



## Trump's plutocrats are not safe from tyranny

MARTIN WOLF, PAGE 17

## Will Ocado's ecommerce model bear fruit?

BIG READ, PAGE 15

## Heads up Swimming in Seine called off

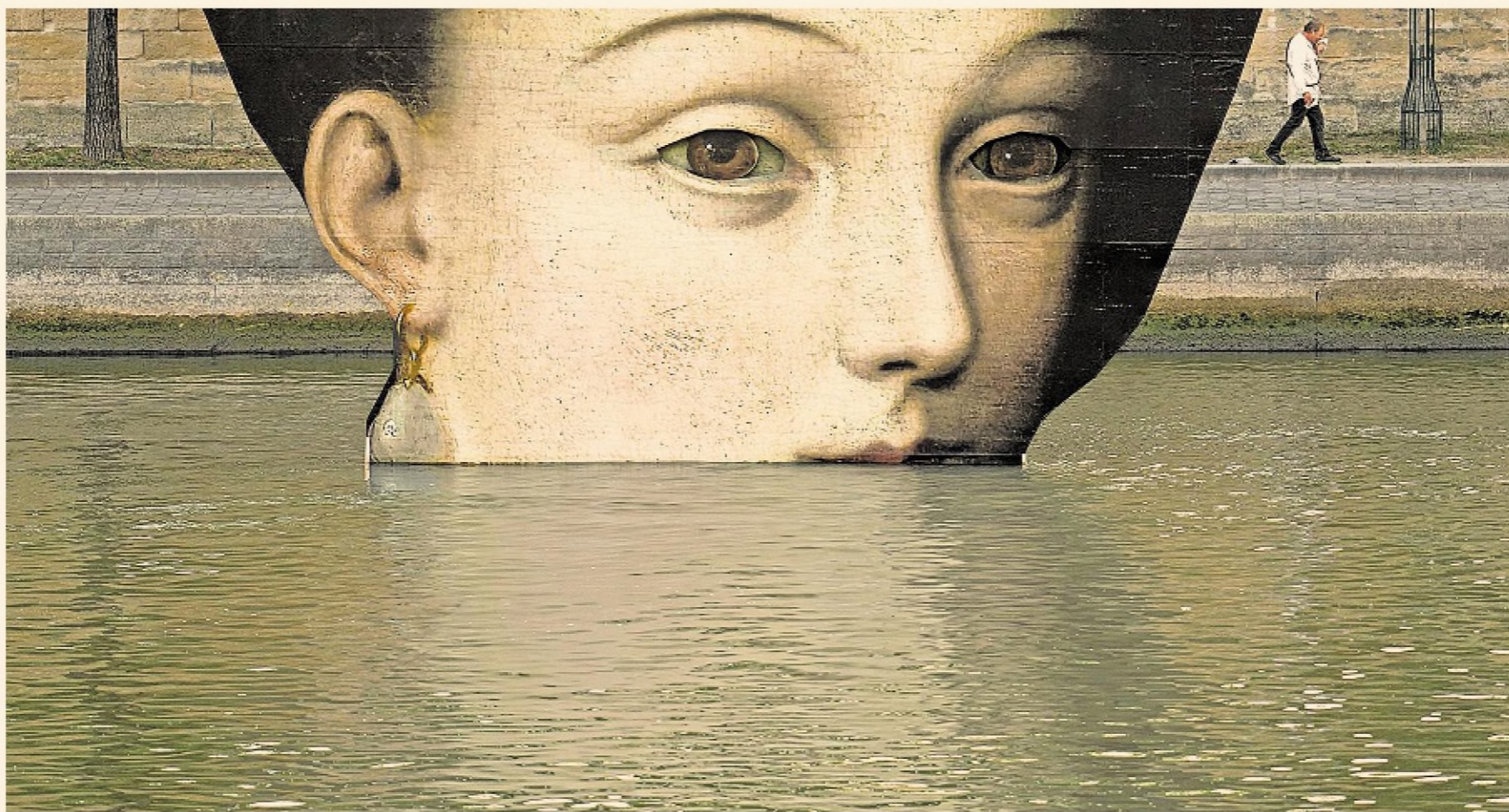
Artwork decorates the banks of the River Seine for the Olympics in Paris yesterday, as organisers postponed the men's triathlon after heavy rains pushed bacteria levels above safe limits.

The swimming leg of the competition was scheduled to take place in the river but a decision to call a halt was made at 4am, only hours before 55 triathletes were set to dive in from the starting line near Pont Alexandre III.

The event has been rescheduled for 10.45am today, immediately after the women's triathlon, but both will still depend on the levels of E. coli and other bacteria in the river.

The delay is a setback for the French authorities, which made a huge bet that a €1.4bn upgrade to the capital's antique sewage system and water treatment plants would suffice to hold triathlon and marathon swimming in the river.

FT View page 16



AP Photo/Vadim Ghirda

### Briefing

#### Israel attacks residential building in Beirut suburbs

The Jewish state has struck a building in the south of the city, saying it was targeting a Hezbollah commander responsible for a rocket attack on a town in the occupied Golan Heights that killed 12 on Saturday.— PAGE 4

#### Diageo's sales falter

The head of the maker of Smirnoff vodka and Johnnie Walker whisky has said persistent inflation is creating "a very extraordinary consumer environment", as its sales fell.— PAGE 5; LEX, PAGE 18

#### Leader shifts Iran's stance

Reformist president Masoud Pezeshkian has pledged to "normalise" economic relations with the international community by seeking the removal of US sanctions on Tehran.— PAGE 2

#### Vitol pays out big salaries

The world's largest independent commodity trader paid senior staff a record \$6.4bn last year, in a sign of how the sector has profited from the Ukraine war's disruption to energy markets.— PAGE 5

#### China told to step up pace

President Xi Jinping has called for the speeding-up of measures to boost domestic consumption as concerns mount that the world's second-largest economy is falling short of growth targets.— PAGE 2

#### City shuns errant bosses

Ten men including the former City boss behind Liberty department store in London have been given the "cold shoulder" by the UK Takeover Panel, ostracising them from the financial sector.— PAGE 6

#### Miami offices rising high

The cost of Miami office space has hit a record high of nearly \$200 a square foot as demand for plush offices from blue-chip companies from New York, Chicago and Los Angeles outstrips supply.— PAGE 6

#### Chill falls on Italy beaches

Holidaymakers heading for Italy's beaches in the coming weeks could face disruption as sunbed businesses threaten to go on strike after being forced to give up their lucrative concessions.— PAGE 4

# Meta pays \$1.4bn over claims it reaped facial recognition data from millions

◆ Settlement in Texas ◆ Second biggest penalty after Cambridge Analytica ◆ Privacy concerns rise

STEPHANIE STACEY — LONDON  
HANNAH MURPHY — SAN FRANCISCO

Facebook owner Meta has agreed to pay \$1.4bn to the US state of Texas to settle claims that the company harvested millions of citizens' biometric data without proper consent.

The settlement, to be paid over five years, is the biggest ever obtained from an action brought by a single US state, according to a statement from attorney-general Ken Paxton.

It also marks one of the largest penalties levied at Meta by regulators, second only to a \$5bn settlement it paid the Federal Trade Commission in 2019 for misuse of user data in the wake of the Cambridge Analytica privacy scandal.

The original complaint, filed by Paxton in February 2022, accused Face-

book's now-closed facial recognition system of collecting biometric identifiers of "millions of Texans" from photos and videos posted on the platform without "informed consent", in breach of a 2009 state law governing the capture or use of biometrics.

Meta launched a feature in 2011 called "tag suggestions", which recommended to users whom to tag in their photos and

"This demonstrates our commitment to standing up to the biggest technology companies"

Texas attorney-general Ken Paxton

videos by scanning the "facial geometry" of those pictured, Paxton's office said.

The complaint accused Facebook of violating Texas state law by automatically turning this feature on for all Texans without explaining how it worked, "not hundreds, or thousands, or millions of times — but billions of times", with at least \$10,000 in civil penalties being sought for each violation.

In 2021, a year before the lawsuit was filed, Meta announced that it was closing down its facial recognition system, including the tag suggestions feature. It wiped the biometric data it had collected from 1bn users, citing legal "uncertainty".

The latest fine comes amid growing concern globally over privacy and data

protection risks related to facial recognition, as well as algorithmic bias. Legislation is patchy, differing from jurisdiction to jurisdiction.

In 2021, Facebook agreed to pay a \$650mn settlement in a class-action lawsuit in Illinois under a state privacy law over allegations related to its face-tagging system.

Paxton's office has a similar privacy lawsuit against Alphabet's Google, accusing the search platform of collecting millions of biometric identifiers through its products and services, which include Google Photos and Google Assistant.

"This historic settlement demonstrates our commitment to standing up to the world's biggest technology companies and holding them accountable

for breaking the law and violating Texans' privacy rights," Paxton said in a statement. "Any abuse of Texans' sensitive data will be met with the full force of the law."

Meta had previously said that the claims were without merit.

According to a statement from law firm and co-counsel McKool Smith, the company and Texas agreed to settle the lawsuit on the evening before a trial was set to begin in mid-June, having asked to pause the proceedings whilst terms were finalised.

Meta yesterday said: "We are pleased to resolve this matter, and look forward to exploring future opportunities to deepen our business investments in Texas, including potentially developing data centres."

## Billionaire Ackman slashes target for new fund's listing from \$25bn to \$2bn

COSTAS MOURSELAS AND  
ORTENCA ALIAJ — LONDON  
AMELIA POLLARD — NEW YORK

Bill Ackman has cut the sum he is seeking to raise in the initial public offering of his investment fund Pershing Square USA to \$2bn, less than a tenth of the \$25bn the billionaire hedge fund manager had first targeted.

The reduction in the fundraising target is the second in a matter of days for one of the highest-profile investors on Wall Street. It follows an unexpected delay last week caused by a letter Ackman sent to investors in his hedge fund, Pershing Square Capital Management.

Ackman has become a prominent figure on social media, with more than 1mn followers on X. This month, he endorsed Republican presidential nominee Donald Trump on the platform. He

has bet on retail traders backing the listing, saying that his "notoriety" on social media would boost the public listing.

Had the billionaire hedge fund manager succeeded in launching a \$25bn closed-end fund, it would have been one of the largest IPOs of all time. In last week's letter to investors, however, Ackman revised the figure down to between \$2.5bn and \$4bn.

Pershing Square Capital Management, which will manage the investments in the US-listed fund, will contribute \$500mn to the offering as the anchor investor, according to a filing published yesterday.

Ackman raised just over \$1bn last month by selling a 10 per cent stake in the hedge fund to a group of investors including Israeli insurance company Menora Mivtachim and Brazil's BTG Pactual. Ackman said some of the cash

would be used to set up Pershing Square USA. The hedge fund's participation implies Ackman now expects to attract about \$1.5bn from outside investors.

Two people familiar with the matter said the Baupost Group, an investor that Ackman had been hoping would anchor the float, had opted not to take part after its role became public in Ackman's letter. Baupost declined to comment.

The billionaire had pushed investors to place their orders with the banks underwriting the deal, writing last week that it was "very important that the banks get a sense that a deal's momentum is building" so that they could relay that to the "capital markets desks of every institutional investor".

Pershing Square USA said in an SEC filing yesterday that it would go ahead with a sale of its shares on the New York Stock Exchange "as soon as practicable".



## Carlyle cashes in on fossil fuel assets no one wants

US private equity firm Carlyle argues it is better to invest in cutting emissions from oil and gas businesses than to divest. As rivals such as Blackstone and Apollo back away from fossil fuels as climate concerns mount, UK-based Carlyle International Energy Partners is snapping up unloved assets in Asia, Europe, Africa and Latin America. Its \$2.3bn second energy fund has made a 13 per cent net annual return, better than many contemporaneous funds.

Unappreciated assets — PAGE 7

### World Markets

STOCK MARKETS				CURRENCIES				GOVERNMENT BONDS					
	Jul 30	Prev	%chg	Pair	Jul 30	Prev	Pair	Jul 30	Prev	Chg			
S&P 500	5421.46	5463.54	-0.77	\$/€	1.081	1.082	€/\$	0.926	0.925	US 2 yr	4.37	4.39	-0.02
Nasdaq Composite	17116.04	17370.20	-1.46	\$/£	1.283	1.285	£/\$	0.780	0.778	US 10 yr	4.16	4.17	-0.01
Dow Jones Ind	40563.36	40539.93	0.06	€/£	0.842	0.842	£/€	1.187	1.188	US 30 yr	4.42	4.42	-0.01
FTSEurofirst 300	2038.11	2029.40	0.43	¥/\$	154.610	154.055	¥/€	167.056	166.625	UK 2 yr	3.85	3.88	-0.03
Euro Stoxx 50	4845.20	4815.39	0.62	¥/£	198.343	197.907	£ index	84.238	84.088	UK 10 yr	4.16	4.16	-0.01
FTSE 100	8274.41	8292.35	-0.22	SFr/€	0.957	0.959	SFr/£	1.137	1.139	UK 30 yr	4.59	4.61	-0.02
FTSE All-Share	4539.49	4542.18	-0.06	CRYPTO				JPN 2 yr	0.37	0.39	-0.02		
CAC 40	7474.94	7443.84	0.42		Jul 30	Prev	%chg	JPN 10 yr	0.99	1.02	-0.03		
Xetra Dax	18411.18	18320.67	0.49	Bitcoin (\$)	66263.46	66064.83	0.30	JPN 30 yr	2.11	2.11	0.00		
Nikkei	38526.95	38466.63	0.15	Ether (\$)	3816.83	3799.78	0.51	GER 2 yr	2.56	2.59	-0.04		
Hang Seng	17002.94	17388.24	-1.62	Bitcoin (€)	62634.46	62464.83	0.27	GER 10 yr	2.84	2.93	-0.09		
MSCI World \$	3528.51	3524.88	0.07	COMMODITIES		Jul 30	Prev	%chg	GER 30 yr	2.97	2.97	0.00	
MSCI EM \$	1077.27	1072.28	0.47	Oil WTI \$	74.67	75.81	-1.50						
MSCI ACVI \$	804.35	803.48	0.11	Oil Brent \$	78.00	79.05	-1.33						
FT Wilshire 2500	7045.27	7042.99	0.03	Gold \$	2391.10	2386.10	0.21						
FT Wilshire 5000	54857.90	54853.40	0.01										

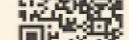


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No: 41,699 ★

Printed in London, Liverpool, Glasgow, Dublin, Frankfurt, Milan, Madrid, New York, Chicago, San Francisco, Tokyo, Hong Kong, Singapore, Seoul, Dubai



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