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The Mercury News

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VALUE DROPS $250 BILLION IN ONE DAY

Meta stock plunges 26%

Facebook's parent company cites decline in earnings, loss of $10 billion in ad revenue

By Coral Murphy Marcos
The New York Times

Stocks on Wall Street tumbled Thursday, with Meta, the parent company of Facebook, leading the way with a drop of 26.4%, a loss that erased more than $250 billion off its market value.

The losses weighed on the tech-heavy Nasdaq composite, which fell 3.7%. The broader S&P 500 declined about 2.4%. It was that index's biggest one-day decline since February 2021.

Meta said Wednesday that changes made last year by Apple that made it harder for apps to track iPhone users' digital habits would cost it about $10 billion in ad revenue this year. The privacy features that Apple added are a blow to advertisers, who would track consumers' online behavior and use data to target them with pitches for products they might be interested in.

The company's CEO, Mark Zuckerberg, said that it was having trouble competing with TikTok, the short-video app, and that Facebook lost users glob-

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TECH STOCKS CLOSE DOWN

Stocks on Wall Street tumbled Thursday, with Meta, the parent company of Facebook, leading the way with a drop of 26.4%, a loss that erased more than $250 billion off its market value.

Source: Yahoo Finance

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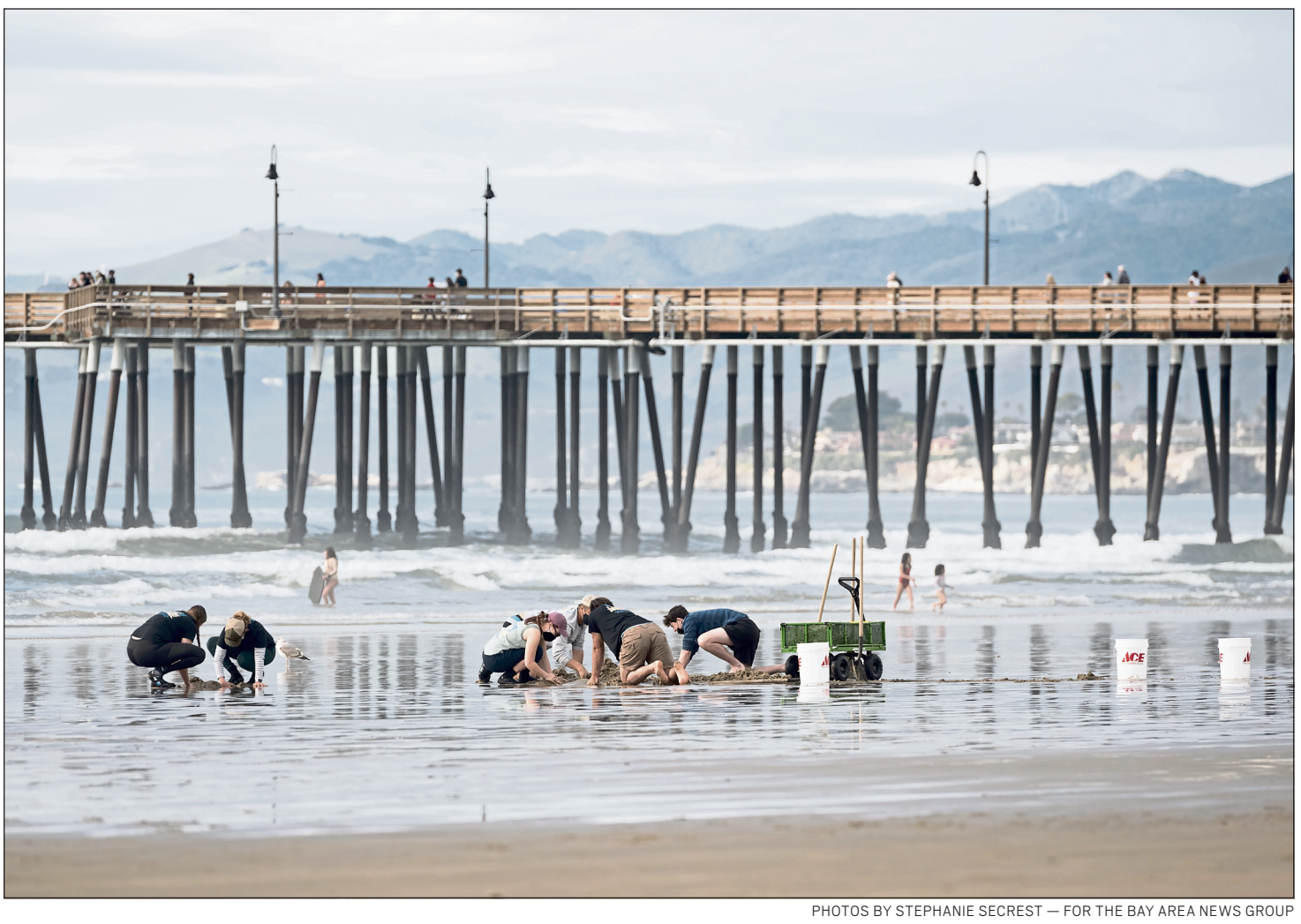
'A SCIENCE TREASURE HUNT'

Dig this: Iconic clams make a comeback at Pismo Beach



PHOTOS BY STEPHANIE SECREST — FOR THE BAY AREA NEWS GROUP

Cal Poly San Luis Obispo students search in January for clams they buried in this spot at Pismo Beach in August 2020.

QR codes help marine biologists understand mollusks' life cycles and why they have returned

By Graycen Wheeler
Correspondent

PISMO BEACH » Once a cherished local fishery, Pismo clams went missing from their namesake beach for decades.

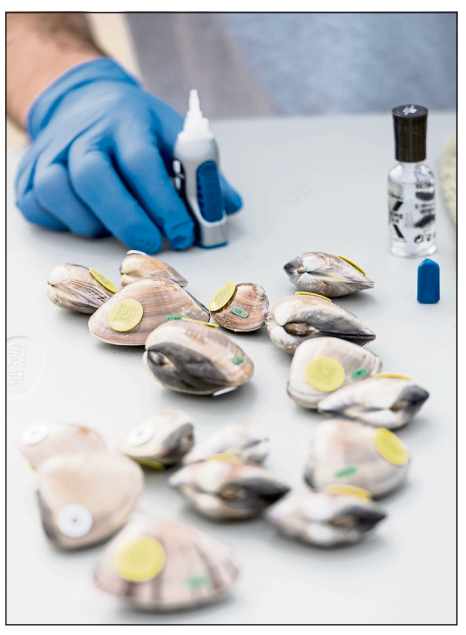
The treasured shellfish, however, are now making a steady, triumphant return. No one knows exactly why. But Ben Ruttenberg, the director of the Center for Coastal Marine Sciences at Cal Poly San Luis Obispo, is determined to find out.

In 2014, when the clam population was still languishing, Pismo Beach city officials asked Ruttenberg if he could find out how to bring the clams back to the city's beaches.

"We said, 'Well, that's a great idea,' " Ruttenberg recalled. "And then we realized that it was a lot more complicated than the simple question that they were asking."

To truly understand the life cycles and movements of Pismo clams and unravel the mystery of why they're making a surprise comeback, students from his lab are doing monthly clam surveys and also festooning the mollusks with identification numbers, QR codes and metal washers that allow clams buried in the sand to be found with metal detectors.

CLAMS » PAGE 5



Super glue and nail polish dry on freshly tagged clams.

WOODSIDE

Housing law vs. the lions

City cites vulnerable big cats for SB 9 projects exemption

By Louis Hansen
lhansen@bayareanewsgroup.com

A few of the Bay Area's affluent suburbs have tried to wiggle out from underneath a new state law requiring cities to streamline approval of small, residential developments.

But only Woodside, home to some of the Bay Area's richest entrepreneurs and oldest old-money families, has thrown a mountain lion back at Sacramento.

Town elders have declared that they are exempt from approving any new homes and apartments under Senate Bill 9 because the entire town is a habitat to the vulnerable big cat.

Housing advocates and state leaders erupted on social media, raining down ridicule and scorn.

"It's a ridiculous argument," Sen. Scott Wiener, D-San Francisco, chairman of the senate housing committee, said in an

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COVID-TINGED GAMES

China back in Olympic spotlight

Host country is target of widespread criticism

By Eddie Pells
The Associated Press

BEIJING » Long before the global pandemic upended sports and the world in general, the 2022 Winter Olympics faced unsettling problems.

It started with the fact that hardly anybody wanted to host them.

Beijing ended up solving that

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INSIDE

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Clams

FROM PAGE 1

During the Pismo clams' glory days in the 1950s, marine biologists had come up with estimates of the growth rates and life spans of the clams. But Ruttenberg discovered that nobody knew if the estimates still held true for today's Pismo clam population. He also learned that no one had studied how the clams move around throughout their lifetimes.

"We realized that there was this incredible vacuum of information about this cool creature that was so culturally important here," Ruttenberg said.

The QR codes on the buried clams link to a survey, where clam-spotters can report information about the clams' location and well-being. Since Ruttenberg's team reburied more than 400 of the QR-coded clams in August and October, beachgoers have found 44 of them.

"It's definitely like a science treasure hunt," said Marissa Bills, a graduate student in marine biology who currently leads the Pismo Clam Project in Ruttenberg's lab. "We know that it's working, which is very exciting for us."

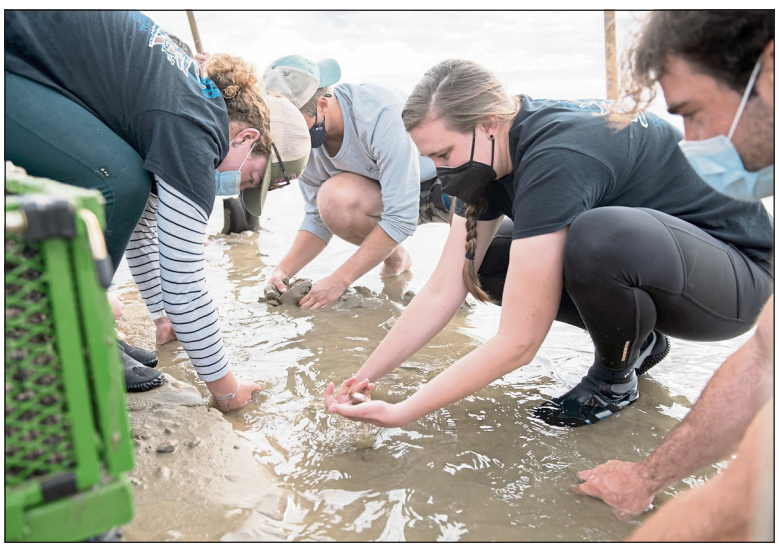
California Department of Fish and Wildlife officers, meanwhile, are aiding in the clams' revival by counting the thousands of clams they rescue from poachers each year. The officers then rebury the mollusks and share their data with Cal Poly researchers.

FUN FACTS ABOUT PISMO CLAMS

- They can live for decades. In 1964, a surveyor found a 53-year-old Pismo clam — the oldest on record — on Malibu's Zuma Beach.
- When banks were shuttered during the Great Depression, some Pismo Beach businesses scrawled IOUs on clamshells to use in place of currency.
- The clams eat by filtering plankton and tiny bits of plants out of the water. Each clam filters about 16 gallons of water a day.
- Seabirds love to snack on unburied clams. To help an exposed clam, you should bury it in the sand, placing the clam's hinge side down or facing the ocean.

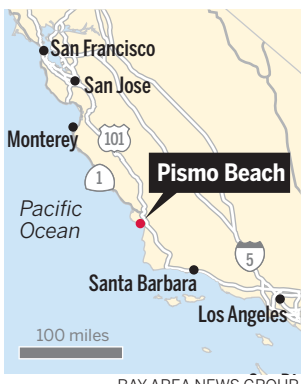
You couldn't blame visitors to Pismo Beach, a surfing town with retro vibes and broad beaches, for thinking it's still the "Clam Capital of the World," a title the city claimed in 1947. Pismo Beach's three giant concrete clams still greet motorists entering the downtown. And this fall, the town celebrated the 75th anniversary of its annual clam festival, replete with clam costumes, a parade and chowder made from nonlocal clams.

So it may be easy to forget that no one has recorded a clam big enough to legally harvest — 4.5 inches or larger in diameter — in Pismo Beach for almost three decades.



Cal Poly San Luis Obispo students dig by hand in January to find tagged clams, buried last August at Pismo Beach. From left, Olivia Ross, Robert Moon, Marissa Bills and Tommy Gray.

STEPHANIE SECREST — FOR THE BAY AREA NEWS GROUP



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"They used to till up this beach and sell the clams for pig food," said Lt. Matthew Gil, a game warden with the Department of Fish and Wildlife. "Hundreds of thousands of clams! They didn't start regulating until it was way too late."

Some harvestable Pismo clams can still be found in a smattering of places on the California coast, including the Monterey Bay area. But when Ruttenberg's team began conducting clam surveys on Pismo Beach in 2014, he said, "We would spend four hours digging and find nothing."

But two years later, the team began noticing something remarkable: More and more Pismo clams were turning up on their digs.

The clam population continued on a promising trajectory over the next five years. And then last summer, Ruttenberg and Bills saw the clam population explode.

"There are more Pismo clams on the beach right now than there have been in any of the years that we've been monitoring them," Bills said.

No one knows exactly how many clams now call Pismo Beach home, but judging by the number confiscated from poachers of late, it could be in the hundreds of thousands or even millions. Bills is crunching the numbers to come up with an estimate.

Despite the return of the natives, Gil said, the clams remain under threat from humans.

Poaching has always been a serious problem in Pismo Beach, but the pandemic made it much worse when cooped-up Californians flocked to the town and found it studded with tasty-looking clams.

Gil said 2020 was the worst clam poaching year on record. Fish and Wildlife officers seized more than 25,000 clams along a 3-mile stretch of Pismo Beach.

"I used to write a citation and think, 'What difference did I make for that species?' " he said.

Now his department doesn't just track the citations it issues. In addition to counting and reburying seized clams, the agency has also begun collecting the ZIP codes of poachers, allowing the state and the Cal Poly team to create and test outreach efforts to discourage poaching.

The biggest threat comes from "really serious poachers who are willfully ignoring the rules and regulations," said Claudia Makeyev, an environmental scientist who coordinates outreach and education in the department's Pelagic Fisheries and Ecosystem Program.

During the summer of 2020, three men were caught with about 3,800 Pismo clams at Zmudowski State Beach in Moss Landing, said Fish and Wildlife Lt. Jeff Heitzenrater. He said the department has received unconfirmed reports that some of the clams from organized poaching operations are ending up in Bay Area markets.

In Pismo Beach, Gil said, Fish and Wildlife has increased the number of patrols dedicated to keeping an eye out for organized poaching. Initial fines can be as high as $100,000.

Makeyev, Gil and the Cal Poly team say it's been heartening to see Pismo Beach residents talking to fellow beachgoers about the clams and discussing how to protect them.

"Every time we're out doing a survey, there are older community members that come over, and they are just fascinated by what we're doing," Bills said. "They all remember clamming when they were children."

Meta

FROM PAGE 1

ally for the first time. The company spent $10 billion building augmented and virtual reality hardware as it changes its focus to the metaverse, a theoretical vision for the internet.

Other social media companies also slid. Twitter dropped 5.5%. Snap and Pinterest reported earnings Thursday after the market closed, but before that, Snap fell 23.6% while Pinterest was down more than 10.5%.

"If a company like Facebook comes out saying it has a significant earning die-down, it's going to impact the stock perhaps more than other companies that are more reliant on economic growth," said Saira Malik, chief investment officer at Nuveen, a global investment manager. "Technology companies are very reliant on their own structural growth drivers, so if those start to go away or fade, it's going to be an issue on the stock."

The sentiment over Meta's discouraging earnings went beyond social media companies. Shares of Apple, Microsoft and Google were all lower Thursday.

Amazon fell 7.8% before its earnings report. The five biggest tech companies, including Facebook, account for about 20% of the S&P 500's value, meaning their declines have a stronger effect on the index.

Technology stocks — which have proved sensitive to changing views on interest rates — have already been contending with a sell-off since the start of the year. Traders are feeling discouraged to invest in riskier assets, like stocks, because higher interest rates impede the potential for larger returns in the future. The S&P 500 is down about 6.1% this year.

Also lower Thursday was Spotify, which tumbled 16.8% after the company said it expected subscriber growth to slow in 2022 and said it would "no longer plan to issue annual guidance." The audio streaming platform said it did not expect the number of premium users to be affected by the controversy over accusations that its most popular personality, Joe Rogan, had used his podcast to spread misinformation about COVID-19 and vaccines.

The sell-off Thursday ended a four-day rebound for stocks, which had been bouncing back from a plunge in January. That drop had more to do with concerns about the economy, and what higher interest rates mean for businesses, consumers and stock investors — as the Federal Reserve gears up to start increasing borrowing costs to cool down inflation.

On the economic front, the Labor Department reported another dip in initial jobless claims Thursday, falling 23,000 to 238,000 last week. The data signals the omicron wave is receding.

But the major economic news for the week will be the jobs report today, which will offer a more detailed look at hiring in January — when the latest coronavirus wave was at its most disruptive. Highlighting the uncertainty around this month's report, forecasts range from a gain of 250,000 jobs during the month to a loss of 400,000.

"The surge in COVID cases is expected to result in a decline in payroll employment in January," Nancy Vanden Houten, an economist at Oxford Economics, wrote in a note. "But we expect the interruption in the labor market recovery to be short-lived." The forecasting and research group expects a loss of 45,000 jobs in January.

European stock indexes also fell Thursday, with the Stoxx Europe 600 down 1.8%. The European Central Bank said Thursday that it would keep interest rates unchanged, as inflation rises at its fastest pace in three decades. The annual inflation rate rose to 5.4% in December, and many traders believe rate increases are necessary to cool down rising prices.

Separately, the Bank of England raised interest rates Thursday, in efforts to cool down persistent inflation, after the bank raised interest rates in December for the first time in 3 ½ years.

Lions

FROM PAGE 1

interview Thursday. "This is not really a loophole. If housing wasn't such a serious crisis, this would be a joke." He added that he doubts Woodside's position would survive a court challenge.

The rural town's attempt to thwart the new law is the latest — and critics say most outrageous — push to stymie California's efforts to address the housing shortage. Most municipalities are in the midst of trying to implement the law, which took effect Jan. 1 and streamlines the process to split suburban lots and build up to four new homes or apartments in single-family neighborhoods.

Woodside, a small town with a rural feel just 10 minutes from Stanford University, is a wealthy, mostly White community where the value of a typical home is $4.5 million and the median household income exceeds $250,000 a year.

The slow-growing community has met modest state goals for development in recent years, including a target of 62 new homes and apartments. But new requirements will raise the town's goal to 328 units.

The town council debated how to respond to the new state law last week , agreeing that meddling from state lawmakers needed to be stopped. They based their denial of all new development under SB 9 on an initial state finding that mountain lions are a candidate for greater protection.

"Given that Woodside — in its entirety — is habitat for a candidate species, no parcel within Woodside is currently eligible for an SB 9 project," town planning director Jackie Young wrote in a memo a few days after the council meeting.

Messages to the town manager and Mayor Dick Brown were not returned.

Biologists say mountain lions are a vulnerable population in California. But the human-shy cats are not at risk from well-planned development.

Tiffany Yap, senior scientist at the Center for Biological Diversity, said mountain lions are found in many different environments, from hillsides to deserts. Images captured on doorbell and security cameras have raised the cats' profile. Within the last year, mountain lions have been spotted in the backyard of a Belmont home, on a street in San Francisco, breaking into a home in San Bruno and prowling a neighborhood in Millbrae.

Still, Yap said, "They try to avoid us as much as possible."

Mountain lion populations have become increasingly isolated as new developments encroach on their habitat, she said. The animals need to roam to find prey, water and suitable mates to prevent the harms of inbreeding.

The effort to designate mountain lions as a threatened population under the California Endangered Species Act was submitted to the state in 2019, and the animals received initial protections a year later, said Yap, who co-authored the petition. The state's Fish and Game Commission has not made a final determination.

But designating mountain lions as endangered would not ban new development. Instead, it would simply require developers to consider the impact projects would have on mountain lions, along with other wildlife, in their plans. The goal is to encourage smart development that allows cats to safely range, Yap said. Developments that include culverts or overpasses — essentially animal expressways — give wildlife room to safely roam with minimal contact from humans, she said.

Housing advocates were withering in their criticism of Woodside's position.

"In a way, it's a shameless attempt to avoid their own obligations," said Matt Regan, of the Bay Area Council. The town, like other affluent suburbs, is trying to prevent housing for workers, teachers and other service employees near where they work, he said.

"It's not just Woodside," he said. "There are plenty of other fingers to be pointed."

Former Woodside Mayor Daniel Yost said the council shouldn't "pull up the drawbridge" to keep out new residents. "There's no reason we can't do our fair share."

Olympics

FROM PAGE 1

problem, but only after four European cities thought about it and dropped out, mostly because of expense and lack of public support. In the end, it was a race between two authoritarian countries. The International Olympic Committee narrowly chose China's capital and its mostly bone-dry surrounding mountains over a bid from Kazakhstan. "It really is a safe choice," IOC President Thomas Bach said after the balloting.

Some seven years after that fateful vote, the world will find out if Bach was right. Starting with today's opening ceremony at the lattice-ribboned Bird's Nest Stadium, the spotlight will be trained on China, a country with a human-rights record that troubles many, an authoritarian government and a "zero-tolerance" policy when it comes to COVID-19. It will be trained on what figures to be the most closed-off, tightly controlled, hard-to-navigate Olympics in history.

The buildup has turned the idea of "making it to the Games" into as much of a logistical and sometimes moral conundrum as a competitive one.

"This is one where you can do your absolute best but you kind of have to juggle your sanity and being able to perform at the Olympics, and not lose your mind beforehand," U.S. moguls skier Hannah Soar said.

To be sure, if the 2 ½ weeks of skiing, skating and sliding turn out to be like most Olympics before it, then it will be the athletes such as Soar — and snowboarder Chloe Kim, skier Mikaela Shiffrin and Norway's cross-country champion Johannes Hoesflot Klaebo, to name a few — that we'll remember most.

But there has been so much to process in the lead-up. And there's no pretending that the IOC's decision to bring its biggest show to a country that is facing ever-increasing scorn from democracies in the West — a country that has been on a virtual lockdown since shortly after it sprouted the world's first cases of COVID-19 more than two years ago — does not bring with it some stark considerations:

- Human rights. Led by the United States, a number of Western democratic countries are staging a diplomatic boycott of the Games to protest what the U.S. and human-rights groups have called the genocide of some 1 million Uyghurs in China's far western Xinjiang province.
- Dignitaries won't attend, but athletes still will. German slider Natalie Geisenberger was among those who considered not coming, but then decided to make the journey, along with some 2,900 athletes from around 90 countries. Her conclusion: "We athletes have absolutely nothing to do with the decision to award the Olympic Games to Beijing — the (IOC) decides and we athletes are presented with a fait accompli."
- Health and safety. To try to prevent the spread of COVID-19, China will run these Olympics in a "closed-loop" system. All participants will be tested daily. None will be allowed out of the hotels and venues that are cordoned off from the city and mountains where the Games will take place.

Participants will be placed in isolation if they test positive, and the stakes of a system that has not been clearly spelled out to everyone were on display when Belgian skeleton racer Kim Meylemans turned to social media Thursday and gave a tearful explanation of her situation.

- Tennis player Peng Shuai. Her plight touches on almost all the sore points involved in bringing these games to this country: The Chinese champion's safety has been in question since she accused a former high-ranking government official of sexually assaulting her. Some of the few signs that she might be OK have come courtesy of the IOC, which has shown pictures of Bach in video meetings with Peng. The IOC has indicated it will meet with Peng during the Olympics, but its previous meetings have brought forth as many questions as answers.
- Cybersecurity. Many countries are advising their athletes to leave their cellphones and laptops home lest they be compromised by the Chinese government. Earlier this week, the head of the FBI in the U.S. said the Chinese government's hacking operations are "more brazen" than ever before.
- Russia. President Vladimir Putin is expected to attend the opening ceremony in what some will view as an audacious bit of politicking on two fronts. With tensions escalating on the Ukraine border, this conjures memories of the 2014 Olympics in Putin's home country, during which Russia invaded and took over the Ukrainian territory of Crimea. It is also viewed by many as a slap in the face to anti-doping regulators who tried, without great success, to sanction the country for scandals of the past decade.
- The environment. The mountains hosting action sports and cross-country skiing are about 150 miles from the Gobi Desert; they average less than a foot of snow a year. Though snowmaking is nothing new at Olympic venues, this is touted as the first Games to rely completely on artificial snow. To do it, the country had to build massive irrigation systems and will use up to 800 Olympic-sized swimming pools' worth of water. It brings into question Beijing's claims that these Games will be carbon neutral.

All in all, this is quite a different look for China from the last time the Olympics descended. That was in 2008, and the Summer Olympics were viewed as the world's chance to finally get to know a global behemoth.

More than attempting to put on a good face this time, China is doing things by its own rules. COVID-19 restrictions offer a convenient justification for not letting journalists wander the country to report on what's really going on in this land of 1.4 billion.

"There are two audiences for this," said David Bachman, an expert on China who teaches at the University of Washington. "There's the international audience. And it's also going to be important to impress their own people with how efficiently the Games are run."