



## Tencent building Guizhou database

By HE WEI and YANG JUN

Tencent Holdings Ltd is building its biggest data center in Guizhou province, according to its chairman Pony Ma Huateng, as the firm continues to mine vast amounts of data to bolster a number of businesses including its own.

The construction project is currently underway in the mountainous area of the hinterland. It is only a few months before servers will be installed, Ma told a media briefing in Beijing over the weekend.

"The temperature and humidity level (in Guizhou) are highly suitable for data storage. I hope to place here the most valuable and important data, such as that of the industrial cloud," he said.

Guizhou is shaping up to become China's big data valley. Apple Inc announced plans last year to open its first China-based database in the province.

Ma said Tencent is employing data to construct the industrial internet, and building a big-data platform for Sany Group Co Ltd, the nation's leading machinery equipment maker, to help it detect and predict malfunctions throughout the production cycle in real time.

Apart from manufacturing, Ma said the firm has just established an "intelligent retail strategy unit" providing data-based digital solutions for retail and commercial property clients.

He said the new entity will consolidate resources from all business units and provide capabilities connecting customers and merchants through a number of vehicles,

ranging from cloud computing, artificial intelligence and functions that are embedded in the ubiquitous WeChat app.

Despite an array of investments into offline retail assets including Wanda Commercial Properties Co, Ma reiterated Tencent's stance to refrain from starting its own retail business and instead become an enabler.

"Our approach is decentralized, meaning only the retailers and property developers have access to their data," he said. "We act merely as utility providers."

A lot of these data-backed capabilities are built around the traffic-generating WeChat. The app, which allows video chats, mobile payments, civic services and a slate of online-to-offline demands, has attracted more than 1 billion active users globally, Ma said on Monday.

This would spell a boon to analyzing and predicting behaviors of customers, who rely on the software to video chat, hail taxis, book hotels and buy funds.

"Data are important to enhance the effectiveness of marketing campaigns, and we believe platforms with huge customer behavior data such as Tencent and Alibaba will continue to be the largest beneficiaries from such growth," said Shi Jialong, chief analyst at China Internet & New Media at Nomura Securities Co Ltd.

According to the brokerage, roughly 30 percent of the time Chinese people spend on mobile phones is occupied by WeChat.

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## Ma shares thoughts on 'Digital China'

By HE WEI  
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Technological innovation is expected to further spur China's social and economic development, said Pony Ma Huateng, a deputy to the 13th National People's Congress, on Monday.

"China's economy has achieved high-quality growth and the country's internet and technology development has gained momentum thanks to reform and opening-up," Ma, who also chairs internet giant Tencent Holdings Ltd, said ahead of the opening meeting of the first session of the 13th NPC.

In his suggestions to the top legislature, Ma said the central authorities should deepen the push in five key areas from industry to education as part of a broader drive toward building a "Digital China".

Daily lives will become more efficient if the likes of big data, cloud computing and artificial intelligence are better incorporated into industrial, medical, financial, cultural and educational endeavors, he noted.

"China's Internet Plus strategy is an approach while the digital economy is the result, both of which serve the goal of 'building the country into a Digital China' and an internet power," he said.

According to Ma, the industrial internet should be given full play in revamping and reinvigorating old-school manufacturing. Personalized orders can be achieved, for example, by leveraging big data that tracks, predicts and meets unique customer demands.

The suggestions echoed President Xi Jinping's call for more efforts to promote further integration of the internet, big data, and artificial intelligence with the real economy.

On the medical front, algorithms and robotics have already made a mark in China by reading CT and MRI scans



**Pony Ma Huateng**

to screen early-stage cancer symptoms. Ma said AI can be further applied to assist doctors in their daily diagnosis, which could spell a boon, notably to those in far-flung areas where medical resources are scarce.

To rein in debt evasion and control financial-sector leverage, Ma urged the better use of the troves of data generated online for precise risk-assessment in the booming internet finance sector.

"Technology can also play a bigger role in the promotion of cultural and educational activities. Interactive games that use augmented reality technology to allow for an immersive experience can be used to support efforts to preserve cultural heritage and raise public awareness.

The digital economy accounts for roughly 30 percent of China's GDP and claims a large share of the country's newly-added economic output, according to a report published last year by a research institute under the Ministry of Industry and Information Technology.

By teaming up with local governments, tech majors such as Tencent, Alibaba and Baidu have pulled in resources to help streamline civic services and relieve traffic congestion using data analytics.

China is already more digitized than many observers appreciate and has the potential to set the world's digital frontier in the coming decades, according to global consultancy McKinsey, which attributed such success to the government's active role in building world-class infrastructure and shaping healthy digital development through regulation and enforcement.

## Baidu's Li calls for investment fund to boost self-driving sector

### National-level policies boosting industrialization can help promote competitiveness

By FAN FEIFEI  
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A national investment fund for developing the self-driving industry should be set up and national-level policies aimed at speeding up the industrialization of self-driving vehicles should be introduced, said Robin Li, chairman and CEO of leading Chinese search engine Baidu Inc.

In his proposal to the first session of the 13th National Committee of the Chinese People's Political Consultative Conference, Li, a member of the committee, said the eligibility criteria for self-driving vehicles' operation should be clarified as soon as possible, and the authorities should issue licenses to suitable enterprises.

Moreover, companies that meet certain requirements should be encouraged to take a lead in carrying out self-driving operational services, he said.

"Self-driving technology is in an early stage of industrialization exploration, and whether the policy matches with technical progress determines the innovation speed and competitiveness of the industry to a certain extent," said Li.

Li also stressed the importance of information safety in self-driving vehicles. "We should strengthen security measures to prevent huge



Baidu CEO Robin Li (middle) arrives to attend the opening session of the 13th National Committee of the Chinese People's Political Consultative Conference at the Great Hall of the People in Beijing on Saturday. AFP

... whether the policy matches with technical progress determines the innovation speed and competitiveness of the industry to a certain extent."

Robin Li, chairman and CEO of Baidu Inc

risks caused by hackers and critical data being controlled by others."

In addition, Li also called for preferential funding and tax policies, encouraging enterprises to open their artificial intelligence platforms and technologies, as well as

fostering a batch of national AI open platforms with strong competitiveness and great influence.

Consumers who buy intelligent vehicles should be given subsidies, a move to accelerate the promotion of such products.

Baidu, which is pushing AI to fuel growth, with a special emphasis on self-driving vehicles, is confident that such vehicles can hit the roads next year.

The company aims to put autonomous mini-buses that can operate in designated areas into mass production and trial operation by the end of this July, in cooperation with bus manufacturer Xiamen King Long United Automotive Industry Co.

It also plans to launch self-driving cars in 2019 in cooperation with manufacturers JAC Motors and BAIC, as well as Chery Automobile Co.

In December 2017, Beijing released the country's first

guideline for road tests of self-driving vehicles, which shows the authorities' support for technological progress through systematic innovation.

In February, China's first closed testing field for self-driving cars officially came into operation in Haidian district of Beijing.

Zeng Zhiling, managing director of LMC Automotive Consulting Co, said Baidu's efforts are significant to the automotive industry, but given safety concerns, more time and tests are needed before such vehicles can reach mass production and large-scale commercial application.

## Internet tech to lift auto industry, says SAIC chief

By REN XIAOJIN  
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The combination of internet technology and the traditional automotive industry will become a major trend in the future, an industrial leader said on Monday.

"Electrification, intelligent connected vehicles, the sharing economy mode and internationalization will be the trend of the automotive industry," said Chen Hong, president of Shanghai-based SAIC Motor Corp Ltd and also a deputy to the 13th National People's Congress.

The company obtained the country's first license for an unmanned vehicle open road test last week. The other company to do so is Nio Auto, a Shanghai-based developer of high-performance electric vehicles.

"A real road test will put the unmanned vehicle into a much more challenging environment with unpredictable flow of pedestrians and cars around. It will also test the sensor's function among the buildings," said Zhang Cheng, general manager of the advanced technology center of SAIC Motor. "The large quantity of data collection

will help better develop intelligent connected vehicles."

"We can only know the reliability, safety issues and potential problems through open road tests," Zhang said.

"SAIC Motor sold 6.93 million vehicles last year, taking up more than 23 percent of the market share," he said. "The group's revenue reached 840 billion yuan (\$133 billion)."

"In the future, we will combine big data, artificial intelligence and cloud computing with the automotive industry and push industrial upgrading forward," he said.

SAIC Motor developed the

first intelligent connected vehicle with Alibaba in 2016. It sold 500,000 units in 18 months after it was released.

"The intelligent connected car is the strategic key for the country to become a leader in the future automotive industry. It is also the major factor that will allow the country to upgrade the automotive industry," Miao Wei, minister of industry and information technology, said at a recent conference.

Industrial experts also recognized the significance of intelligent connected vehicles, but said there are still problems yet to be solved.

"Intelligent connected cars will be the key to enhance safety, solve traffic jams, reduce energy consumption and lessen the negative impact on the environment," said Zhu Huarong, president of Chongqing Changan Automobile Co Ltd.

"However, the current resource distribution is not integrated in the industrial chain," he said. "Thus, Chinese carmakers cannot integrate their resources to compete with their international counterparts. It also causes the waste of resources and disordered competition."

## Huaxintong to roll out new generation server chips

By OUYANG SHIJIA and YANG JUN

Guizhou Huaxintong Semiconductor Technology Co, a joint venture between US chip major Qualcomm and the Guizhou provincial government, is planning to roll out server chips for China by the end of this year, said a top company executive.

The announcement marks the firm's next big move close to its ambitious goal to be at the forefront in the uphill battle and gain the momentum in the rapidly expanding Chinese server market.

Huaxintong's first-generation server chip will be built using the advanced chip manufacturing process of 10 nanometers and expected to achieve the international mid- and high-level standards of performance, said Ouyang Wu, chairman of Guizhou Huaxintong.



**Ouyang Wu**

The team has not only absorbed the licensed technologies from Qualcomm, but also worked out the customized

encryption algorithm according to the country's security standards, according to Ouyang, who is a deputy to the 13th National People's Congress.

"Our goal is to be able to design and develop the server chips that meet the market's demand independently in the next three to five years," Ouyang noted.

The company has a development and research center in Beijing for chip design, a facility in Shanghai for chip testing, and a base in Guizhou province for system testing.



A visitor looks at a chip made by Guizhou Huaxintong Semiconductor Technology Co at a big data exhibition in Guiyang, capital of Guizhou province. CHINA NEWS SERVICE

Ouyang added that in the digital information age, integrated circuit and high-end server chips play key roles in technological upgrading and economic growth. He said the joint venture will help China move forward in establishing a locally sourced data center infrastructure that the coun-

try demands. "With the aim to be a future leader in advanced technologies, China needs to keep an open mind to advanced technologies from abroad as well as learn to be an innovator in the future. And the major challenge will be how to attract top global talent," he said.

Currently, Qualcomm owns a 45 percent stake in Huaxintong, while 55 percent is held by the Guizhou provincial government.

The establishment of the joint venture is seen as part of the mobile chipmaker's broader efforts to ramp up efforts to compete with its arch rival Intel in the data center market. It also marks Qualcomm's move to adjust strategies to compete and attain larger market shares in the country over the long-term.

Meng Pu, chairman of Qualcomm China, said in a recent interview with China Electronics News that Qualcomm had a rosy view of both Huaxintong and China's data center server chip market's development.

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