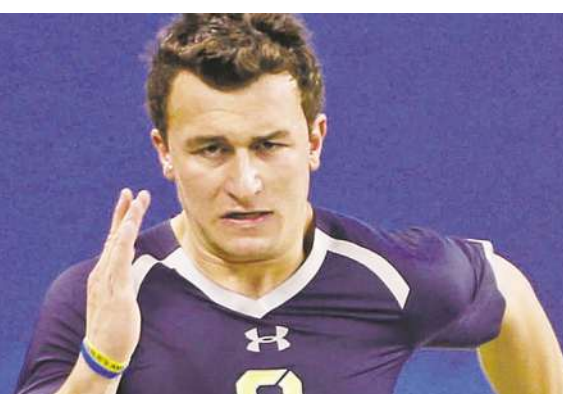


TODAY IN SPORTS

# NFL: Cons of Going Pro Early



MARKETPLACE

# South by Southwest Feels Tech Crush

# THE WALL STREET JOURNAL.

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MONDAY, MARCH 3, 2014 ~ VOL. CCLXIII NO. 50

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Last week: DJIA 16321.71 ▲ 218.41 1.4% NASDAQ 4308.12 ▲ 1.05% NIKKEI 14841.07 ▼ 0.2% STOXX 600 338.02 ▲ 0.6% 10-YR. TREASURY ▲ 21/32, yield 2.660% OIL \$102.59 ▲ \$0.39 EURO \$1.3801 YEN 101.78

## What's News

### Business & Finance

Luxury-retail sales are beginning to slow as soaring prices test the willingness of even the very wealthy to spend. **A1**

**Pfizer is forging ahead** in its quest to sell an over-the-counter version of Lipitor despite recent changes in clinical guidelines for statins. **B1**

**Investor Bruce Berkowitz** is pushing the boards of Fannie Mae and Freddie Mac to share the mortgage firms' profits with shareholders. **A5, C1**

**U.S. regulators** are trying to determine whether they have authority to oversee the bitcoin market, with the FTC appearing inclined to act. **C1**

**Valero, Marathon** and other U.S. refiners are rushing to expand their plants amid the shale-oil boom. **B1**

**Berkshire posted** a record annual profit of \$19.5 billion for 2013, aided by the improving U.S. economy. **C3**

**The FAA is calling** for cockpit-automation fixes on nearly 500 Boeing 737 jets to prevent pilot errors. **B3**

**Tesla raised \$2 billion** in a sale of convertible debt last week as the electric-car maker taps long-term investors. **C1**

**Mexican police questioned** a Citigroup staffer suspected of taking part in the alleged theft of \$400 million at the bank. **C3**

**A German court rejected** a \$2 billion patent-infringement claim against Apple. **B3**

**Comcast is near** a deal to buy Web-video firm FreeWheel for about \$320 million. **B3**

### World-Wide

**The U.S. and Europe** demanded that Russia withdraw its forces from Crimea, warning of potential sanctions and other penalties. **A1, A8, A9**

**Ukraine's leaders** moved to bolster the nation from additional military and political interference by Russia. **A9**

**The terrorism trial** of bin Laden's son-in-law is set to open in Manhattan federal court, the first of three such cases in coming months. **A3**

**The Supreme Court** will consider today Florida's standard of mental retardation in death-penalty cases. **A3**

**China blamed** separatists from the northwest Xinjiang region for a stabbing attack at a train station that killed 29. **A6**

**Ultra-Orthodox Jews** shut down much of Jerusalem in a massive protest against drafting them into the military. **A7**

**Car bombs and gunbattles** in the heartland of the Islamist Nigerian insurgency Boko Haram killed at least 90. **A7**

**Uganda is set** to deploy extra troops to Somalia to guard U.N. facilities after a surge in attacks by al-Shabaab militants. **A7**

**Ex-IRS official Lois Lerner** will decline to testify about the targeting of conservative groups, her lawyer said. **A5**

**Protesters in Thailand** retreated from rally sites in downtown Bangkok. **A6**

**Armed protesters** in Libya stormed the parliament and attacked lawmakers. **A10**

**Another winter storm** is expected to lead to travel problems on the East Coast. **A3**

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# U.S., Europe Threaten to Punish Putin

## Russia's Crimea Incursion Sparks Demand for Withdrawal, Talk of Sanctions; 'They Are Settling In'

The U.S. and its European allies vowed Sunday to isolate Russian President Vladimir Putin and punish his nation's economy, demanding he withdraw what they called an occupation force from Ukraine's Crimean region.

Washington began canceling joint economic and trade initia-

By Jay Solomon, Carol E. Lee and Stephen Fidler

tives with Moscow, including preparations for the summit of the Group of Eight leading nations scheduled to be held in Sochi, Russia, in June.

Senior U.S. officials said the administration was also beginning discussions with Congress on implementing targeted economic and financial sanctions on Russian companies and leaders if the Kremlin didn't begin pulling back from Crimea.

"Russian forces now have complete operational control of the Crimean peninsula, some 6,000-plus airborne and naval forces, with considerable materiel," a senior official said. "There is no question that they are in an occupation position in Crimea, that they are flying in reinforcements, and they are settling in."

Officials in Washington and around Europe were searching for penalties to impose on Moscow, while acknowledging military intervention wasn't among the possibilities.

"We are looking at a broad menu of options to curtail our trade and economic relationship" with Russia, said a senior U.S. official Sunday night. "This will have an enormous cost for the Russian economy."

Late Sunday, members of the Group of Seven leading nations issued a joint statement condemning Russia's "clear violation of the sovereignty and territorial integrity of Ukraine" and said they would suspend their participation in activities associated with the preparation of the G-8

Please turn to page A9



Ukrainian soldiers guarded the gate of an infantry base in Perevalnoe in Crimea on Sunday after Russia's military intervention in Ukraine.

### 'OUR CRIMEAN SPRING'

# Old Allies, Old Grudges Help Moscow

By Paul Sonne and Alan Cullison

SIMFEROPOL, Ukraine—A week ago, Dmitry Polonsky was a fringe political activist in the Ukrainian province of Crimea, signing up middle-aged men rankled by the new authorities in Kiev to a small pro-Russia militia.

Today, as thousands of Russian troops swarm through Crimea, Mr. Polonsky's star is rising. He introduces himself as an adviser to Crimea's new prime minister. His Russian Unity party, though holding only three of 100 seats in the regional assembly, is the de facto authority in the Black Sea peninsula that has cut itself off from mainland Ukraine. On Sunday, the party's leader said he would be raising an army to defend Crimea against invasion from Kiev.

### Crisis in Ukraine

- ◆ Russia turns to familiar playbook... A8
- ◆ Pressure builds in Washington... A9
- ◆ Kiev struggles to assert control... A9
- ◆ Fallout for Sochi Paralympics... A8

"The government of Crimea will be owned by Crimeans," Mr. Polonsky told a gathering Sunday, as Russian flags waved above the crowd.

The sudden rise of Russian Unity shows how the Kremlin, faced with a pro-Europe uprising in Kiev that emerged victorious, responded by helping push a once-marginal group of Russian nationalists into power—a feat of political stagecraft that played out like

clockwork under the cover of chaos.

The turn of events in Crimea shows how adroitly Moscow has used old allies and long-simmering resentments to fill a power vacuum left by the Feb. 22 overthrow of Ukraine's Russian-backed president, Viktor Yanukovich. By potentially transforming Crimea into a dubious unrecognized republic and destabilizing Ukraine's east, Moscow has gained a crucial lever of power over the new, weak government in Kiev.

In seizing control of Crimea, long an autonomous region of Ukraine, Russian President Vladimir Putin appears for the moment to have reversed what looked like a major political setback. But he has also provoked perhaps the largest rift between Moscow and the West

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### Celebration at the Academy Awards



JOYFUL WIN: '12 Years a Slave' took home best picture, adapted screenplay and supporting actress Oscars on Sunday. **B7, WSJ.com.**

# Low-Cost Loans Entice Students More for the Cash Than a Degree

By Josh Mitchell

Some Americans caught in the weak job market are lining up for federal student aid, not for education that boosts their employment prospects but for the chance to take out low-cost loans, sometimes with little intention of getting a degree.

Take Ray Selent, a 30-year-old former retail clerk in Fort Lauderdale, Fla. He was unemployed in 2012 when he enrolled as a

part-time student at Broward County's community college. That allowed him to borrow thousands of dollars to pay rent to his mother, cover his cell-phone bill and catch the occasional movie.

"The only way I feel I can survive financially is by going back to school and putting myself in more student debt," says Mr. Selent, who has since added \$8,000 in student debt from living expenses. Returning to

school also gave Mr. Selent a reprieve on the \$400 a month he owed from previous student debt because the federal government doesn't require payments while borrowers are in school.

A number of factors are behind the growth in student debt. The soft jobs recovery and the emphasis on education have driven people to attain more schooling. But borrowing thousands in low-rate student loans—

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# Soaring Prices Test Wealthy's Will to Pay

By Suzanne Kapner and Christina Passariello

Despite expanding into new markets, the luxury-retail business has been relying on price increases to drive sales. Now, even the very wealthy are nearing the limits of what they are willing to spend.

In the past five years, the price of a Chanel quilted handbag has increased 70% to \$4,900. Cartier's Trinity gold bracelet now sells for \$16,300, 48% more than in 2009. And the price of Piaget's ultrathin Altiplano watch is now \$19,000, up \$6,000 from 2011.

Such increases for some of the world's most expensive indulgences far outpace inflation and contrast with the middle and lower end of the retail market, where even small increases can turn off shoppers.

At the high end of the market, Please turn to the next page

## These Gadgets Aim to Put Some Teeth Into the Internet of Things

### Debate Over Web-Enabled Toothbrush Could Gum Things Up, Though

By Sam Schechner

BARCELONA—What the world needs now is a Web-enabled toothbrush.

That part is clear to several oral-hygiene companies. What they can't agree on is who was first to put teeth into the smartphone.

The giant Procter & Gamble Co. last week demonstrated what it calls the "World's First Available Interactive Electric Toothbrush." It links with a smartphone and records brushing habits, while an app gives mouth-care tips alongside news headlines.

A French startup bristles at that claim. Paris-based Kolibree also last week touted the "World's First Connected Electric Toothbrush."

The 12-person company says it was first because it showed its device, which also records dental data via smartphone, in January.

Kolibree Chief Executive Thomas Servat last week trekked to the yearly Mobile World Congress here to show off his brush a few minutes' walk from P&G's "connected bathroom" display.

"To be honest, I wasn't going to come here," he says. "But I wanted to make sure no one could say they are 'first' when they are not."

Neither company questions whether there is a place for a digital dental device above the sink.

"There are people who are very passionately waiting for it," says Michael Cohen-Dumani, associate marketing di-

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