BUSINESS NEWS

Walmart's Robot Vendors Get Kicked to the Curb

By Sarah Nassauer

At **Walmart** Inc., the robots are losing their jobs.

The retailer is phasing out the hulking automated pickup towers that were erected in more than 1,500 stores to dispense online orders. The decision reflects a growing focus on curbside pickup services that have become more popular during the Covid-19 pandemic and continues a broader retreat from some initiatives to use highly visible automation in stores.

Over the past year, Walmart has started to remove or turn off the 17-foot-tall machines often placed at the front of stores. About 300 machines are being removed from stores, and around 1,300 "hibernated" while Walmart focuses on other services, said Larry Blue, chief executive of **Bell & Howell**, a Durham, N.C.-based automation services company that installed and maintains the devices for the retailer.

"The customer told us they want one pickup spot, and they want that pickup spot to be outside," a Walmart spokeswoman said.

The pickup towers act as a vending machine for online orders, holding items inside until they are collected by shoppers. Walmart frequently highlighted the machines in presentations to media and investors in recent years, saying it aimed to offer shoppers a quicker way to pick up online orders at a lower cost. Last year the company stopped using aisle-roving, inventory-tracking robots made by **Bossa Nova Robotics** Inc., after finding that humans can help get similar results.

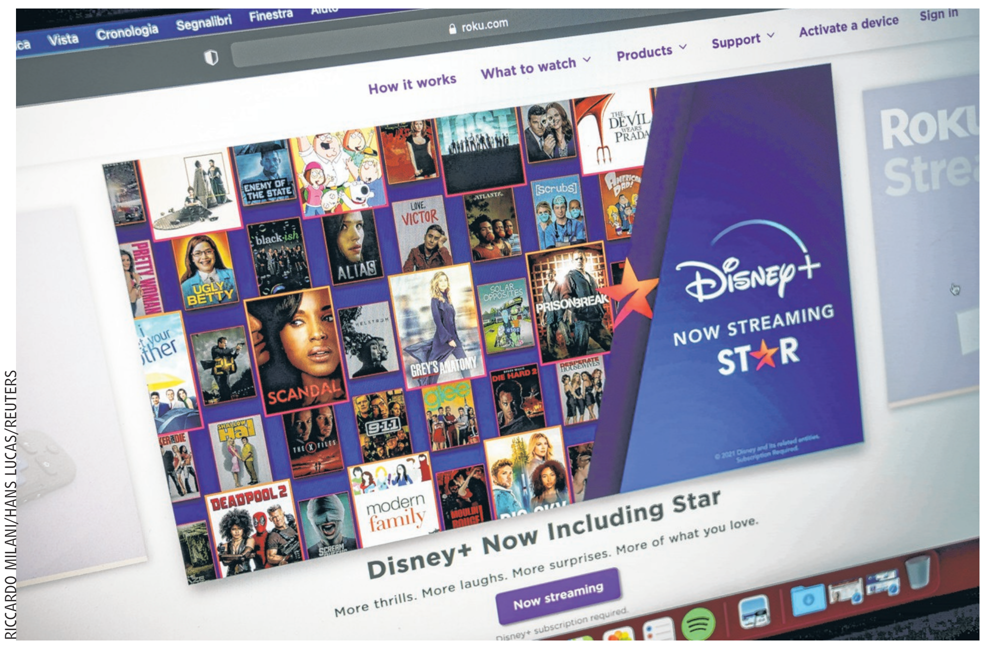
1,500
Stores that used the automated pickup towers

Walmart has expanded its online grocery curbside pickup and home-delivery business in recent years, especially as Covid-19 has made the service more appealing to many shoppers. That includes both expanding the availability of the services, as well as making more nongrocery products available for purchase. Executives believe that as shoppers can get more types of products curbside or delivered, it makes less sense to offer multiple ways to pick up online orders inside stores, according to people familiar with the situation. Walmart is considering how it could use the pickup towers differently in the future, according to one of these people.

John Furner, who took over the role of chief executive of Walmart U.S. in late 2019, has moved the retailer away from some of the consumer-facing automation technology added rapidly to stores under his predecessor.

The pickup machines are manufactured by **Cleveron**, an Estonia-based technology company, and were sold to Walmart through Bell & Howell.

"We can't comment on our clients' business operations but can say that our cooperation with Walmart remains ongoing in other areas," said a spokeswoman for Cleveron.



RICCARDO MILANI/HANS LUCAS/REUTERS

Software mimicked streaming-TV apps and collected revenue from unsuspecting advertisers.

Swindlers Siphoned Ad Money From Streaming-TV Platforms

By Patience Haggin And Jeff Horwitz

Swindlers infected nearly one million mobile devices with software that mimicked streaming-TV apps and collected revenue from unsuspecting advertisers, according to cybersecurity company Human Security Inc., exposing vulnerabilities in a growing corner of the digital-ad market.

The swindlers spoofed an average of 650 million ad placement opportunities a day in online ad exchanges, stealing ad dollars meant for streaming apps available on popular platforms run by **Roku** Inc., **Amazon.com** Inc., **Apple** Inc. and **Alphabet** Inc.'s Google, Human Security said.

The researchers described the fraud operation as sophisticated, but said it could be stymied if digital-ad players strictly followed industry guidelines for tracking the origins of traffic and implemented certain security features. Human Security didn't provide an estimate for how much money the swindlers collected.

Roku said the scheme didn't affect advertisers who bought ads from Roku directly. "Roku is committed to fighting ad fraud in every form and to the development of leading practices for staying ahead of fraud globally," said Willard Simmons, vice president of product management at Roku.

A Google spokesman said the company has sophisticated defenses to protect its ad systems against fraud and issues credits or refunds when necessary. Representatives for Amazon and Apple declined to comment.

The connected-TV industry has been growing quickly and will command $13.4 billion in ad spending in 2021, according to research firm eMarketer. The sector's high prices—ad space often goes for around $25 per thousand impressions, compared with a few dollars for static display ads—make it an attractive target for fraud.

"Measurement and security companies will just play whack-a-mole, as long as the industry hasn't upgraded to better defenses," said Michael McNally, Human Security's chief scientist.

Most online ad buying happens through exchanges. Buyers bid for available inventory, generally targeting certain audiences, and are matched with sellers by middlemen. Ad space in the connected-TV industry is often bought this way.

The researchers identified the company behind the apps that facilitated the fraud as TopTop Media, a subsidiary of Tel Aviv-based M51 Group. Neither TopTop Media nor M51 executives responded to requests for comment.

In the alleged scam, users downloaded what looked like legitimate apps on Android devices and were unaware the apps contained code to perpetrate ad fraud, Human Security said. TopTop Media created 29 such apps, according to Human Security. Google said it removed the apps after being notified of the alleged scheme. The TopTop apps sent signals to ad exchanges pretending to be some 6,000 apps on streaming-TV systems. The swindlers duped the advertisers, who believed they were buying space on real apps, the researchers said.

T-Mobile Deal Boosted Executives' Pay

By Drew FitzGerald

Former **T-Mobile** US Inc. boss John Legere and other top executives reaped payouts worth hundreds of millions of dollars last year, boosted by the cellphone carrier's surging stock price and bonuses tied to its successful merger with rival Sprint Corp.

Mr. Legere, 62 years old, collected more than $137 million in compensation in 2020, according to a securities filing Wednesday. Most of the payout came from the then-chief executive's severance payment after more than seven years atop the Bellevue, Wash., company as well as equity that vested early upon his departure. Much of the payments to Mr. Legere and other executives hinged on the carrier's consummation of its merger with Sprint, the outcome of which remained in doubt until February 2020.

A favorable federal court ruling cleared the way for T-Mobile to close its Sprint deal in April 2020, the culmination of a two-year battle with regulators and nearly a decade of on-again, off-again negotiations between the wireless companies. The merger was a boon to T-Mobile investors, helping push shares up 72% over the past year.

Current T-Mobile CEO Mike Sievert's compensation totaled $54.9 million, most of which came in the form of stock grants. The value of those stock-based payments could rise to as much as $72.5 million if the shares meet maximum performance targets. Mr. Sievert, 51, took the reins at the company last year after serving as the company's chief operating officer.

Other executives with long tenures at T-Mobile also gained payouts in the double-digit millions. Neville Ray, the company's president of technology, received a package valued at $33.2 million last year. Longtime executive David Carey, an executive vice president who retired along with Mr. Legere, collected compensation worth $29.8 million.

T-Mobile last year vaulted over rival AT&T Inc. to become the country's second-largest wireless operator in terms of subscribers. Sprint also provided its merger partner with a cache of wireless spectrum licenses to support a planned fifth-generation network.