

# INDY BUSINESS BULLETIN

# CHINA IN THE NEWS



## Avian Flu Control Area Lifted

The Indiana State Board of Animal Health says the control area created in response to the avian flu outbreak in Dubois County has been lifted by the Indiana State Veterinarian. Poultry owners in the 6.2-mile area can "resume normal operations and movements of birds and poultry products."

## Bicentennial Legacy Projects Hit Milestone

After setting an initial goal of 200, the Indiana Bicentennial Commission has approved the 1,000th bicentennial legacy project. The projects aim to encourage Hoosiers to celebrate the state's bicentennial on local, regional and statewide levels.

## Rolls-Royce Lands Another Military Contract

Rolls-Royce Corp. in Indianapolis has been awarded another major military contract. The U.S. Department of Defense says the \$27.3 million contract calls for the company to overhaul and repair T-63 A-720 turbine engines.

## Airport Close on High-Profile Nonstop

With 44 nonstop flights, Indianapolis International Airport now has more non-stops than at any time in the past decade. And that number is about to grow. "Expect a Seattle announcement very soon," said airport Executive Director Mario Rodriguez, who adds the airport is eyeing additional nonstop service in the U.S. and beyond in the coming months. Already this year, the airport has announced new nonstop service to Philadelphia and Savannah. Airport executives also say the successes of a United Airlines nonstop to San Francisco, which launched about two years ago, could lead to a second nonstop to the West Coast city.

## DowDuPont Pitch 'Knocked Their Socks Off'

Indiana Secretary of Agriculture Ted McKinney says a high-level team of state, city and education leaders mounted an aggressive strategy to attract a piece of an \$18 billion agriculture company that would be created with the proposed merger of DuPont (NYSE: DD) and The Dow Chemical Co. (NYSE: DOW). Indianapolis is home to Dow AgroSciences LLC and 1,400 employees, which will be part of the new company. Indiana faced the possibility of losing a presence altogether. Dow and DuPont announced this morning the new ag company will be headquartered in Delaware and have Global Business Centers in Indianapolis and Iowa.

## Company Responds to Delay on \$500M Project Vote

The company behind a proposed \$500 million global brain health center at the former Indianapolis

# Dow Agroscience, DuPont yielded 'home run'

From Indiana Governor's office

A top Indiana economic development official on last Friday said Indianapolis' designation as a "global business center" for Dow Chemical's and DuPont's merged ag business is "a huge home run" that ultimately will bolster employment at Dow AgroSciences' northwest-side campus.

It's an especially favorable outcome, Indiana Economic Development Corp. President Jim Schellinger said, given the IEDC's realization during negotiations that the city could have lost the entire 1,385-worker Indianapolis operation.

Schellinger said the state took a stab at landing the headquarters for the combined business—which will have \$18 billion in revenue and 21,000 employees—but recognized it faced significant obstacles, including DuPont's deep roots in Wilmington, Delaware, where it was founded in 1802 and where it ultimately decided to locate the headquarters.

While missing out on the headquarters was a setback, Schellinger said economic development officials and government leaders in Indiana were able to put to rest the idea of consolidating the Indianapolis operations into DuPont's ag business, Pioneer, which is significantly bigger than Dow AgroSciences and is based in suburban Des Moines, Iowa. Instead, Dow and DuPont made the Pioneer headquarters an-

International Airport site says it is "gravely disappointed" at the Indianapolis Airport Authority's decision to delay a vote on the plan. However, Athletes Business Network says it welcomes further discussions and is confident the board will approve the project. IAA Senior Director of Commercial Enterprise Marsha Stone tells Inside Indiana Business there will be a lot of discussion over the next few weeks.

## Astronauts to Perform IU-Led Research

An aerospace engineer-turned-bone health researcher is leading a study that will be performed in space. Indiana University School of Medicine Associate Professor Melissa Kacena is part of a team of researchers studying bone healing through a partnership with the U.S. Department of Defense and NASA. During an interview in the Business of Health Kacena says researchers will get more time for this study than previous flights.

## Futuristic Trash Can Prepared For Production

A Hoosier startup is trying to do more with an often-ignored sidewalk fixture. Carmel-based eCceptacle creates Internet-of-things-enabled trash cans that not only store and compact garbage, but could help create a revenue stream for local governments or event organizers through digital advertising and information displays. Founder Grant Jenkins says users can also connect to the PowerBins through Wi-Fi, converting smartphones into a "virtual panic button" that triggers lights and sirens on the cans during dangerous situations.

## Purdue Hits Application Record Again

Purdue University has received a record number of applications for the fall semester from prospective first-year students. It is the sixth consecutive year that Purdue has set a new record.

## IUPUI Lands NSF Grant

The National Science Foundation has awarded a \$1.1 million grant to IUPUI. The three-year grant will fund the Nanotechnology Experiences for Students and Teachers program.

## Life Sciences Salaries Approach \$100K

A new study from the Indiana Business Research Center at Indiana University pegs the economic impact of the state's life sciences sector at \$62 billion. The research shows the industry in Indiana involves some 1,700 companies, employing nearly 57,000 Hoosiers. BioCrossroads Chief Executive Officer David Johnson says rising wages, which now average close to \$97,000 a year, stand out in the report.

## Fishers Projects Land Incentives

The Fishers City Council has approved incentives for two corporate headquarters projects. The Braden Business Systems and STANLEY Security Systems plans involve more than \$20 million in investment and hundreds of jobs.

had everything to gain and nothing to lose. And once we were in the middle of the process, we said, "Wow, we could lose everything," Schellinger told IBJ.

Consolidation would have wiped out some of Indianapolis' most-prized jobs. The average annual wage for the Indianapolis workforce, which includes about 800 researchers, is \$130,000. Dow also has about 400 contract workers locally, bringing the total jobs at stake to about 1,785.

Schellinger said Indiana achieved the favorable outcome in large part because of the direct involvement of Gov. Mike Pence, Indianapolis Mayor Joe Hogsett and Purdue University President Mitch Daniels, who worked seamlessly as a team even though they aren't all from the same party.

"I think it is the total differentiator here," Schellinger said of the three men's involvement, which included numerous cell phone conversations with executives of the two companies.

Purdue long has had close ties to Dow AgroSciences, and its research park in West Lafayette houses a company greenhouse and research facility. Schellinger said other key factors were the state's business-friendly environment and its stability, as reflected in its AAA credit rating, balanced budget and robust surplus.



Joanna Zhou (周娜), now residing in Knoxville TN, immigrated to Indianapolis with her husband from Beijing in 2013, where she worked in Human Resources for a U.S. Fortune 500 company. She enjoys her new life with her husband and kept in touch with her IAAAT friends and readers by contributing to this column.

BY JOANNA ZHOU

## Chinese people celebrate Lantern Festival worldwide

With great verve and passion, Chinese people around the world have celebrated their Lantern Festival in both traditional and trendy ways. The festival, which fell on Feb. 22 this year, brought an end to this year's Chinese Lunar New Year celebrations. It is the day when people see themselves starting a new life in a new year.

In China, Lantern Festival is an important family day, but unlike Spring Festival when people stay home for family dinners, it is a day for going out and about.

## 全球华人欢度元宵节

据携程预测, 2月22日是一年一度的元宵佳节, 这一天预示着整个春节假期的结束, 也意味着新的一年新生活的开始。不像春节, 全家团圆聚在一起, 元宵节成了一个人外出打灯笼, 猜灯谜, 吃元宵的节日。

## Imported Zika cases in China rises to five

China has confirmed another two imported Zika cases, bringing the figure to five, according to the National Health and Family Planning Commission. The new cases involved a 38-year-old man and his eight-year-old son from Yiwu City in east China's Zhejiang Province. They were bitten by mosquitos while in Fiji and Samoa, health authorities said.

Already quarantined, the patients are being treated in hospital. Their temperatures are now normal and their conditions have improved, the commission said. Previously, China had three confirmed Zika cases with patients from Jiangxi, Guangdong and Zhejiang Provinces.

## 新增两例输入性寨卡病毒感染病例 全国已出现5例

2浙江省新发现两例输入性寨卡病毒感染病例, 加上分别出现在江西、广东和浙江的3例感染者, 中国大陆共出现5例输入性寨卡病毒感染病例。

两病例为父子关系, 浙江省义乌市人。父: 38岁, 子: 8岁, 均为浙江省首例患者的同团旅游人员。浙江省专家组根据流行病学史、病例的临床表现和检测结果, 确诊两例为寨卡病毒感染, 根据潜伏期确定为与首例病例共同在境外流行区暴露(有寨卡病毒感染流行地区斐济、萨摩亚旅行史, 旅行期间有蚊虫叮咬史)后, 在同一潜伏期(3-12天)的不同时间点发病, 确定为共同暴露导致的寨卡病毒感染。目前, 两患者在义乌市某医院接受隔离治疗, 体温正常, 病情已明显好转。

## China's Xi urges implementation of reforms

Chinese President Xi Jinping on Tuesday ordered

officials at all levels to implement reform measures and address lingering problems to ensure the reform drive is successful. He made the remarks while presiding over the 21st meeting of the Central Leading Group for Overall Reform. Xi, head of the group, said reform concerns all regions and departments. Officials must play their part as "promoters and people of action," he said, urging officials to focus on key problems and take precise measures to solve them. The meeting was also attended by Li Keqiang, Liu Yunshan and Zhang Gaoli, members of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee and deputy heads of the group.

According to a statement released after the meeting, all departments should fully understand and fulfill their responsibilities, while keeping track of the entire process. Spring Festival, 10 times more than last year.

In December, Apple and China UnionPay announced a partnership to bring Apple Pay to China to cash in on mobile payment services.

## 习近平: 既当改革促进派又当改革实干家

习近平2月23日下午主持召开中央全面深化改革领导小组第二十一次会议并发表重要讲话。他强调, 各地区各部门要牢固树立全局意识、责任意识, 把抓改革作为一项重大政治责任, 坚定改革决心和信心, 增强推进改革的自觉性和行动自觉, 既当改革促进派、又当改革实干家, 以钉钉子精神抓好改革落实, 扭住关键、精准发力, 敢于啃硬骨头, 盯着抓、反复抓, 直到抓出成效。中共中央政治局常委、中央全面深化改革领导小组副组长李克强、刘云山、张高丽出席会议。

## Jordan, China to build fertilizers factory in Red Sea's Aqaba

A Jordanian and Chinese companies agreed to a billion-dollar project to manufacture fertilizers in the Jordanian Red Sea resort of Aqaba, a local official said on Tuesday. The Jordan Phosphate Mines Company signed a memorandum of understanding with China's Chongqing Minmetal & Machinery Import & Export Company Ltd. to build an industrial complex in Aqaba, according to Khalil Farrayeh, spokesman for state-run Aqaba Development Corporation.

The 1.4 billion U.S. dollar project will produce fertilizers and will be located in Aqaba, Farrayeh said in a press statement.

## 约旦中国共同在红海亚喀巴湾建化肥厂

重庆五矿机械进出口有限公司为重庆企业率先叩开中东市场的大门, 该公司将在约旦承建总投资额达到6000万美元的联合化工项目。周二下午, 该公司在京与约旦合作伙伴正式签定承包合同。市长王鸿举和约旦驻华大使安马尔出席了签字仪式。据介绍, 重庆五矿机械进出口有限公司历时两年, 与欧洲、印度等公司竞争, 最终获得约旦阿布雅德化工公司的青睐。依照协议, 重庆五矿机械进出口公司将为阿布雅德化工公司承建一联合化工项目, 主要生产硫酸钾、氯化钾等。该项目将在今年9月正式开工建设, 20个月内完成。重庆五矿机械进出口公司董事长袁昌玉说, 该项目是该公司进军中东市场的首个项目, 将以此为桥头堡, 进一步开拓中东市场, 以带动重庆的成套设备出口以及劳务输出。

# FINANCIALLY SPEAKING

## Beware of bull market in apocalyptic forecasts



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averages. Housel pointed out two primary factors that combined to make this problem worse over the past decade; the terrible financial crisis and the market for investing commentary becoming hotly competitive.

According to Housel, "the power of a financial crisis is fresh in our minds and the prize for predicting the next financial crisis in a hypercompetitive media market is enormous." This has led to an arms race among market pundits to call the next market meltdown. Housel says the paradox is "the entire reason we pay so much attention to the 2008 financial crisis is because it was rare, but paying so much attention to it makes us overweight the odds of it happening again."

In sum, "in both medicine and investing, you may want someone who obsesses over outliers, but there's a difference in respecting outliers and seeing them around every corner."

Carl Richards wrote "Let Go of Irrational Fears" for The New York Times. When talking about the chances of something bad happening, people tend to fall into three groups. The "Numbers Don't Matter" group dismisses statistics altogether and trusts their gut. The "Odds Look Great" group focuses on good news. If there's only a 10 percent chance something bad will happen, they stick their worry in a closet. Alternatively, the "We're Doomed" group obsesses over bad things that have a tiny probability of occurring, like dying from Ebola.

Richards advises, "Whether we're taking about our money, our health or our safety, we've got to get past that fear of the thing that has a tiny chance of happening. This fear blinds us to making the most of the remaining 90, 95 or 99 percent. Once we've done everything we can reasonably do to be safe, once we've accounted for everything within our control, we need to learn to let go of the rest."

Economist Stocks have plummeted at the start of 2016. The financial crisis and concurrent excruciating bear market are still fresh in investors' minds. Understandably, nobody wants to suffer through a repeat of being sucked into a market vortex.

Unfortunately, there is no shortage of market pundits and others whose modus operandi is to play/prey on investors' fears by painting a picture of impending doom and gloom, whether supported by the facts or, in most cases, not.

It's human nature to be frightened under this scenario. In a recent market update, Liz Ann Sonders of Charles Schwab noted economist Daniel Kahneman won the Nobel Prize for showing that people respond more forcefully to loss than gain. According to Kahneman, "Organisms that treat threats as more urgent than opportunities have a better chance to survive and reproduce."

With today's 24/7 media bombardment, when stocks hit a rough patch (like now), it's easy to see how investors' loss aversion can lead to panic and trigger short-term decisions harmful to attaining long-term goals. Trying to avert losses often leads to averting gains. Because we've been hard-wired with this survival instinct since prehistoric times, the best investors can hope for is to be able to acknowledge and understand this behavioral bias.

Motley Fool columnist Morgan Housel recently wrote "Why We're Terrified of Typical," which stated we are prone to being too attracted to the thought of rare things while forgetting the law of

# ACSI's New Year Networking



Mr. Yuanpeng Dan, Mr. Michael Huber (President and CEO of Indy Chamber), Mr. Xiaoming Zou, and Colin Renk pose for a photo.



Ms. Naomi Kwang (ACSI Board Chair) and Mr. Xiaoming Zou pose for a photo.

On Tuesday, February 16th, the America China Society of Indiana (ACSI) welcomed Commercial Counsellor Mr. Xiaoming Zou and Consul Mr. Yuanpeng Dan of the Chinese Consulate in Chicago to Indianapolis. Along with meeting state and local representatives, the officials attend the Indy Chamber's Global Indy Luncheon and ACSI's New Year Networking at Tastings.