

What's News

Business & Finance

Dell is examining options, including a spinoff for its roughly \$50 billion stake in VMware, as the PC maker seeks a boost for its lackluster stock price. A1
◆ The divergence in the performance of the major U.S. stock indexes this year is the widest in over a decade. A1
◆ The Nasdaq rose 0.7% to another record, while the Dow and S&P 500 added 0.5% and 0.4%, respectively. B13
◆ Surveys of purchasing managers showed output contracting at a slower pace in the U.S., Europe and Asia this month. A2
◆ A Missouri court upheld a jury verdict that J&J's talcum powder caused cancer in 22 women but cut the damages awarded by more than half to about \$2.1 billion. B1
◆ Wirecard's ex-CEO was arrested and released on bail days after the German fintech company revealed a \$2 billion hole in its books. B1, B12
◆ Mall owner Simon Property is teaming up with Brookfield Property in exploring a bid for J.C. Penney. B6
◆ Silicon Valley executives criticized Trump's order suspending new immigration on several employment-based visa programs. B1
◆ Amazon is launching a \$2 billion internal venture-capital fund focused on tech investments to reduce the impact of climate change. B4
◆ The government may consider postponing the 2019 annual tax-filing deadline a second time, Treasury Secretary Mnuchin said. A2

Precautions Test Voters in Elections Around the U.S.



BALLOT BOX: Voters kept their distance in Louisville, Ky., Tuesday as primaries were held in several states. A string of chaotic voting days in recent months has raised concerns about the country's ability to run a smooth election during the pandemic. A4

Nasdaq Outpaces Blue Chips, S&P 500 as Tech Stocks Rally

BY KAREN LANGLEY
The divergence in the performance of the major U.S. stock indexes this year is the widest in over a decade. A surge in big technology stocks has helped the Nasdaq Composite rally 13% in 2020, while the Dow Jones Industrial Average of blue-chip stocks is down 8.3%. The benchmark S&P 500 is hovering in between them, off 3.1%. The Nasdaq's advantage over the Dow and S&P 500 is the biggest since 1983. The gap between the S&P 500 and the Dow is the widest since 2002, when the Dow was ahead. The Nasdaq continued its outperformance Tuesday, outpacing the Dow and S&P 500 for the day and notching its 21st record close of 2020. The index climbed 0.7%, while the Dow edged up 0.5% and the S&P 500 added 0.4%, driven by improving economic data. One explanation for the gap in returns: A handful of growth stocks that have surged this year have an outside influence on the Nasdaq and the S&P 500. Apple Inc., Microsoft Corp., Amazon.com Inc., Google parent Alphabet Inc. and Facebook Inc. together account for about 40% of the Nasdaq and 20% of the S&P. Of those stocks, only Apple and Microsoft are in the Dow. The disparities add to the challenges facing investors who are trying to make sense of a dizzying stretch of volatility in markets. Valuing stocks became increasingly difficult after the coronavirus pandemic brought the economy to a halt and companies from Caterpillar Inc. to McDonald's Corp. to PayPal Holdings Inc. pulled forecasts. Although economic data Please turn to page A8
◆ Nasdaq enjoys another record trading session..... B11

Virus Cases Hit Records In Many States

Officials tighten rules and social-distancing enforcement as world total tops 9.1 million

BY TALAL ANSARI
New coronavirus cases rose sharply in several states, with Arizona, Texas and California reporting new daily records of infections Tuesday, prompting more elected officials to tighten rules on gatherings and strongly urge people to stay home and follow social-distancing guidelines. The total number of confirmed coronavirus cases world-wide surpassed 9.2 million, with more than 2.3 million cases in the U.S., as the nation's death toll reached more than 121,000, according to data from Johns Hopkins University. The two most populous states, California and Texas, each reported more than 5,000 new infections, breaking their previous daily records. On Monday, Texas Gov. Greg Abbott said he didn't want to backtrack on reopening the state and said residents need to take it upon themselves to wear masks and practice social distancing. But on Tuesday he urged Texans to take precautions, saying people shouldn't go out unless absolutely necessary. "The safest place for you is at home," Mr. Abbott said. Please turn to page A6
◆ Cases climb as European capitals open..... A7
◆ Latin America is grim new center of pandemic..... A8

Funeral Is Held as Police Bill Stalls



A funeral was held Tuesday in Atlanta for Rayshard Brooks, who was killed by police in a Wendy's parking lot on June 12. In Washington, Senate Democrats threatened to block consideration of Republicans' law-enforcement bill, saying it was too narrow. A3

Plexiglass to the Rescue: Supplies Run Short as Barriers Go Up

BY PIETRO LOMBARDI AND KIM RICHTERS
ROME—Stefano Antonelli has sculpted plexiglass for decades in his workshop, making bikes and furnishings and works of art. But a recent customer request stood out. A local hospital asked for a box to cover patients' heads, a barrier to prevent transmission of the coronavirus. It was one of many pleas for protective equipment made of the transparent acrylic that the 58-year-old artisan has received over the past months from stores, restaurants and professionals. "It has been like a tsunami," Mr. Antonelli said at his workshop, a stone's throw from the Colosseum. "In 40

Dell Explores Spinning Off \$50 Billion VMware Stake

BY CARA LOMBARDO
Dell Technologies Inc. is examining options, including a spinoff for its roughly \$50 billion stake in VMware Inc., as the PC maker seeks a boost for its lackluster stock price. Dell recently kicked off a process to explore the possibility of unloading the stake or taking other steps that could include buying the rest of VMware, according to people familiar with the matter. The companies are working with outside advisers, these people said. In a sign of investor enthusiasm for a transaction that will unlock value, shares of both companies jumped in after-hours trading when The Wall Street Journal reported on the review. Dell shares rose 18% to \$57.80 after rising 1.5% in regular trading. VMware shares, which were little changed in regular trading, rose 8% to \$161.50. Dell's review is at an early stage, no decision is imminent and it is still possible the company will choose to do nothing. The goal of the review is to address a gap between Dell's market value—about \$36 billion on Tuesday afternoon—and the value of its 81% stake in VMware, which suggests the market is assigning little or no worth to Dell's core PC and data-storage business. Separating the companies could help highlight the value of one or both businesses. A transaction involving VMware could also be designed to help reduce Dell's \$48 billion debt load. To the frustration of Dell investors, the company's stock has barely budged since returning to the public markets in 2018. That is despite a more than 50% rise in the same period for the tech-heavy Nasdaq Composite Index, which hit a record high on Tuesday as investors pile into stocks of companies that are thriving amid the coronavirus lockdown. Please turn to page A2

Donors Linked to China Won Access to Trump and GOP

Money flowing to president's re-election committee opened doors in Washington
BY BRIAN SPEGELE
Soon after Donald Trump took office, people with ties to the Chinese state poured hundreds of thousands of dollars into his re-election bid to get close to and potentially influence the new president. The effort had early success in gaining access for those involved, helping them meet the president or top Republicans at fundraisers or at an internal GOP leadership meeting. It reveals how China seeks to build inroads into U.S. politics, gather information on U.S. leaders and if possible affect policy-making. Several of those involved in the effort worked closely with China's national-security apparatus, including organizations linked to its military, and briefed prominent Chinese political figures about their efforts. As guests of a Republican official named Shawn Steel, Chinese nationals, including a man working for China's central government, attended an invitation-only gathering in May 2017 where GOP leaders discussed campaign strategies and other information on U.S. leaders



LIFE & ARTS
With vacationers postponing plans, next year's bookings are filling up. A11



SPORTS
Djokovic and other players test positive for virus after tournament. A14

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Plexiglass Comes to The Rescue

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'It frightened me because it looked more like a jail visiting room,' Mr. Gernigon said, referring to the barriers. He aimed for something more elegant and more aesthetically pleasing.

Mr. Gernigon came up with a transparent pod that resembles a lampshade suspended over the heads and upper bodies of restaurant guests. He posted his design online. He said he receives around 50 orders a day, not only from restaurants. Other businesses like casinos, hospital waiting rooms and nail salons are also interested, he said.

Production started in early June, with orders shipped internationally to countries like the U.S. and Japan. The cost: €155 for a single pod, or around \$173.

The 47-year-old is currently working on other versions of his Plex'Eat design, one using color and another large enough to ensconce a couple. The dining pods even enhance food aromas, he said, having recently enjoyed a truffle risotto under a plexiglass dome.

The World Health Organiza-



Christophe Gernigon poses under his invention, a Plex'Eat prototype plexiglass bubble, at the H.A.N.D restaurant in Paris.

tion has recognized plexiglass and other plastic barriers as effective in helping to stop the spread of the virus.

That didn't stop critics roasting Italian architects Ilaria Bizzo and Stefano Cornacchini for their design featuring individual boxes for students returning to schools after lockdown. The two proposed the idea as a 'flexible, economic and green solution' to keep schools safe.

'Plexiglass boxes seem to me more a dystopian vision of the future than possible solutions to a problem,' countered architect Stefano Cardini, who was the Italian chief academic officer at the Istituto Europeo di Design.

The country's education minister, Lucia Azzolina, and far-right politician Matteo Salvini even squabbled over its spelling—is it plexiglass or plexiglas?—as they argued

over a decree for the next school year. While the material is commonly known as plexiglass in English, it is sold under various trademarks, one of them Plexiglas.

Roman artisan Mr. Antonelli, who goes by the nickname of 'plastic man' or 'er plasticaro' in local dialect, said the original shapes and designs he's making pose some difficulties. Some are technical, such as getting the

right thickness and weight to achieve a functional design.

Mr. Gernigon, the designer from Paris, also had to adjust the thickness of his prototype dome to make its shape work. Typically, the material comes in sheets from manufacturers and then can be cut and bent to specification.

At the height of the emergency, there was a rush to get protective tools, Mr. Antonelli said. High demand, coupled

with scarce supply of raw material, meant turning down some requests and longer delivery times for the others.

One customer paid a sizable deposit, pressing his request to jump the line. But 'all plexiglass requests are created equal,' Mr. Antonelli replied.

Like the designers, plexiglass manufacturers and other companies that use plexiglass in Europe have been all-hands on deck to meet requests.

In early March, Kunststoffhandel Rexin GmbH started scouting for extra plexiglass across Europe to avoid a shortage later on. Back then, the German company, which makes products like terrace roofs and carports, got some initial requests for sneeze guards from pharmacies. Other businesses like fuel stations followed, said chief executive Michael Schwarz.

Now it's hardly possible to find plexiglass on the market, the 40-year-old said, and he doesn't expect a change for many weeks. 'Current orders will receive delivery dates, if any, from the end of the year to the beginning of 2021.'

For Mr. Antonelli, the main problem has been getting his hands on enough plexiglass to meet demand. The protective box he designed for the local hospital was such a hit that he got a request for 50 more. He had to turn it down due to the lack of material.

'It's like I have a shiny Ferrari but fuel is running dry,' he said.

China Link In Access To Trump

Continued from Page One issues.

In response to inquiries, the Republican National Committee said it had instructed Mr. Steel to break ties with several people identified in Wall Street Journal reporting.

'It's important to do all we can to safeguard our politics from illegal foreign meddling,' the RNC said in response to questions. It said it wouldn't return donations identified by the Journal that facilitated access to the president and other officials because it didn't believe campaign-finance laws were broken.

Separately, Mr. Steel, a Republican national committee member from California, said it would be 'false, defamatory, and offensive' to say he aided any Chinese efforts. He didn't respond to specific questions.

There is no indication Mr. Trump was aware of the political contributions. The White House didn't respond to requests for comment.

The Journal pieced together details of the efforts from campaign-finance records, Chinese government websites and U.S. corporate filings as well as through interviews with people involved. It couldn't be determined whether any of the contributions or other activities violated U.S. laws. Federal law prohibits political giving by people who aren't U.S. citizens or permanent residents.

The initial effort to access the Trump administration appears to have stalled as tensions between the U.S. and China have risen, over trade, Covid-19 and other issues.

U.S. officials said China, which has historically stepped up efforts to influence U.S. politics when it feels challenged, recently intensified efforts to push misinformation through social media and other channels. China has long denied meddling in other countries' affairs.

Most of the donations identified by the Journal flowed to a fundraising committee called Trump Victory in the first half of the Trump presidency. The donations were among the largest of 2017. They account for a fraction of the \$190 million-plus the fund has raised since Mr. Trump took office.

Chinese nationals involved said they weren't acting on behalf of China's government but sought to get close to Mr. Trump for personal reasons or to help them in business. China's government didn't respond to requests for comment, nor did China's Embassy in Washington.

Unlike his 2016 rival Hillary Clinton, whose positions on global issues were well known from her time as secretary of state, Mr. Trump entered office as an unknown quantity to

China whom its leaders urgently needed to understand.

The Journal also examined campaign-finance records for Mrs. Clinton's candidacy and for presumptive 2020 Democratic nominee Joe Biden. It didn't find similar efforts involving the two by people linked to China's government.

Chinese money has allegedly flowed to Democrats previously, including to President Bill Clinton's 1996 re-election effort, which led to guilty pleas by Democratic fundraisers for election-law violations and other crimes.

Soon after the 2016 vote, officials from China's consulate in Los Angeles approached a pro-Trump organizer named David Tian Wang, said people who worked with him. A native of China with a U.S. green card, Mr. Wang had founded a group called Chinese Americans for Trump and had long associations with people and groups in California supported by China's government, according to Chinese official websites and state media.

The consulate asked for Mr. Wang's help in lobbying on China issues during the Trump administration, said Lance Chen, who said Mr. Wang tried to recruit him for the effort. Mr. Chen said he declined.

Mr. Wang was soon listed as CEO of the newly registered Wang & Ma Government Relations LLC, California business records show. He also gave \$150,000 to Trump Victory, according to Federal Election Commission disclosures.

He became a frequent presence in GOP circles. In one case, Mr. Wang was quoted in Chinese-language media in the U.S. as saying he used access to the Trump campaign to push a view that U.S. military deployments in the contested South China Sea were a waste of money.

Lobbyists for foreign governments must register with the Justice Department. Mr. Wang's name doesn't appear in its foreign-agents database.

Mr. Wang didn't answer most specific questions from the Journal but said in a text message: 'I have NO ties to the Chinese government and do not take orders from anyone.' He said he loved China and the U.S. and believed in the GOP's platform.

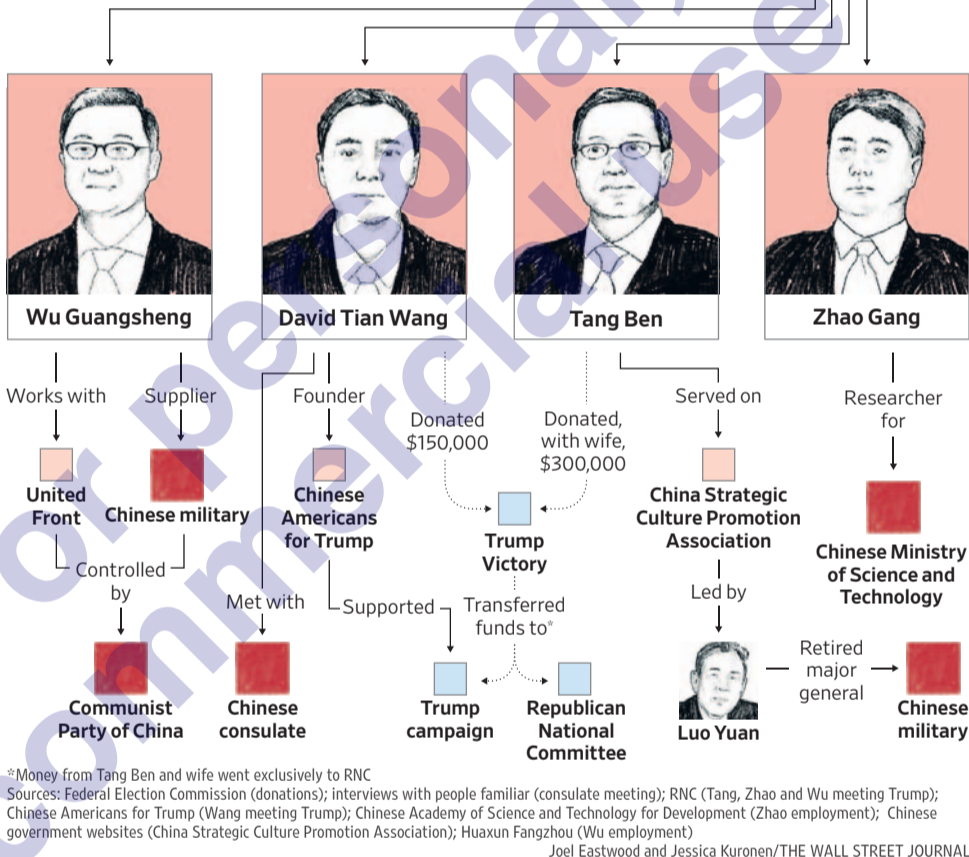
An RNC meeting

In May 2017, Mr. Wang attended a Republican National Committee leadership meeting in San Diego as a guest of Mr. Steel, the California committeeman, people familiar with the matter said. Accompanying Mr. Wang to the meeting as Mr. Steel's guests were three men linked to China's government.

The first was Zhao Gang, whom Chinese official websites identify as a researcher for China's Ministry of Science and Technology focused on national security, tech diplomacy and other issues. Mr. Zhao's work has connected him with the senior echelons of China's Communist Party, including a

Political Web

Political donations helped people linked to China's government or Communist Party meet President Trump and other Republicans.



\*Money from Tang Ben and wife went exclusively to RNC. Sources: Federal Election Commission (donations); interviews with people familiar (consulate meeting); RNC (Tang, Zhao and Wu meeting Trump); Chinese Americans for Trump (Wang meeting Trump); Chinese Academy of Science and Technology for Development (Zhao employment); Chinese government websites (China Strategic Culture Promotion Association); Huaxun Fangzhou (Wu employment)

Joel Eastwood and Jessica Kuronen/THE WALL STREET JOURNAL



Chinese government researcher Zhao Gang, left, and Republican donor Tang Ben, right, who with his wife gave \$300,000, seen with President Trump and first lady Melania Trump in 2017.

close associate of President Xi Jinping, say people who have met Mr. Zhao.

Another was Tang Ben, a China-born U.S. citizen who served as an executive-committee member at the China Strategic Culture Promotion Association, an opaque group that state media have said advises China's leaders on security issues. Its secretary-general, retired Maj. Gen. Luo Yuan, is well-known to U.S. officials for his hawkish posture toward the U.S.

The third was Li Su, a government-connected businessman who has worked with a well-known former associate of China's vice president.

The presence of Messrs. Zhao and Li at the GOP leadership event was unusual because federal election rules don't permit foreign nationals to play any role in decision making at U.S. political committees.

Mr. Zhao said that his participation was out of 'academic interest' and that China's government provided no funding for it. Mr. Li also said he was there in a personal capacity.

The three had appeared at events together in China before. In September 2016, Messrs. Zhao, Tang and Li participated in a closed-door meeting billed as a U.S.-China security dialogue. They were part of a Chinese delegation that included a hard-line military strategist and a leader of a research center controlled by China's military, according to an event program. An older man wearing a Mao suit led the Chinese side, who participants were told was a personal adviser to President Xi.

U.S. participants included Michael Breen, then-CEO of the center-left Truman National Security Project, and a former Defense Intelligence

Agency officer named Welton Chang. They said that throughout the three-hour meeting, Chinese participants voiced hope an election win by Mr. Trump might lead to U.S. retrenchment in the Asia-Pacific region.

Both American participants said they worried the event was designed to let Chinese intelligence get to know them. Mr. Chang said he reported the encounter to U.S. intelligence.

The RNC said the men who attended the Republican Party meeting in San Diego didn't have any meaningful interaction with GOP leaders there. However, it said, it has barred them from future RNC events.

The committee also said it now has tightened its policy on guests at such meetings, effectively excluding foreigners, and it has cut ties with Mr. Wang, the founder of Chinese Americans for Trump.

Mr. Steel said he doesn't 'collect money from, nor have received any funds from' Messrs. Zhao, Tang, Li or Wang. Mr. Steel didn't answer a question about why they were there as his guests.

The Federal Election Commission declined to comment on the men's attendance at the Republican meeting, citing 'potential for this matter to come before the Commission in an enforcement capacity.'

After the San Diego meeting, Messrs. Zhao, Tang and Li briefed a group of Chinese political figures in China, including retired Gen. Luo, on their access to top Republicans, according to a video of the event. Mr. Li said Mr. Trump's election could prove a win for China, according to the video.

\$300,000 donation

In June 2017, Trump Victory received a combined \$300,000 from Mr. Tang and his wife. The donations allowed Mr. Tang to attend a fundraiser at Washington's Trump International Hotel, where he led Chinese guests to meet the president. The contributions by the Tangs, who FEC records show hadn't previously given to Mr. Trump, were two of the biggest donations Trump Victory received in 2017.

Mr. Tang described the visit in a Chinese newspaper commentary as grass-roots diplomacy for China. Interacting with the president 'can help find a breakthrough in freeing up the U.S.-China technology trade,' he wrote.

On a Chinese social-media account, he posted photos of himself in the White House. 'If the Chinese people wish to overtake the U.S., they must study the U.S.,' he wrote.

Reached on a Chinese cellphone number, Mr. Tang hung up when told the caller was a reporter. Earlier, his wife said in a brief interview that her husband spent most of his time in China and that she wasn't familiar with any political donations.

Accompanying Mr. Tang at the 2017 fundraiser, the RNC confirmed, was Mr. Zhao from the Chinese Ministry of Science and Technology, plus the chairman of a state-backed Chinese producer of military communications and satellite gear, Huaxun Fangzhou Co.

The executive, Wu Guangsheng, told Mr. Trump that Chinese technology companies were eager to invest in the U.S., according to an account on the website of Huaxun's parent company.

It said that shortly before his Washington visit, Mr. Wu attended a meeting in Beijing with the then-head of the United Front Work Department, a Communist Party agency that seeks to shape global politics in China's favor.

Mr. Wu's company said he wasn't aware the event was a fundraiser when invited. It said he sought to open doors to pursue U.S. business.

—Aruna Viswanatha, Caitlin Ostroff and Lisa Schwartz contributed to this article.