

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

Chinese company, Airbus sign 22.8 Billion USD deal

China Aviation Supplies Holding Company has signed an agreement to purchase 140 planes from Airbus in a deal worth about 22.8 billion U.S. dollars, an official statement said Monday. The deal involves 100 Airbus A320 planes and 40 A350 jets, according to the State-owned Assets Supervision and Administration Commission statement. In recent years, China's aviation market has expanded in size by about 10 percent year on year on average, the statement said. The deal will help to meet the country's fast-growing market demand.

中国航空器材集团公司与空中客车公司签署采购空客飞机的协议

2017年7月5日,中国航空器材集团公司与空中客车公司在德国柏林签署了140架空客飞机批量采购协议,其中包括100架A320系列和40架A350系列飞机,总价值约228亿美元。正在德国进行国事访问的国家主席习近平和德国总理默克尔共同见证了协议的签署。近年来,中国航空运输市场每年保持10%左右的增长速度。为适应航空运输市场增长较快的实际情况,统筹考虑国产飞机生产进度安排,相关航空公司批量采购一批空客飞机,增加机队规模,优化机队结构,满足企业发展需要。

2nd batch of Cambodian university students to get training in China under Huawei-sponsored program

The second batch of 10 Cambodian university students will undergo a two-week training course in information and communication technology (ICT) sector in China under the Chinese telecom giant Huawei-sponsored Seeds for the Future program. The group will fly to China for the course from July 29 to August 12. Speaking at an award ceremony for them, Tan Qingsheng, charge d'affaires of the Chinese Embassy to Cambodia, said the program had actively contributed to the development of human resources in the ICT area in Cambodia. "I believe that the Seeds for the Future program will not only build capacity for the participants, but also contribute to deepening the relationship between China and Cambodia," he said.

华为选拔“未来种子”为柬埔寨培养电信人才

华为柬埔寨公司10日在柬埔寨金边举行2017“未来种子”颁奖暨启航仪式,入选的10名柬埔寨青年学子将赴中国学习信息技术发展的最新成果。华为“未来种子”项目2016年首次在柬埔寨实施,今年是第二次。本次入选的10人来自柬埔寨4所高校,他们将于7月底赴北京和深圳进行为期两周的学习,其间,他们不仅将了解移动互联网、云计算等信息通信领域的最新发展成果,还有机会体验书法、绘画等中国传统文化。中国驻柬大使馆临时代办檀勤生在仪式上表示,“未来种子”项目为培养柬埔寨通信人才作出了积极贡献,也为中柬两国关系进一步深入发展种下了希望的种子。

World's longest sea bridge to have electric vehicle charging stations

Electric vehicle charging stations will be built on an artificial island off the world's longest sea bridge, authorities said Saturday. The main structure of the sea bridge linking Hong Kong, Zhuhai and Macao was completed Friday. Representatives with the Guangdong branch of China Southern Power Grid said that the 550 stations, with an investment of 90 million yuan (13 million U.S. dollars), would be completed and put to use at the end of 2017. They will help "facilitate green development," according to the company. The stations can be used to charge different kinds of electric vehicles, such as public buses, long-distance coaches, travel buses, shuttle buses and electric taxis. There will be 429 DC charging stations and 121 AC charging stations. It took seven years to build the Y-shaped bridge, which will be open at the end of the year. It will slash travel time between Hong

Kong and Zhuhai from three hours to just 30 minutes, further integrating cities in the Pearl River Delta. 广东电网投资4亿元建设港珠澳大桥人工岛供电设施550个充电桩服务三地电动汽车

记者从珠海供电局获悉,在港珠澳大桥主体工程贯通之际,南方电网广东公司正采取多种措施为大桥提供供电服务,并投资近4亿元人民币建设港珠澳大桥人工岛供电设施,该项目计划今年年底前建成投产。港珠澳大桥是粤港澳三地合作共建的超大型基础设施项目,为保障大桥及人工岛用电需求,南方电网广东公司投资约3亿元建设110千伏人工岛变电站和10千伏线路网架,以提高供电可靠性,全力满足港珠澳大桥及人工岛的用电需求。同时,计划投资约9000万元建设充电桩550个,其中直流充电桩429个、交流充电桩121个。项目计划于2017年底前完成投产。

China begins to mass produce regional jetliner ARJ21-700

A Chinese aircraft manufacturer has been certified to mass produce the country's home-grown regional jetliner ARJ21-700. The Commercial Aircraft Corp. of China (COMAC) said it obtained the production license from the General Administration of Civil Aviation on Sunday. The company plans to deliver five ARJ21-700 jetliners by the end of this year. COMAC has received orders for 413 ARJ21-700 from 19 clients. Its first aircraft, with 90 economy seats, was delivered to Chengdu Airlines in late 2015. It has so far transported 15,000 passengers, the company said. 中国商飞ARJ21获生产许可证年内将向客户交付5架

中国民用航空局9日向中国商用飞机有限责任公司颁发ARJ21-700飞机生产许可证。ARJ21-700飞机取得生产许可证标志着中国商飞公司的生产质量保证体系满足了局方适航规章要求,ARJ21-700飞机项目正式进入批量生产阶段,同时为未来其他机型的批量生产奠定了基础。中国商飞公司表示,随着ARJ21-700飞机生产许可证的颁发,将加强管理、扩大产能,计划年内向客户交付5架飞机,不断满足客户和市场需求,加快推进国产喷气客机的市场化发展。取得生产许可证是ARJ21-700飞机从设计研制到批量生产的重要里程碑,是项目实现市场成功、商业成功的必要环节。ARJ21-700飞机自2015年11月29日首架交付成都航空以来,已累计载客约1.5万人次,截至目前已获得19家客户共计413架飞机的订单。

AI to create over 100,000 jobs in one Chinese province alone

In one Chinese province, artificial intelligence (AI) appears to be creating abundant jobs for humans, instead of stealing them, but only for those in the know. A senior official in Zhejiang Province, home to Alibaba, said Monday that the province aims to hire more than 110,000 AI professionals in the next five years. Among them will be 50 world-leading AI experts, 500 scientific entrepreneurs, and 1,000 development and research talent, said Yao Zhiwen, deputy head of the organization department of the Communist Party of China, Zhejiang provincial committee. He said the provincial government would provide financial support to entrepreneurs in AI and encourage universities to enroll more graduate students on the subjects. Zhejiang will set up a 1-billion-yuan (147 million U.S. dollars) development fund and a 50-million-yuan investment fund to support AI professionals and startups, Yao said.

人工智能2.0时代的浙江机会: 力争三年产业规模超500亿

6月8-9日,第十四届浙商(投融资)大会暨2017浙商人工智能峰会召开。与会嘉宾热议,新形势下世界各国如何加紧布局人工智能产业。浙江省副省长高兴夫在8日的开幕式上讲话指出,浙江作为新兴技术大省,正在将人工智能产业作为推动传统产业改造提升的重点。但浙江省人工智能产业还刚起步,未来目标是力争三年时间使人工智能产业规模超过500亿、培育领军企业10家以上,同时建成杭州人工智能产业、宁波智能经济两大百亿级产业基地。根据9日发布的《2017浙商人工智能发展报告》,人工智能在浙江掀起热潮,除了阿里巴巴还有众多知名企业正在进军人工智能产业,比如海康威视、传化、吉利、娃哈哈等。阿里云人工智能首席科学家闵万里在接受21世纪经济报道采访时指出,杭州把自己的平台当作实验体,将城市大脑计划落地,之后可能拓展到浙江,成为全国甚至全球的典范。对目前的浙江来说,具体的产业布局上需要将短期和中长期结合,与此相关的人才需求也非常旺盛。

INDY BUSINESS BULLETIN



More Indiana Kmart, Sears Stores Closing

Illinois-based Sears Holding Corp. (Nasdaq: SHLD) has announced plans to shutter 35 Kmart stores and eight Sears stores throughout the country. The latest round of closures includes four locations in Indiana.

Indiana Brewers' Cup Honors Best in State, Region

The winners of the 19th annual Indiana Brewers' Cup have been announced. Speedway-based Caredevil Brewing Co. swept the major awards in the professional division and entries from five states took home individual honors for beers in dozens of categories.

Dow, DuPont Give Update on Merger

The boards of directors of DuPont (NYSE: DD) and The Dow Chemical Co. (NYSE: DOW) say the companies have launched a comprehensive portfolio review of the combined operation to be created by a planned \$130 billion merger. The boards also released a statement reaffirming their support of the merger and the expectation for the deal to close in August.

UK Supreme Court Ruling Favors Lilly

The UK Supreme Court has ruled in favor of Indianapolis-based Eli Lilly and Co. (NYSE: LLY) in a case relating to alternative salt forms of lung cancer treatment Alimta. The ruling suggests the products from generics manufacturer Actavis infringe on Lilly patents in the UK, France, Italy and Spain.

Lilly Drug Receives Approval in Japan

The Japan Ministry of Health, Labor and Welfare has granted Indianapolis-based Eli Lilly and Co. (NYSE: LLY) and Delaware-based Incyte Corp. (Nasdaq: INCY) marketing approval for a once-daily treatment of rheumatoid arthritis. Lilly says the approval for Olumiant is based on four phase three clinical trials.

Financial Tech Company Acquisition Could Reach \$88M

Indianapolis-based Archway Technology Partners LLC has been acquired by a global company. As a result of the \$80 million acquisition, the Hoosier investment and accounting industry software provider will be called SEI Archway. The value of the deal could reach \$88 million if "specific financial targets" are met.

Rolls-Royce, Cummins Land Military Contract Boosts

The U.S. Department of Defense has awarded multi-million dollar contract boosts for Rolls-Royce Corp. in Indianapolis and Columbus-based Cummins Inc. (NYSE: CMI). The contract modifications, totaling more than \$60 million, call for the production of new engines and support for aircraft propulsion systems.

FINANCIALLY SPEAKING

Casualties mount on Amazon's relentless march



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Foods, online grocer Peapod and meal-kit provider Blue Apron).

Walmart is America's largest grocer (20% market share) and groceries account for more than 50% of revenue. In 2015 Walmart signaled its intent to defend its turf at all costs with a three-year plan to slash prices. This has damaged profit margins and pummeled stock prices for #2 Kroger (9% share) and the entire segment. Restaurants have also been hurt, as the cost differential between cooking at home vs. dining out has widened.

Amazon was on the competitive radar because of its longtime online sales of grocery products and more recent initiatives with grocery pick-up/delivery (Amazon Fresh) and physical stores (Amazon Go), but achieving scale was proving difficult.

That all changed on June 16 when Amazon announced it was buying Whole Foods (which is also facing margin pressure in its core stores and was compelled to launch a "value store" format, "365 by Whole Foods Market") for \$13.4 billion. Amazon gets access to Whole Foods' affluent customer base and data and immediate scale with 460 stores. The stores can become a potent link between online and bricks-and-mortar retailing and serve as a sales/pick-up/delivery platform for everything Amazon sells.

In explaining what The New York Times described as Amazon's "prodigious tolerance for risk," Bezos said "if you're going to take bold bets, they're going to be experiments. And if they're experiments, you don't know ahead of time if they're going to work. Experiments are by their very nature prone to failure. But a few big successes compensate for dozens and dozens of things that don't work." Regarding competition, he said "your margin is my opportunity."

Amazon wasn't in cloud computing 10 years ago, but Amazon Web Services is now a rapidly growing \$12 billion revenue business. Amazon Prime Video both delivers popular and creates original content, like the Academy Award winning "Manchester by the Sea." Enjoy the lower prices, but know Amazon wants to eat your margin, too.

CUMMINS UNVEILS 80M PLANS



Image courtesy of Cummins Inc

Louisville-to-Indianapolis rail line. The company says it is also making a renewed commitment to a \$50 million renovation of its global headquarters in the Bartholomew County city. Cummins says that project will be complete in 2019, as it celebrates its 100th anniversary.

The company says, as a supplier of engines for the rail industry, it recognizes the "vital role" trains play in moving critical goods. The overpass will be at State Road 46 and is expected to be complete in mid-to-late 2018. Once the project is finished, CSX plans to begin increasing the number, size, weight and length of its trains. The rail crossing at SR 46 and SR 11 carries approximately 40,000 vehicles per day. Cummins says the rail solution is "imperative" for the city as well as the company's thousands of employees.

Cummins President and Chief Operating Officer Rich Freeland says the rail project is "critical to our future," and will drive "the long-term success and sustainability of downtown Columbus businesses and residents."

Source: Inside Indiana Business

Columbus-based Cummins Inc. (NYSE: CMI) has detailed plans for two major downtown projects. The company says a \$30 million railroad overpass at a primary downtown entrance and exit will help CSX move forward with \$100 million in upgrades to the

INDIANA - ZHEJIANG 30th ANNIVERSARY CELEBRATION & BUSINESS SEMINAR



On Thursday, August 24th, the State of Indiana and the America China Society of Indiana will host the Indiana-Zhejiang 30th Anniversary Celebration and Business Seminar at the Indiana Convention Center in downtown Indianapolis. The half-day event, led by Indiana Governor Mr. Eric Holcomb and

Zhejiang Party Secretary Mr. Che Jun, will feature a business matchmaking seminar, a signing ceremony re-affirming our sister state relationship, and a special photo exhibition cataloging the Indiana - Zhejiang relationship.

RESEARCH COMBO CAN 'RAISE LEVEL OF TECH TALENT' IN INDIANA

The partners in a just-announced life sciences research collaboration between Eli Lilly and Co. (NYSE: LLY) and Purdue University say the deal could have implications that extend far beyond the two institutions. The five-year, \$52 million partnership is designed to expand Lilly's efforts to get medicines to market more efficiently, says Lilly Research Labs Chief Operating Officer Andrew Dahlem, who adds talent is key to making it happen. "We need access to the brightest minds in the world and many of those are within driving distance of central Indiana," said Dahlem, in an interview on Inside Indiana Business Television. "Purdue is one of those places where we found that scientific excellence."

Purdue Senior Vice President Suresh Garimella says the collaboration should provide a major boost to

Indiana's quest to become a life sciences center. The collaboration, announced July 6, represents the largest partnership with a single company in Purdue history.

The partnership will initially focus on improved development and delivery of injectable medicines designed to reduce pain, but Dahlem says it will also explore areas like the success rate of drugs in clinical trials, which he says is now only about 10 percent.

Purdue science, engineering and veterinary medicine researchers will work with the company to harness what Lilly Chief Executive Officer David Rickes calls "the biomedical revolution." Garimella says the landmark agreement is a great example of what was envisioned when the university announced a \$250 million commitment to the life sciences in 2016.

