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Industry Exec Briefing Vol. 3, Issue 17

The purpose of the IEB is to provide a high-level overview of the industries we work within, including our top suppliers, customer care vendors and everything in between from the previous week.

Hot Topics

Tariffs & Trade

- [China Slams Australia for Canceling Agreements] [Fortune](#) reports that China has slammed the Australian government's decision to cancel the framework agreement and the memorandum of understanding signed between the Victoria state government and China's National Development and Reform Commission. According to the Chinese embassy in Canberra, the move is unreasonable and provocative. However, Foreign Minister Marise Payne said that the deals were not consistent with the country's foreign policy and would have an adverse impact on foreign relations.
- [Semiconductor Shortage Could Slow Down Economic Growth] [CNBC](#) reports that the global semiconductor shortage could slow down economic growth and increase inflation. The semiconductor industry plays a vital role in supporting economic activity in the US, and a shortage is likely to have a significant impact. According to the economists at Goldman Sachs, the shortage could cause price levels for affected goods to rise by as much as 3%.

[Taiwan Witnesses a Surge in Semiconductor Exports] [South China Morning Post](#) reports that Taiwan has witnesses a significant jump in semiconductor exports from Hong Kong and mainland China. A 34% increase in export orders was noticed in March, along with an overall 47% increase for the first quarter. The trend is likely to last till the end of 2021.

Executive Movement, Releases and M&A Activity

- [Amazon Confronted with Departure of 45 Top Executives] [Business Insider](#) reports that 45 senior executives and vice presidents have left Amazon in the past 15 months. According to a former company executive, Amazon's culture, the company's stalling growth, and the poor risk-reward ratio have led to many top executives seeking better opportunities elsewhere. The company has witnessed a turnover rate of over 10% at the executive level. Most recently, [Seattle Times](#) reported that Jeff Blackburn, the former vice president of the company's business and corporate development division resigned. Blackburn oversaw several business areas including Prime Video, third-party sales, advertising, etc.
 - [Foxconn to Buy a 150mm Fab from Macronix] [EENews Europe](#) writes that Foxconn is planning to acquire a 150mm fab from Macronix. The move will help Foxconn consolidate its supply chain. It will be especially important to the company's automotive customers.
 - [Jury Rules in Intel's Favor in a \$3.1 billion patent infringement lawsuit] [Reuters](#) reports that Intel has won in a patent infringement lawsuit filed by VLSI Technology. VLSI sued the company in April, 2019. It alleged that Intel's products that were using "Speed Shift" technology were infringing the patents attached to the technology. The firm had sought a payout of \$3.1 billion in damages.
 - [Apple Launches AirTag Tracking Devices] [Yahoo! Finance](#) reports that Apple has revealed its AirTag tracking devices. The gadgets can be physically attached to your wallets, keys, or purses. They wirelessly connect to your iPhone, allowing you to track these items if you lose them. The AirTags will be available on April 30 for \$29.
 - [Foxconn to Establish New Factory in Mainland China] [Global Times](#) reports that Foxconn plans to extend its presence in the Chinese mainland with a massive factory in Zhoukou. The project will be carried out in 2 phases and requires a collective investment \$231 million. Once completed, it is expected to offer approximately 30,000 jobs and produce an annual output of 480 million.
 - [Huawei to Focus on Cloud Computing and Other Software Areas] [CNBC](#) writes that Huawei is shifting focus toward software and boosting its cloud computing services. The new changes are being enforced to help the company overcome losses borne from US sanctions. The company's smartphone sales have declined because of its inability to procure vital semiconductor components and other tech from the US. The Company expects to develop in-car software and cloud computing and explore new avenues.
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Contract Manufacturers, Suppliers, & Logistics

- [Intel Announces Earnings for Q1 2021] [Intel](#) has announced its earnings for the first quarter of 2021. The company generated GAAP revenue of \$19.7 billion. Its non-GAAP revenue was \$18.6 billion. The company attributed its success to its IDM 2.0 strategy that was launched in the first quarter of the year. It allowed the company to make a significant improvement in product leadership, innovation, and manufacturing. Intel's earnings-per-share for the first quarter was \$0.82.
- [Alger Spectra Expects Qualcomm's Production Capacity Constraints to Abate] [Yahoo! Finance](#) writes that Alger Spectra has predicted that Qualcomm could resolve its production capacity constraints in Q2 2021. The investment management firm published its investor letter for the first quarter, where it reviewed Qualcomm's performance in 2020. It expects Qualcomm to exploit the current market demand for chips more fully once its capacity issues are solved.
- [Quanta Confirms \$50 million Ransomware Attack] [Bloomberg](#) reports that Quanta, a supplier of Apple, witnessed a \$50 million cyberattack led by REvil, a Russian hacker group. Quanta makes Macbooks for Apple, and the hackers were able to steal blueprints of a new laptop designed in March 2021. The images were then released online. According to Quanta, the ransomware attack is unlikely to create a significant business impact on the company's operations.

Sustainability

- [Samsung to Expand the Galaxy Upcycling Program] [Samsung](#) plans to expand its Galaxy Upcycling Program to include the Galaxy Upcycling at Home initiative. The program will allow users to convert older Galaxy smartphones into IoT devices via a software update. These smart home devices can be used as a pet care solution, a childcare monitor, and other tools. The service is available in the US, UK, and Korea.
 - [Amazon Invests in Scottish Offshore Wind Project] [Scottish Business Insider](#) reports that Amazon has made a series of investments around the globe. These include a
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Scottish offshore wind project. The group is now the largest commercial buyer of renewable energy in the world. It aims to be powered entirely by renewable energy by 2025. The latest investment could generate over 2.4 GW of renewable energy, sufficient for powering more than 2 million homes in Europe.

For insight on commodities, please head over to the Commodity Corner. You can request a subscription [here](#) or reach out to Jia Yu (jjayumtv@google.com).

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