

CHINA IN THE NEWS

INDY BUSINESS BULLETIN



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.

China-Laos railway to become a demonstration project

China-Laos railway will be built to become a demonstration project in "Go Global" strategy, said Chinese companies participating in a symposium held in the Lao capital of Vientiane on Monday. The China-Laos railway has a total length of 414 km, linking Mohan-Boten border gate in northern Laos and capital Vientiane. Operating speed on the route is designed at 160 km per hour. Kicking off in late 2015, construction of the project is scheduled for five years with investment of about 37.4 billion Chinese yuan. The China-Laos railway is an important project in the "Belt and Road" initiative proposed by China.

中国老挝铁路项目正式签约总投资近400亿元

中老铁路是第一个以中方为主投资建设并运营、与中国铁路网直接连通的境外铁路项目，全线采用中国技术标准，使用中国设备。项目由两国边境磨憨/磨丁口岸进入老境内后，向南依次经过孟赛、琅勃拉邦、万荣至老首都万象，全长418公里，其中60%以上为桥梁和隧道。项目总投资近400亿元，由中老双方按照70%：30%的股比合资建设。建设标准为国铁I级、单线设计、电力牵引、客货混运，时速160公里/时。中老铁路预计于2020年建成通车。项目建成后，一方面将极大地带动老挝经济社会发展，提高当地运输效率和水平，并为老挝创造大量的就业机会，另一方面也将为中国西南地区经济发展注入新的动力。为实施好中老铁路项目，双方对项目经济技术方案进行了充分研究论证，老方在土地、税收、工作人员签证等方面提供了一系列优惠支持政策。

China donates 2 aircraft to Costa Rican security forces

China on Monday donated two Y12E aircraft to Costa Rica to support its security forces, a move hailed as heralding "a new era of aeronautics" in Costa Rica by President Luis Guillermo Solís. Solís presided over the aircraft's delivery ceremony at the headquarters of Aerial Surveillance Service (SVA) at the international airport of San Jose. The two planes will help form the SVA's fleet. "The renovation of the country's aerial fleet with these two stupendous planes is the result of the excellent relations maintained by our countries," said Solís. The SVA undertakes a variety of security tasks, including combating drug trafficking, and also carries out emergency and rescue missions in remote parts of the country, which the Chinese-built planes suit well as they are able to land on almost all types of terrains.

中航工业哈飞向哥斯达黎加交付2架运12E

9月29日，中航工业哈飞向哥斯达黎加公共安全部下属的空军局交付2架运12E飞机。这是哈飞产品首次打开哥斯达黎加市场，也是哈飞运12系列飞机继哥伦比亚、玻利维亚、秘鲁等国后，赢得的又一南美客户。交付后，2架运12E飞机将用于哥斯达黎加国内的空中运输、空中巡逻等空勤业务。9月26日，哥斯达黎加接机验收组在中航国际航空发展有限公司工作人员陪同下来到哈飞，对2架运12E飞机展开接机验收工作。接机验收组对随机履历文件、随机资料、整机外观、整机通电开车情况进行验收，并现场进行验收试飞。经过为期3天的现场检查，9月29日，双方召开了接机验收末次会。接机验收组认为2架运12E飞机状态良好，符合接收要求。随后，双方代表在交接证书上签字。按照计划，2架运12E型机将于10月9日进行接机转场。哥斯达黎加是一个拥有500多万人口的岛国。此次交付的2架运12E飞机，将用于执行该国岛间、岛屿内的治安巡逻、人员运输等空勤业务。据了解，其中一架运12E飞机为客运型，作为通勤机运送警员，另一架运12E飞机为救护型，装备了担架和医疗设备，用于运送和救治伤病人员。

Chinese sailors freed by Somali pirates take flight home

Nine out of the ten Chinese crew members freed by Somali pirates took a flight home on Monday from the Kenyan capital Nairobi, accompanied by officials sent from Beijing. Twenty-six crew members, including the ten Chinese, were released on Saturday after almost five years in captivity. They arrived in Nairobi one day later with UN help. The ten Chinese include nine from the Chinese mainland and one from Taiwan. One of them is receiving treatment in Nairobi. Chinese ambassador to Kenya, Liu Xianfa,

had met them. A total of 29 men were in an Omani-flagged fishing vessel FV Naham 3, which was hijacked south of the Seychelles in March 2012, according to John Steed, a regional coordinator of Oceans Beyond Piracy, which is involved in the rescue operation. They are from China, the Philippines, Cambodia, Indonesia and Vietnam. Three of them, including one from the Chinese mainland and one from Taiwan, had died. 索马里海盗释放26名亚洲人质其中2名来自四川

一名索马里海盗22日称，他们已经释放了26名亚洲人质，在渔船Naham 3（中文名为“建昶”号）于2012年3月遭劫持后，这些船员已被囚禁4年半时间。该名海盗称，这次释放是在赎金被交付之后。国际谈判人员则称，这“代表着索马里海盗猖獗时期最后一批剩余人质船员被囚禁的结束。”据悉，这些船员来自于中国大陆、中国台湾、越南、柬埔寨和菲律宾。据媒体报道，这位名叫比莱·侯赛因的海盗称，获释的船员都来自中国台湾船东投资的渔船Naham 3号，他们于2012年3月26日被劫持。这艘船后来沉没。侯赛因称，已有人为这些船员支付了150万美元的赎金。这一言论未能被独立查证。而据协助谈判、营救的协调员约翰·史蒂德称，这艘悬挂阿曼旗的Naham 3号渔船，于2012年3月26日在塞舌尔南方65海里处遭海盗劫持，船上船员成为遭索马里海盗挟持第二长久的人质。根据一个反海盗非营利组织发表的声明，海盗原本挟持了29名船员，但是，其中1人在劫持过程中死亡，另外2人于囚禁期间病死。“剩下的26名船员被囚禁的大部分时间都是在索马里陆地上度过。”史蒂德22日称，“我们很高兴地宣布，Naham 3的船员于今天（指23日）清晨获释。他们目前已交由贾穆杜格（索马里的一个割据政府）官方安全照顾，很快将会利用联合国的一次人道主义飞行将其分别送回他们的祖国。”

Smog to continue in Beijing-Tianjin-Hebei region

Light to heavy air pollution is likely to continue in the Beijing-Tianjin-Hebei region until Wednesday due to unfavorable weather conditions, according to China's environment watchdog. Since Monday, light to moderate air pollution has affected Tianjin Municipality and some cities in northern China's Hebei Province, including Baoding and Tangshan, according to China National Environmental Monitoring Center statistics. Yellow alerts for air pollution have been issued in these regions.

霾锁京津冀北京有望执行治霾新预案

如何治理雾霾天气，是北京市环保部门要面对的一大课题。上一轮的雾霾刚刚消散不到两天，18号北京、天津、河北中南部地区再次雾霾锁城。北京昨天相继发布“空气重污染黄色预警”和“霾黄色预警”，空气质量将达到“5级重度污染”：提示公众“戴口罩”，“关门窗”，减少户外运动。面对雾霾，新修订的《北京市空气重污染应急预案》即将印发，重污染天气执行。新预案将优先对高污染排放车辆采取控制措施。而天津、河北等地也通过限产等措施进行应对。

Wanda Qingdao studio to host Hollywood film shoot

Chinese entertainment conglomerate Wanda's new film studio in China's coastal city of Qingdao is getting ready to host Hollywood film productions. At the moment, top of the agenda for Qingdao Oriental Movie Metropolis is getting the set ready for the October shooting of Legend Entertainment film: "Pacific Rim: Maelstrom." The administration of Qingdao West Coast New Area said on Tuesday that the Wanda film-making base has already completed a total of 15 film studios and 11 set decoration workshops. The film studios, funded by Wanda Group with 30 billion yuan (4.47 billion U.S. dollars), have approved land coverage of 200 hectares and plans to have 30 studios, outdoor scenery and a film-shooting experience area, according to the administration. Among them, there will be an indoor underwater film studio and a film studio of 10,000 square meters, one of the world's biggest. The giant entertainment complex will be surrounded by hotels, a yacht club, a theme park, a celebrity wax museum and a hospital.

王健林邀好莱坞公司赴青岛拍片

中国万达集团董事长王健林17日在洛杉矶发表演讲，呼吁好莱坞公司到万达在青岛新成立的影视基地拍摄电影，并为其补贴40%的制作费用。相关费用将由万达与青岛市政府共同创建的基金支付。他表示，要想在中国市场上分一杯羹，就要想办法讨好中国观众。路透社称，王健林回应美国议员的批评说，他是从“商业角度”鼓励好莱坞讨好中国观众，而非政治。“万达向好莱坞伸出胡萝卜”，美国《纽约时报》18日发表对王健林的采访，对于美国议员要求司法部调查万达在好莱坞的大宗收购是否造成“宣传上的威胁”，王健林回应称，“这不是入侵”，万达是在帮助经营不善的好莱坞公司，“最好的公司从来不会卖给我们”。报道称，在40分钟的采访中，王健林14次表示，万达注重的是“利润”。被万达收购的美国传奇影业公司高管帕朗特受访时表示，万达从未干涉过该公司的电影制作



Unemployment Rate Flat in September

Indiana's unemployment rate remained steady at 4.5 percent in September. The Indiana Department of Workforce Development says the state added more than 10,000 private sector jobs last month.

Building Permits Rise Again in September

The Builders Association of Greater Indianapolis says single-family building permits in central Indiana jumped 15 percent in September. The organization says 462 permits were issued last month in the nine-county region, compared with 403 permits during the same month last year.

Firm Acquires Site of Potential Fourth Port

A St. Louis-based commercial real estate firm and its affiliate have acquired the Lawrenceburg site that is being considered as a potential location for Indiana's fourth port. Commercial Development Co. Inc. plans to prepare the former Tanners Creek coal plant for future "productive use."

Mascot Hall of Fame to Bring 'The Power of Fun'

The founder of the Mascot Hall of Fame in Whiting says the facility will bring a new kind of entertainment to the region. David Raymond with Pennsylvania-based Raymond Entertainment says the hall of fame honors the "true unsung heroes of sports." Officials broke ground today on the \$8 million facility, which is expected to open in late 2017.

PRSA Bringing International Conference to Indy

The Public Relations Society of America will hold its annual International Conference in Indianapolis for the first time. The event, which begins Sunday, is expected to bring more than 2,500 attendees to the JW Marriott in downtown Indy and features keynote speakers, including astronaut Scott Kelly.

Cook Donates \$1M to IBRI

Bloomington-based Cook Medical has awarded a \$1 million research grant to the Indiana Biosciences Research Institute in Indianapolis. The company says the grant, which will be matched by the Lilly Endowment, will be used to support the next phase of growth for the institute.

Airport Director Named to National Committee

The executive director of the Indianapolis Airport Authority has been named a member of the U.S. Department of Transportation's Advisory Committee for Aviation Consumer Protection. Mario Rodriguez says his selection puts Indianapolis at the "big table" to discuss how to make air travel easier and more transparent for consumers.

FINANCIALLY SPEAKING

High time to sharpen executive pay clawbacks



Mr. Kim is the Chief Operation Officer and Chief Compliance Officer for KIRR Marbach & Co. LLC, an investment adviser based in Columbus IN. Please visit www.kirrm.com.

Whether you're looking at a mutual fund or company stock, you want to see the management team having a significant amount of their own "skin in the game" through a large commitment of personal financial resources. While this doesn't guarantee success, at least you know the managers' financial interests are aligned with yours.

Wells Fargo bank has been embroiled in a firestorm of criticism over revelations of "widespread illegal" sales practices that included opening as many as two million deposit and credit card accounts without customers' knowledge. Wells branches were apparently given production targets for selling customers multiple bank products. "Cross selling" is a popular initiative in the banking industry, meant to boost profitability in an environment of slack loan demand and low interest rates.

As often happens with ideas that make good business sense (i.e. cross-selling), Wells' incentive structure apparently led to poor employee behavior, as many employees felt pressure to sell customers multiple products or services to keep their jobs or earn bonuses tied to sales goals. According to The Wall Street Journal, Wells CFO John Shrewsbury said the bank's issues resulted from "people trying to meet minimum goals to hang onto their job."

Wells agreed to pay a fine of \$185 million. Under withering Congressional questioning, CEO John Stumpf said 5,300 employees had been fired over five years due to improper selling, including bankers,

Apprio Acquired in \$500M Deal

An executive with Indianapolis-based cloud services company Apprio says a \$500 million acquisition by an Indian company "more reinforcement that Indianapolis is a global leader in technology." Wipro says the acquisition will create "one of the world's largest cloud transformation practices." Apprio will maintain its brand and team, including Chief Executive Officer Chris Barbin. The company last year moved its corporate headquarters from San Francisco to Indianapolis.

FDA Approves New Lilly Cancer Treatment

Indianapolis-based Eli Lilly and Co. (NYSE: LLY) has received approval from the U.S. Food and Drug Administration for a new cancer treatment drug. The company says Lartruvo is the first FDA-approved drug for the treatment of soft tissue sarcoma in 40 years.

Steel Dynamics Sees Another Profit Jump

Fort Wayne-based Steel Dynamics Inc. (Nasdaq: STLD) is reporting third quarter net income of \$154 million, up from \$59 million during the same period the previous year. Chief Executive Officer Mark Millett says continued positive momentum in the flat roll metal supply led to an 11 percent boost in operating earnings.

Condé Nast Honors Indy Airport, Hotels

Indianapolis International Airport and multiple Indianapolis hotels are featured on Condé Nast Traveler's annual Reader's Choice Survey. The Indy Airport tops the U.S. domestic airport category for the third year in a row, and three Indianapolis hotels are ranked among the top 10 in the Midwest.

Manufacturing Growth Rates Diminishing

A new survey commissioned by Indianapolis-based Katz, Sapper & Miller says Indiana's manufacturers remain confident about the future despite diminishing financial growth rates. Steve Jones, professor of finance at the Indiana University Kelly School of Business and co-author of the 2016 Indiana Manufacturing Survey, says the decreasing growth rates indicate the recovery from the great recession is maturing.

Hoosier Online Graduate Schools Among 'Best Value'

Three Indiana online graduate schools; IU, PU and Ball State have been ranked among the "Best Value" for 2017 by ValueColleges.com. The schools are ranked based on metrics including cost per credit hour and return on investment.

Lilly Launches \$90M Global Initiative

Indianapolis-based Eli Lilly and Co. (NYSE: LLY) this morning announced a \$90 million investment designed to give greater access to health care for 30 million underserved people globally by 2030. Lilly 30x30 will focus on widening the availability of diabetes, cancer and tuberculosis treatments. Chief Executive Officer John Lechleiter says the initiative is a company-wide mandate to increase the number of people reached each year outside the traditional business by six times.

HEARTLAND FILM FESTIVAL READY TO ROLL

The 25th annual Heartland Film Festival gets underway in Indianapolis Oct 20-30. The event will feature more than 130 films over 11 days at screenings throughout the city.

Organizers say they received a record 2,535 submissions from 92 countries. Heartland Film President Craig Prater says they have "crafted a fantastic lineup of 138 movies that not only embody the founding spirit of Heartland, but also show what we have grown to become over the past two-and-a-half decades." Since the inaugural event in 1992, Heartland has awarded \$3 million in prize money to independent filmmakers, which it says is more than

any other film festival in North America.

The festival begins this evening with a screening of "The Book of Love" at the Scottish Rite Cathedral, which includes a scheduled appearance by actress Jessica Biel.

Other highlighted events include the festival's 25th anniversary celebration Friday at AMC Castleton Square, the awards party on Saturday, October 29 at the same theater and the Filmmakers' Brunch on Sunday, October 30 at Sheraton Indianapolis at Keystone at the Crossing.

For more information: <http://heartlandfilm.org/festival/>

SALESFORCE TOWER REBRANDING 'COMING SOON'



Indianapolis Deputy Mayor Angela Smith Jones says the timeline for rebranding the downtown Chase Tower to Salesforce Tower is "pure engineering at this stage in the game." She says designers are trying to figure out how large of a logo the tower can structurally support. Smith Jones also says the EmployIndy initiative will help "train up" Indianapolis residents to potentially fill some of the approximately 800 jobs the tech giant plans to add in the city by 2021.

During an interview with Inside Indiana Business, Smith Jones said a local restaurant will also likely come to the tower. Plans for the office also include

collaboration spaces, social zones and interactive demonstrations of Salesforce technology.

Salesforce (NYSE: CRM) announced in May that it would establish a new headquarters in the former Chase Tower and rebrand it as Salesforce Tower Indianapolis. The tower will house both Salesforce and Salesforce Marketing Cloud, which was founded in 2000 as ExactTarget.

Salesforce, which was founded 17 years ago in San Francisco, has more than 1,000 employees in the Indianapolis area and more than 20,000 worldwide. The company says it is currently hiring for openings in business operations and technology development.

Earlier this month, Salesforce announced the \$340 million acquisition of San Francisco-based data management technology company Krux Digital Inc. and ruled out a bid to purchase Twitter (NYSE: TWTR).

Source: Inside Indiana Business, Andy Ober

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In a release, Salesforce CEO Marc Benioff said, "Chris and his team have spent the last decade building Apprio into a global leader delivering amazing customer experiences with Salesforce. I couldn't be more proud of Apprio as it joins Wipro, where together they will continue to drive customer

success on a much larger scale."

Wipro will consolidate its cloud applications practices of Salesforce and Workday under the Apprio brand and structure. Barbin says the combination will "create a formidable force in the industry," saying, "our aim is to dominate the market and claim the top spots in industry Net Promoter Score, market share and best places to work."

In addition to its offices in Indianapolis and San Francisco, Apprio has operations in Dublin, London, Jaipur and Tokyo and has 1,250 employees worldwide. Its clients include Coca-Cola, eBay, Facebook, Home Depot and Sony PlayStation.

The acquisition is subject to various conditions and approvals. It's expected to close by the end of the year.

CONSTRUCTION BEGINS ON FISHERS IKEA

Fishers Mayor Scott Fadness says the addition of IKEA's newest store goes beyond a real estate investment. Officials broke ground on the \$40 million facility and Fadness says having a retailer as large as IKEA choosing Fishers speaks volumes about the community. He says, as the 289,000 square-foot store begins to take shape, it will create a tremendous amount of buzz throughout the area.



Susan Brook at the podium during the Ikea Ground Breaking ceremony