conservative justices on the high court during his administration. But he has also criticized some state laws, including a six-week ban in Florida, as harsh, and said Republicans need to find a way to talk about the issue and must allow for exceptions.

“You have to go with your heart. But beyond that, you also have to get elected,” Trump said Sunday, reflecting past comments he has made, some privately, about the harm the issue has done to the GOP at the polls.

Democrats have harnessed the issue in recent elections and state referendums. President Biden has made it a centerpiece of his 2024 campaign, calling for nationwide abortion access, including through medicated abortion such as with mifepristone, which can be used to end a pregnancy through 10 weeks of gestation.

The Biden campaign on Sunday issued a statement from Sen. Elizabeth Warren (D,



Robert F. Kennedy Jr., above, has a long friendship with 80-year-old billionaire Tim Mellon.

political views in the book, according to the Washington Post, referring to social-safety-net programs as “Slavery Redux.” Kennedy recently said he was unaware of the donor’s previous writings.

FINANCE



logged 101 such fires in 2023, up from six in 2020. There were 16 battery fires in January 2024.

Fire officials in Arizona have logged 73 fires involving lithium-ion batteries since some departments began tracking the incidents last June, using a data-collection plan developed by the Phoenix Fire Investigations Task Force.

The U.S. Environmental Protection Agency recently created a national task force to help first responders better respond to disasters involving hazardous waste from lithium-ion batteries. That includes the deadly wildfires in Maui, where the EPA disposed of some 30 tons of lithium-ion batteries from electric vehicles and home energy-storage systems.

New York Mayor Eric Adams recently activated the first of five public e-battery charging stations to help food-delivery workers safely charge their bikes outdoors. The City Council passed several new safety rules regarding e-bikes, including requiring retailers to provide battery-safety information and increasing penalties for the sale of unlawful devices.

Those moves came days after a lithium-ion battery in an e-bike sparked a deadly fire in a Harlem apartment building that killed resident Fazil Khan—the city’s first casualty from a battery-related-fire this year—and injured more than a dozen other people. The billowing smoke trapped people on the floors above the third-floor blaze, forcing firefighters to perform daring rope rescues.

“There should be some governmental action to make sure that those that are below grade are taken off the streets,” said Kwasi Gyamfi Asiedu, a close friend of Khan’s from their time studying data journalism at Columbia University. “Fazil would be here if this battery had not exploded.”





RAUL RUBIERA/ASSOCIATED PRESS

in 2003.

Reach

that all but one of the four dozen agents the CIA was running in Cuba was a “double,” secretly under the Castro regime’s control. The revelation chilled CIA recruiting efforts in Cuba for years, officials said.

The government believes that Cuba recruited Rocha, a naturalized U.S. citizen from Colombia, during his stay as a student in Chile in 1973.

Rocha joined the State Department in 1981 and worked at U.S. embassies in Bolivia, the Dominican Republic, Honduras and Mexico. “You just cringe when you think of the amount of high-level information that he had,” said Evan Ellis, a Latin America expert at the U.S. Army War College.

After retiring from the State Department in 2002, Rocha joined several boards and businesses. He advised the U.S. military’s Southern Command, where he continued to access sensitive information and maintain contact with Cuban intelligence, the Justice Department alleges.

Rocha was almost certainly identified by either a Cuban defector or in coded communications the U.S. intercepted, according to former American officials.

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SMALL BUSINESS

Finance Company – Atlanta

gan Co.

Business Solutions*

ogy Advisors, LLC

ED

at Lakes Financial Group

r Group

y Logistics

MEDIUM BUSINESS

e Company - Metro Detroit

Malow*

SA, LLP

g Services

herty

Election

Schumer's speech came amid growing frustration in the Biden administration with Netanyahu over the civilian death toll in Gaza and his resistance to U.S. postwar plans, including a new push for the creation of an independent Palestinian state.

President Biden told reporters that Schumer had "made a good speech" and "expressed serious concern shared not only by him, but by many Americans." Republicans, including Senate Minority Leader Mitch McConnell (R., Ky.), have criticized it as harmful to a close ally.

Former President Donald Trump, the presumptive Republican nominee for president, urged Netanyahu on Sunday to quickly end hostilities. "You have to finish it up and do it quickly and get back to the world of peace," Trump said on Fox News when asked what he would say to the Israeli leader.

The comments come as Congress is trying to find a path forward for a \$95 billion foreign-aid package that includes assistance for Ukraine and Israel.

John Kirby, spokesman for the White House National Security Council, said Sunday that Biden believed the question of if and when there should be new elections is "up to the Israeli people and the Israeli government." Kirby, appearing on Fox News, said that the administration continued to have concerns about some of the military operations in Gaza, including a possible invasion by Israel's forces of the southern region of Rafah in Gaza, and that Israel needed to do more to reduce the number of civilian casualties.

"We will not support, cannot support, an operation in Rafah that does not have an executable, verifiable achievable plan to take care of the 1.5 million people that are trying to find refuge in Rafah," Kirby said, adding that Israel's plans to provide a civilian escape route so far haven't been credible.

Netanyahu has vowed to push back against any pressure on Israel to ease off its goal of eradicating Hamas, the U.S.-designated terror group whose attacks on Israel on Oct. 7 triggered the war.

He said Sunday that Israel was increasing the supply of food trucks allowed into Gaza but that the problem preventing aid from reaching civilians was looting of the trucks by Hamas. Kirby said that the administration "hadn't seen evidence that Hamas has pilfered off a lot of the humanitarian assistance."

as Boris Vishnevsky, deputy head of the opposition party Yabloko, put it in comments on his Telegram channel.

Ukrainian President Volodymyr Zelensky and Western officials were quick to condemn Putin's preordained victory as a sham. "Everyone in the world understands that this person...has become sick with power and will stop at nothing to rule forever," Zelensky wrote in a post on X. "This imitation of 'elections' has no legitimacy and cannot have any. This person must end up on the dock in The Hague. This is what we must ensure," he added.

A White House National Security Council spokesman said the outcome of the vote was unsurprising. "The elections are obviously not free nor fair given how Mr. Putin has imprisoned political opponents and prevented others from running against him," he said.

Putin has already signaled some of his postelection plans in speeches and interviews. Chief among them is his insistence on carrying on the war in Ukraine as U.S. support for Kyiv shows signs of wavering.

Observers predict the Russian leader could soon launch another wave of arrests and detentions at home.

avalny

has been wrongfully detained.

Moscow has said it is acting in accordance with its laws.

The U.S. has also designated Whelan as wrongfully detained. The White House has said it is working to negotiate their release.

Navalny's team, which has said Putin had Navalny killed in prison as a way to reject the swap proposal, dismissed Putin's comments. Ivan Zhdanov, director of the Anti-Corruption Fund, said Putin "confirmed the exchange and immediately ordered to kill" him.



able...we were really excited.” They hit their local Applebee’s soon after, ordering a Bourbon Street Steak, Riblets Plate and Brew Pub Pretzels & Beer Cheese Dip. Along with drinks, the dinner cost \$16.51 with the discount, before tax and tip. And they brought home leftovers.

The couple enjoyed an early Valentine’s Day dinner at the Fargo Applebee’s, where they had a Fiesta Lime Chicken, Bourbon Street Mushroom Swiss Burger, a Pepsi, a Blue Raspberry Rainbow Lemonade and brew pub pretzels. The discounted total before tax and tip came to \$11.68.

They are now plotting how to include Applebee’s in their getaway plans this year. First stop: visiting their son at the University of North Dakota at Grand Forks, their alma mater, and stopping at an Applebee’s that played a role in their courtship: “One of our favorite place to go when we were dating was Applebee’s,” Brooks says.

She says she had worried about getting bored of Applebee’s, but so far is enjoying the variety of the menu. “This year is going to be a lot of Applebee’s.”

officers. Trian’s core decision makers are now those two, Nelson, May—who is Matt’s godfather—and two other partners, Head of Research Brian Baldwin and Chief Legal Officer Brian Schorr.

Frank specializes in consumer and industrials companies, while Baldwin specializes in financial companies. The two represent the firm on the board of asset-manager Janus Henderson in seats once held by Nelson and Garden.

The two have been behind several of the firm’s recent investments including Allstate and Unilever. Baldwin and another younger partner, Ryan Bunch, have been deeply involved in Disney.

“There’s a lot of positivity, energy and momentum in the firm,” Frank said in an interview.

Trian says it now employs around 50 people, and it is all hands on deck as the Disney vote approaches. Nelson, Matt and others are meeting with Disney investors one by one to make their case for adding Nelson and their other nominee, Disney’s former finance chief, Jay Rasulo, to the board.

Suggestions in its recent Disney white paper for on-again CEO Bob Iger include shrinking Hulu and improving the guest experience at its theme parks. Trian’s push got a big boost from Perlmutter, who entrusted his shares’ voting rights to Trian, contributing the vast majority of Trian’s stake.

Working against Trian could be the fact that Disney’s share price has already improved. The company last month reported better-than-expected earnings and unveiled a slew of major announcements, sending its stock up nearly 12% in one day.

Proxy advisers are expected to weigh in any day with how they recommend shareholders vote, and that could tip the



red loans. That number is all compared with the overall mortgage market, but growing. mortgage servicers who process these transactions often drag their feet. Some buyers have had to wait for months just to be re-ported, The Wall Street Journal reported.

The math won't always work, either. Someone buying a \$500,000 house, but taking over a mortgage with a \$300,000 balance, would need to come up with \$200,000 to cover the difference. That means bringing a lot of cash to the closing table, or taking out a second loan, which can be hard to obtain.

Shopping around

It's one thing that actually works: Shopping around and comparing rates of various lenders. Sometimes, lenders will lower their rates to win your business. When interest rates are high, a wide range of available rates tends to be available. These days, lenders are especially far apart on what they're offering. The amount by which mortgage rates range above or below the average rate has been elevated over the past couple of years, according to Freddie Mac. Lenders have been in a tough spot since home sales and refinancings dried up. Some are keeping rates high to try to earn as much as possible per loan. Other lenders are keeping rates lower to bring in more business.

using various tools.

Such window-breaking devices can be used on tempered glass, but it would be difficult to get through. A spring-loaded tool that forces a metal cone into the glass is preferable to a hammer-style mal-according to AAA

on that choice, he pointed out that Snyder roughly translates "tailor" in Dutch. To the dealer, his fate was sealed by his name.

After graduation, Snyder moved to New York City, getting in on the ground floor at Ralph Lauren's corporate office. He was a grunt grabbing coffees, he says, until a manager took notice of his shirt, which he'd hand stitched himself. The attention helped him earn a seat at the table during design meetings. From there, Snyder climbed his way up the org chart at various American retailers and in the early 2000s, was the senior director of menswear at Old Navy. In 2004, Mickey Drexler, the veteran retail executive who led J.Crew's '90s rise and then captained its new surge, hired Snyder.

Snyder also co-founded Tailgate Clothing, a license-rich T-shirt label with his father and brother in 1997.

Snyder worked at J.Crew for five years, during a golden era when it morphed from a reliable if quirky catalog business, into a serious trend-forward retailer. He left two years after it went public, taking some \$2 million. Those funds would become the financial foundation for Todd Snyder, which launched in 2011.

For three years Snyder was "red shitless." He strove to expand by opening retail shops but Snyder recalled that some landlords would ask for as much as a million dollars upfront to secure a lease, funds he didn't have.

Then, in 2015, American Eagle bought both Todd Snyder and Tailgate for \$11 million.

Today, Tailgate is defunct—a casualty of a pandemic period. Snyder, on the other hand, plans to open five more locations this year in cities like San Jose, Calif., and Washington, D.C. Snyder has stayed on as president and chief marketing officer of his label and is also an executive vice president at American Eagle.

Schottenstein thinks of Todd Snyder customers as guys who relate to aristocratic Italian labels like Brando Cucinelli, Zegna and Brunello but can't afford them. "They would go to Todd, find that type of quality, find that type of quality but at an affordable price."

When he splashed onto the market, Snyder was swiftly picked up by heavyweight department stores. "I was super excited. We went into Bergdorf's exclusively. We went into Neiman's exclusively. I'm like, oh my God, we're done." But selling retailers as middlemen was eating into his profit margins.

In 2012, Snyder wrested control by launching his website. That first season, he did around \$200,000 in sales, which was more than what he was making with Nordstrom at the time. "I was like 'holy s—, there's something here,'" said Snyder.

Within seven years, he was strong enough on his own to reorient his brand to sell exclusively through his website and stores. Last winter, it introduced a \$98 cashmere chore coat. Snyder says his team only produced 200 of the jackets thinking the price might scare people off. "It sold out immediately," said Snyder.

It ruled that she was entitled to deductions for expenses be-

...ber "Bust of Christ" (c. 1495) and the "Triptych of the Savior" López commissioned from the painter Antoniazzo Romano. The painter Bartolomé Bermejo, identified by Mr. Molina as a con- painter in an essay featured in the handsome catalog (available in English), included Old Testament prophets in his "Christ With the in Paradise" (c. 1474-79), per- to argue for the possibility of ere conversions from Judaism to christianity. Mr. Molina also ts to Bermejo's unusual depic- of a circumcised adult Jesus in



Domingo Ram's 'The Angel Appearing to Zacharias' (c. 1470), which takes place on Yom Kippur.

...rist of the Pietà" (c. 1471-76) as a strategy that allowed the artist to affirm Christ's Jewish origins. "The Lost Mirror" ends, inevitably, in the fiery heart of the Inquisition. The final gallery includes several paintings that the Grand Inquisitor Tomás de Sotomayor commissioned from Pedro Berruguete, including "St. Dominic Presiding Over an Auto-da-fé" (c. 1491-99). They once adorned the church of the Dominican friary of Santo Tomás in Ávila and served as mighty propaganda for the Inquisition. Over 500 years later, these austere and pompous works serve as the exhibition's sober coda. The Jewish life that flourished for centuries in Spain was decisively extinguished in 1492. The artworks gathered together for "The Lost Mirror" bear witness to the cultural vicissitudes and the dogmatic zealotry that turned a pluralistic society into a bastion of intolerance.

Lost Mirror: Jews and Conversos in the Middle Ages
 Museu Nacional d'Art de Catalunya, through May 26

Goldmann writes about European arts and culture.

ments and what we aspire to be. To the mountain, the film lavishes attention on the sorrowful departure of Virgil and the most important motif in the poem thus far: Dante's reunion with Beatrice, and his humble recognition and confession that he had "followed counterfeiters of nobility" and ought to have culti-

2005-06 season came back the following year. That included Joakim Noah, who would have been an NBA lottery pick in 2006 had he decided to go pro.

That continuity just doesn't happen anymore. For NCAA tournaments between 2000 and 2004, the defending champion returned starters who accounted for 57.4% of minutes played the previous season on average. Over the past 20 NCAA tournaments dating back to 2018, that dropped to 27.5%. Outside of the Gators, not a single one of the last 20 NCAA tournament champions has made it past the Sweet 16 the following year. Four of the champs missed the NCAA tournament altogether. Hurley's UConn is not a one-and-done factory, but it's not immune from the trends shaping the sport either. Three key players from last season left for the NBA: forward Adama Sanogo, guard Alan Hawkins and sixth man Andre Jackson Jr. One more graduated and another hit the transfer portal. Together, they accounted for 57.5% of all minutes played in 2022-23.

But Hurley also benefits from being in an era when there are more ways to replenish his roster. He relied heavily on transfers—last year guard Tristen Newton of North Carolina and two others last year; Cam Spencer of Rutgers this year.

The Huskies do have one important thing in common with the early 2000s Gators: Their coach recognizes that repeating as champions is harder than becoming champions. After Florida won its first title, Donovan studied dynastic teams, like the San Francisco 49ers and brought in former England Patriots coach Bill Belichick to talk to the team about the complacency of winning.

After Hurley cut down the nets in Houston? He called Donovan, who passed on some important advice.

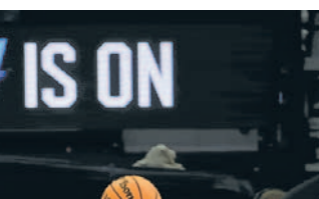
"Don't obsess over that accomplishment," Hurley recalled him saying, "or else it's gonna make you crazy."

ance

Dame's Hannah Hidalgo averaged 23.3 points this season, behind only Clark and Watkins. Madison Booker led Texas with 26 points as the Longhorns won the Big 12 title game.

USC beat Stanford in the last game of the Pac-12 Conference women's tournament as we know it. But the No. 2 seed Cardinal still has 6-foot-4 star Cameron Brink and coach Tara VanDerveer, who in January passed former Duke coach Mike Krzyzewski for the all-time lead in career wins.

No. 3 seed UConn, whose



e Lagoon

: The Remarkable History of
s with a series of observations
minent personages over the
the likes of Petrarch, Sanso-
and Alexander Herzen. Ander-
Mr. Romano writes, calls Venice
Herzen describes it as a
on “the madness of genius.” Mr.
phasize the “ceaseless work
ng a city on water requires.” He
h, or, more to the point, down

Romano, a professor emeritus
acuse University, offers a com-
historical survey, from the city’s
ary origins to its present-day
ms of mass tourism, climate
and depopulation. This ap-
of course, is not entirely new.
eless, Mr. Romano succeeds in
g fresh points of view—and tell-
stories that often get over-
particularly about the less priv-
members of Venetian society.
book is divided into four distinct
Medieval Venice, Renaissance
d Modern and Contemporary
ely counters the notion of the
wledging that key events
apture of Constantinople by the
covery of a new trade route to
pe of Good Hope, the demise of
e arrival of Napoleon), he
s ability to adapt to new
of the Venetians’ relationship
t.

enge the “myth of Venice,” the
ty’s history that promotes its
its role as a bulwark against
rticularly wary of the idea of
epublic where all social classes
rmony. While the city was not
e changes of Italy’s other city-
that the populace was not as
ng class as Venetian historians
te of its well-honed image,” he
outed serenity was always

the “Black Legend” of Venice’s
aristocratic regime maintained
ms of “informers, spies, and
r. Romano notes, gained wide
Lord Byron, which presented
a history. But even if the reality
glorious as Venetian propaganda
as sordid as the city’s enemies

rise visitors to Venice is “The
Century.” Mr. Romano empha-
f a period that many associate
n century, the heyday of Vene-
eronese and Tintoretto and
nd Palladio, the 17th century

**Venice has adapted to
growth of its residents’
watery environment.**

climax. While pictorial art
s attention to the rise of opera,
d in Venice, first flourished
g,” he writes, “nine different
taging at least 150 operas, the
s and twenty composers,
”

of Venice’s rise, apogee and fall
19th-century British historians,
ce as a warning to their
f a great maritime empire, built
de, political savvy and expert
undered through complacency,
decadent love of comfort. Such
admonitory works of John
ntial writers on Venice

wife has another way of re-
g. After the first two sen-
she asks: "Does your mother
what you do for a living?"

RAYMOND J. KELLY

Flushing, Mich.

Epstein tempts me to list my
phone-scam pranks. But here
of them. I ask the caller to
in a falsetto voice because I
hearing defect or if he is
ing anything that's fun."

tive pranking is a satisfying
about 15 seconds.

JIM ROWBOTHAM

New York

Epstein should take solace in
getting 11 such calls in a day. I
been getting 18. With just about
American facing the same prob-
ere are our service providers?
ase, Verizon has offered advice
sn't resolved the problem. I am
National Do Not Call Registry,
s of no use. What is the cost to
ntal health? I suspect many are
ed. I challenge the executive
islative branches to solve the
n that affects us all.

JORDAN BASEM

Emmaus, Pa.

n be fun to taunt scammers,
n't pick up. If you do, you are
ning that you have a live line
l get more calls.

DAVID R. SHANNON

La Grange, Ill.

Pay Gap So Easily

nearly every occupation. How
"choice" is a free-will choice
w much is women having to
t they can given societal and
tional constraints that limit
pportunities? The truth about
nder pay gap is that it has
causes, but one cause is dis-
ation.

srs. Gramm and Early try to
s the discrimination argument
viding a textbook explanation
arket forces penalize discrim-
. That's true only if there are
competitive markets and all
have all the information, but
employers don't freely com-
r labor or market share.

person's compensation re-
one of their employer's best-
crets.

PROF. ANNE YORK

Meredith College

Raleigh, N.C.

Charge for Emails

time expended for services
ed? Caregivers should be paid
cognitive component of care
ed. Patients should have this
ation as well.

IRVING M. HERLING, M.D.

Haverford, Pa.

Being a Smart Investor

arding the March 12 letter
Your Career Search Before
chool": From junior high
students should be taught
e best answer to the question
do you want to be when you
p?" is "a smart investor." Be-
smart investor applies to
technology, employment, re-
hips—and eventually to rais-
s.

GEORGE BAKER

Houston

awakened immediately for any
s in the future—"even if it was in
middle of a cabinet meeting." It
only thanks to Reagan's close re-
nship with O'Neill and other
try-first Democrats like Sen.
ry "Scoop" Jackson that I could
the large, steady budgets that al-
ed America to build the vaunted
ship Navy that checkmated the
et Union and kept peace on the
for a generation.

ne doesn't see Reagan's—or
son's, or O'Neill's—approach in
Trump or Mr. Biden. Neither man
demonstrated a commitment to
e through strength, as both sub-
ed budgets and proposals that
ed the military to disarm while
rica's enemies built their capabil-
e. Nor does one see unity or bipar-
nship in their approaches. Gen.
Mattis was right when he de-
ed Mr. Trump as "the first presi-
t in my lifetime who does not try
nitate the American people—does
even pretend to try. Instead, he
s to divide us." Mr. Biden is the
nd such president.

am a conservative, however, and
Republican Party has been my
osophical home. With Mr. Trump,
s suffered a break-in from a van-
who refuses to leave. And since
Biden has turned his platform
to socialist Bernie Sanders, I am
pped in the No Labels flag.

*Mr. Lehman served as Navy secre-
tary, 1981-87. He is an elector and
legate for No Labels and author of
plans Ventured: Winning the Cold
War at Sea.*

II showed improvements in
r symptoms.

r take the class of diabetes and
city drugs known as GLP-1 ago-
nists, which mimic a natural hor-
mone that has been found to stimu-
late insulin, slow digestion and
reduce appetite. GLP-1 drugs appear
to work by activating certain recep-
tor cells that are most commonly
found in the pancreas and brain but
also in the kidney and liver.

studies suggest that the drugs ac-
tivate neural connections that con-
trol inflammation. Researchers are
testing whether GLP-1 agonists
could be used to treat kidney, liver,
neurological and inflammatory dis-
eases including depression, Alzhei-
mer's and Parkinson's. Novo Nordisk
is already testing its GLP-1 drugs in
early-stage Alzheimer's patients.

iseases typically have diverse
mechanisms, and medications work in di-
fferent ways. Scientists have typically
taken many years, if not decades, to
figure these out. One of AI's great
promises is that it will enable re-
searchers to connect these dots in
record speed, cutting down on devel-
opment time for new drugs and rap-
idly putting existing ones to new
uses. Who knows? Maybe a Viagra-
statin combo could be a cure for
Alzheimer's.

pendence

We spoke frequently after he
brought me to Time Inc. in 1995.
When I reached out to him in
1997 after his son, Jonathan, a
senior at Taft High School in the
Bay Area, was murdered during a rob-
bery by a former student, he simply
said it was a subject he wasn't pre-
pared to discuss.

Investors Rattled By India's Regulatory Surprises

BY SHEFALI ANAND

Foreign investors have increasingly shifted their investments to India from China in recent years, partly because of concerns over Beijing's unpredictable policy moves and China's sputtering economy.

But a recent clampdown on one of India's biggest financial technology companies rattled investors and serves as a reminder that New Delhi can also make sudden moves with a hefty impact on companies and market value.

India's Paytm, a pioneer in the country's shift to mobile payments whose investors have included Warren Buffett's **Berkshire Hathaway** and China's **Alibaba Group**, has been shaken following an order from India's central bank that largely crippled its banking affiliate. From Saturday, the bank can no longer carry out most types of transactions.

One97 Communications, Paytm's parent, also owns 49% of Paytm Payments Bank and was relying on it to build new sources of income. After the Reserve Bank of India's order, which was issued in late January and cited persistent failures in compliance at the bank, One97's share price tanked.

Paytm is now in damage-control mode. Founder Vijay Shekhar Sharma called the order a "speed bump" and said Paytm and the bank are moving to address the regulator's concerns. But with the affiliate's regulatory uncertainty clouding Paytm's prospects, the company's market cap has sunk to around 15% of its valuation of nearly \$19 billion at the time of its big IPO in 2021.

"Investors don't like surprises," said Mohanjit Jolly, co-founder of **Iron Pillar**, a U.S. venture-capital fund that invests in Indian startups. Jolly said they have largely steered clear of investing in financial technology startups "because of the regulatory unpredictability."

The government of Prime Minister Narendra Modi has emphasized fighting tax evasion and money laundering, which has led to scrutiny of a financial sector that now includes thousands of fintech firms that some experts say have been lightly regulated.

Foreign companies have raised concerns about regulatory surprises in other arenas as well.

In its recent list of challenges of doing business in In-

Please turn to page B4

...rily imitated by other corporate brands for their viral, cheeky content

“I have no idea what the hell they do, but my children tell me that our TikTok account is really cool,” O’Leary said. “We let them say anything, do anything, we don’t care who they offend, abuse, insult, tease.”

O’Leary’s leadership style isn’t all about stunts. He has become particularly renowned for buying aircraft at times of industry turmoil, allowing him to get them on the cheap.

In January 2002, he placed a major order with Boeing while the industry was still reeling from 9/11. In December 2020, he became Boeing’s first customer to place a major, firm order for the 737 MAX after the aircraft’s 20-month grounding. Later, when Ryanair was still in the throes of pandemic-era flight restrictions, the airline placed its biggest-ever order for up to 300 Boeing jets.

O’Leary has also offered to take any 737 MAX 10s that are left abandoned by United Airlines amid Boeing’s latest upheaval after a midflight blow-out of a door panel on an Alaska Airlines flight in January.

He has also made some “monumental screw-ups,” as he put it. A pilot shortage in 2017 sparked by a rival’s expansion led Ryanair to cancel more than 20,000 flights. After infamously pronouncing that “hell would freeze over” before his airline would recognize unions, O’Leary ultimately acquiesced.

The executive now credits his unions for enabling Ryanair’s rapid postpandemic expansion, having facilitated negotiations to lower staff salaries by 20% in 2020 and allowing the carrier to make minimal staff redundancies. It meant the airline had crews ready to deploy when travel restrictions were lifted, while staffing shortages at rivals led to mass cancellations and delays.

ORDERS

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ROGER WONG/INSTARIMAGES/REUTERS

Philip Fayer.

Hot Bulks Supply Chain Contractors

Its four new warehouses, planned for Detroit, San Antonio, Los Angeles and Toronto, will add to an existing network of 14 so-called flatbed distribution centers that the retailer uses to stow bulky merchandise. Home Depot also fulfills retail shoppers' orders for those items from those warehouses.

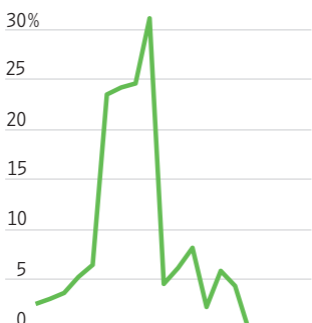
For these flatbed distribution centers, Home Depot seeks bigger yards, compared with its standard distribution sites, that back up to railroad lines so the company can get building materials directly from suppliers.

The retailer used to fulfill orders for items such as trusses, drywall and shingles out of its stores, which clogged up aisles and tied up store associates who could otherwise be attending to retail shoppers. With the flatbed sites the company has been adding, Home Depot is putting "the focus on these core products that we never really could move very easily," Devine said.

Home Depot has been grappling with falling sales over the past year as high interest rates and low housing turnover have weighed on demand for home-improvement projects.

Comparable sales, those from stores and digital channels operating for at least 12 months, fell 3.5% for the quarter ended Jan. 28 compared with the previous year. The retailer said the change was roughly the same for professional customers and retail shoppers.

Home Depot's overall comparable store sales, change from a year earlier



failed a drug test, and X says it is making an effort to reduce the spread of hate speech.

“Don, the only reason I’m doing this interview is because you’re on the X platform and you asked for it,” Musk told him. “Otherwise, I would not do this interview.”

The next day, Musk texted Lemon’s agent that the partnership was over.

Lemon and his team as well as Yaccarino and her team were left trying to pick up the pieces, hoping to rectify the deal, according to the person familiar with the matter. One of X’s corporate accounts reposted a promotion for the show’s debut.

But Lemon concluded that Musk’s verdict was final. Then Lemon went public with his side of the dispute, saying Wednesday on X that Musk pulled his promised support for the show, which will still be shown on X along with other platforms.

“His commitment to a global town square where all questions can be asked and all ideas can be shared seems not to include questions of him from people like me,” Lemon wrote in a letter posted on X.

In his own posting, Musk responded that Lemon’s approach “was basically just ‘CNN, but on social media,’ which doesn’t work as evidenced by the fact that CNN is dying.”

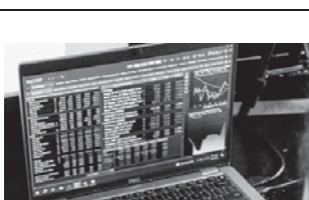
X and Musk emphasized that Lemon is free to post his content on the platform on his own, like anyone else. The interview is expected to still be uploaded Monday on X, YouTube and elsewhere.

chants who use Paytm’s technology to conduct transactions for a fee. The hit to Paytm comes amid growing competition from competitors like **Walmart**-backed PhonePe and **Alphabet**’s Google Pay, which have taken over market share.

The government has sought to temper concerns among startups sparked by Paytm’s troubles. In February, Finance Minister Nirmala Sitharaman met with fintech firms. At the meeting, Sitharaman asked regulators, including the central bank, to meet startups monthly to field their concerns over regulation, the ministry said.

Some experts said drastic action in this case was warranted.

“The one thing regulators have realized around the world is that fining people fails to have...much of an impact,” said Siddarth Pai, founding partner of **3one4 Capital**, a venture fund that manages around \$500 million.



stitutional investors only via the

for the U.S. market only

Symbol/ primary exchange	Shares (mil.)	Pricing Range(\$) Low/High	Bookrunner(s)
RAN Nq	1.4	5.50/ 5.50	WallachBeth Capital, Craft Capital Management
NTHI Nq	6.0	11.25/ 13.75	Loop Capital Markets
AUNA N	30.0	13.00/ 15.00	MS, JPM, BTG Pactual, Santander, Citi, HSBC
ALAB Nq	17.8	27.00/ 30.00	MS, JPM, Barclays, DB, Evercore, Jefferies
RDDT N	22.0	31.00/ 34.00	MS, GS, JPM, BofA Securities, Citi, DB, MUFG

and other insiders will become eligible companies for the first time. Such

Symbol	Offer price(\$)	Offer amt (\$ mil.)	Through Friday (%)	Lockup provision
KVYO	30.00	537.6	-20.9	180 days
MDBH	12.00	20.0	-25.8	180 days
OMH	4.00	14.6	-74.5	365 days
MGRX	4.00	5.0	-95.6	365 days

Sources: Dealogic; Dow Jones Market Data

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Company	SYMBOL	IPO date/Offer price	Friday's close (\$)	Offer price	% Chg From Offer	1st-day close
Kyverna Therapeutics	KYTX	Feb. 8/\$22.00	29.71	35.0	-1.0	
American Healthcare REIT	AHR	Feb. 7/\$12.00	13.59	13.3	2.8	
Legato Merger III	LEGT.UT	Feb. 6/\$10.00	10.10	1.0	0.4	
Alto Neuroscience	ANRO	Feb. 2/\$16.00	15.81	-1.2	-23.6	
Fractyl Health	GUTS	Feb. 2/\$15.00	6.35	-57.7	-50.6	
Amer Sports	AS	Feb. 1/\$13.00	15.13	16.4	12.9	
FibroBiologics	FBLG	Jan. 31/\$8.00	10.04	25.5	-65.5	
ArriVent Biopharma	AVBP	Jan. 26/\$18.00	19.49	8.3	-2.6	
BrightSpring Health Services	BTSG	Jan. 26/\$13.00	8.24	-36.6	-25.1	
Haoxi Health Technology	HAO	Jan. 26/\$4.00	6.98	74.5	32.2	

Sources: Dow Jones Market Data; FactSet

The DJIA

Industrial Average component stocks each moved the index. The DJIA week. A \$1 change in the price of the average. To date, a \$1,000 investment in DJIA stock component would have gained 4.38%, on the \$30,000 dividends.

Symbol	Close	\$1,000 Invested (year-end '23)	\$1,000
MMM	\$105.00		\$976
CVX	155.55		1,054
Group UNH	490.82		936
MSFT	416.42		1,109
CAT	346.97		1,179
DIS	111.95		1,240
TRV	220.93		1,165
e JPM	190.30		1,126
AAPL	172.62		898
V	283.04		1,089
WMT	60.68		1,159
DOW	57.04		1,053
e PG	161.38		1,108
KO	59.88		1,024
NKE	99.64		921
GS	387.21		1,011
HD	373.23		1,083
VZ	39.49		1,065
AMZN	174.42		1,148
son JNJ	158.18		1,017
CSCO	48.93		976
HON	197.69		948
MRK	121.52		1,122

BlueBay Destra Itl E:L	23.95	NA	NA	6.8
BlueBay Destra Itl E:T	23.83	NA	NA	6.6
Calamos-Aksia ACI:A	10.51	NA	NA	NS
Calamos-Aksia ACI:C	10.49	NA	NA	NS
Calamos-Aksia ACI:I	10.51	NA	NA	NS
Calamos-Aksia ACI:M	10.50	NA	NA	NS
Carlyle Tact Pvt Cred:A	NA	NA	NA	9.8
Carlyle Tact Pvt Cred:I	NA	NA	NA	10.1
Carlyle Tact Pvt Cred:L	NA	NA	NA	9.7
Carlyle Tact Pvt Cred:M	NA	NA	NA	9.5
Carlyle Tact Pvt Cred:N	NA	NA	NA	10.3
Carlyle Tact Pvt Cred:U	NA	NA	NA	9.6
Carlyle Tact Pvt Cred:Y	NA	NA	NA	9.98
Fid MS Cr;A	NA	NA	NA	NS
Fid MS Cr;C	NA	NA	NA	NS
Fid MS Cr;I	NA	NA	NA	NS
Fid MS Cr;L	NA	NA	NA	NS
Jackson Credit Opps:I	10.25	NA	NA	NS
Lord Abbett Cred Opps Fd	8.95	NA	NA	9.0
Lord Abbett Cred Opps Fd	8.95	NA	NA	9.8
Lord Abbett Crd Op:U	8.95	NA	NA	9.0
Oaktree Dvsfd Income;D	9.09	NA	NA	7.6
PIMCO Flexible EM;Inst	8.37	NA	NA	7.1
National Muni Bond Funds				
Ecofin Tax-Exempt Prv Cr	8.42	NA	NA	3.9
Lind Cap Pt Mun Cred Inc	8.83	NA	NA	6.1
Nuveen En HY Muni Bd:A1	7.52	NA	NA	5.2
Nuveen En HY Muni Bd:A2	7.53	NA	NA	5.4
Nuveen En HY Muni Bd:I	7.52	NA	NA	5.9
PIMCO Flex Mun Inc;A-3	10.34	NA	NA	3.5
PIMCO Flex Mun Inc:A1	10.34	NA	NA	3.7
PIMCO Flex Mun Inc;A2	10.34	NA	NA	3.7
PIMCO Flex Mun Inc;Inst	10.34	NA	NA	4.2
Single State Muni Bond				
PIMCO CA FMI;A-1	10.31	NA	NA	2.9
PIMCO CA FMI;Inst	10.31	NA	NA	3.4



KES

and shifted its focus on liquidating its assets and paying back its creditors.

Genesis recently settled with New York, agreeing that the more Genesis pays its creditors back the less it would have to pay the New York attorney general. Those payments are set to be used as restitution to Genesis's unsecured creditors, according to the company's court filing. The settlement—which only addresses Genesis and not the other defendants, Gemini or DCG—faces objections from DCG.

Judge Lane is expected to issue his ruling on the Genesis settlement soon.

Genesis reached a \$21 million settlement with the U.S. Securities and Exchange Commission, which had sued the crypto lender and Gemini for selling unregistered securities through the Earn program. The bankruptcy court approved the deal last month.



MICHAEL REYNOLDS/EPA/SHUTTERSTOCK

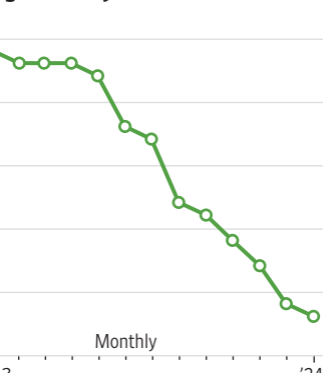
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tion. But as Western nations learned to their chagrin over the past two years with Russia, reversing trade flows of legacy goods is difficult. The incentives for corruption in gaming the system through subsidies in other countries would be enormous. And even assuming a tariff program works as intended, it would leave the rest of India's burgeoning electronics business at a serious disadvantage. According to Ashok Chandak, president of the India Electronics Semiconductor Association, India's success will be critical to attracting other chip makers to India—and it will have to surmount challenges so it becomes easier for those that follow. The ITIF says India is likely to commission two or three plants for mature-node chips within the next five years. But China could pour cold water on those ambitions. Gaining a foothold in the less-demanding areas of chip packaging and test—-with the help of foreign firms like **Micron**—makes good sense for Indian companies. Spending scarce government funds babysitting cash-hungry infant chip-fabrication plants, rather than on infrastructure in general, could be a far better move.

—Megha Mandavia

Personal consumption expenditures price index, change from a year earlier



Excludes food and energy
Source: St. Louis Federal Reserve

at least partly taking the baton from consumer spending as a growth driver. Investors will get a better idea what this means for the Fed's plans when it releases a new set of economic and rate projections at its policy-setting meeting next week.

But it is a far cry from stagflation.

—Aaron Back

Turn Sour

On the day of the NYCB stock sale, ERS requested to withdraw \$150 million from the Brandywine-advised portfolio, which held \$265 million as of February.



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ion

their identity.

work, your device could automatically connect to a fake network with the same name set up by a hacker at your hotel or another public site, he says.

to the basics

The bottom line is that if you take the precautions you would when using any public Wi-Fi network, the risk of being hacked while logged into a plane's Wi-Fi is pretty low. "I would not say airplane Wi-Fi is terribly risky," says Amir Tarighat, CEO of the cybersecurity firm Agency.

Make sure you have proper security tools on your device, update your software all the time, and use multifactor authentication for sensitive websites like your bank, and you won't have much to worry about."

Security tools from trusted companies include antivirus and malware-protection software and apps that encrypt your sensitive data as it moves from one point to another. On an airplane, experts also say to consider using a privacy screen to fend off potential snoopers in the seats behind you, and consider waiting to access financial accounts until you can do so on a private network.

Experts also warn travelers not to let their guard down in the airline terminal, where public Wi-Fi networks are just as dangerous as they are anywhere else. And there's an extra potential danger here: Hackers can install malware into public charging stations to steal data from your device as it's charging.

Bhatnagar advises travelers to use their own cords and plugs and charge their devices in a traditional outlet when traveling.

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g one in a home office where you might talk about confidential financial or work-related topics. Moreover, disable functions you don't use or need on the devices, such as the camera on a digital assistant. "Having those turned on creates a larger attack surface" for a hacker, Frank says.

Proprietary home networking systems provide more security than plain Wi-Fi?

While networks such as Google Home, Apple HomeKit and Amazon Alexa likely have enhanced security, in most cases they also tie your home Wi-Fi to connect to their cloud services that run on their networks. That raises the same security concerns as relying solely on Wi-Fi, Agarwal says.

What is the device industry doing to prevent hacks?

The effort is an industry standard called Matter from a consortium that includes Apple, Amazon

9. Before the Computer Fraud and Abuse Act became law in the U.S., crimes involving computer hacking were prosecuted under the rules surrounding mail fraud and wire fraud. When was this law enacted?

- A.** 1972
 - B.** 1979
 - C.** 1986
 - D.** 1991
 - E.** 1999
-

10. Jen Easterly is the director of the Cybersecurity and Infrastructure Security Agency, or CISA. Before taking the job, which of the following was true about her?

- A.** She was awarded two Bronze Stars during her 20-year military service
 - B.** She has a master's degree from the University of Oxford, where she was a Rhodes scholar
 - C.** She is a member of the Council on Foreign Relations
 - D.** She was the first global head of Morgan Stanley's Cybersecurity Fusion Center
 - E.** All of the above
-

probation and time served.

5. E.

All of the above. In February, FBI Director Christopher Wray called Beijing's efforts to covertly plant offensive malware inside U.S. critical infrastructure networks a defining national security threat.

6. B.

Robert Morris was a grad student at Cornell University in 1988 when he released his cyber worm from a hacked computer at the Massachusetts Institute of Technology. The rogue program spread far beyond MIT to revered institutions, including Stanford, Princeton, Johns Hopkins and NASA, slowing the internet to a crawl, according to a report from the FBI. The first person convicted of an internet crime, Morris received a fine, probation and had to serve 400 hours of community service.

7. D.

October 2006.

WikiLeaks.org's first publication, a long, detailed report titled "Inside Somalia and the Union of Islamic Courts," came out on Dec. 26 that year according to

major players in producing systems,” Harris says. “What we are seeing now is a race to the bottom of safety, ethics and privacy.”

Comprehensive legislation and regulation will be crucial for businesses to feel comfortable employing generative AI more widely, says Apostol T. Vassilev, the research team supervisor in the computer security division at the National Institute of Standards and Technology.

Currently, most users interact with generative AI that has been trained on the public internet only. As generative-AI companies start to market their tools as a way to supercharge businesses, that could change, he says. When businesses start connecting these tools to their internal workflows and intellectual property, the lure of access to sensitive corporate data could make data poisoning even more appealing to hackers, Vassilev says. The risk is low now, he adds, but inadequate safeguards as deployment accelerates could be dangerous. “We are putting real assets into play,” he says.

Defensive poisoning

Some researchers are using a data-poisoning method already—but as a defensive tool to help artists and other creators reassert some control over their work, according to Ben Y. Zhao, computer-science professor at the University of Chicago.

Zhao and his team developed software called Nightshade for content creators to prevent their images from being used by generative AI. He says the software aims to change a creator’s images in a way that is invisible to the human eye but that poisons AI models. For example, someone could ask for an image of a handbag and get a picture of a toaster instead.

In a paper, Zhao and his team showed that Nightshade used on as few as 50 images can start to affect the results of a generative image model.

“It’s trying to come in and be pushback” against copyright infringement, he says. “A real tangible pushback that actually has some consequences.”

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JON KRAUSE

ers exploit those weaknesses to first get into the vendor’s system, then use the vendor’s privileged access to get into the computer systems of every company that uses the vendor.

A vulnerability in a single vendor system can threaten thousands of organizations. Security experts say more than 2,600 organizations were victims of the recent MOVEit at-

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...se customers experienced a cyberattack was comparable to their peers. The authors found no statistical difference when it came to the likelihood of restating a company's financial statements.

"Companies should be aware of their supply-chain risk," says Smith. He recommends suppliers ask customers about how cyber-risks are mitigated and how data is protected. "It's a new set of conversations," he says.

Ma Ward is a writer in Vermont. She can be reached at reports@wsj.com.



JON KRAUSE

IU worked with Purdue University and the Indiana Office of Technology to identify 12 of the most effective security controls that local governments can implement, a list that clinics elsewhere have been a helpful guide for their students.

Clinic worker Sydney Schnur, a law student who is focused on intellectual property and cybersecurity law, helped host a workshop to teach leaders in small Indiana communities best cybersecurity practices, including such basics as how to make a good password or how to be safe when online shopping.

"What we're trying to do is reach the leaders so that they can reach the rest of the communities," Schnur says.

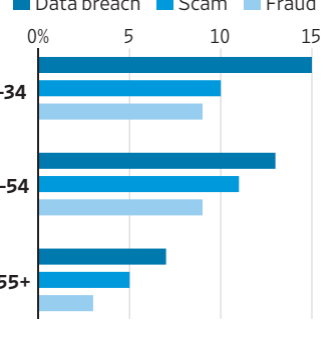
The IU clinic advises about four to seven clients at a time, says Scott Shackelford, faculty director and founder of Indiana's cyber clinic. To date, client needs have varied, he says, and include preventing ransomware attacks and drafting incident-response plans. There is already a waiting list

rip notes, if anything must be delivered by mail, make sure you send it certified.”

Many creditors will want a theft report—an official document from the FTC showing that an identity theft has been reported—which parents can obtain at identitytheft.gov. Once a parent reports the identity theft involving their child, they will be given a customized recovery plan that lists them the steps they must take—from writing letters to correct the credit report to replacing Social Security cards.

The whole nightmare can of-

Percentage of U.S. households, by age of parent/guardian, with a child affected by a data breach, scam or fraud, past six years



Source: Identity Theft & Research's Child ID Theft report (households)

It can be unwound in 30 days, experts say, but sometimes it can take years for more complex thefts, including if crimes were committed under the fraudulent identity.

“If someone bought a house in a child’s name, it can take a while to unwind. If someone opened a credit card in their name, it should take less time,” says Leach.

Idi Mitchell is a writer in Chicago and London. She can be reached at reports@wsj.com.



here in Maryland,
ple to pull in folks

to respond, could be especially effective in terms of getting board members to recognize and prepare for direct attacks. The immersive nature of a tabletop exercise creates an emotional response that leads participants to become much more invested than they otherwise would in discussions about what to do during a real attack.

Third, organizations might want to include board members in phishing simulations, in which they send fake emails to employees to gauge how many will react and to develop training tools to mitigate the effectiveness of such attacks.

Finally, one-on-one consulting, where security experts are assigned to work with individual directors, might be the most effective training approach. This gives directors the tutoring they need at the time, and in a manner, most suited to them.

Virtually all cybersecurity assessments and efforts are focused on protecting the organization itself, but directors need to be included in the security plans, too. Directors are expected to serve as the strategic cybersecurity guardians of their companies, more needs to be done to guard the guardians.

Frederick Proudfoot is an associate professor at Bentley University and a research affiliate at the Center for Cybersecurity at MIT Sloan (CAMS) research consortium.

Mari Pearlson is executive director of CAMS. Stuart Madnick, founding director of CAMS, contributed to this research. The authors can be reached at reports@wsj.com.

JON KRAUSE

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