

The Duet's Final Days



REVIEW

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What's News

World-Wide

- **Germany's Merkel** signaled a more-flexible stance on how to involve bondholders in an aid package for Greece, a move that could help to break Europe's deadlock over how to prop up the country. **A1, A7, B1, B5**
Dozens of U.S. cities are bruised by the Greek crisis as rates soar on bond deals backed by a Belgian-French bank with deep exposure to Greek debt.
- **The head of the ATF** is expected to be ousted soon over the gun-trafficking investigation that has grown into the agency's biggest scandal in decades. **A2**
- **A House subcommittee** that oversees Social Security called for an investigation into how judges approve disability benefits. **A5**
- **Syria's military** closed in on towns in the northwest as protesters faced gunfire. **A9**
- **Several Saudi women** got into driver seats to challenge restrictions against female drivers in the kingdom. **A9**
- **Egypt's military rulers** will consider demands from secular parties that a constitution be drafted before elections, a move that could bolster non-Islamist parties. **A9**
- **Died: Al Schwimmer**, 94, pioneer of the company that developed Israel's first home-built jet. **A5**

Business & Finance

- **The DJIA ended** a six-week losing streak, rising 42.84 points Friday, to 12004.36, up slightly for the week, though it is down 6.3% since notching a three-year closing high April 29. Energy shares struggled as oil fell \$2 to \$93.01 a barrel. **B1**
- **U.S. consumer sentiment** turned glum in June, but leading indicators showed the recovery continuing. **A3**
- **Research In Motion** shares fell 21% as investors questioned if the company can pull out of its slump. **A1**
- **A European rift** over bank rules widened as Germany and France led calls for a more relaxed approach than a U.K.-led group. **B2**
- **An energy-acquisition** firm backed by former BP chief Hayward raised \$2 billion in a London offering. **B3**
- **UPS has been barred** from screening air cargo at some British transport facilities due to concerns about its security procedures. **WSJ.com**
- **Apple, Intel and Ericsson** are among the technology giants that will vie along with Google to buy a trove of patents from Nortel. **B4**
- **Frank McCourt** cleared a hurdle in his bid to maintain control of Major League Baseball's Dodgers. **B3**

Inside

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Reality Check
For GOP as
Culling Begins

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Syrians Flee Violence as U.S. Probes Crimes Against Humanity



SAFE, FOR NOW: A Syrian boy seeks shelter at a refugee camp in a Turkish border town on a day when Syrian forces for the first time attacked protesters in the key city of Aleppo. A senior U.S. official said Syria's president 'is pushing his country on the path of being a pariah state.' **A9**

Greek Crisis Eases For Now

Germany Retreats On Harsh Terms, But Doubts Loom

After weeks of brinkmanship over Greece, Germany gave ground Friday, improving the chances that the struggling country will avoid a messy debt default this year that could threaten the stability of the euro currency area.

German Chancellor Angela Merkel insisted on forcing a rescheduling of Greek government bonds, ending a six-week standoff that threatened to halt any more loan payouts to Greece. Instead, she said was open to a voluntary rollover of the country's debt.

The move came as the Greek prime minister reorganized his government, naming a new finance minister to help overcome public resistance and push an austerity package into law.

The focus of the Greek discussion now shifts to Luxembourg on Sunday and Monday, where European finance ministers are due to hold talks.

A new aid package for Greece would stave off the threat of a Greek debt default in the short term. But it wouldn't address the bigger challenge facing Europe: the likelihood that Greece won't be able to repay all of its debt, and the difficulty of cutting Greece's debt burden without sparking capital flight from other struggling countries around the euro zone's fringes.

Meanwhile, the German chancellor still needs to win political support from her governing coalition. And the longer the crisis Please turn to page A7

■ U.S. cities and towns are bruised by Greek crisis..... **B1**
■ Stocks rise in U.S., Europe..... **B1**
■ Follow developments all weekend at **WSJ.com/World**.

Investors Sour on BlackBerry

Research In Motion Ltd., the BlackBerry maker that revolutionized the way workers communicate but has struggled to find a second act, saw investors abandon the company in droves Friday amid fresh concerns about its future.

By Phred Dvorak, Stuart Weinberg and Anupreeta Das

Shares in RIM plunged 21% to their lowest level in five years as investors questioned whether its executives can pull the company out of its slump. RIM, which was worth more

than \$80 billion three years ago, ended the day worth less than \$15 billion.

Demand for BlackBerry phones has fallen as RIM has been slow to match innovations in Apple Inc.'s iPhone and devices powered by Google Inc.'s Android software. The company, as it fumbles to launch new models, has seen its share of the North American smartphone market shrink to 17% from 50% in 2009.

"I do believe that the game as far as [RIM is concerned] is up," said Stephen Jarislowsky, chief executive of Canadian money manager Jarislowsky Fraser Ltd.,

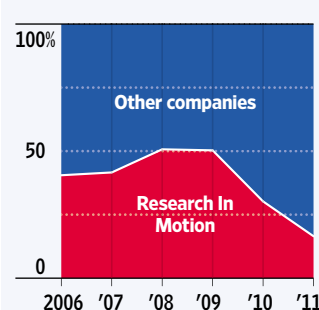
who was one of RIM's biggest shareholders until the firm recently dumped the bulk of its stake. At March 31, the firm was listed as RIM's fourth-largest shareholder with 10.2 million shares, according to FactSet Research.

The BlackBerry has run its course, Mr. Jarislowsky said, from a hot gadget with pent-up demand to a discounted product that has been eclipsed by the next new thing. "A soufflé Please turn to the next page

■ **Heard on the Street:** RIM stock is down but not a bargain.... **B18**

Downward Motion

Smartphone market share in North America



As Venerable Soap Operas Die Off, Fans Fight for One More Life to Live

'All My Children' and More Fall Victim To Cheap Reality Shows; Erica Held Captive

By SAM SCHECHNER

Fans of daytime soap operas are accustomed to plot twists that bring beloved characters back from the dead. Now some hope the same thing can happen to the ailing genre itself.

Thousands of soap opera diehards are mobilizing to save "All My Children" and "One Life to Live," two of the once-ferocious genre's six remaining examples. Walt Disney Co.'s ABC said in April it will replace the decades-old programs with less-costly reality shows, as daytime-soap viewing continues to decline.

The soaps' remaining fans—some of whom call themselves "soapers"—have responded with a barrage of websites, picket lines and an ad in a Hollywood trade magazine urging Disney to reconsider, or sell the soaps to another company willing to keep them going.

The movement has included an original song titled "We Won't Let Our Soaps Die" and an effort to collect data from TV set-top boxes to prove soaps are more popular than Nielsen Co.'s ratings suggest. Some fans say they have consulted a lawyer

about suing Disney for causing "mental distress."

On Monday, a group called Fans United Against ABC plans rallies outside ABC-affiliated television stations in 21 cities from Orlando to Omaha, timed to follow Sunday's Daytime Entertainment Emmy Awards. "Nothing is ever dead when you're a soap opera fan," says Coleman Bell, the group's founder.

A spokesman for ABC declined to comment on the fan protests.

So far, the protesters have yet to find a savior. Hoover Co., a division of Hong Kong-based Techtronic Industries Co., made a splash in April by saying it would stop advertising on ABC in solidarity with the fans. ABC executives said Hoover wasn't a major advertiser, and removing ads doesn't help soaps' shaky finances.

Even daytime kingmaker Oprah Winfrey said there was nothing she could do. "There just are not enough people who are at home in the daytime to watch," Ms. Winfrey said in a video to communicate what she Please turn to page A12



Susan Lucci

Rogue Informants Imperil Massive U.S. Gang Bust

By JUSTIN SCHECK AND JOHN R. EMSHWILLER

As a paid undercover informant, Jaime Martinez helped federal agents take down the San Francisco chapter of Mara Salvatrucha, or MS-13, a violent gang spanning the U.S. and Central America.

But while providing information to federal authorities from 2005 to 2008, Mr. Martinez also served as the gang's leader. He ordered underlings to kill and steal, while he himself stole cars and led a home robbery that ended with a stabbing, among other transgressions.

Federal rules allow informants to engage in certain nonviolent criminal acts—such as drug dealing—to maintain their covers as long as they get prior authorization from agents. In testimony last month, Mr. Martinez detailed a pattern of violent behavior that violated those rules.

"I honestly didn't pay much attention" to those rules, Mr. Martinez said in his May testimony as a government witness at a San Francisco federal court trial of several MS-13 members.

The MS-13 probe is one of the federal government's biggest criminal investigations and a centerpiece of its highly publicized assault on street gangs, which Attorney General Eric Holder has called one of the nation's "most overwhelming and intractable challenges." The Justice Department has filed indictments and won convictions against scores of alleged MS-13 members.

But the alleged misdeeds of Mr. Martinez and other MS-13 informants could significantly damage that effort by tainting cases against gang members, a review of the national MS-13 probe shows. Already, questionable activities by MS-13 informants appear to have factored into the acquittal of one alleged gang member as well as the Justice Department's decision to drop death-penalty charges against at least one other.

The government's handling of the MS-13 informants points to bigger questions about how well government officials are controlling criminal cooperators, who legal experts say are often vital to big-time investigations.

"It's hard to break into any organized criminal group without an informant," says Michael Rich, a professor at the Elon University School of Law in North Carolina who studies informants.

Although the government won't disclose how many confidential informants it has, the number has likely been rising post-9/11 as federal investigators focus on domestic counterterrorism probes, white-collar prosecutions and organized-crime cases including big street gangs, Mr. Rich says.

Informants—usually criminals themselves—are not an easy group to manage. It's like playing "hardball with hand grenades," says Stephen Trott, a federal judge and ex-prosecutor.

A 2005 Justice Department Inspector General Please turn to page A12



Tattoos identify MS-13 members.

■ **ATF director** faces possible ouster..... **A2**