

INDY BUSINESS BULLETIN



INSIDE INDIANA BUSINESS
WITH GERRY DICK

Indiana Celebrates Small Business Week

The executive director of the Small Business Administration's Indiana District says this week's Small Business Week allows the state to shine a spotlight on "the lifeblood of the economy." Stacey Poynter says the state of small business in Indiana is "great," adding SBA guaranteed loans hit a record level last year. The organization is hosting events this week including a small business exchange and a veteran entrepreneur workshop.

Holiday World to Hire 200

Holiday World & Splashin' Safari is looking to fill 200 seasonal positions ahead of the summer travel season. The amusement park will hold open interviews for various jobs Friday.

Remaining Avian Flu Quarantine Lifted

The Indiana State Board of Animal Health has lifted the last remaining quarantine that was put in place in response to the avian flu outbreak in Dubois County. The board says the state achieved avian flu-free status after recording 90 consecutive days with no new cases.

Greenwood Begins Downtown Facade Project

The city of Greenwood has begun construction on a project to restore and renovate the facades of 24 downtown buildings. The \$1.5 million project is being funded in part by a grant from the Indiana Office of Community and Rural Affairs.

ISTEP Replacement Panel Takes Shape

The 23-member panel created to review and recommend an alternative to the statewide ISTEP exam is set. The group includes teachers, professors and administrators from throughout the state.

IU Launches 'Private Cloud'

Indiana University has launched a virtual server-hosting service for educational institutions and government organizations throughout the state.

Darius Rucker to Sing National Anthem at Indy 500

Country music star Darius Rucker will perform the national anthem before the 100th running of the Indianapolis 500. The three-time Grammy Award winner will follow the performance of "Back Home Again in Indiana" by Josh Kaufman and the Indianapolis Children's Choir.

Vonnegut Museum Targets 'Perfect' New Spot

An attraction honoring one of Indiana's most celebrated native sons is planning to move. The Kurt Vonnegut Memorial Library is looking to

raise \$750,000 for a new, permanent home. The nonprofit says it has identified a location in the city's Mass Ave District that would quadruple its current space and allow for additional exhibition and programming options. The fundraising deadline is July 1 and Chief Executive Officer Julia Whitehead says there is a long way to go.

Statewide Home Building Permits Rise

The Indiana Builders Association says single-family building permits in Indiana rose 15 percent in March. According to data from the U.S. Census Bureau and the Department of Housing and Urban Development, 1,255 permits were issued last month, compared to 1,069 during the same month last year.

IUPUI Commencement Moves to New Home

IUPUI's commencement will return to one campus-wide ceremony next month as it moves to Lucas Oil Stadium. Since the demolition of the RCA Dome in 2008, the ceremony has been held in two sessions at the Indiana Convention Center.

Butler Bags Record Gift

Butler University has announced a \$25 million gift from Indianapolis-based LDI Chairman Andre Lacy and his wife Julia. To honor the commitment, the school has renamed its College of Business the Andre B. Lacy School of Business. Butler says the gift, its largest ever from an individual or family, will help build on experiential learning programs, which include students launching businesses and completing multiple internships. Lacy will also serve as a senior adviser for the school, which he says will allow him to mentor students and pass down what he's learned.

Indiana State Offering Micro-Scholarships

In an effort to make higher education more accessible, Indiana State University says it is offering micro-scholarships to high school students. The program allows students to accumulate scholarship money throughout their four years in high school that can be used toward their college education.

Lilly Q1 Revenues, Pipeline Shine

Indianapolis-based Eli Lilly and Co. (NYSE: LLY) is reporting first quarter net income of \$440.1 million, compared to \$529.5 million during the same quarter last year. Despite the earnings drop, Chief Executive Officer John Lechleiter says the results reflect "substantial progress" in the launch of several high-profile products. The company also announced an increase in full-year revenue guidance.

Fishers Gains Key Tech Certification

The city of Fishers has earned a Certified Technology Park designation from the state for the Nickel Plate District and North East Commerce Park. The city says the designation, which includes Launch Fishers, frees up funding for investment in the area.

CHINA IN THE NEWS



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 Fortune 500 company. She enjoys her new life with her husband and kept in touch with her IAAT friends and readers by contributing to this column.

China Launches Baidu

China's government is launching an investigation into Internet search engine giant Baidu Inc. following the death of a young man with cancer who had taken a therapy found through an online advertisement. The Cyberspace Administration of China announced Monday that it is joining with the national health commission and another agency to investigate the "Wei Zexi incident." In doing so, the administration noted that Mr. Wei's death last month "drew widespread attention" from Internet users.

Mr. Wei, a 21-year-old college student, suffered from a rare cancer called synovial sarcoma that affects tissue around major joints. After he received radiation and chemotherapy, his family sought alternative treatments and found via Baidu a 200,000 yuan (\$31,000) therapy at a Beijing hospital that proved ineffective, according to statement from the family released through the financial news magazine Caixin on Sunday. In a statement, a Baidu spokeswoman said the company regrets Mr. Wei's death, will cooperate with the investigation and is committed to providing "a safe and trustworthy search experience for our users." Baidu "will give no quarter to fake information or illegal activities online," the statement said. Mr. Wei's death was the second time this year that Baidu has come under fire for its handling of the balance between profits from advertising and the responsibility to its users regarding medical information.

多部门成立联合调查组进驻百度
5月2日, 国家互联网信息办公室发言人姜军表示, 近日“魏则西事件”受到网民广泛关注。根据网民举报, 国家网信办会同国家工商总局、国家卫生计生委成立联合调查组进驻百度公司, 对此事件及互联网企业依法经营事项进行调查并依法处理。另据消息人士透露, 当日, 百度董事长兼首席执行官李彦宏已因“魏则西事件”被国家网信办约谈。此前, 百度对“魏则西事件”两度做出回应, 表示已与相关方进行了接洽, 并希望相关部门能高度重视, 立即展开调查, 同时将全力支持魏则西家属通过法律途径维权。

多位接受《经济参考报》采访的业内人士表示, “魏则西事件”引起各界广泛关注的原因, 仍是由来已久的百度推广和竞价排名商业化问题。律师徐潜川表示, 这一问题的焦点是“百度推广是不是广告”, 如果百度推广属于广告, 则百度的相关行为将要依照《广告法》而承担相关法律责任。但根据此前百度涉及的多起诉讼结果来看, 立法和司法机关之前并不认为百度推广是广告, 而是“信息检索”服务, 因此百度对相关的推广内容不承担任何责任。但在海外, 搜索引擎的推广结果一般则被视作广告, 要承担相应的责任。

Seoul, Bangkok, Tokyo top 3 overseas destinations for Chinese holiday travelers

Asian cities of Seoul, Bangkok and Tokyo were the top three overseas tourist destinations for China's May Day holidaymakers, in part because they can be reached within a 5-hour flight, tourism administrator said Monday. Other destinations like Singapore and Bali Island of Indonesia were also popular for tourists during the three-day May Day holiday ending Monday, statistics from the China National Tourism Administration (CNTA) showed. For the first time, average duration of stay for overseas holidaymakers at each destination rose above two days, the CNTA quoted data from tourism agencies as saying. About 56 percent of the non-group tourists chose to stay more than one week abroad, 12 percentage points more than the same period last year. Their reservations ranged from performances, entrance tickets to amusement items such as underwater diving.

China has been the world's largest outbound tourist market since 2012, according to the CNTA. The number of Chinese tourists traveling abroad in 2015 increased by 19.5 percent year on year to 120 million, nearly 13 times the level in 1998.

大陆五一出境热点 首尔、曼谷、东京为前三名
大陆“五一”假期, 三亚、厦门、北京是境内游最热门目的地, 出境游则是首尔、曼谷、东京排前三, 台北名列第七。自由行将持续增长, 成为部分地区的旅游主力。携程网从各大旅行社获得数据, 预测境内旅游热点依然集中在传统热门休闲度

假和观光旅游城市, 预计人气排名依次是: 三亚、厦门、北京、西安、桂林、丽江、昆明、上海、成都、九寨沟等。预测热门景区主要是峨眉山、黄山等自然风景区。长隆旅游度假区、野生动物园、恐龙园等则是适合亲子和家庭旅游的乐园。

Giant duck-billed dinosaur fossil sets world record

A fossilized skeleton of a hadrosaur, or duck-billed dinosaur, in east China's Shandong Province has been recognized by Guinness World Records as the "largest hadrosaurid skeleton on display." The Zhuchengosaurus maximus skeleton in Zhucheng Dinosaur Museum, Zhucheng City, is 9.1 meters high and 16.6 meters long, while the average height and body length of hadrosaurs are four-five meters and six-nine meters. Experts with the city's dinosaur research center said Zhuchengosaurus maximus lived in lakes and swamps and fed on plants, clams and algae in the late Cretaceous period about 70 million years ago, when the area was a basin with a humid climate and heavy vegetation. 巨大诸城龙”创最高大鸭嘴龙骨架吉尼斯纪录

中国龙城”山东诸城市恐龙文化研究中心29日对外宣布, 英国吉尼斯总部将“世界最高大的鸭嘴龙骨架”世界纪录认证证书授予在诸城发掘出土的“巨大诸城龙”。这副被认定为世界最高大的鸭嘴龙骨架化石身高9.1米、体长16.6米。据文化研究中心专家介绍, “巨大诸城龙”于1989年5月至1991年12月诸城第二次大规模发掘恐龙化石期间, 产自当地一个被称作“恐龙洞”的地点, 现藏于诸城恐龙博物馆。其生存于距今约7000万年前的中生代白垩纪晚期, 通常活动于湖泊沼泽地区, 以岸边的植物和水中的蚌类、水藻为食物。鸭嘴龙是一类较大型的鸟臀目鸟脚类恐龙, 因嘴型酷似鸭嘴而得名。在中国除山东外, 内蒙古、宁夏、黑龙江、新疆、四川等地均曾发现过鸭嘴龙化石。从目前发现的鸭嘴龙化石个体来看, 诸城地区以外的成年鸭嘴龙平均身高4米至5米、体长6米至9米。在众多的鸭嘴龙化石产地中, 诸城发现的鸭嘴龙化石数量最多、个体最大。

Didi eyes alliance with ride-hailing companies to challenge Uber

Chinese ride-hailing company Didi is eyeing an alliance with local peers abroad for its global expansion strategy, the company founder said Thursday. "Demand for transportation services varies among different markets, and local companies are better positioned to meet these needs," said Didi founder and CEO Cheng Wei during a panel discussion at the GMIC tech conference in Beijing. "When we leave China we seek to share our technological abilities with our partners to make their transportation services more efficient," Cheng said.

Unlike rival Uber, which operates in 400 cities worldwide, Didi has invested in Uber's local rivals such as Lyft in the United States, Grab in Southeast Asia and Ola in India to form what Cheng called "a Star Alliance for ride-hailing services," as local firms know best how to serve customers in their markets. Cheng said real dominance in Internet-based transportation services is not just a matter of scale, but about sharpening an edge in big data, cloud computing and other areas to meet transportation needs.

殺到UBER老家 滴滴快的 美國也能叫車
優步 (UBER) 在中國最大的競爭對手滴滴快的的昨 (12) 日宣布與LYFT合作, 讓滴滴快的的 200 萬用戶可以透過 LYFT 在美國叫車, 暢行全美 200 個城市, 等於直接殺到優步的老家。

中國最大的叫車服務商滴滴快的的宣布與同業 LYFT 結盟, 推出「滴滴海外」產品, 使得在美國旅遊的滴滴快的的用戶, 今 (13) 日起就可以利用 LYFT 的服務叫車, 還可以透過支付寶或微信錢包付費, 車費率與保險則與美國本地旅客相同。為了進一步增加對於用戶的吸引力, 滴滴快的的讓與 LYFT 特別增設了新的語言翻譯功能, 讓乘客可以直接透過在線翻譯與司機進行溝通。負責在線翻譯的人員則是來自滴滴快的的在中國的服務中心。華爾街日報認為, 滴滴快的的與 LYFT 的服務整合, 是全球叫車服務公司邁向戰略聯盟的第一步, 主要目的就是要對抗叫車市場龍頭優步。

總部設在美國舊金山的優步在 2014 年 7 月正式進軍中國市場, 立刻與滴滴打車與快的的打車兩大對手展開激烈競爭。滴滴與快的的在去年合併之後, 使得優步在中國市場經營日趨艱難。優步總裁 TRAVIS KALANICK 不久前就透露, 優步在美國是賺錢的, 但在中國卻巨虧 10 億美元。他強調, 這是因為優步在中國有個「兇猛對手」, 雖然這個對手在每個城市都賺不到錢, 但還是分食了市場。如今, 優步口中的兇猛對手不但已殺到自家門口, 而且擁有強大靠山。滴滴與快的的背後金主分別是阿里巴巴與騰訊, 這兩家公司市值合計超過 3,890 億美元, 而優步估值約 625 億美元。

FINANCIALLY SPEAKING

NFL Draft reveals behavioral finance truths



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Financial journalist Gary Belsky recently wrote "The Overconfident Investor" in The New York Times, which explored cognitive biases and shortcuts that plague investors.

According to Belsky, the study of behavioral finance blossomed because securities markets provide researchers with billions of data points for analyzing "judgment under uncertainty" and "decision under risk." These data enables researchers to understand how people make choices when "resources are at stake" and "the outcome is unknown."

He was referring to investors, but could have been talking about NFL general managers. With the Los Angeles Rams and Tennessee Titans announcing a blockbuster trade of picks in the upcoming draft, this is a good time to revisit one of my favorite column topics.

The Rams, desperate to make a splash as they return from St. Louis, acquired the No. 1 overall pick in the 2016 Draft from the Titans (along with the Titans' 4th (#113) and 6th round (#177) picks). In return, the Titans received the Rams' 1st-round pick (#15), both 2nd round picks (#43 and #45) and 3rd round pick (#76). In addition, the Titans received the Rams' 1st and 3rd round picks in next year's draft.

The Rams hope to select a "franchise" quarterback, presumably Carson Wentz of North Dakota State or Jared Goff of California. The Titans now control six of this draft's first 76 picks and will have five picks in the top three rounds of next year's draft. Watch out, AFC South.

Belsky listed five harmful traits.

Overconfidence and Optimism Bias

refer to our tendency to overrate our abilities, knowledge and skill, whether it's picking stocks or evaluating a player's NFL potential. Together,

they are "part of a suite of cognitive traits that serve to propel us forward." While necessary for success, they can give us a false sense of security.

Hindsight Bias describes our tendency to "rewrite our own history to make ourselves look good," which makes it hard to learn from past mistakes.

Attribution Bias refers to how we attribute happy outcomes to our skills, knowledge or intuition, but blame outside forces for bad outcomes.

Confirmation Bias "leads us to give too much weight to information that supports existing beliefs and discount that which does not."

The NFL Draft is rife with false beliefs and destructive decision-making. Teams consistently place excessive value on high draft picks and routinely overpay, in terms of current and future picks, to move up.

Ironically, the Rams were the beneficiary of one of the most lopsided trades in draft history. In 2012, the Washington Redskins thought Robert Griffin III was their "can't miss" franchise quarterback. In order to move up to the Rams' #2 spot, Washington surrendered the #6 and #39 picks in 2012, plus their 1st round picks in 2013 (#22) and 2014 (#2).

Griffin was injured late in his stellar rookie season and recently released.

Picking franchise quarterbacks and stocks are difficult. Since 1990, the following quarterbacks were drafted by teams trading up to a Top-5 pick: Jeff George, Ryan Leaf, Michael Vick, Mark Sanchez and Griffin. None will be in the Hall of Fame. Mutual fund stalwart Sequoia Fund had a huge 30% position in Valeant Pharmaceuticals, leading to disastrous performance and resignation of its star manager.

Investors and NFL general managers must overcome their cognitive biases to succeed.

Students Invent Soybean Soap to Replace Harmful Microbeads

The tiny microbeads that have become commonplace in hand soaps, toothpastes and body wash have been outlawed due to the damage they're causing in U.S. waterways. As manufacturers scramble to find a replacement for microbeads that consumers have come to expect, a team of Purdue University students believes the answer could be Indiana soybeans.

The four-student team scrubbed out the competition at Purdue's recent Student Soybean Product Innovation event where its soy exfoliant hand soap, called SoyFoliate, claimed top prize. The conventional plastic microbeads in personal care products provide a gritty texture designed to exfoliate by scrubbing away dirt or dead skin, but their tiny

size means they escape wastewater filtration systems and are deposited into rivers, lakes and oceans.

Researchers found nearly 2 million beads in a single square kilometer of Lake Erie in 2013. Scientists say the nearly-impossible-to-dissolve beads are eaten by fish, become lodged in their stomach or intestines and kill the fish—disrupting the water ecosystem. The federal government has ordered manufacturers stop production of the microbeads by 2017.

The students who created SoyFoliate believe their soap could be the answer to giving consumers what they want, while keeping waterways safe. The team replaced the plastic microbeads with tiny bits of soybeans; in their

raw state, the beans have a similar hardness and texture as a popcorn kernel.

Unlike plastic microbeads, the soy beads degrade in water due to their natural composition, and the team says they don't pose a threat to fish if ingested. To protect the beads' shelf-life in the water-based liquid soap, they're coated in soy oil. The team notes soybeans also provide greater versatility for different applications than plastic microbeads.

"Our exfoliating soy microbeads are a little coarser; they aren't as smooth all the way around in a perfect sphere," says Switzer. "The coarseness gave people better exfoliating properties. And we can cater to different sizes of what different manufacturers would want. Products could have more fine or more coarse beads depending on what consumers prefer." Switzer says other plastic microbeads

replacements may be researched include ground almonds, walnut shells and jojoba, also known as goat nuts. However, the team argues these substitutes are more expensive than soybeans and pose a risk to people with nut allergies.

The Indiana Soybean Alliance (ISA) sponsors the competition each year to harvest ideas that will drive the consumption of the crop. The value of Indiana's soybeans in 2015 was \$2.43 billion, and the state ranked fifth nationally for production.

"Traditionally, farmers have been very good at continually increasing their yields; the way to keep your prices stabilized is to find new homes—new uses—for soybeans," says ISA New Uses Contractor Julie Ohmen. "That increases demand, rather than just shifting bean consumption from one place to another."