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## NEWSLETTER

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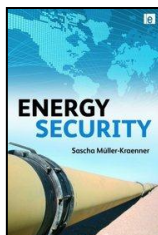
## HUAWEI PART I



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## ➤ HUAWEI, PART I

This week we offer the first part of a detailed look at what may be the most important company in the world – not solely because of its strategic positioning in core communications markets, nor because of its amazing growth story, but rather because it is the most successful representation of what the world may expect in the future of the Chinese national business model. Study Huawei carefully, if you want to understand China's future.

My goal in this piece, long as it is, is to provide the definitive analysis of this company to date. Regardless of the sector of global technology or economics involved, understanding this model will almost certainly be a part of one's future success or failure. – mra.

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Last week I was in Australia to meet with legacy carrier Telstra's CEO, David Thodey, and his top management team, and to keynote the firm's annual CIO Forum. What I didn't realize as the plane touched down was that I was about to be swept up in one of the most important technology events in the country's history.

### ➤ The National Broadband Network

First, after years of negotiations and planning, Prime Minister Julia Gillard's Labor government announced the conclusion of an agreement with legacy carrier Telstra for the exchange of DSL circuits in the ground today, and for use of in-place pathways for fiber tomorrow, for \$11B (Net Present Value, Aus \$) in payments. The deal also gives the government's National Broadband Network (NBN) access to select landline customers, and account and infrastructure information necessary for its buildout.

Second, having quietly warned the firm at the end of 2011, the government publicly announced that Chinese telecoms equipment company Huawei would not be allowed to participate in bidding on the NBN, for security reasons, on the advice of the Australian Security Intelligence Organization (ASIO), the nation's top intelligence agency.

This latter announcement resulted in an immediate firestorm of articles questioning the government's decision, particularly from the more conservative press. The *Australian Financial Review*, for example, carried multiple stories on the subject in that day's issue, challenging the decision, questioning the government's wisdom in making it, and expressing fear for China's continued support of the Australian economy.

Many articles carried the suggestion that Oz's leaders would be well-advised to trade the country's historic connections with fading dowager USA in favor of next-century superstar China. The general impression was: this is business in the next century: get on

with it. And the subtext seemed to be: Australia should do whatever it takes to curry favor with (and, pointedly, not to antagonize) its primary trading partner.

Being an outsider, a U.S. citizen, and a technology expert would have clearly put me into an interesting position in this situation. But our office has been studying the Chinese business model – and, in particular, Huawei – for several years now, with specific focus on security risks. We’ve even created a new global consortium, called INVNT/IP (Inventing Nations Vs. Nation-sponsored Theft of Intellectual Property), to address these risks.

It’s possible that we know more about these two subjects than any non-military group outside China. And, having spent most of my professional life evangelizing global broadband deployment, you might say the timing of this visit was unusually propitious.

After the Telstra interview, which was drawn straight into the Huawei question, I had a chance to meet with Stephen Conroy, Minister of Communications, Broadband, and Digital Commerce. (I did my best to meet with Shadow Minister Malcolm Turnbull, but had to postpone because he was in NYC at the time.) Conroy is leading the charge for the NBN, and he and PM Gillard were about to make another large announcement the following day.

He laid out the bones of the complete NBN construction plan, and, as I often do when in Oz, I found myself wishing I lived there instead of here. Almost every home gets 100Mbps broadband, mostly via fiber. And every school gets the opportunity to become a “one-to-one” school, with each student connected to the Net.

The next morning, (SNS Members) Julia and Stephen released an NBN timetable and rollout plan that would target an initial 3.5MM homes in three years.

After many years of planning, in part seeded by SNS member Larry Smarr in meetings with then-PM Kevin Rudd, the game was finally on. And now Australia, if it doesn’t botch it, is on track to become one of the leading nations of the world, in terms of both Net infrastructure and education.

### ➤ **Ren Zhengfei: The Invisible Man**

Huawei has a long history of being banned from sensitive U.S. projects. Other nations have followed suit. Why was Huawei banned from the NBN? What exactly *is* Huawei?

To understand China’s leading telecoms equipment company – and the security risks it may bring – one has to understand a bit about how modern China works as it launches selected “champions” in each industry.

This effort has been made considerably more difficult by Huawei itself, which, until just a few years ago, was opaque to the outside world regarding almost all operations. From

finances to management to government relationships, Huawei was a cipher, and seemed to have no interest in opening up.

And to really understand Huawei, one has to have some information about its founder, Chairman and CEO Ren Zhengfei. This is even more difficult; as of today, Ren Zhengfei appears never to have given a press interview to any international publication.

Can you imagine a “normal” company whose CEO has never met with the global press? No, you can’t. And so begin Huawei’s problems.

But this challenge of understanding the CEO must be easily solved! Even with China’s dictatorial censorship of internal information, surely one can go, for instance, to Wikipedia, and get a few good references there. Like this one, for example:

“Ren Zhengfei Modeled After Mao”: *Matthew Forney* (Forbes Magazine). April 18, 2005.

There are only a couple of problems with this interesting footnote to a very short piece on the CEO: first, the above URL does not go to *Forbes Magazine* at all, but rather to some other dead-end ghost site:

<http://time-proxy.yaga.com/time/subscriber/2005/time100/builders/100zhengfei.html>

In fact, its title has zero hits on Google.

And, second, a search on the Forbes site under the title mentioned above delivers no hits. It doesn’t (any longer?) exist.

Welcome to the cloudy world of Ren.

Here is the “complete” bio from Wikipedia, which is (of course) incomplete and out of date, apparently unchanged since 2008 (!!):

After completing secondary school, he attended the Chongqing University of Civil Engineering and Architecture, and then joined a People’s Liberation Army (PLA) research institute to work as a military technologist. He was excluded from joining the Communist Party of China for most of his career in the military, due to his parent’s social background and their ties to the Kuomintang. During this time, Ren was responsible for a number of technology achievements that were recognized at various levels.

He joined the Communist Party of China in 1978. As a representative of private entrepreneurs, he was elected member of the 12th National Congress of the Communist Party of China. Among his other accomplishments, Ren is [was?] responsible for developing cooperative programs with businesses in China’s interior regions.

For this reason, Ren was selected as a delegate from PLA to attend the National Science Conference in 1978. In 1982, Ren retired from the army due to a large PLA force reduction which impacted 500,000 active duty personnel. After becoming a civilian, Ren moved to Shenzhen and worked in electronics business.

In 1988, Ren founded Huawei Technologies Co. Ltd, a company which specializes in the development, production, and sales of telecom equipment. He serves as its CEO. The company had an annual revenue of \$24 billion USD, and over 96,000 employees in 2008. Time Magazine included Ren Zhengfei in its list of 100 most influential people of 2005.

Ren holds 1.42% of the shares of Huawei. Huawei is [presented as being] essentially independent of Ren because it is held by most of its employees, but the ownership structure remains opaque.

Ren retired as a major of the People's Liberation Army in 1982.

His ties with the Chinese military and Communist Party are being cited as a security concern in not allowing Huawei to expand in India. This follows similar objections raised by the United States, which ultimately led to the collapse of Huawei's efforts to buy 3Com.

We'll return to the issue of Huawei trying to buy leading Western firms shortly.

If you feel that this bio has essentially no real biographic data in it, well, you could look somewhere else. How about the digest *FierceWireless*, for example? Well, that story is – how to put it – MUCH worse:

### **Ren Zhengfei, founder, chairman and CEO, Huawei – Most Powerful People in Wireless**

**What makes him powerful:** Little is known about Ren Zhengfei, the former military officer who founded Huawei in 1988. Despite his low profile, he has managed to transform Huawei from a little-known Chinese telecom company into one of the largest infrastructure vendors in the world ---



Finally, we have the company's own version of his bio:

Born on October 25, 1944 into a rural family where both parents were school teachers, Mr. Ren Zhengfei spent his primary and middle school years in a remote mountainous town in Guizhou Province. In 1963, he studied at the Chongqing Institute of Civil Engineering and Architecture. After graduation, he was employed in the civil engineering industry until

1974 when he joined the military's Engineering Corps as a soldier tasked to establish the Liao Yang Chemical Fiber Factory. Subsequently, Mr. Ren had taken positions as a Technician, an Engineer, and lastly promoted as a Deputy Director, which was a professional role equivalent to a Deputy Regimental Chief, but without military rank. Because of his outstanding performance, Mr. Ren was invited to attend the National Science Conference in 1978 and the 12th National Congress of the Communist Party of China in 1982. Mr. Ren retired from the army in 1983 when the Chinese government disbanded the entire Engineering Corps. He then worked in the logistics service base of the Shenzhen South Sea Oil Corporation. As he was dissatisfied with his job, he decided to establish Huawei with a capital of RMB 21,000 in 1987. He became the President of Huawei in 1988 and has held the title ever since.

That's it. Getting the picture? Now keep in mind: *Fortune* just named Ren "China's most influential business leader," for the second year in a row. The man with no bio, soon to be running the core economic technology sector of the world?

A story on the Taiwanese website WantChinaTimes notes that Ren recently issued an internal memo saying he had had two recent cancer operations, and that, now 67, he would soon be stepping down as CEO but remaining as president, with the CEO title going into a six-month revolving pool of names.

Here, then, is what we seem to know about Ren thus far: a Communist Party member and director of a technology research institute for the People's Liberation Army, with special expertise in crafting liaisons between business and the military, retired during the electronics boom years, moved to economic development zone Shenzhen, and soon started a telecoms company, with a \$3,300 investment.

That company today is doing \$32B per year, with over 110,000 employees worldwide and a presence in more than 140 countries, second only to Ericsson in the telecoms equipment and infrastructure business. The company's annual compound growth rate over its lifetime has averaged about 33% per year, with some recent years showing 45+%.

What happened? A lucky day at the games?

Before we get into the Chinese national business model, and how it may have affected the Huawei story, I want to add a relatively unknown part of this puzzle. .

### ➤ Control vs. Ownership

In the last few years, as he has encountered increasing global resistance to expansion based on the company's risk profile and lack of transparency, Ren has allowed more information out – not about himself, but about the company.

And this is where, from the SNS perspective, things get interesting: the patterns in the company's press releases on itself have become obvious. During the recent fracas in Oz, for example, nearly all of the pieces in the *Financial Review* appeared to be almost raw reprinted Huawei press releases, as if they had been crafted ahead of time by the company after its 2011 notification that it would be excluded from the NBN bidding.

All of them, including many other stories worldwide, refer to Ren's time in the PLA as "the problem" in the company obtaining security contracts. The argument then almost invariably follows: if Huawei proves there is no PLA ownership or control, then all is well.

Nothing, of course, could be further from the truth. First of all, there is Ren himself, the man who gives no interviews – and therefore, never has to answer any questions.

The company has covered this base by claiming (there is no proof of this) that Ren has a tiny (1.42%) ownership position, with 98.56% held by employee shareholders. Well, perhaps. Non-Chinese employees don't get shares, and therefore don't get to vote; at last count, this means that of 95,000 global employees, 61,457 held shares.

According to the company's website, the current number is slightly higher: "Huawei Holding implements an Employee Shareholding Scheme (the "Scheme") through the Union, which involves 65,179 employees as of 31 December 2010."

OK, I have a question: why is the most current shareholder information for the world's second-largest infrastructure company more than one year out of date?

One should notice that these are referred to internally as "virtual restricted shares." Employees cannot buy them, but selected (Chinese-only) employees receive them as employee benefits. If the employee leaves the company, the shares are "forced sell" back to Huawei, at a price the company refuses to disclose.

More important, but related: in place of a "normal" (publicly listed) shareholder power structure, control of the corporation is vested entirely in a separate entity called the Union of Shenzhen Huawei Investment Holdings Co Ltd., a separate company which itself is managed by a committee of 33 members, appearing to be selected by top management and elected by the (Chinese-only employee) shareholders. This committee then elects nine candidates for director, who are then appointed (by whom, one wonders) at the general shareholder meeting.

Sound like Russia? We'll appoint the candidates; you vote for them.

In the West, we would call such operations fraudulent.

There are no independent directors, and, obviously, no non-Chinese directors. In other words, all directors are Ren's employees. .

It gets more interesting:

In the words of Australia's *ITNews*:

To further complicate matters, Huawei Technologies Co Ltd itself is a wholly-owned subsidiary of Shenzhen Huawei Investment & Holding Co Ltd.

Huawei is controlled by a company that Huawei controls. Like it?

But wait, there's more:

Top management controls the holding company, too.

So, let's summarize:

While the company makes a great deal of fanfare over the fact that it is almost completely employee-owned, with "no third party" (i.e., PLA or government) owners, the question of control is a bit more nuanced.

*ITNews* reports the directors as of the end of 2010 to have been:

- Ms Ji Ping, Vice President
- Mr Guo Ping, Executive Vice President
- Mr Xu Wen Wei, Senior Vice President
- Mr Hu Hou Kun, president of Global Strategy and Marketing
- Mr Fei Min, President of Products and Solutions
- Mr Hong Tian Feng, President of Operation and Delivery
- Mr Xu Zhi Jun, Chief Marketing Officer

All are clearly company officers; no surprise that, after all of the cross-ownings and 70k potential nominees, only the top managers show up as corporate government. (For a complete current list, see our "Takeout Window" below.)

As far as I can tell, this whole house of cards setup is a complicated way of making sure that Ren remains CEO until he retires, with a hand-picked board too large and too dependent upon him to really do anything; and that he, and he alone, has complete control of this private company's operations.

The point is not "Watch what my right hand is doing" – i.e., who owns shares (a very Western issue) – but "Don't watch what my left hand is doing" – i.e., who actually controls this company (a very Asian issue).

Which brings us back to Ren's missing bio, and to a new part of the puzzle:

### ➤ Sun Yafang: The Missing Puzzle Piece

Another important part of the company's press releases is the amount of time stated since Ren worked directly for the Army. Since he reportedly quit in 1982 (how do we



know this?), this suggests that all government and army influence in company affairs is now decades old. While this itself is unproven, there is an even more interesting side to the story. Meet Huawei Chairwoman Sun Yafang.

Here is her bio, from the company site:

Ms. Sun Yafang

Sun Yafang joined Huawei in 1989, and has served as Engineer of Marketing and Sales Department, President of the Procurement Department, President of Marketing and Sales Department, President of Human Resources Committee, President of the Business Transformation Executive Steering Committee (BT-ESC), President of Strategy and Marketing Committee, and President of Huawei University, etc.

Since 1999, Ms. Sun has been the Chairwoman of the Board.

Sun Yafang was employed as a technician of Xin Fei TV Manufactory in 1982. She was an engineer of Beijing Research Institution of Communication Technology in 1985.

Sun Yafang studied in Chengdu University of Electronic Science and Technology, bachelor's degree.

The company forgot one item, since (rarely) reported in the global press: it appears that Ms. Sun worked directly for the MSS, the Ministry of State Security (comparable to Britain's MI5/6, or the U.S. CIA) for several years before joining Huawei. Even more interesting, press reports have her helping to arrange just under \$250MM in recent-year payments from the government (perhaps the military or intelligence wings) to Huawei, in times of corporate need.

That data, too, seems to be missing from corporate press releases.

In 2010, *Forbes* stated:

Telecommunications are making a seismic shift from West to East, with Sun Yafang, nicknamed 'the market killer,' leading the way at Huawei. She is the No. 2 at the telecom company, serving as board chair for 12 years and considered one of the top candidates to succeed founder and CEO, Ren Zhengfei.

"Market Killer" is an interesting, and perhaps quite accurate, moniker for Ms. Sun. We'll come back to it shortly.

A separate *Forbes* paragraph on Sun:

Sun is credited with establishing much of the company's marketing, human resources and R&D that has helped make it one of the world's leading suppliers of telecom equipment with 2010 sales of \$28 billion. She joined Huawei soon after it was founded in 1989 and held just about every executive title there until

becoming chairman in 1998. -- Sun could be in for a promotion if her boss “whose Chinese military background gives rise to much suspicion in the West” were to resign. He has reasserted his faith in Sun’s management since rumors in 2010 that he was trying to force her out to make way for his son. A number of his relatives have joined the company since then.

*Bloomberg Businessweek* has the same exact material.

The site Broadbandcommission.org had a more refined description of what Ms. Sun has done for Huawei:

**Ms. Yafang Sun** is Huawei’s Chairperson, a position she has held since 1999. Ms. Sun’s leadership has taken Huawei from a small local enterprise to a global giant providing innovative technologies and tailored solutions and services to leading telecoms operators worldwide. She is credited as the key contributor to the establishment and development of Huawei’s marketing and sales division and human resources leadership development. Ms. Sun has spearheaded management reforms that have helped to transform Huawei into a multi-national corporation seen as a leading vendor in the telecoms industry.

As Chairperson, Ms. Sun represents Huawei in the business community and communicates Huawei’s overseas development and corporate commitments with government officials and state dignitaries around the globe. Ms. Sun is also a familiar figure among Huawei’s customers and partners and is actively involved in a variety of corporate responsibility programs as well as philanthropic activities.

Ms. Sun joined Huawei in 1989 and has held a variety of executive level positions in these 21 years including, President of Marketing and Sales, President of Human Resources, President of Strategy and Marketing Committee, and President of Huawei University.

Ms. Sun earned a bachelor’s degree from the University of Electronic Science and Technology in China and was trained at Harvard Business School in advanced management.

She’s a Harvard MBA grad who has set up all of Huawei’s R and D, sales and marketing, and human resources operations, in addition to providing the face for business development worldwide. And she’s run every department in the company that matters. Wow. This is not what, in the West, one would think of as a Chair, which is often a semi-retired, wizened older personage.

In other words, given her roles at Huawei, the global press has missed the only thing about Sun, and perhaps about Huawei, that matters: it appears that the person often named as Ren's heir-apparent, Huawei's current chairperson and operations maven, has been working for, and may retain direct ties with, the Ministry of State Security of the Government of China.

But don't take my word for it. Here is the report from the U.S. China Commission. First, its enabling charter:

*The U.S.-China Economic and Security Review Commission was created by the United States Congress in October 2000 with the legislative mandate to monitor, investigate, and submit to Congress an annual report on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China, and to provide recommendations, where appropriate, to Congress for legislative and administrative action.*

Its most recent report, "Chinese Capabilities for Computer Network Operations and Cyber Espionage," describes the Sun Yafang/MSS connection:

[www.uscc.gov/RFP/2012/USCC%20Report Chinese CapabilitiesforComputer NetworkOperationsandCyberEspionage.pdf](http://www.uscc.gov/RFP/2012/USCC%20Report%20Chinese%20CapabilitiesforComputer%20NetworkOperationsandCyberEspionage.pdf)

(SNS member and security expert Jeffrey Carr has noted in his blog that this report is not focused enough on commercial cyber theft – our exact concern in this issue, and no doubt the concern of nations building a broadband network for citizen and commercial use.)

The report includes the following section on Sun, Huawei, and the People's Liberation Army:

***The combination of recent infusions of cash, regular appearances at PLA defense industry events, and working relationship with various government research institutes on projects with dual use applications suggests that an ongoing relationship between Huawei and the Chinese military and Chinese political leadership may exist.***

An uncorroborated October 2010 report in the pro-Beijing Chinese newspaper *Xinjing Bao* stated that Huawei Chairwoman Sun Yafang worked for the Communications Department of the PRC Ministry of State Security for an unspecified period of time before joining Huawei. According to an undated report on Hong Kong-managed news site *Feng Huang Wang*, Sun used her MSS connections to help Huawei through financial difficulties in 1987 as the company was entering its early years of development. An official description of Huawei's directors posted to the company's website in April, 2011 contained no mention of Sun's past MSS affiliation and Sun's past government and intelligence affiliations remain unconfirmed.

An April 2011 article in a Chinese financial daily covering securities issues reported that the PRC government gave Huawei RMB 250 million (U.S.\$36.8 million) and RMB 430 million (U.S.\$63.2 million) in 2009 and 2010, respectively for “domestic development, innovation, and research.”

The company also received government funding amounting to RMB 328 million (U.S.\$48.2 million) and RMB 545 million (U.S.\$80 million) in 2009 and 2010, respectively for “completing certain research projects” according to additional uncorroborated PRC press reporting.

Huawei may also be involved in supporting PLA active duty units with short term training in networking design and construction, possibly supporting the military region command system with technical experts and “train-the-trainer” programs.

As early as 2005, official PLA media sources in the Guangzhou MR, which includes the Shenzhen area where Huawei is headquartered, reported on a PLA program to train members of its communications units at area PLA universities and through formal exchange programs with Huawei that brought company personnel to the PLA units and allowed the soldiers to spend time in technical training at company locations.

Huawei, like ZTE, exhibited at an April 2010 PLA civilian-military dual use technology exposition sponsored by the PLA MIIT, and the Chinese Academy of Sciences, according to conference materials.

Huawei maintains a formal funding mechanism called the “Huawei Technology Fund” (*huawei keji jijin*; 华为科技基金) that has supported research at both civilian and PLA universities in eight defined areas of inquiry that include wireless communication, optical communication technology, broadband technology, computer processing and application specific integrated circuit (ASIC) technology, and communication circuits and system research, according to a review of the grant application and requirements; many of the grant recipients have also received National 863 and 242 grants, suggesting they are involved in defense or national security related work.

[Reference numbers and footnotes have been removed here, but are in place in the above document link.]

The U.S. China Commission report also puts a slightly different spin on Ren’s time with the PLA.

First, here is Huawei’s version of this part of his bio:

[H]e joined the military’s Engineering Corps as a soldier tasked to establish the Liao Yang Chemical Fiber Factory. Subsequently, Mr. Ren had taken positions as a Technician, an Engineer, and lastly promoted

as a Deputy Director, which was a professional role equivalent to a Deputy Regimental Chief, but without military rank.

And here is another version of the same work from the China Commission report:

[Ren served as] the former director of the GSD Information Engineering Academy, the PLA's primary center for telecommunications research.

Doesn't sound like a soldier at the chemical factory, does it?

With these new updates on Ren Zhengfei's and Sun Yafang's biographies, the company's apparent connection to the government and the military become much more clearly drawn. Keep in mind, Huawei claims today that there is no, and has not been any, connection.

### ► Follow the Money

When I first looked at Huawei, I had the usual "China shock" problem: how could the company have grown so quickly? At this stage, most Westerners just shake their head, smile ruefully, and refer to 1.3 billion customers. But this, in my experience, rarely explains the real history of corporations inside a state-controlled mercantilist model nation.

And here, I must confess to not yet having all the data we need. Yes, we seem now to have an increasing number of emerging instances of the PLA and or Government (don't forget, in China these are almost identical) as an ongoing customer, business development partner, R and D funding source, etc. But look at the company story again:

Huawei was reportedly set up by Ren with just 21,000 yuan (US\$3,300 at current conversion rates) in capital, but through a number of lucrative domestic and international contracts it has soared to become China's largest telephone-network equipment maker and the second largest supplier of mobile network equipment in the world behind Ericsson. The company, which made the Global Fortune 500 list for the first time in 2010, current[ly] has an annual sales volume in excess of US\$20 billion, over 110,000 employees worldwide and a presence in more than 140 countries. – *WantChinaTimes.com*, "Knowing China Through Taiwan."

Today, Huawei's annual run rate is about \$32B. How did a private company, with no stated outside funding, grow from \$3,300 to \$32,000,000,000 in the 25 years between 1987 and today, challenging or beating companies which uniformly, in a free market system, took twice or four times as long to achieve that size?

Where did all of the early money come from?

Next week, in Part II, we'll look at the Huawei business model, and how it fits the national model for economic success.

Your comments are always welcome.

Sincerely,

Mark R. Anderson

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**To arrange for a speech** by Mark Anderson on subjects in technology and economics, or to schedule *a strategic review* of your company, email [mark@stratnews.com](mailto:mark@stratnews.com).

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## QUOTES OF THE WEEK

“[Huawei’s ownership arrangements are] ‘completely opaque’ -- My guess is that the candidates for election are tightly controlled – it’s not like an employee can just run for election with the support of his colleagues. -- [The] ‘employee-owned’ structure appears to be an attempt at distancing Huawei from its PLA roots. Huawei does business in a sensitive sector because its equipment is at the heart of telecommunications networks. It is easy for opponents to suggest that Huawei, the PLA, or the Chinese government might be able to intercept communications or remotely cripple networks, regardless of it being true or not. – David Webb, independent economic commentator on corporate and economic governance, and member of the Hong Kong Securities and Futures Commission’s Takeover and Mergers Panel; from “Analysis: Who really owns Huawei?” in ITNews Australia, 2010.

“Unless and until Huawei becomes a stand-alone widely held [publicly] listed company with employees free to trade their shares and without a controlling shareholder, these suspicions and allegations will likely continue.” Ibid.

“Like China’s former leader [Mao], Ren Zhengfei is known for spouting folksy witticisms, purging associations and challenging US power.” – *Time magazine*.

“Huawei is headquartered in China and due to prevailing Chinese legal issues, overseas employees cannot, unfortunately, own shares.” – *Company spokesman; quoted on ITNews.com*.

In other words: If the government can’t control you, you can’t vote.

“There is no doubt among security officials that Huawei is from time to time tasked to penetrate particular sites or exfiltrate data from particular sites, to provide them with access to particular sites.” – *Del Ball, Australian security expert; in The Australian*.

“Prudence demands that in our enthusiasm for expanding our economic ties with China, we should not allow suspect companies ... a free run of our country and access to our communications network.” – *Bahakutumbi Raman, a commentator with the Centre for Topical Studies in Chennai, India; quoted on FT.com*.

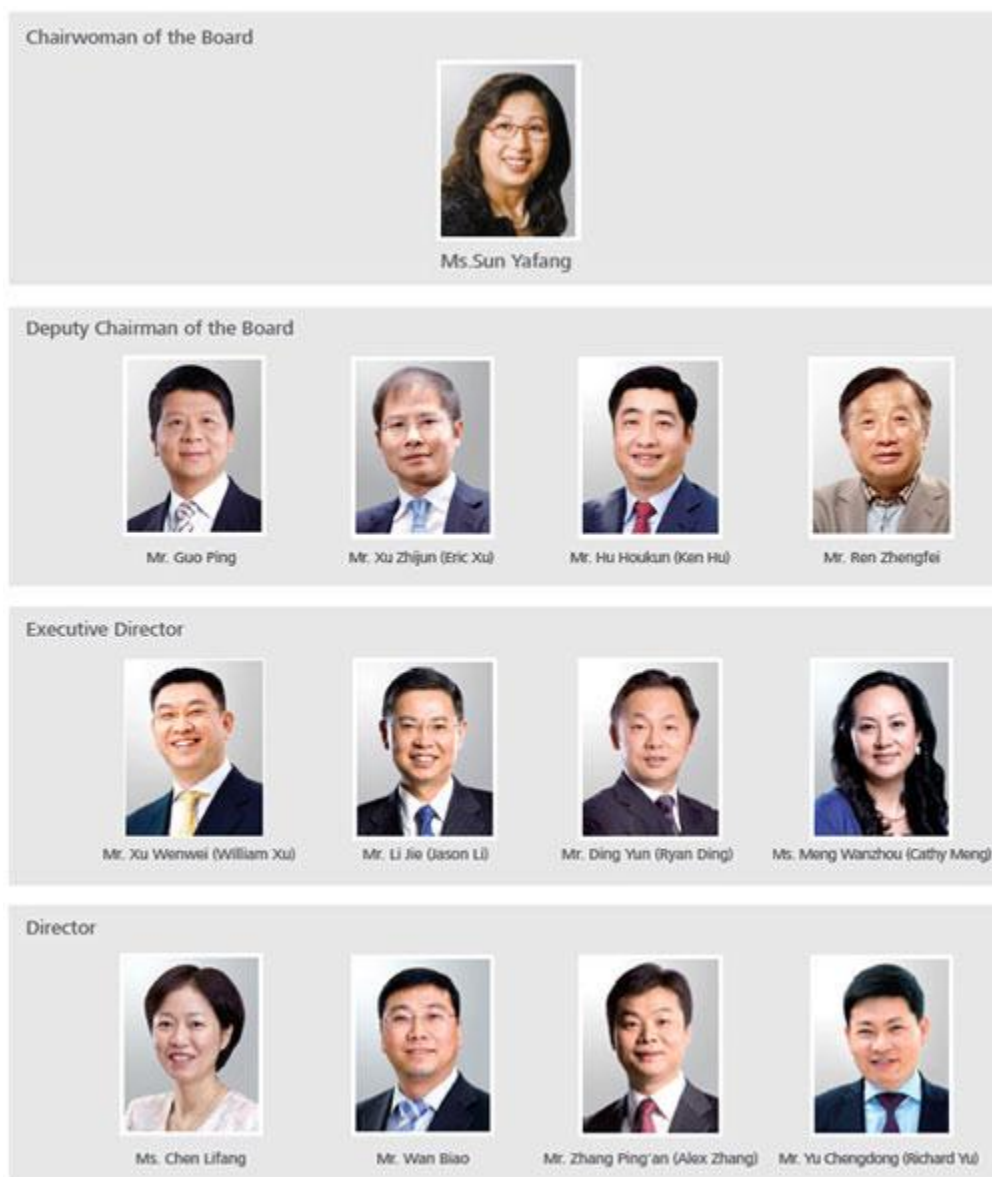
## TAKEOUT WINDOW

### ➤ The Huawei Boards

As noted above, there recently were 33 members of the Union Committee; that number this year appears to have expanded to 51. Here is the description of the people running Huawei, according to the company’s website. The latter part of this list would appear to be Ren Zhengfei’s attempt to create a post–Ren-CEO structure:

#### **The members of the newly-elected Board of Directors and Supervisory Board**

At the end of 2010, 51 representatives and 9 alternate representatives were elected by all the employees who participated in the Employee Shareholding Scheme. The representatives then elected the members of the Board of Directors and Supervisory Board. The newly-elected members of the Board of Directors are Ms. Sun Yafang, Mr. Guo Ping, Mr. Xu Zhijun, Mr. Hu Houkun, Mr. Ren Zhengfei, Mr. Xu Wenwei, Mr. Li Jie, Mr. Ding Yun, Ms. Meng Wanzhou, Ms. Chen Lifang, Mr. Wan Biao, Mr. Zhang Pingan, and Mr. Yu Chengdong. The newly-elected members of the Supervisory Board are Mr. Liang Hua, Mr. Peng Zhiping, Mr. Ren Shulu, Mr. Tian Feng, and Mr. Deng Biao.



### Resume of Directors

#### Ms. Sun Yafang

Sun Yafang joined Huawei in 1989, and has served as Engineer of Marketing and Sales Department, President of the Procurement Department, President of Marketing and Sales Department, President of Human Resources Committee, President of the Business Transformation Executive Steering Committee (BT-ESC), President of Strategy and Marketing Committee, and President of Huawei University, etc.

Since 1999, Ms. Sun has been the Chairwoman of the Board.

Sun Yafang was employed as a technician of Xin Fei TV Manufactory in 1982. She was an engineer of Beijing Research Institution of Communication Technology in 1985.



Sun Yafang studied in Chengdu University of Electronic Science and Technology, bachelor's degree.

**Mr. Guo Ping**

Born in 1966, Mr. Guo holds a Master's Degree from Huazhong University of Science and Technology. Mr. Guo joined Huawei in November 1988, and has served successively as an R&D Project Manager, General Manager of Supply Chain, Director of the Executives Office, Chief Legal Officer, President of the Business Process & IT Management Department, President of the Corporate Development Department, Chairman and President of Huawei Device, Corporate EVP, and now as Chairman of the Finance Committee.

**Mr. Xu Zhijun (Eric Xu)**

Born in 1967, Mr. Xu holds a Doctorate Degree from Nanjing University of Science & Technology. Mr. Xu joined Huawei in 1993, and has served successively as President of the Wireless Product Line, Chief Strategy & Marketing Officer, Chief Products & Solutions Officer, Corporate EVP, and Chairman of the Investment Review Board.

**Mr. Hu Houkun (Ken Hu)**

Mr. Ken Hu holds a Bachelor's Degree from Huazhong University of Science and Technology. Ken joined Huawei in 1990, and has held several senior roles within the company including President of Huawei's Chinese market, President of Huawei Latin America, President of Global Sales Department, Chief Sales & Service Officer, Chief Strategy & Marketing Officer, Chairman of Corporate Global Cyber Security Committee, Chairman of Huawei USA, Corporate EVP, and Chairman of the Human Resources Committee.

**Mr. Ren Zhengfei**

Born on October 25, 1944 into a rural family where both parents were school teachers, Mr. Ren Zhengfei spent his primary and middle school years in a remote mountainous town in Guizhou Province. In 1963, he studied at the Chongqing Institute of Civil Engineering and Architecture. After graduation, he was employed in the civil engineering industry until 1974 when he joined the military's Engineering Corps as a soldier tasked to establish the Liao Yang Chemical Fiber Factory. Subsequently, Mr. Ren had taken positions as a Technician, an Engineer, and lastly promoted as a Deputy Director, which was a professional role equivalent to a Deputy Regimental Chief, but without military rank. Because of his outstanding performance, Mr. Ren was invited to attend the National Science Conference in 1978 and the 12th National Congress of the Communist Party of China in 1982. Mr. Ren retired from the army in 1983 when the Chinese government disbanded the entire Engineering Corps. He then worked in the logistics service base of the Shenzhen South Sea Oil Corporation. As he was dissatisfied with his job, he decided to establish Huawei with a capital of RMB 21,000 in 1987. He became the President of Huawei in 1988 and has held the title ever since.

**Mr. Xu Wenwei (William Xu)**

Born in 1963, Mr. Xu holds a Master's Degree from Southeast University. Mr. Xu joined Huawei in 1991, and has served successively as President of the International Technical Sales & Marketing Department, President of the European Region, Chief Strategy & Marketing Officer, Chief Sales & Service Officer, President of the Joint Committee of Regions, and President of the Enterprise Business Group.

**Mr. Li Jie (Jason Li)**

Born in 1967, Mr. Li holds a Master's Degree from Xi'an Jiao Tong University. Mr. Li joined Huawei in 1992, and has served successively as Regional President, President of the Global Technical Service Department, President of the Human Resource Department, and President of the Joint Committee of Regions.

**Mr. Ding Yun (Ryan Ding)**

Born in 1969, Mr. Ding holds a Master's Degree from Southeast University. Mr. Ding joined Huawei in 1996, and has served successively as Product Line President, President of the Global Solution Sales Department, President of the Global Marketing Department, and Chief Products & Solutions Officer.

**Ms. Meng Wanzhou (Cathy Meng)**

Ms. Meng holds a Master's Degree from Huazhong University of Science and Technology. Ms. Meng joined Huawei in 1993. She obtained her M.A. in 1998. She has held positions of Director of the International Accounting Department CFO of Huawei Hong Kong, President of the Accounting Management Department, President of the Sales Financing & Treasury Management Department, and is now the CFO of Huawei.

**Ms. Chen Lifang**

Ms. Chen graduated from Northwest University. Ms. Chen joined Huawei in 1995, and has served successively as Chief Representative of the Beijing Rep. Office, Vice President of the International Marketing Department, Deputy Director of the Domestic Marketing Management Office, President of the Public Affairs and Communications Department, and Corporate Senior Vice President.

**Mr. Wan Biao**

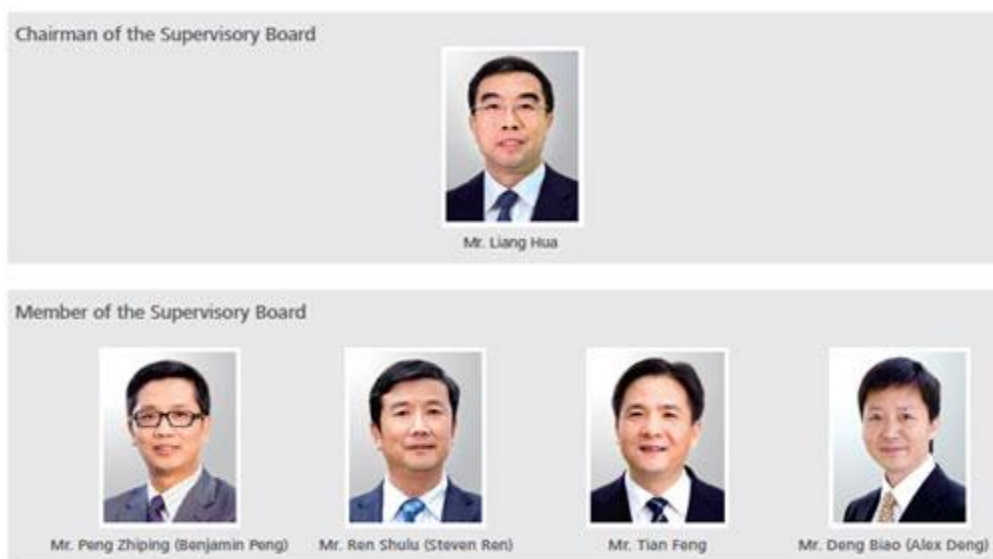
Born in 1972, Mr. Wan holds a Bachelor's Degree from University of Science and Technology of China. Mr. Wan joined Huawei in 1996, and has served successively as Director of the UMTS RAN System, President of the UMTS Product Line, President of the Wireless Product Line, and CEO of Huawei Device.

**Mr. Zhang Ping'an (Alex Zhang)**

Born in 1972, Mr. Zhang holds a Master's Degree from Zhejiang University. Mr. Zhang joined Huawei in 1996, and has served successively as Product Line President, Senior Vice President, Vice President of Strategy & Marketing, Regional Vice President, Vice President of the Global Technical Service, and CEO of Huawei Symantec.

**Mr. Yu Chengdong (Richard Yu)**

Born in 1969, Mr. Yu holds a Master's Degree from Tsinghua University. Mr. Yu joined Huawei in 1993, and has served successively as 3G Product Director, Vice President of the Wireless Technical Sales Department, President of the Wireless Product Line, President of the European Region, and Chief Strategy & Marketing Officer.

**The members of the newly-elected Board of Directors and Supervisory Board****The members of the newly-elected Board of Directors and Supervisory Board****Mr. Liang Hua**

Born in 1964, Mr. Liang holds a Doctorate Degree from Wuhan University of Technology. Mr. Liang joined Huawei in 1995, and has served successively as President of the Supply Chain Management Department, CFO of Huawei, and President of the Global Technical Service Department.

**Mr. Peng Zhiping (Benjamin Peng)**

Born in 1967, Mr. Peng holds a Master's Degree from Fudan University. Mr. Peng joined Huawei in 1996, and has served successively as President of the Terminal Product Line, President of the Optical Network Product Line, President of the Supply Chain Management Department, Vice President of the Procurement Qualification Management Department, and now as Chief Operations & Delivery Officer.

**Mr. Ren Shulu (Steven Ren)**

Born in 1956, Mr. Ren holds a Bachelor's Degree from Yunnan University. Mr. Ren joined Huawei in 1992, and has served successively as President of Shenzhen Smartcom Business Co., Ltd, President of the Internal Service Management Department, and Head of the Capital Construction Investment Management Committee.

**Mr. Tian Feng**

Born in 1969, Mr. Tian holds a Bachelor's Degree from Xi'an University of Electronic Science and Technology. Mr. Tian joined Huawei in 1995, and has served successively as Regional Vice President, Regional President, and CEO of Huawei Agissoon.

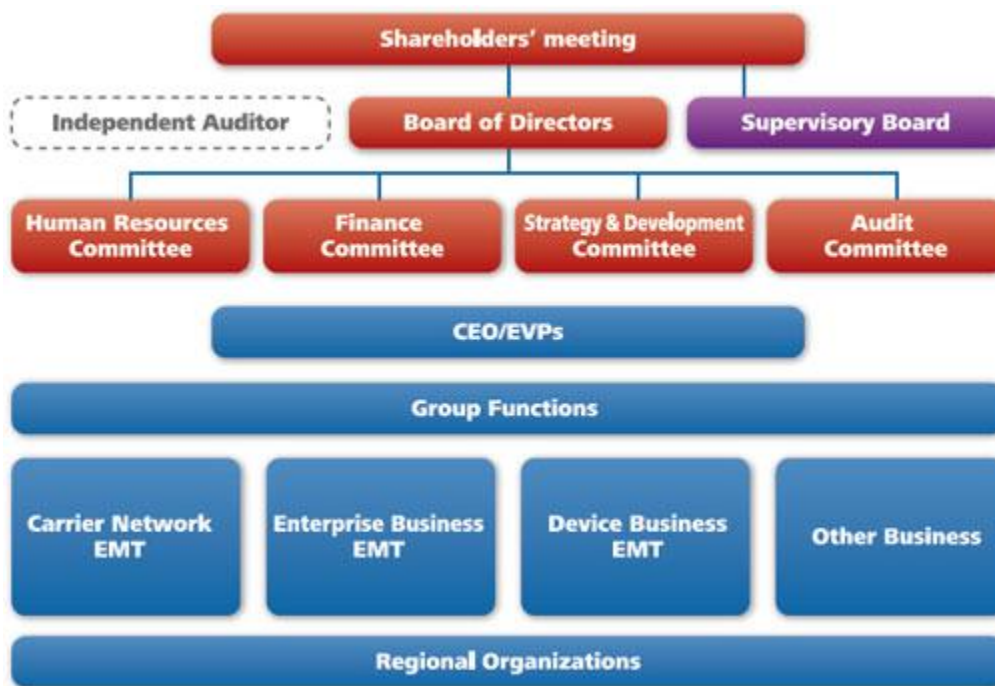
**Mr. Deng Biao (Alex Deng)**

Born in 1971, Mr. Deng holds a Bachelor's Degree from Jiangxi University. Mr. Deng joined

Huawei in 1996, and has served successively as President of the Access Network Product Line, President of the Network Product Line, and CEO of Huawei Software Technologies Co., Ltd.

### The Corporate Governance Structure for the future

At Huawei, we advocate “Customers as our focus and dedicated employees as our foundation”. We will gradually transform our organizational structure, processes, and appraisal systems so as to always direct our organization towards customer-centricity.



The new Board of Directors establishes an Executive Committee to make decisions for matters authorized by the Board. The Board of Directors establishes the Human Resources Committee, the Finance Committee, the Strategy & Development Committee and the Audit Committee, which assist the Board of Directors in guiding and supervising the company's operations.

The Group Functions of the company perform the roles of supporting, facilitating and monitoring. They provide support for the Board Committees, act as an efficient and low-cost operational platform for the Business Groups (BGs) and monitor their operations, helping them to further develop their competitive edge.

On this basis, Huawei establishes four BGs, namely the Carrier Network BG, Enterprise Business BG, Device BG, and other BG. Each BG will have its own Executive Management Teams (EMTs) to set business targets based on respective customer needs and has its own appraisal and management system. The four BGs will leverage the unified platform of the company but adopt differentiated operations and management approaches.

The Regional Organizations will gradually transform themselves into platforms which support, serve and monitor business units at front end. On this regional platform, the four BGs will carry out business activities that align with customer needs.

## ETHERMAIL

### **Re: SNS: “The Power of Integration”**

Re: The Integration Challenge

Mark,

You are spot on with the lack of integration in many areas of IT. The challenge is at least two-fold: 1) IT has been for the most part hardware-centric in its evolution, with each hardware vendor being rewarded for making incremental progress in usability typically aimed at locking in buyers or devaluing competitors; and 2) this has created a robust service economy, from integrators and VARS to painted cars and minivans in your driveway. This feudalistic model has helped vendors and their partners to defend revenue and monetize an entire ecosystem of services.

In the short term I don't expect much to change, but in the long term we're watching software-centric product models (which tend to be more collaborative across hardware platforms (almost as a necessity) come to the forefront. Yes, software (like OS) was also part and parcel of lock-in, but as software becomes more dominant (like the rise of x86 network appliances) it can empower purchasers with more choices for deployment and encourage companies to integrate and innovate or lose customers. At some point the moat becomes obsolete.

We've seen the wholesale data center space evolve from fixed product offerings (take this data center space or leave it) to more customization and collaboration (including electrical and mechanical, cooling, amenities, etc.), where customers have a bigger role to play in how their data center is built and even managed. From the network to the facility, an IT revolution is underway and over the next, say, 5 years, CIOs and other tech consumers will have more choices than ever.

Greg Ness  
Chief Marketing Officer  
Vantage Data Centers  
Santa Clara, CA

Greg,

It is reassuring to realize that the same level of customer needs integration is happening at the data center level, as we are seeing on the consumer side.

We already have Private Clouds, so I suppose the next step, linked into Siri and other Internet Assistants, would be to have a Personal Cloud. I'd guess that Apple and MS are already going down that road. Now if Apple would only allow Siri her proper amount of compute cycles per person – that's what Steve did, and no doubt would have continued to do.

Mark Anderson

Re: Creating new integrated applications

Mark,

I would be happy to just say things out loud to an open mic or I would even “wear” a remote mic and say things that would find my calendar or birthday list or pop up a flight screen or menu. I would like to be advised of useful apps by a trusted source that understands me, and recognizes that I also do not wish to be disturbed much.

Jan Eric Bolt  
Attorney  
Santa Rosa, CA

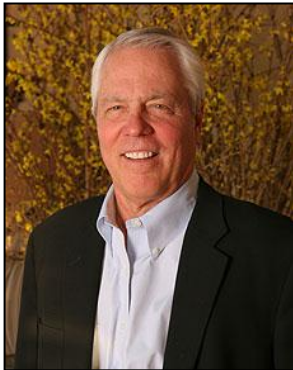
Jan,

This sounds exactly like Siri, except for the recommended apps. I bet we could train her to do that job, too. Any takers?

Mark Anderson

## IN CASE YOU MISSED IT...

### MEMBERS MAKING NEWS



**Headliner:** Don Budinger, Chairman and Founding Director,  
The Rodel Foundations

**SNS Note:** Don Budinger and The Rodel Foundations have long been close to the heart of FiRe, perhaps most obviously via FiRe/Rodel Foundations internships with the Thunderbird Global School of Management. We're delighted and honored to welcome Don as the most recent member of the FiRe board.

**Feature:**

“Don Budinger to Join SNS Future in Review Advisory Board”:

“Don has been an invaluable supporter of FiRe and its programs since we first began. His intelligence, drive, and focus consistently result in improvements to FiRe, from local to global, and from the scientific to the technical. I am delighted that Don has agreed to deepen this much-valued relationship with FiRe,” said Mark Anderson, FiRe Chair and SNS CEO.”

*Source: [abrightfire.com](http://abrightfire.com)*

Full article:

[www.tapsns.com/blog/index.php/2012/03/don-budinger-to-join-sns-future-in-review-advisory-board/](http://www.tapsns.com/blog/index.php/2012/03/don-budinger-to-join-sns-future-in-review-advisory-board/)

**Headliner: Tim Brown**, CEO and President, IDEO

**SNS Note:** As head of one of the world's most renowned design houses, IDEO CEO Tim Brown is someone SNS always finds worth listening to. We were even lucky enough to have IDEO lead the charge on designing a prototype of an SNS Project Inkwell K-12 ubiquitous 1:1 computing platform – the “Spark” – which went on to win both media attention and several awards. (See the Spark's photo and project description here: [www.ideo.com/work/concept-project-for-project-inkwell](http://www.ideo.com/work/concept-project-for-project-inkwell).)

**Feature:**

“Guru rethinks ‘thinking on design’ to unlock creativity”:

Influential global design adviser Tim Brown says fear is the greatest impediment to unlocking a company's latent creativity. Brown is chief executive of multinational design consultancy Ideo, which is known for its contributions to innovations such as the first mouse for Apple and the personal digital assistant Palm V. He advises senior executives of Fortune 500 companies.

Speaking at the New Zealand Trade & Enterprise Better By Design conference in Auckland last week, Brown challenged the audience to rethink how they think about design.

*Source: Manawatu Standard*

Full article:

[www.stuff.co.nz/manawatu-standard/news/business/6677659/Guru-rethinks-thinking-on-design-to-unlock-creativity](http://www.stuff.co.nz/manawatu-standard/news/business/6677659/Guru-rethinks-thinking-on-design-to-unlock-creativity)

**Headliner: Craig Venter Institute; J. Craig Venter**, Founder and Chairman

**SNS Note:** Members who attended the Opening Night Dinner of FiRe 2007 (FiRe V) got a blast of how fast one person can change the known world, when Craig opened the conference with “An Ocean of Genes.” To learn more about Craig and others, go to the SNS Members' Gallery:

[www.stratnews.com/gallery.php?mode=profile&galleryid=3880](http://www.stratnews.com/gallery.php?mode=profile&galleryid=3880)

**Feature:**

“Modified bacteria could get electricity from sewage”:

A fuel cell powered by naturally occurring bacteria has successfully converted 13 per cent of the energy in sewage to electricity – and cleaned the waste water at the same time. It's hoped genetic engineering could make this much more efficient. Treating sewage and other liquid waste uses roughly 2 per cent of the US energy supply, at a cost of \$25 billion a year, yet this carbon-rich material harbours nine times the energy needed to render it environmentally benign.

Microbiologists believe they can drastically cut the cost and power consumption by using genetically modified bugs to treat the waste and produce electricity.

“It’s a substantial energy resource that we just end up landfilling,” says Orianna Bretschger, of the J. Craig Venter Institute in San Diego, California. “If we could recover the energy we could do waste water treatment for free.”

*Source: New Scientist*

Full article:

<http://www.newscientist.com/article/dn21639-modified-bacteria-could-get-electricity-from-sewage.html>

## Headliner: Nuance Communications Inc.

**SNS Note:** Kudos to Nuance for being the world leader in voice recognition technology, including alliances ranging from IBM’s Watson to Apple, Ford Motor Co., and yes – as SNS’ Global Platinum Partner. In other great news: we welcome CEO Paul Ricci (pictured) and Chief Creative Officer Gary Clayton to FiRe X.



## Feature:

“The human voice as a game changer”:

Vlad Sejnoha is talking to the TV again. OK, maybe you’ve done that, too. But here’s the weird thing: His TV is listening.

“Dragon TV,” Sejnoha says to the screen, “find movies with Meryl Streep.”

Up pops a list of films like *Out of Africa* and *It’s Complicated*.

“Dragon TV, change to CNN,” he says. Presto – the channel flips to CNN.

Sejnoha is sitting in what looks like a living room but is, in fact, a sort of laboratory inside Nuance Communications, the leading force in voice technology and the speech-recognition engine behind Siri, the virtual personal assistant on the Apple iPhone 4S.

*Source: The Sydney Morning Herald*

Full article:

<http://www.smh.com.au/digital-life/hometech/the-human-voice-as-a-game-changer-20120401-1w6ej.html>

## BRIEFLY NOTED

**Mark Anderson:** Audio podcast of Mark’s interview with Helen Dalley on Sky News’ “Business View,” conducted last Friday in Australia – largely on the banning of Huawei from bidding on the NBN (about 20 minutes):

[www.skynews.com.au/podcast/feeds/SkyNewsPodcast\\_BusinessView\\_20120331045401.mp3](http://www.skynews.com.au/podcast/feeds/SkyNewsPodcast_BusinessView_20120331045401.mp3)



**Jen-Hsun Huang:** “Nvidia Bringing 7-inch tablet for RS 10,000 later this year?”

[www.themobileindian.com/news/5935\\_Nvidia-bringing-7-inch-tablet-for-Rs-10000-later-this-year](http://www.themobileindian.com/news/5935_Nvidia-bringing-7-inch-tablet-for-Rs-10000-later-this-year)

**Craig Mundie:** “Computing future is name of the game for Microsoft’s Craig Mundie” (*Seattle Times*):

<[http://seattletimes.nwsources.com/html/microsoftpri0/2017894821\\_computing\\_future\\_is\\_name\\_of\\_the\\_game\\_for\\_microsoft.html](http://seattletimes.nwsources.com/html/microsoftpri0/2017894821_computing_future_is_name_of_the_game_for_microsoft.html)>

**Ira Kalish:** “Consumer Products Industry Rebounds in 2010 Despite Continuing Economic Malaise” (*World News Report*):

<[http://world.einnews.com/pr\\_news/88260367/consumer-products-industry-rebounds-in-2010-despite-continuing-economic-malaise](http://world.einnews.com/pr_news/88260367/consumer-products-industry-rebounds-in-2010-despite-continuing-economic-malaise)>

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*Premium Members: After login, click iNews in the left nav to contact SNS newsmakers directly, and for access to full iNews listings.*

**Have news link suggestions** for possible inclusion in the SNS newsletter?  
Email SNS Editor-in-Chief Sally Anderson: [sally@stratnews.com](mailto:sally@stratnews.com).

## UPCOMING SNS EVENTS & MEDIA LINKS

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**Nuance Communications**

for its partnership and support of SNS Events:



We are pleased to recognize **Accenture**  
as an honored SNS Global Gold Partner:



Many thanks to **Oracle**  
as our Global Silver Partner for SNS Events:



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Thank you to **Deloitte LLP** and **Qualcomm**  
as Global Bronze Partners for SNS Events:



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Our highest appreciation to **The Rodel Foundations**,  
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Register now for **FiRe X**, the 10th annual Future in Review conference, May 22-25, 2012, at the Montage Laguna Beach Hotel, California.

[www.futureinreview.com](http://www.futureinreview.com)

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HEAR THE LATEST NPR INTERVIEW WITH MARK ANDERSON –

**“What Happens When Computers Transcend Human Limitations?”**

[www.kplu.org/post/what-happens-when-computers-transcend-human-limitations](http://www.kplu.org/post/what-happens-when-computers-transcend-human-limitations)

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**Click here for the current iNews digest:** [www.snsinews.com](http://www.snsinews.com)  
(For ID and password assistance, email [scott@stratnews.com](mailto:scott@stratnews.com))

- **SNS Blog: “A Bright Fire”:** Join Mark in this SNS forum and add your own comments: [www.abrightfire.com](http://www.abrightfire.com). If you’re a blogger who would like to be added to our blogroll, email [sally@stratnews.com](mailto:sally@stratnews.com).
- **FiRe 2011 Photo Gallery:** View over 2,000 FiRe 2011 photos by photographer Dan Lamont, at <http://futureinreview.smugmug.com/FiRe-2010> – linked to FiRe galleries since 2007.
- **FiReGlobal : West Coast 2010 Photo Gallery**, with photos by Dan Lamont: <http://futureinreview.smugmug.com/FiReGlobal/Seattle-2010>.
- **SNS Members’ Book Lists:** Find your next favorite books, who has proposed them, and some purchase links: <http://www.stratnews.com/members/books.php>
- **SNS TV on YouTube:** [www.youtube.com/user/stratnews](http://www.youtube.com/user/stratnews)
- **FiRe TV on YouTube:** [www.youtube.com/futureinreview](http://www.youtube.com/futureinreview)
- **SNS in the News:** Announcements, press, and A/V links: <http://www.stratnews.com/news.php>
- **FiRe in the News:** [www.futureinreview.com/press.php](http://www.futureinreview.com/press.php)
- **SNS Media Page:** <http://www.stratnews.com/media.php>

## IN OTHER HOUSE NEWS...

### ➤ New Members’ Welcome

We would like to welcome, among others, these new members to the SNS family: Jeffrey D. Byron, VP, Integrated Solutions, NRG Energy, Los Altos, CA; Donald Pickering, CEO, OneOcean Corp., Seattle, WA; Nicholas Gill, Corporate Director,

aeristech, United Kingdom; and Peter Castellás, Director, Sustainability, Climate Change & Cleantech, Deloitte, Australia.

### ➤ **How to Subscribe**

(All rates \$USD)

**If you are not currently an SNS subscriber**, the SNS newsletter has been sent to you for a one-month trial. If you would like a one-year subscription to SNS, the current rate is \$595, which includes approximately 48 issues per year, plus special industry alerts and related materials. Premium Subscriptions, which include passworded access to additional materials on the SNS website, are \$895 per year. Subscriptions can be purchased, upgraded, or renewed at our secure website, at [www.stratnews.com](http://www.stratnews.com). Contact Jenny Lee, [jenny@stratnews.com](mailto:jenny@stratnews.com), for subscription assistance.

**UPGRADE YOUR SUBSCRIPTION TO PREMIUM LEVEL** for \$300 per year, and enjoy email access to our FiRe Conference speakers through our new service, SNS Interactive News (SNS iNews™), along with other Premium benefits. After logging in to your Account, go to: <https://www.stratnews.com/orders/?page=account>.

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If you are aware of others who would like to receive this service, please forward this message to them, with a cc: to Mark Anderson at [sns@stratnews.com](mailto:sns@stratnews.com); they will automatically receive a free one-month pilot subscription.

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### ➤ **About the Strategic News Service**

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including Goldman Sachs, Merrill Lynch, Kleiner Perkins, Venrock, Warburg Pincus, and Polaris. It is regularly quoted in top industry publications such as *Bloomberg Businessweek*, *WIRED*, *Barron's*, *Fortune*, *ZDNet*, the *Financial Times*, the *New York Times*, the *Wall Street Journal*, *strategy+business*, *Forbes*, and elsewhere.

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### ➤ About the Publisher

Mark Anderson is CEO of the Strategic News Service. He is the founder of two software companies and of the Washington Technology Industry Association “Fast Pitch” Forum, Washington’s premier software investment conference; and has participated in the launch of many software startups. He regularly appears on the *CNN World News*, *CNBC* and *CNBC Europe*, *Reuters TV*, the *BBC*, *Wall Street Review/KSDO*, *SkyNews*, and *National Public Radio* programs. He is a member of the *Merrill Lynch Technology Advisory Board*, and is an advisor and/or investor in *OVP Ventures*, *Ignition Partners*, *Mohr Davidow Ventures*, the *UCSD Calit2 Laboratory*, the *Global Advisory Council of the mPedigree Network (Ghana)*, *SwedeTrade*, *The Family Circle (Europe)*, and the *Australian American Leadership Dialogue*.

Mark serves as chair of the *Future in Review Conferences*, *SNS Project Inkwell*, and *Orca Relief Citizens Alliance*.

### ➤ Where's Mark?

- On April 19, Mark will discuss “A New American Path: Inventing More, Disclosing Less,” as keynote speaker at the **Seattle Next Gen** meeting; this talk will be carried on the CSPAN broadcast network.
- On April 25, he will address the **San Juan Economic Development Council** together with Washington State Revenue Analyst Dan Wallace; the latter will speak on state projections, and Mark will speak on Global Economic Trends.
- On April 26, he will host a fundraiser for Orca Relief Citizens’ Alliance, at the Friday Harbor House Hotel, at 7pm, featuring the Emmy-nominated film *Are We Loving Them to Death?* together with producer/director and Ch. 13-TV station manager Pam Pearson.
- On April 27 at 11am PST, he will be hosting his third “Big Problems, Big Solutions” Series Conference Call: “The Consumer Revolution vs. Enterprise Security: Who Wins?”
- On May 17, he will be speaking at a Spring Street Fundraising Event: “Asia vs. the Inventing Nations: What’s Next for the U.S. Economy?”
- On May 22-25, he will be hosting **FiRe X, the 10th annual Future in Review Conference**, at the Montage Laguna Beach. Sign up before we sell out (which we will do), at [www.futureinreview.com](http://www.futureinreview.com).

In between times, he will be making the first grass cut, out through the new orchard, down to the pond beach, and out around the fire pit and into the old orchard, so when the apples fall, people can find them almost as quickly as the sheep.

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