

- **Airbnb founders go it alone in China after refusing Tujia's merger offer**

Airbnb's founders were moments away from merging their China business with local competitor Tujia in January 2017. Executives and investors spent hours hashing out a deal. Preliminary term sheets were drawn up. Then in the final hour of negotiations, Airbnb pulled out.

Sixteen months later, the decision still rankles investors and has further emboldened Chinese rivals, according to people close to both companies.

Tujia remains keen to cut a deal - although both sides deny formal talks - and says it's simply waiting for Airbnb executives to accept reality. "We would love to issue shares in Tujia in exchange for Airbnb's China operations," says Tujia Chief Financial Officer Warren Wang, "...If Airbnb needs more time to understand that they or any other foreign tech companies just can't do that well in China without a local partner..."

Airbnb says it's making strides in China, more than doubling the number of Chinese guests staying at Airbnb properties and boosting listings in China by 125% to 200,000 from a year before. The company declined to disclose sales growth but pledged to continue making aggressive investments in China.

<https://www.bloomberg.com/news/articles/2018-05-30/airbnb-founders-go-it-alone-in-china-after-refusing-merger-offer>

- **China is strengthening its intellectual property management**

China will strengthen its protection and management of intellectual property, accelerate the commercialization process, and help improve global IP protection practices and standards, officials said on Tuesday.

Yan Junqi, president of the Central Institute of Socialism, said China has paid more attention to intellectual property protection in the past five years, and IP related industries are seeing unprecedented opportunities for growth.

In the past decade, the number of patents from the Chinese mainland grew from 96,000 in 2007 to 1.3 million in 2017, ranking it third in the world behind just the US and Japan, according to the State Intellectual Property Office.

In the last five years, China has investigated and dealt with more than 190,000 cases of patent infringement and 170,000 cases of trademark infringement. China also established specific courts to deal with intellectual property rights.

As more Chinese patents and companies compete on the world stage, China's

intellectual property protection will become stricter, more comprehensive and responsive, as well as better-coordinated across different agencies, Shen said.

China will devote more resources to producing high-value and influential brands and patents, and participating in the global governance of intellectual property to help it become more inclusive, balanced and efficient, he said.

<http://europe.chinadaily.com.cn/a/201806/06/WS5b171383a31001b82571e578.html>

- **Softbank to sell control of Arm's Chinese business for \$775m**

SoftBank Group, the owner of British chip design company Arm, will cede control of Arm's Chinese operations and the unit will be run as a joint venture with Chinese partners.

Cambridge-headquartered Arm said that it would sell 51pc of its Chinese business, Arm China, for \$775.2m (£580.3m). The transaction is expected at end of June.

SoftBank said that will sell off Arm's Chinese division in order to expand further into China through its new joint venture. It said that it saw the Chinese market as "valuable and distinctive from the rest of the world".

<https://www.telegraph.co.uk/technology/2018/06/05/softbank-sell-control-arms-chinese-business-775m/>

- **Chinese artificial intelligence start-up SenseTime raises \$620m for its facial recognition technology**

Chinese artificial intelligence start-up SenseTime has raised \$620m (£465m) in funding, a month after raising \$600 million from e-commerce giant Alibaba.

SenseTime, which is headquartered in Beijing, develops a facial recognition product which is used by the Chinese government for its surveillance system.

Other SenseTime customers include Honda, which uses the technology in its driverless cars, and Chinese smartphone companies Huawei and Xiaomi.

<https://www.telegraph.co.uk/technology/2018/05/31/chinese-artificial-intelligence-start-up-sensetime-raises-620m/>

- **US to shorten length of Chinese visas amid concerns over intellectual property theft**

Donald Trump's administration has plans to crack down on certain visas issued to Chinese citizens.

The State Department announced the changes, to go into effect on 11 June, are an attempt to curtail alleged theft of US intellectual property.

The visa announcement comes at a time when US-China relations are experiencing nearly weekly ups and downs.

Yesterday, the administration renewed threats to place 25 per cent tariffs on \$50bn of Chinese goods, in retaliation for what his administration says are China's unfair trade practices like dumping lower-priced goods in the US market and making it harder for American manufacturers to compete.

<https://www.independent.co.uk/news/world/americas/us-politics/trump-us-china-visas-intellectual-property-theft-state-department-a8376691.html>

- **China should take aggressive trade measures 'to send chill up and down spine of Australia', says state-run newspaper**

China should exercise the full weight of its economic muscle and cut Australian imports by up to \$10bn, a state-run newspaper has said, as relations between the two major trading partners continue to deteriorate.

The editorial in the Communist Party's Global Times newspaper comes after Australia's Treasury Wine Estates, the largest listed winemaker in the world, said its exports to China were being impeded.

It is the latest spat in a row that dates back to late last year, when the government of Malcolm Turnbull proposed a bill to limit foreign influence in Australia, including on political donations. Beijing said at the time that the move was "anti-China".

The Global Times editorial suggested China, Australia's biggest export market, should instead buy things like iron ore, meat and wine from the US.

<https://www.independent.co.uk/news/world/asia/china-australia-trade-war-global-times-state-media-relations-south-east-asia-a8364971.html>