

## TEEMA to invest NT\$14 billion in Myanmar

**By KATHRYN CHIU**  
The China Post

To tap the business potential of Myanmar, the Taiwan Electrical and Electronic Manufacturers' Association (TEEMA) recently decided to invest NT\$14 billion to develop an industrial park in southern Myanmar.

The Economic Daily News earlier cited industry insiders to report that the park is in Myanmar's southern Irrawaddy Division.

TEEMA (台灣區電機電子工業同業公會) said it wants to invest

NT\$14 billion to provide a base for possibly dozens of Taiwanese electrical-component makers. If it goes ahead the project would create hundreds of semi-skilled jobs.

According to the Economic Daily News, TEEMA has already signed a letter of intent with its Myanmar counterpart to solicit 1,400 hectares of land from the local government.

The association has also commissioned the Taiwan-based Sino-tech Engineering Consultants, a

corporate consultant, to assess the feasibility of the project.

The industrial park plan comes as Taiwan seeks to diversify its investments away from both mainland China and Vietnam where it has previously established numerous factories.

Myanmar would be a good alternative to investment in China and Vietnam, given that labor shortages and the previous anti-China riots in Vietnam have aroused concerns among overseas Taiwanese firms operating in

those countries, the chairman of TEEMA, Guo Tai-chiang (郭台強), was quoted by the Economic Daily News as saying.

### Eyes on ASEAN Market

TEEMA's Guo said Taiwan is keen to focus more on Myanmar to help give it more access to the Association of Southeast Asian Nations' (ASEAN) market, which is set to launch a tariff-free trading bloc among its 10 member countries at the end of 2015.

"Once the planned industrial park is in operation, a thorough supply chain will likely be built up making it easier for Taiwanese firms to explore the Myanmar market," the Economic Daily News reported.

"This is especially significant given Taiwan's lack of membership in ASEAN and the stalemate over the signing of a cross-strait agreement on trade in goods and services with China."

The location of the proposed industrial park in Irrawaddy Divi-

sion has still to be finalized, but it would include its own power plant to provide the necessary electricity, said Guo.

Taiwan has stepped up its interest and investment in Myanmar over the past year. The Taiwan External Trade Development Council (中華民國對外貿易發展協會) opened an office in Yangon last November to "help Taiwanese companies explore business opportunities."

In June, Taiwan's Financial Supervisory Commission (金融

監督管理委員會) gave the green light for three Taiwanese banks to pursue the establishment of representative offices with a view to opening branches in Yangon, according to CNA.

Taiwan's level of investment in Myanmar to date remains modest compared with mainland China and other countries such as Thailand, Singapore and even Vietnam. However, bilateral trade with Myanmar in 2013 grew by more than 15 percent over the previous year.

## iPhone 6 expected to save plastics market

**By KATHRYN CHIU**  
The China Post

Led by surging market acceptance of the iPhone 6, the local plastics and rubber machinery industry is looking to ride the trend's coattails in hopes of a modest recovery in the second half of the year.

Taiwan's plastics and rubber machinery industry, one of the world's largest exporters of plastics equipment, saw exports increase by a modest 2.3 percent, to US\$831.3 million, from January to August.

The final 2014 figures are expected to net a roughly 5-percent increase in sales, said David Wu (吳正堉), head of the plastics and rubber machinery

committee of the Taiwan Association of Machinery Industry (TAMI, 台灣區機器工業同業公會塑膠橡膠機專委會).

Although not a huge growth, Wu said it would be a turnaround from the first half of the year.

According to TAMI's data, Taiwan's plastics and rubber equipment exports dropped about 2 percent to US\$599.6 million in the first half, compared to the same period in 2013.

Wu said he expects the overall industry to see even better numbers in the coming months because of the iPhone 6.

### Local Suppliers' Wake

Taiwanese manufacturers, including Hon Hai/Foxconn Technol-

ogy Group (富士康科技) and Pegatron Corp. (和碩聯合), hold key places in the global supply chain for electronics, Wu said, while pointing to some growth in automotive manufacturing supplied by the local machinery makers.

"We also have many orders from Samsung," Wu told the Economic Daily News.

A recent DigiTimes Research report said that Apple's iPhone 6 release this year will not be hampered by a supply crunch as the company had reportedly secured sufficient stocks, likely flooding the market with 50 million freshly minted units before the end of December.

Citing its supply chain sources in Asia, DigiTimes is claiming that

the iPhone maker has finalized its fourth-quarter iPhone 6 orders from both Foxconn and Pegatron, indicating that the company is indeed making its best effort to stabilize the iPhone 6 supply at the soonest possible time.

Taiwan's machinery industry exports more than 80 percent of its equipment, with mainland China the largest market accounting for between 25 and 30 percent of exports.

The Taiwanese industry's modest rebound in the second half of the year comes after a tough 2013, when exports declined 6.2 percent to US\$1.26 billion, which TAMI blamed on slower growth in China and weakness in the eurozone economies.

## Greenback recoups losses, gains NT\$0.033 to close at NT\$30.750

TAIPEI, CNA

The U.S. dollar rose against the New Taiwan dollar Wednesday, gaining NT\$0.033 to close at the day's high of NT\$30.750 as the local central bank intervened to help the greenback recoup its earlier losses by the end of the session, dealers said.

The central bank seized the weakness of the South Korean won against the U.S. dollar as a reason to allow the New Taiwan dollar to trend lower, dealers said.

The greenback opened at NT\$30.725, and moved to a low of NT\$30.600 before rebounding. Turnover totaled US\$938 million during the trading session.

The U.S. dollar opened higher against the New Taiwan dollar on

follow-through buying from the previous session, but as traders rushed to pocket the gains they had built in recent sessions, the greenback dropped into negative territory, dealers said.

Even before the central bank's intervention, however, the U.S. dollar gains were capped by foreign institutional selling in the local market, which boosted demand for the greenback, dealers said.

According to the Taiwan Stock Exchange (台灣證券交易所), foreign institutional investors sold a net NT\$3.82 billion (US\$124 million) worth of local shares on the main board, where the weighted index ended down 1.27 percent Wednesday.

With the U.S. dollar falling to NT\$30.60 at one point, the local central bank stepped up its efforts to prop up the greenback in the wake of a decline of the won, which closed 0.4 percent lower, dealers said.

Other regional currencies also came under downward pressure amid a currency depreciation competition among the region's central banks since the Japanese yen's drop to a seven-year low, dealers said.

Although Taiwan's central bank governor Perng Fai-nan (彭淮南) said during a legislative session Wednesday that the value of the local currency will be decided by market forces, traders tended to think that further intervention by the bank could be expected.



(Left) Local people line up outside the Kinmen Branch of Bank of Taiwan (BOT, 台灣銀行) to purchase commemorative coins in Jinhu Township (金湖鎮), yesterday. The Central Bank yesterday issued the third coin set of the National Parks of Taiwan series — Yangmingshan National Park (陽明山國家公園), and has delegated the BOT to sell the coin sets to the public with a limitation of one set per purchaser.



(Right) A senior citizen in Jinhu Township proudly shows the commemorative Yangmingshan National Park coins after successfully securing a set, yesterday.

## Local market dives on exports, currency concerns

TAIPEI, CNA

Shares in Taiwan took a beating Wednesday as concerns deepened that a free trade agreement (FTA) between China and South Korea will hurt Taiwan's exports badly, dealers said.

China and South Korea announced Monday that they have concluded their negotiations on the FTA, which is expected to take effect in mid-2015.

The selling also reflected fears over further fund outflows from the region as central banks in the region have staged currency depreciation competition follow-

ing a sharp decline of the Japanese yen against the U.S. dollar, the dealers said.

Large-cap stocks across the board suffered heavy downward pressure to push the broader market even lower before some bargain hunting emerged, with the index falling below the 8,900 point mark at one point, they added.

The weighted index on the Taiwan Stock Exchange (台灣證券交易所) closed down 115.19 points, or 1.27 percent, at 8,918.95, after moving between 8,894.11 and 9,030.13, on turnover of NT\$78.09 billion

(US\$2.55 billion).

"After Wednesday's losses, the local market could find some short-term technical support at around 8,900 points," Mega International Investment Services Corp.'s Alex Huang said.

Among the falling old-economy stocks affected by the export worries, Formosa Plastics Corp. (台灣塑膠) fell 1.58 percent to close at NT\$68.50, and Nan Ya Plastics Corp. (南亚塑膠) shed 2.69 percent to end at NT\$61.50, while textile supplier Far Eastern New Century Corp. (遠東新世纪) closed down 1.75 percent at NT\$31.40.

## DigiAsia kicks off

International conference connects multinational talents with the aim of promoting Taiwan as the digital marketing center of the Asia-Pacific region

**By DIMITRI BRUYAS**  
Supplement Writer

DigiAsia 2014 (數位亞洲大會) kicked off yesterday, opening a discussion on the future development of the digital industry and its implications on our living and working environments in the Asia-Pacific region.

The first installment of the international conference, organized by the Asian Federation of Advertising Associations (AFAA, 亞洲廣告聯盟) and the Taipei Association of Advertising Agencies (TAAA, 台北市廣告代理商業同業公會), is running until Nov. 13 at Le Méridien Taipei.

DigiAsia is set to take place in Taiwan every two years with the aim of quickly building Taiwan as the foremost platform to attract local and regional talents in digital marketing while building on Taiwan's strengths in information technologies. Launched with the theme "Digi beyond Imagination," the first day of the DigiAsia conference featured noted speakers from all over the world, including managers, creative peoples, designers and various IT talents.

### Addressing Latest Developments in Digital Communication

Speaking at the opening of DigiAsia, Stan Shih (施振榮), honorary chairman of DigiAsia 2014 and Acer Inc., remarked that Taiwan's ICT (information and communication) and components industry play a key role in the world market. Along with the arrival of the Internet of Things (IoT), he is looking forward to the growing importance of digital content throughout major industries and its impact on our daily lives.

"We hope to come up with new ideas for the future of Asia and be able to catch all the innovative ideas

in Asia in which population and economic growth are expanding," he said, expressing his hope that companies "look into the development of products from the user's perspective instead of the engineer's perspective."

More than in any other region in the world, mobile technologies have not only changed the way we interact with each other in Asia but also the way we learn, consume products and entertain ourselves. These new behaviors have created new challenges and opportunities for marketers to position their brands through digital marketing and communication tools.

"The digital age has transformed the way we work, live and communicate, creating a new space for creativity," pointed out Michael Hsu (許益謙), chairman of the TAAA and 2014 DigiAsia. He invited participants to "take a pause" and "think about the changes brought by the digital age" in contemporary society. "Through DigiAsia we can provide participants with a new horizon toward fresh opportunities to address advertiser needs," he continued.

According to AFAA Chairman Pradeep Guha, DigiAsia is designed for specialists from Asia to meet and discuss the latest developments in digital communication, bringing a wide array of insights in communication theory and practice in order to foster "more science" and "less art in marketing."

"(Social media) is changing the way we look at content," Guha went on. "It has made it imperative for traditional media to change the way we communicate."

But can brands be built online? What does the future look like in the advertising industry? What are the future scenarios?

These are some of the questions that the various speakers addressed in the following sessions. They will continue on more topics today and tomorrow.

### Digital Convergence for the Public, Advertisers and Information Providers

Rick L. Tsai (蔡力行), chairman and chief executive officer of Chunghwa Telecom, shared his vision for digital technology in his presentation, "Digital Convergence Era — Refresh your Life," citing many examples of how technology makes peoples' lives easier: smartphones, smart bus stations, online payments and online games. "They are good examples of technology working for you," he said.

The soaring importance of digital communications, however, further implies a growing convergence of devices (one device, any service), networks (protocols) and services (any platform, any service), according to Tsai. "Convergence means better services for users and increased demand for high-quality content from content providers," he continued. The growing convergence is nonetheless a challenge for the service providers who face a radical change of their business model that impacts their traditional sources of revenue.

"Telecoms provide the infrastructures, which are costly investments," he went on. If telecoms cannot invest in new infrastructures due to decreases in revenue, then the convergence cannot occur despite the increase in traffic volume. To overcome such challenges, Tsai explained that Chunghwa Telecom is aiming to become more service-centric, creating a convergence of services and fostering cross-domain collaborations with content providers.

Thanks to the transformation from a deployment to a service-centric company, Chunghwa Telecom has succeeded in maintaining growth in landline traffic and is benefiting from the tremendous growth of mobile traffic, like in the 4G service launched in May this year. "By leveraging its trusted brand and advanced security technology, Chunghwa offers a comprehensive solution to the public," he said, before further announcing plans to invest in "Smart IoT Services" like in the Taoyuan Aerotropolis Project, which aims to build a smart city, smart transportation, tourism sector and retail area around the airport.

"The telecom industry is transforming from an infrastructure builder to become a digital service provider through working closely with content providers, device makers and other IT service providers," he predicted.

Executed well, such programmatic systems provided by Yahoo can help advertisers navigate

### The Value of a United Digital Advertising Solution

Echoing Tsai's presentation on the

growing convergence of devices, networks and services, Denis Buchheim, VP of Product Management, Yahoo, presented his company's audience ads services that can amplify digital campaigns with precise targeting and proprietary data. Their system is backed by massive reach, analytics and personalization as part of a unified advertising solution provided by Yahoo.

In his presentation, "Bringing it All Together: The Value of a United Digital Advertising Solution," Buchheim also noted that the growing use of apps in mobile devices creates an "opportunity for advertisers" as a person's app signature is potentially "more distinctive than your DNA."

Based on such data, he remarked that advertisers spend up to 50 percent of their budgets on advertisements on TV although only 40 percent of viewers' time is spent in front of cable TV. The current shift to online videos that allows advertisers to reach viewers immediately or later is prompting some to modify their budgets toward online videos, he explained.

Executed well, such programmatic systems provided by Yahoo can help advertisers navigate



In his presentation, Stan Shih highlights the growing importance of digital content throughout major industries and its impact on our daily lives.



(Left) Rick L. Tsai, chairman and chief executive officer of Chunghwa Telecom, shares his vision for the growing convergence of digital information technology.

(Right) Denis Buchheim, VP of Product Management, Yahoo, presents his company's audience ads services that can amplify digital campaigns with precise targeting and proprietary data.



From left, Pradeep Guha, chairman of the Asian Federation of Advertising Associations, Stan Shih, honorary chairman of DigiAsia 2014 and Acer Inc., and Michael Hsu, chairman of the Taipei Association of Advertising Agencies and 2014 DigiAsia, attend the opening of DigiAsia 2014 at Le Méridien Taipei.