

NEWS HIGHLIGHTS

September 25, 2015

Dow Jones Technology Coverage

EXCLUSIVE ANALYSIS AND NEWS BEATS

IN THIS ISSUE:

- [Exclusive news](#): **Apple** speeds up electric-car effort, **Cisco** to form partnership with **Inspur**
- [Unique analysis](#): **Facebook**'s restrictions on its user data are rippling through academia, business and presidential politics.

Exclusive News

Apple Speeds Up Electric-Car Effort, Sees 2019 Shipments

- Dow Jones broke the news on Sept. 21 that Apple Inc. has accelerated work on its first electric vehicle, with the final product expected in 2019. Apple has internally labeled its electric car effort a “committed project,” according to sources.
- The go-ahead came after the company spent more than a year investigating the feasibility of an Apple-branded car, including meetings with two groups of government officials in California. Leaders of the project, code-named Titan, have been given permission to triple the 600-person team, the people familiar with the matter said.

Cisco to Form Partnership With Chinese Server Maker Inspur, Sources Say

- Dow Jones was first to report on Sept. 23 that Cisco Systems was planning to announce a partnership with Chinese server maker Inspur Group during Chinese President Xi Jinping's visit to Seattle.
- Cisco's effort to open more doors for its technology in China, where it was once the dominant provider of routers and other equipment needed to build the country's Internet, shows how Western tech companies are scrambling to adjust to an increasingly tough market.
- Shares of Inspur Electronic Information Co., a subsidiary of Inspur Group, rose by as much as 7.3% after the stock market opened in Shenzhen.

Tencent in Talks to Invest in Chinese Game Video Streaming Service Douyu TV

- Dow Jones broke the news on Sept. 17 that Tencent Holdings is in talks to invest in a Chinese game video streaming service.

NEWS HIGHLIGHTS

- The talks are part of Tencent's efforts to maintain its dominant position in online games in China, the world's largest market by number of gamers, and stem the revenue-growth slowdown from its biggest business.

Disney in Talks to License 'Star Wars' Films to Netflix in Latin America

- Dow Jones was first to report on Sept. 17 that Walt Disney Co. is in talks with Netflix Inc. to license its "Star Wars" movies on the digital streaming service in Latin America, according to sources.
- The deal could boost awareness of the franchise in a region where theater construction and total box office receipts have boomed since the release of the most recent "Star Wars" live-action film in 2005.

Chinese Ride-Hailing Startup Didi Kuaidi Quietly Backed U.S. Uber Rival Lyft

- Dow Jones was first to report on Sept. 10 that China's leading ride-hailing service is backing Uber's biggest U.S. rival, Lyft—opening a new front in its battle on Chinese ground with the sector's global frontrunner.
- By investing in Uber's top U.S. competitor, Didi Kuaidi along with Chinese Internet giants Alibaba and Tencent seek to boost the competitive threat to Uber in its home market as the ride-hailing app expands in China.

Tencent to Add Personal Loan Feature to WeChat Messaging App This Month – Sources

- Dow Jones broke the news on Sept. 11 that Chinese Internet giant Tencent plans to add a personal loan feature to its popular WeChat smartphone messaging application later this month.
- Adding the loan functionality to WeChat is part of Tencent's foray into financial services. Rival Alibaba is also offering financial services, with both companies leveraging their access to big data on customers that number in the tens of millions to take market share from traditional financial institutions.

Amazon to Sell a \$50 Tablet With 6-Inch Screen — Sources

- We broke the news on Sept. 7 that Amazon.com plans to release a \$50 tablet with a 6-inch screen, in time for this year's holidays, according to people familiar with the matter.
- That would make it one of the least-expensive tablets on the market and half the price of the company's current Fire HD 6-inch tablet.

Investor Group Considering Cutting \$9B Take-Private Offer for Qihoo 360

- Dow Jones broke the news August 28 that the investor group offering to buy out Internet services provider Qihoo 360 is considering cutting its \$9 billion bid after China's stock-market rout lowered valuations.

NEWS HIGHLIGHTS

Unique Analysis

Hacker Tied To China Military

- Wall Street Journal reporter Josh Chin penned an in-depth article about a report by U.S. security researchers that linked a Chinese military staffer to a hacker collective.
- The September 23 story about the Chinese military staffer's alleged involvement in hacking provided a detailed look into Beijing's sprawling state-controlled cyberespionage machinery.
- The growing reach of China's army of cyberwarriors is a flash point in relations between Beijing and Washington.

Facebook Restricts Access to Its Data Trove

- Deepa Seetharaman and Elizabeth Dwoskin explored how Facebook's restrictions on its user data, which were announced last year and put into effect in May, are rippling through academia, business and presidential politics.
- Without access to this data, according to the Sept 21 story, dozens of startups that had been using Facebook data have shut down, been acquired or overhauled their businesses. Political consultants are racing to find new ways to tap voters' social connections ahead of the 2016 presidential election. At issue was Facebook's decision to limit outsiders' access to information about its roughly 1.5 billion users.
- The new rules reflect Facebook's shifting attitude toward third parties using its data, considered one of the world's richest sources of information on human relationships.
- Facebook said it reversed course after users raised concerns about their data being shared with outsiders without their knowledge.

Apple 's Foray Into Luxury --- Inside the yearlong collaboration on the technology and design of Apple Watch Hermès

- Apple Inc. is embracing a luxury name with its new \$1,500 smartwatch with French luxury-goods house Hermès. But in a September 11 article, Apple design chief Jonathan Ive resisted the notion that Apple is becoming exclusive, a defining characteristic of luxury goods.
- "We don't think in those terms," Mr. Ive said in the exclusive interview after the Apple Watch Hermès was unveiled. "I'm not comfortable with words like exclusive."
- For Apple's first tie-up with a luxury-goods brand, Mr. Ive went for the crème de la crème. Hermès International SCA, whose customers wait months to buy five-figure Kelly bags, is the most elite of the major luxury-goods houses.

NEWS HIGHLIGHTS

- The Apple Watch Hermès "attracts consumer interest, and provides a 'cool' spin on what was so far a 'geek' product," says Exane BNP Paribas analyst Luca Solca.

IPO Parade Continues Without Many Tech Companies

- In a story published on September 10, Dow Jones reported that technology companies' share of U.S. initial public offerings has fallen to a seven-year low, boding poorly for investors who have pumped billions of dollars into startups in hopes of a big payday.
- As reported, only 11% of U.S. IPOs so far in 2015 involved tech companies, according to new data from research firm Renaissance Capital. That is the lowest level since 2008, when the figure was 10% and the financial crisis was in full force. Meanwhile, shares in many of the companies that have gone public aren't performing well.
- The data send a strong signal that the broader markets aren't eager to buy everything venture capitalists are selling, threatening the outlook for what has been one of the most robust segments of the U.S. investment landscape.

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