

CommsWire

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APPLE TO SHIFT IPHONE PRODUCTION FROM CHINA



GOODBYE CHINA!

We Will Miss You...

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APPLE EXPLORES SHIFTING PRODUCTION OUT OF CHINA: REPORT

Apple is thinking of making major changes in its supply chain and has asked its major suppliers to analyse the costs that would be involved in moving between 15% and 30% of production from China to countries like India, Vietnam, Mexico, Indonesia and Malaysia.

India and Vietnam were the most favoured for the manufacture of components used in Apple iPhones, the *Nikkei Asian Review* [reported](#) citing anonymous sources.

The evaluation has been driven by the ongoing US-China trade war but indications are that the shift might take place even if a deal was hammered out between Beijing and Washington.

One executive was quoted as saying: "A lower birthrate, higher labour costs and the risk of overly centralising its production in one country. These adverse factors are not going anywhere.

"With or without the final round of the US\$300 billion tariff, Apple is following the big trend [to diversify production]."

US President Donald Trump and his Chinese counterpart, Xi Jinping, are expected to meet at the G20 leaders' summit which is due to be held at the end of the month, but there are few indications that they will come to an agreement on ending the existing trade tensions.

Trump first imposed a 30% tariff on solar panel imports on 7 February last year, followed by a 25% tariff on all steel imports. to which Beijing retaliated on 2 April with tariffs on fruit, wine, seamless steel pipes, pork and recycled aluminium.

Since then, the [tit-for-tat tariffs](#) have been ratcheted up and as of today US\$250 billion of Chinese goods have been targeted by Washington while US\$110 billion of goods have been slugged with tariffs by Beijing.

About five million Chinese workers owe their jobs to Apple's operations in China, including some 1.8 million software and App developers. Apple has 10,000 workers in China.

Among the companies that have been asked to calculate the costs of moving out are iPhone suppliers Foxconn, Pegatron, and Wistron, MacBook manufacturer Quanta Computer, iPad producer Compal Electronics, and AirPods makers Inventec, Luxshare-ICT and Goertek.

It has been estimated that it would take at least a year and a half before production can start in any new location.

Sam Varghese

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EQUINIX, IBM CLOUD EXPAND HYBRID CLOUD COLLABORATION

Data centre operator Equinix is collaborating with IBM Cloud in Melbourne and other world cities saying it will help enterprises accelerate hybrid cloud deployments.

According to Equinix, the expanded collaboration brings private and scalable connectivity to global enterprises at the digital edge via its Cloud Exchange Fabric.

The company said on Thursday the expansion built on the long-standing IBM and Equinix relationship where IBM Cloud Direct Link Exchange was deployed in more of its International Business Exchange data centres worldwide than any other Direct Link Exchange provider.



Jeremy Deutsch, managing director of Equinix Australia, said, "Australian businesses are increasingly adopting hybrid multicloud strategies to embrace new technologies and progress their digital transformations.

"Providing the ability to connect with IBM Cloud in Sydney and Melbourne will help enterprises across the country quickly and securely deploy their hybrid cloud solutions and in turn, accelerate our digital economy."

According to Equinix, many companies today were using a hybrid cloud strategy with a combination of public, private and on-premises capabilities.

"A hybrid cloud strategy addresses major enterprise concerns as they move more of their applications to the cloud, including security concerns, data protection and protocols, availability, and cloud management," the company claimed.

"To enable hybrid cloud deployments for enterprises, Equinix and IBM are leveraging the global ECX Fabric to provide private connectivity to IBM Cloud, including Direct Link Exchange, Direct Link Dedicated and Direct Link Dedicated Hosting."

Gabriel Montanti, Global Offering executive, IBM Cloud, said: "Enterprises are rapidly building next-generation applications on the cloud that leverage blockchain, AI, IoT, machine learning and more.

"With the ability to directly connect to business-critical applications from multiple points of presence within Equinix data centres located in key global metros, our customers can anticipate to more effectively integrate hybrid cloud strategies designed for improved security, reliability and performance."

Peter Dinham



John de Ridder

Telecommunications Economist

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OPTUS, ADELAIDE CROWS AGREE ON LONG-TERM ESPORTS DEAL

Australia's second largest telco Optus has further strengthened its ties with AFL club Adelaide Crows, agreeing to a long-term partnership with the club's esports operations.

The deal sees Optus become a major partner of Legacy Esports, with branding prominently displayed on the professional gaming team's jersey and support for the creation of "unique and engaging content" for the franchise's digital platform.



The Adelaide Football Club, which acquired Legacy Esports in 2017, says the operation is an established and successful esports organisation – with teams currently participating across six different games, including Fortnite, StarCraft II and the "hugely popular League of Legends", and with the Oceanic Pro League

kicking off split two for 2019 this month.

Crows chief operating officer Nigel Smart, who oversees the esports operations, described the announcement as a significant partnership for Legacy Esports.

"It is not just an important announcement for our organisation but also the industry more broadly in this country, and it will help to underpin the rapid growth of our esports activities," he said.

"The fans will also be big winners as they will be brought closer to the team through fresh and innovative content and other exciting initiatives we will roll out in coming months.

"We are excited to be adding this type of game changing content and entertainment into our partnership with the Adelaide Crows," Optus' head of marketing, Mel Hopkins, said.

"The partnership will provide us with an opportunity to better understand the requirements of gamers as we develop Optus' future network.

"Our robust network will play a key role in facilitating the rapidly growing esports segment and as such, we look forward to working with Legacy Esports to provide gamers with the ecosystem they need to play online successfully."

Peter Dinham



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HUAWEI RE-SIGNS AS MAJOR SPONSOR OF CANBERRA RAIDERS

Government beleaguered Huawei Australia has signed a new two-year contract to continue as major sponsor of the National Rugby League team, Canberra Raiders.

The new deal will run to the end of the 2021 NRL season and will take Huawei's partnership with the Raiders to the 10-season mark, which the company says makes it easily one of the longest running commercial partnerships in professional Australian sport.



The deal involves Huawei taking over the naming rights of the Canberra Districts Rugby League Centre in Braddon, which will become the future headquarters of the Raiders.

First signed in 2012 the Raiders sponsorship was Huawei's first major sports sponsorship anywhere in the world and the company says the long-running partnership has been extremely beneficial to both parties.

Working together, Huawei and the Raiders have raised more than \$200,000 for charities, including Tour de Cure, Soldier On, Bowel Cancer Australia and the Ricky Stuart Foundation.

In addition, Huawei says its sponsorship of the Raiders has helped them fund their grassroots rugby league programs for young players and their own community programs.

Huawei Australia chairman John Lord said: "This year Huawei is celebrating our 15th year of operating in Australia and the extension of our major sponsorship deal with the Canberra Raiders is a sign of our deep commitment to long-term engagement in the Australian market.

"Although the last year has been a challenging one for us the Raiders have stuck by us as loyal friends and partners and we deeply appreciate their support.

"Our partnership with the Raiders has been hugely beneficial to both parties and we look forward to the next two years with great excitement at the opportunities that lie ahead for both of us."

"The Raiders are extremely proud to announce Huawei has signed on as our major sponsor for another two years – taking our partnership to ten seasons, our longest ever major sponsorship," said the club's chief executive, Don Furner.

"We have achieved a huge amount from our partnership with Huawei.

"This relationship is more than just a logo on a jersey, we continue to work with Huawei on a number of very important community initiatives and fundraising opportunities for very worthwhile causes. Additionally, their product inclusions in our new CDRL Centre allow us to be at the forefront of the newest and best technology."

Peter Dinham

BOARD CHAIRMAN LEPTOS RESIGNED FOR OWN REASONS: AUDA

The chairman of the board of auDA, Chris Leptos, has quit his post, but the organisation, which oversees the Australian domain namespace, has given no reason for the departure.

In [a short announcement](#) dated 18 June, auDA said the process to select a permanent replacement for Leptos would begin right away.

In the interim, it said, current independent director Suzanne Ewart would serve in the role.

Recently, as *CommsWire* [reported](#), Leptos wrote to the Department of Communications and Arts, seeking to end the practice of it having an overseer role with the organisation. His letter was in response to one sent by Vicki Middleton, the department's first assistant secretary, about the way the overseer role would be carried out.

Last year, the Government issued [a scathing review](#) of the way auDA was being run and listed [the terms](#) under which it would endorse future management practices. One of the terms was: "That the .au domain administrator: 'ensure that a senior officer from the Department is included in all relevant auDA governance processes, including, but not limited to, non-voting observer status at board meetings for all decisions'."

auDA did not respond to a request for comment on this matter at the time.

When *CommsWire* asked about Leptos' sudden departure, an auDA spokesperson responded on Friday: "The reasons for Chris Leptos' resignation are a matter for Mr Leptos, and we have nothing further to add to the statement already released."

The statement referred to was the one that has been quoted from above.

When *CommsWire* asked whether Leptos' letter had anything to do with his exit — as sources who claim to be familiar with the issue have indicated — the auDA spokesperson said the terms for having an observer from the Department of Communications and the Arts had already been settled.

"The auDA Board and Department of Communications, Cyber Security and the Arts have agreed through an exchange of letters how the non-voting observer role will operate in practice," the spokesperson said, pointing to [a document](#) on the auDA website. "There is no disagreement between the Board and DoCA on this matter."

The document in question is the same letter from Middleton, which sparked Leptos to write back, questioning the need for an observer.

Peter Dinham

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