

Electronics show a window into 'Internet of Me'

Global tech spending sputters amid economic woes

AFP, Las Vegas

NEW technology is getting more personal. So personal, it is moving to connect and analyze our movements, our health, our brains and our everyday devices.

Welcome to the so-called Internet of Me.

One of the major themes at the International Consumer Electronics Show in Las Vegas is connecting thousands of objects that people use each day -- clothing, cars, light bulbs and home appliances.

But the challenge facing developers is making that information useful, and the CES is increasingly seeing inventions related to digital "coaches" and ways to improve health or fitness, or get better information about our cars or appliances, said Shawn DuBravac, chief economist at the Consumer Electronics Association in his outlook for the show.

"The key to all of this is that something happens in the physical space, and we digitize it and feed it back into the physical space," he said.

"No longer the focus is on what can technologically be done but what is technologically meaningful."

Some of the new devices on display at a preview Sunday included apps to monitor and improve the quality of sleep, a connected baby bottle to measure infant nutrition intake, and sensors that analyze one's golf swing to compare it to that of the pros.

Smart clothing, connected



An attendee rides a bicycle equipped with a yellow "connected cycle" smart pedal, during media preview event at the 2015 Consumer Electronics Show on Sunday in Las Vegas, Nevada. The connected cycle pedal is equipped with GPS and GPRS sensors that can help locate a bicycle in case of theft.

smoke detectors and dozens of new smartwatches and fitness devices are also in the mix.

NEXT PHASE OF INTERNET

Smartwatches and other wearables are far more prominent at the show than ever before.

"These new technologies continue the trend of deploying the Internet in a personal way," DuBravac said. "Nothing gets more personal than wearables."

He said this represents a "third phase of the Internet,"

after personal computers and mobile devices, to wearables and other connected objects.

"We are moving the Internet now from two billion smartphones to 50 billion objects," he said.

"We are taking the Internet to new places, to your wrist. And you are going to see that across the show... It's not just about the distribution and dissemination of information. The way we use the Internet will change."

CES, which officially opens Tuesday, is one of the world's

biggest trade fairs devoted to technology, with some 36,000 exhibitors and an estimated 160,000 people in attendance.

The show also features new big-screen televisions with "ultra" high-definition displays, and an array of drones for personal and industrial uses. It also includes expanded sections for robotics and automotive technology.

The exhibition opens amid a mixed economic outlook for the global technology industry. The Consumer Electronics

Association, which organizes it, said spending on technology rose a mere one percent in 2014 to \$1.024 trillion, but that it is too early to know the trend for 2015.

"We have a very mixed spending picture," CEA analyst Steve Koenig said.

The market is being driven by strong demand for new products like tablets and smartphones in emerging economies in Asia, and by modest economic growth in North America.

The picture is clouded by economic stagnation in the eurozone and Japan and "weak expectations" in big emerging economies such as Brazil, Koenig explained.

Russia, another large emerging economy, is being hit by economic sanctions that could dent tech spending.

The association predicted a drop in tech spending of five percent in Europe and Latin America, and it remains unclear whether the rest of the world will pick up the slack.

Koenig said smartphone and tablet sales are growing at a healthy pace in China and other developing economies, and demand for new televisions is being driven by a "robust upgrade cycle" to the "ultra" high-definition displays.

At the same time, spending is being capped by the decreasing price for new mobile devices.

"A flood of low-cost devices is coming into the marketplace," he said, noting the prominence of phone makers in China such as Xiaomi, which has pushed into the top ranks of manufacturers.

New hope and old woes as Detroit exits bankruptcy

AFP, Detroit

AFTER the largest municipal bankruptcy in US history, Detroit hopes outsiders see its potential and not its history of racial conflict, financial crisis and dramatic population loss.

The city, founded as a small French fort on the Detroit River that grew to be a hub of the global auto industry, emerged from bankruptcy last month after shedding almost \$7 billion of its roughly \$18 billion debt.

Under the bankruptcy provisions, city workers made concessions and the healthcare coverage of pensioners was reduced -- but the pensions themselves remained largely intact.

And in a boost to remaining civic pride, the Detroit Institute of Arts' famous collection, with paintings by Vincent van Gogh and Brueghel, remained intact thanks to donations by foundations and private individuals.

"Working together, we can transform the city," said Mary Barra, chief executive of General Motors, the city's most famous corporate resident, after a judge approved the exit from bankruptcy.

"And you can see clear progress in the restoration of downtown, the entrepreneurs who are flocking here, the massive building projects getting underway and the work being done to improve education, neighborhoods and city services," she said.

"People always ask me about what's going on in Detroit," said Ania Eaton of the Library Street Collective, who said she had recently been in Miami for an art show and found a lot of interest in Detroit.

More galleries are now opening in the city.

"You have more people walking by the gallery. When I moved here five years ago, I only expected to stay a year, but I think there is a lot of potential" said Eaton, who came to the US from Romania.

In the Russell Street Delicatessen in the 124-year-old Eastern Market, the center of the Detroit's whole sale food business and one of the city's major attractions, patrons line up for tables.

"We're packed like this every Saturday," said waiter Kamal Prendergrass.

Work is also progressing on other fronts.

Rock Ventures, one of the companies spawned the billionaire landowner Dan Gilbert, has commissioned one of New York's most popular architects, SHoP, for new development on the long-vacant site of the vanished Hudson's Department Store on Woodward Avenue, the city's principal thoroughfare.

There is a new three-mile (five-kilometer) rail line along Woodward, which is lined with several new office, medical and residential developments up into the bustling midtown area.

China's Tencent launches private online bank

AFP, Shanghai

CHINESE Internet giant Tencent, operator of the popular messaging app WeChat, has launched an online bank, a state-backed newspaper said Monday, as the government seeks to foster private lenders.

The online bank, called WeBank, will be fully Internet-based with no physical branches, the China Daily newspaper said.

WeBank, approved by regulators in July, made its first loan at the weekend, although its formal opening is planned for April, the report said.

Shenzhen-based Tencent holds a 30 percent stake in the new bank, with two local investment firms among the other major shareholders, it added.

Nearly all of China's banks are state-owned, but are criticised for

preferring to lend to state-owned firms, stifling the provision of credit to private enterprise, and the government hopes private lenders will introduce more competition to the sector.

Last year, China approved the set-up of five privately owned banks, including one to be opened by Tencent rival Alibaba.

Premier Li Keqiang visited WeBank's headquarters on Sunday to give the venture his stamp of approval, it said, pressing a button on a computer to approve its first loan of 35,000 yuan (\$5,700) to a truck driver.

"Internet-based banking is a significant step in China's financial reform," Li was quoted by the newspaper as saying.

The Chinese leader previously praised the benefits of e-commerce for creating jobs while at the same time demanding a greater role for

Beijing in shaping the global Internet when he spoke at an industry conference in November.

A spokeswoman for Tencent declined to immediately comment on Monday.

Alibaba has already shaken up the banking industry by launching an investment fund, called Yuebao, that has offered better returns than traditional bank deposits.

Traditional Chinese banks already offer online banking services.

Newly approved private banks include one backed by electrical component producer Chint Group in Wenzhou city, one in Tianjin city with a focus on corporate banking and a Shanghai-based bank whose major shareholder is conglomerate JuneYao Group.

China has also announced plans to introduce deposit insurance and fully liberalise interest rates.



An Indian cycle rickshaw puller transports a rack of shelves as he speaks on his mobile phone at dusk in New Delhi on Sunday. India has been stuck in the longest spell of below-five-percent growth in a quarter-century, hit by high interest rates, an investment slowdown and flagging consumer confidence.

BMW to pay subsidies to Chinese dealers

AFP, Frankfurt

GERMAN carmaker BMW has agreed to offer 5.1 billion yuan (686 million euros, \$818 million) in subsidies to its Chinese dealers to help make up for losses from slowing sales, Bloomberg news agency reported Monday.

Quoting a top official from the China Automobile Dealers Association, Bloomberg reported that the subsidies would be paid to dealers in February and was the highest ever paid by a carmaker in China.

Contacted by AFP, BMW confirmed that it had held an "open and constructive discussion" with its dealer partners.

Both sides had "reached consensus on the structure of optimised business measures and financial allocation for the dealers, so as to jointly overcome the short-term challenges, moving forward to a successful future of long-term and win-win partnership," it said in an emailed response.

But BMW insisted it had agreed not to divulge the exact sums involved.



from super high rate to the lower but stable pace," it said.

This year the German carmaker planned to introduce "more than 10 new premium products to China, such as the premium compact car in this fast-growing segment, high-end luxurious sedans models and innovative New Energy Vehicles (hybrids)," it said.

China is one of BMW's biggest markets. In the period from January to November 2014, sales of its BMW and Mini brands there rose by 17.2 percent to 415,000 cars.

BMW shares were showing a loss of 1.70 percent at 86.51 euros in a slightly softer market.

France's 75pc 'supertax' quietly dies with few mourners

AFP, Paris

ONCE a flagship policy of French President Francois Hollande, the 75-percent "supertax" on top earners limps into its final weeks this month having sparked plenty of controversy but few economic results.

It was no surprise that the policy, which expires on February 1, would be quietly dropped: it was only ever slated to last two years and the Socialist government has for months declared it would not be renewed.

The tax had also been watered down until it was barely a shadow of the "exceptional contribution to solidarity" proclaimed by Hollande when he came to power in 2012.

France's top court had declared as unconstitutional the original plan to levy the tax on all individuals earning one million euros (\$1.2 million).

The government came back

with a version that made companies pay the 75-percent rate only for the portion of employees' salaries above the million-euro ceiling.

But by then, it had already become a symbol of France's opposition to big business and attracted high-profile derision.

Actor Gerard Depardieu stormed out of the country in a huff over the tax and took up Russian citizenship in 2013. It was reported he only paid six-percent tax in his new home.

"I am leaving because you consider that success, creation, talent -- anything different -- must be punished," he wrote at the time.

French football clubs were also horrified, saying the tax made it difficult to attract top-flight talent.

Clubs in Ligue 1 and 2 threatened to strike in late 2013 although they found it hard to rally much sympathy for the multi-millionaires at clubs like

Paris Saint-Germain, where more than 10 players qualified for the tax.

- Shifting right -

The fate of the supertax mirrored the wider trajectory of the troubled Socialist presidency, which was elected in a surge of left-wing enthusiasm but has been forced to temper its initial approach in a desperate bid to escape the country's economic quagmire.

Even by its own standards, the tax was largely a failure -- the watered-down version brought in minimal revenue and did little to tackle wealth inequalities.

It also had a limited impact on the government's efforts to balance its books and pay off ballooning debts.

Still more damaging was the way it added to the perception of France as "anti-business", an image that was gleefully exploited across the Channel in Britain where Prime Minister David

Cameron said he would "roll out the red carpet" for French executives fleeing the supertax.

Facing record unemployment, a sluggish economy and unable to meet European borrowing limits, Hollande has since taken his country in a very different direction.

Last year he appointed economic liberals such as Prime Minister Manuel Valls and Economic Minister Emmanuel Macron to give the impression of a France "open for business".

For his Socialist party, such efforts lie somewhere between blasphemy and high treason. Hollande was forced to dissolve the government in August and fire two leftist ministers who opposed the new direction.

But he appears willing to risk a civil war in his ranks to reverse the long cycle of economic disappointment that has helped his popularity ratings plumb unprecedented lows.