



Sophic Capital Weekly Cache

Welcome to our inaugural edition of what we've been reading in technology & ESG related investing this week. You are receiving this email, because you've previously worked with Sophic Capital or we've discussed tech or ESG investing.

Canadian Technology Capital Markets & Company News

Sangoma Technologies Corporation (STC-TSXV) announces upsized underwritten public offering to \$70 million. <https://bit.ly/3jtStHP>

Converge Technology Solutions Corp. (CTS-TSXV) announces increase to previously announced bought deal financing. Under the amended terms of the offering, Underwriters have agreed to purchase, on a "bought deal basis", 10,800,000 common shares at a price of \$1.62 per Offered Share for gross proceeds to the Company of \$17.5 million. In addition, Converge has granted the Underwriters an option, exercisable at any time, in whole or in part, until the date that is 30 days following the closing of the financing, to purchase up to an additional 1,620,000 common shares of the Company solely to cover over-allotments, if any, and for market stabilization purposes. In the event the over-allotment option is exercised in full, the aggregate gross proceeds of the Offering will be \$20.1 million. <https://bit.ly/30MEWT9>

Vision Critical secures US\$20 million in growth funding from Vistara Capital Partners. The debt investment will expedite Vision Critical's growth strategy and ambitious roadmap centered around delivering a market-leading Customer Experience Management (CXM) and insights platform. <https://bit.ly/39IJnbk>

Scale AI, partners invest \$29 million into five artificial intelligence projects. Five projects have received \$29 million in funding from Scale AI and a number of partner companies to support the implementation of artificial intelligence (AI). Scale AI invested \$9 million, with other partners investing \$20 million. Scale AI invested \$9 million in the projects and partners invested \$20 million. Scale AI is an investment and innovation hub that aims to accelerate the adoption and integration of AI technology. Overall, 40 partners, including companies, consultancies, research partners, and business partners, are taking part in each of the five projects. "The new partnerships are a testament to the supercluster's convening power," said Navdeep Bains, Canada's minister of innovation, science, and industry. "These collaborations are sustaining SCALE AI's momentum, driving innovation and contributing to Canada's leadership and growth in the emerging field of artificial intelligence." <https://bit.ly/30FiRpD>

Quebec RDA invests nearly \$13 million in 30 cleantech projects across the province. The federal investment, which totals \$12,545,298, comes in the form of repayable contributions, non-repayable contributions, and grants distributed by Canada Economic Development for Quebec Regions (CED). CED is

one of the country's six regional development agencies (RDAs). Through this funding, the Canadian government aims to help establish "a culture of innovation throughout the province," and contribute to the adoption and marketing of technologies that reduce environmental impacts. <https://bit.ly/2OZk85b>

Opportunity Calgary Investment Fund invests collective \$7.25 million in AltaML, Harvest Builders. <https://bit.ly/2OQhkr7>

Clutch raises \$7 million to continue building Canada's first online car retailer. Clutch, Canada's first online car retailing platform, has raised \$7 million in Seed financing with their recent round led by Real Ventures. BrandProject, FJ Labs, Azure Capital Partners, and Global Founders Capital also participated in the round. <https://bit.ly/2ZUvhun>

FedDev invests \$4.8 million to open cleantech accelerator at Trent University. The accelerator is part of Trent's plan to stimulate cleantech sector growth and position the Greater Peterborough region as an emerging cleantech hub. The federal government's non-repayable contribution comes in addition to \$5.2 million in private sector investment. The TEC, in partnership with the Peterborough Innovation Cluster, plans to serve as an accelerator and tech demonstration space for cleantech-focused companies. The new accelerator aims to help cleantech companies commercialize their ideas and accelerate their growth. Created in partnership with the Peterborough Innovation Cluster, the federal government expects the TEC to support 70 companies via business advisory and mentoring services, and lead to the creation of 300 jobs in the Peterborough region. <https://bit.ly/3f2XNOW>

Knockri raises \$3 million seed round to eliminate job interview bias through AI. Toronto-based Knockri, which has developed an artificial intelligence-based (AI) video recruiting tool aimed to enable fairer hiring processes, has closed \$3 million in seed funding. This round brings the startup's total funding to date to \$3.4 million. The round was led by Differential Ventures, with participation from Bertelsmann Investments, Amplify Capital, and MaRS Investment Accelerator Fund. Grand Ventures, Stout Street Capital, and Green Egg also participated. <https://bit.ly/39nNtjn>

Toronto's Cryptonumerics acquired by Snowflake. Toronto-based enterprise software startup Cryptonumerics has been acquired by Snowflake Inc., the California-based cloud-based data-warehousing startup that is anticipated to go public on the Nasdaq later this year. Cryptonumerics is an enterprise software company that was founded in 2018 by a group of five entrepreneurs, with the goal of ensuring that data is useful and relevant to businesses, while also ensuring consumer privacy is not compromised. In September, CryptoNumerics was named one of Canadian Innovation Exchange's top 20 most innovative startups in the country and in March raised a \$3.5 million seed round with 11.2 Capital, an early-stage VC firm based in San Francisco focused on investing in enterprise software security. <https://bit.ly/3hqBlkp>

Shopify inks deal with Affirm, a buy-now-pay-later financing service for credit-card users. Shopify on Wednesday said it has selected Affirm, a buy-now-pay-later (BNPL) financing service for credit-card users, to exclusively power Shop Pay Installments when it launches later this year. Terms were not disclosed. Affirm, founded by PayPal Holdings co-founder Max Levchin, has seen a 40% increase in merchant signings from March 1 to April 30, compared to the first two months of the year. Among the 6,000 merchants who use it are Walmart and Peloton. "This is one giant leap to make our service ubiquitous," Levchin told MarketWatch in a phone interview Wednesday. "This has changed the game. The BNPL market is on a tear." <https://on.mktw.net/32PD9PM>

Wattpad investigating reported massive data breach of user records. Toronto-based startup Wattpad has confirmed it is investigating a massive breach of user data, following claims made by cybersecurity intelligence firms and "credible threat actors" on online forums. Cyble, a cybersecurity intelligence firm based

in Georgia, noted in a July 15 post that it detected claims of a breach in the first week of July and received information of approximately 270 million user records being sold for 10 bitcoins, or approximately \$100,000 at the time. Cyble noted that the data was later being offered for free. Cyble claimed that based on assessing forum posts, the 271 million users' records included login credentials, full names, contact numbers, and dates of birth. The cybersecurity firm noted that based on its sources and a post on an online hacking forum, it believes the breach occurred in June 2020. The firm also claims to have verified a sampling of the leaked user accounts. <https://bit.ly/2WGB7xH>

Global Markets: IPOs, Venture Capital, M&A

2020 is on track to see the fewest startup exits since 2011, which could spell trouble for the VC ecosystem. This year, VC-backed startups could see the lowest number of exits since 2011, according to Pitchbook. As the number of IPOs and acquisitions decline, startups might start pursuing alternative exits, such as acquisitions by blank-check companies. The VC ecosystem depends on company exits to reward investors and provide liquidity for employees with stock options. With fewer companies filing to go public or successfully seeking out acquisitions, the pool of capital could start to dry up. With less capital to go around, unprofitable, growth-driven startups will continue to make tough decisions about slashing costs in order to extend their runways. <https://bit.ly/30GMfeT>

Jamf opens IPO and shares rise as high as 92% on strong Apple enterprise demand. Anyone that works with Apple in the enterprise is familiar with Jamf. Jamf opened its IPO to become a publicly traded company under the symbol JAMF. The Jamf IPO price opened at US\$26 per share with 18 million being offered for sale. It closed the day at US\$39.20 after hitting a high of US\$51 per share. It's interesting timing for Jamf to go public as it comes on the heels of Apple purchasing FleetSmith. <https://bit.ly/3eUQCZ3>

Amazon reportedly in talks to buy a 9.9% stake in India's Reliance Retail. Amazon may join its global rivals Google and Facebook in backing one of Indian billionaire Mukesh Ambani's ventures. The American e-commerce giant is in preliminary talks to acquire a 9.9% stake in Reliance Retail, local TV news channel ET Now reported Thursday afternoon, citing unnamed sources. The reported talks between Amazon and Reliance Retail comes days after Ambani, who is India's richest man, said several firms had expressed interest in backing the retail chain. Ambani's other venture, Reliance Jio Platforms, has secured over US\$20 billion by selling 33% stake to more than a dozen investors including Facebook, Google, Silver Lake, and General Atlantic since April this year. <https://tcrn.ch/30VziOL>

TikTok launches US\$200 million creators fund. TikTok is launching a US\$200 million "Creator Fund" in the U.S. to encourage its most popular users to make careers out of posting content on the video app. The social media app owned by China's ByteDance announced on Wednesday that the fund will "support ambitious creators who are seeking opportunities to foster a livelihood through their innovative content." Applications will open in August for users who are at least 18 years old, meet a baseline number of followers, and consistently post original content, the company said. TikTok's announcement to finance creators comes as the app faces threats of a ban in the U.S., opening the possibility it could get sold. <https://bit.ly/39okBau>

Alibaba affiliate Ant Group starts IPO process in Hong Kong and Shanghai. Fintech giant Ant Group, which operates China's biggest digital payment service Alipay, said it has begun the discussions for a concurrent listing of its shares in both Hong Kong and Shanghai, in what is expected to be one of the world's biggest-ever initial public offerings. Ant, an affiliate of Chinese e-commerce company Alibaba, didn't disclose the timetable or potential size of its listing in its statement Monday. A person familiar with the IPO discussions said that the company still is in the very early stage of the process. Bankers expect the listing to

value Ant at more than US\$200 billion. In its 2018 fundraising round, the company was valued at US\$150 billion. <https://bit.ly/2CRiz6N>

Chinese electric car maker Xpeng Motors raises US\$500 million. Chinese electric car maker Xpeng Motors said it has secured about US\$500 million in its latest fundraising from investors including Aspex, Coatue, Hillhouse Capital and Sequoia Capital China. The company didn't disclose its valuation. Xpeng's fundraising comes after some Chinese media outlets last month reported that the startup was considering an initial public offering this year. Investors are watching electric car startups closely as Tesla's stock, a benchmark for the industry, has quadrupled in the past four months. Guangzhou-based Xpeng, whose existing investors include Alibaba, Xiaomi and GGV Capital, is one of China's biggest homegrown competitors to Tesla. Investors are betting on Xpeng even though China's electric car makers are grappling with weaker demand since the government last year cut its subsidies for consumers purchasing such vehicles. In June, China's electric car sales declined 38% from a year earlier, according to China Association of Automobile Manufacturers. <https://bit.ly/3hfgVe3>

Chinese media says Didi Chuxing preparing for Hong Kong IPO. Chinese ride-hailing giant Didi Chuxing is preparing for an initial public offering in Hong Kong, Chinese media outlet Caixin reported, citing growing pressure from investors who want to cash out. A Didi spokesperson didn't immediately respond to a request for comment. Didi, which acquired Uber's China business in 2016, became one of the world's most highly valued startups in 2017 when its valuation rose to US\$56 billion. But in the past two years, the company, whose major investors include SoftBank, Alibaba and Tencent, has struggled to cope with tighter regulations that have limited the supply of its drivers and vehicles. Last year, The Information reported that some investors were selling Didi's shares in the secondary market at valuations as low as US\$40 billion. This year, Didi, like other ride-hailing services, has faced new challenges due to the coronavirus pandemic. The company is ramping up its effort to create a new source of growth. In the first half of this year, Didi raised money from outside investors for its autonomous driving and bike-sharing units. The company has also launched a number of new businesses including an on-demand delivery service. <https://bit.ly/3hli6II>

Apple held 'preliminary' talks with Arm about an acquisition, but not planning a bid. SoftBank is looking for opportunities to sell some or all of its Arm Holdings operations as reported last week. A new report from Bloomberg today revealed more details about this potential sale, including preliminary negotiations with Apple and Nvidia. Arm Holdings is a semiconductor company that licenses its technologies to several companies like Apple, which uses ARM architecture to build "Apple Silicon" processors for iPhone, iPad, and more. According to Bloomberg, the acquisition of Arm may be the largest in the chip industry to date. The Japanese group behind SoftBank bought Arm in 2016 for about US\$32 billion, which is now part of a US\$100 billion Vision Fund. Citing sources familiar with the matter, Bloomberg says SoftBank was in talks with Apple to sell Arm Holdings to the Cupertino-based company. Nearly all the chips made by Apple are based on the ARM architecture, including the A-series chip that powers the iPhone and iPad, Apple Watch SoCs, and now Apple Silicon processors that are part of the transition from Intel to ARM on the Mac. Apple gave up on bidding as owning Arm's licensing operations could raise concerns about how the company would deal with its competitors who also depend on Arm's technologies. Even so, Apple definitely has an interest in Arm's future since the company has shipped more than 2 billion custom ARM chips within iOS devices in the last 13 years. <https://bit.ly/39kLBI7>

SoftBank's chip company Arm said to attract Nvidia interest. [Arm Ltd.](https://www.arm.com/), the semiconductor designer owned by [SoftBank Group Corp.](https://www.softbank.com/), is attracting takeover interest from graphics chipmaker [Nvidia Corp.](https://www.nvidia.com/), people with knowledge of the matter said. Nvidia made an approach in recent weeks about a potential deal for Cambridge, England-based Arm, according to the people. Other potential bidders could also emerge, the people said, asking not to be identified because the information is private. <https://bloom.bg/3ePUBpP>

Only four states plan to use Apple/Google coronavirus API; none yet in use. An analyst of the US contact tracing landscape paints a depressing picture. Not a single US state currently offers an app that uses the Apple/Google coronavirus contact tracing API — and only four states plan to do so. Others have launched GPS-based apps that raise immediate privacy concerns and are unlikely to see significant adoption, while the majority of states who responded plan to offer nothing at all. Despite Apple and Google encouraging each country to build only a single contact-tracing app, the US has developed a patchwork of apps. <https://bit.ly/2ZXG72R>

Increased consumer interest in May correlates with COVID-19 hot spots in June, according to the Yelp economic average. Yelp's latest [Local Economic Impact Report](#), published in June, showed a decrease of business closures compared to April and an increase in consumers getting back to their normal activities — such as dining in at restaurants, heading back into shopping malls and planning weddings. We're now beginning to uncover longer term trends including a correlation between interest in restaurants, bars and nightlife, and gyms to a spike in COVID-19 cases across hotspot states. The report also measures business closure data that reflects an unstable economy; slower, but still consistent changes in consumers getting back to pre-pandemic activities; and sustained interest in supporting Black-owned businesses. <https://bit.ly/2OPOMaN>

Emerging Technologies

KFC is working with a Russian 3D bioprinting firm to try to make lab-produced chicken nuggets. KFC is trying to create the world's first laboratory-produced chicken nuggets, part of its "restaurant of the future" concept, the [company announced](#). The chicken restaurant chain will work with Russian company 3D Bioprinting Solutions to develop bioprinting technology that will "print" chicken meat, using chicken cells and plant material. KFC plans to provide the bioprinting firm with ingredients like breeding and spices "to achieve the signature KFC taste" and will seek to replicate the taste and texture of genuine chicken. <https://bit.ly/2Cu4FHG>

Amazon is testing its Scout delivery robots in Georgia and Tennessee. Only a handful of Amazon Scout devices will operate in each city. They'll be accompanied by a human, travel at walking speed and make deliveries Monday through Friday, during daylight hours. Customers will place their Amazon orders as usual, and there won't be any additional cost for Scout deliveries. Scout has successfully navigated around objects on the sidewalk -- from dogs to refrigerators left for pickup and surfboards. We still don't know how it will verify who is opening its storage hatch or how it will unload packages if no one is there to collect them. For now, its human assistant will take care of that. Amazon says the battery-powered bots fit into its goal of reaching net zero carbon by 2040 and that it will partner with schools in Atlanta and Franklin to support STEM and robotics activities. The company has corporate offices and logistics facilities in both areas. It's that kind of far-reaching footprint that could give Amazon an advantage over competitors like Postmates and Alibaba, which are also working on delivery robots. <https://engt.co/30FuDA4>

Aurora expands to Texas in bid to ramp up self-driving truck efforts. Aurora, the autonomous vehicle technology startup backed by Amazon, is expanding into Texas as it aims to accelerate the development of self-driving trucks. The company said it plans to test commercial routes in the Dallas-Fort Worth Area with a mix of Fiat Chrysler Pacifica minivans and Class 8 trucks. A small fleet of Pacificas will arrive first. The trucks will be on the road in Texas by the end of the year, according to the company. Aurora is developing a full-stack solution for self-driving vehicles, which it calls the "Driver." Since it launched in 2017, the startup has said its self-driving stack — the combined suite of software and hardware that provides the brains for an AV — could be applied to any vehicle. However, Aurora's partnerships and public comments in those first two years centered on robotaxis, not logistics. <https://tcrn.ch/3jquedC>

Solar power could become cheaper and more efficient thanks to a new method that creates electricity from invisible light. Two recent studies signal major breakthroughs in solar energy that could make solar panels cheaper and more efficient. In the first, researchers uncovered a method of converting low-wavelength light that's invisible to the human eye into electricity, suggesting more energy can be harvested from sunlight. Another study suggests that silicon solar panels could be replaced with a material called perovskites, which is cheaper and more lightweight. <https://bit.ly/2OMnMPU>

The AI company Elon Musk cofounded just released a 'groundbreaking' tool that can automatically mimic human writing — here's how stunned developers are experimenting with it so far. OpenAI, a major artificial intelligence research lab, released a new tool to select developers last week that can automatically create written passages that are nearly indistinguishable from those written by humans, and developers are already stunned by how well it can code, mimic famous authors, and write business memos. GPT-3, as the tool is called, is the group's third iteration of a "natural language generation" model — an algorithm that can look for patterns in massive datasets of human-created text and spit out entire sentences and paragraphs in a writing style that reflects those patterns (in other words, in plain-English). OpenAI published the technical specifications of GPT-3 in May, but opened it up as an application programming interface to select developers last week. Developers on Twitter were amazed by the powerful capabilities of the tool and quickly started experimenting: GPT3 can code a website based on plain English descriptions, write sonnets that mimic Shakespeare's works, and explain OpenAI's research paper on this subject better than this article can (maybe). It was described as a "groundbreaking" new model that could end up making people's jobs easier (or even obsolete). "Every bit of the hype is deserved, and it's worth wrestling with each of the big questions raised," investor Chris Sacca tweeted. <https://bit.ly/30zICrf>

Kuo: iPhone 12 to feature improved autofocus, periscope camera lens coming in 2022. TF Securities analyst Ming-Chi Kuo details Apple's plans for its iPhone camera suppliers. Kuo believes that Semco and Sunny Optical (the 'best' Korean and Chinese lens supplier respectively) are joining the iPhone supply chain this year. Kuo also believes that these companies will be able to deliver higher quality components with better performance. For the iPhone 12, Apple is reportedly using Semco's ball-based voice coil motor, compared to the current spring-based design, for improved autofocus. In 2022, Kuo believes the iPhone will feature periscope telephoto lenses manufactured by Semco. The iPhone 12 is expected to ship this fall in four models: a new smaller iPhone with a 5.4-inch screen, two 6.1-inch models, and a high-end 6.7-inch 'Max' model. The premium 6.1-inch and the Max iPhone 12 will feature triple lens camera array and the depth-sensing LiDAR scanner. <https://bit.ly/3fUipu2>

Media, Streaming, Gaming & Sports Betting

Twitter is studying new ways to increase revenue with subscription model. Twitter confirmed that it's looking at new ways to increase revenue with a paid service. In a tweet shared with investors, Twitter confirmed that the company is exploring how to complement its revenue, which is currently generated from advertising. A subscription model is being considered, but there are no further details on how this would work and when it will be available, as the company itself stresses that they're still under initial discussions about this. <https://bit.ly/2OYzSW1>

NBCU's Peacock streaming service hits 1.5 million app downloads in first 6 days. NBCU's Peacock appears to be having a somewhat better launch than Quibi did, based on data from app store intelligence firm Sensor Tower. In Peacock's case, Sensor Tower says the mobile app has now been downloaded around 1.5 million times across the U.S. App Store and Google Play within its first 6 days on the market. For comparison, that's 25% more than the 1.2 million installs Quibi saw during the same period post-launch in the U.S., but only 12% of the 13 million downloads Disney+ generated within its first six days. <https://tcrn.ch/39oAfmq>

The New York Times is acquiring the podcast studio that created Serial and S-Town. The Times deal will greatly benefit the paper's growing audio journalism ambitions, but it's also a signal that the podcast market is becoming ever more competitive and now experiencing some consolidation as a result. Spotify, for example, is

using its financial might to scoop up exclusives with big names like Kim Kardashian West and Joe Rogan, after having acquired big podcast production companies like Bill Simmons' The Ringer and Reply All parent company Gimlet Media. Spotify announced a new video podcast feature that will mean its competing even more directly with YouTube. And Apple, which has remained one of the biggest distributors of podcasts to date, also revealed plans to get into the originals game with its announcement of a new daily news podcast of its own earlier this month. <https://bit.ly/3eSdacZ>

Roblox launches Party Place, a private venue for virtual birthday parties and other meetups. The coronavirus pandemic and related government lockdowns have led to a surge in online gaming — particularly on social platforms where people can connect with real-life friends in a virtual venue. We've already heard of Fortnite birthday parties, Roblox playdates and Animal Crossing meetups taking place online amid the pandemic. Now, Roblox is launching a new feature called "Party Place" to directly cater to the growing demand among users for a dedicated, private place to host virtual events. The company's new "Party Place" venue is based on the technology the gaming company built to accommodate its own virtual events, including its 7th Annual Bloxy Awards and the One World: Together At Home concert, hosted in April in collaboration with Lady Gaga. Roblox has been doing particularly well as the pandemic has forced children to stay at home under lockdown. The entertainment platform now has more than 120 million active monthly players and, as of June, surpassed a milestone of US\$1.5 billion in lifetime player spending, according to a report from Sensor Tower. It hit the new record only seven months after reaching its US\$1 billion milestone — a surge in consumer spend attributed directly to the global COVID-19 pandemic and the related growth in entertainment platforms and social gaming. In March, Roblox revenue grew 28% month-over-month to US\$69.8 million, the report found. In April, revenue grew 34% to US\$93.2 million. And by May, sales hit close to US\$103 million. <https://tcrn.ch/2WEkp1W>

NBA is using Microsoft Teams to bring virtual fans into its real-world games. When you tune in to an NBA game after the league restarts its coronavirus-interrupted season on July 30, things will look a little different. There won't be empty stands and fake crowd noises like we saw this week at the season openers for Major League Baseball. Instead the NBA will invite fans to attend virtually, displaying their real-time heads in the stands using massive screens and Microsoft software. The socially distanced fan experience, which the NBA and Microsoft announced Friday, will be displayed on 17-foot screens on three sides of the court, designed to reproduce the look of otherwise standard stadium seating. Microsoft will use its Teams software's new Together mode to pipe the faces of up to 300 fans into the "seats." The fans will need to have special tickets to participate. <https://cnet.co/30P0aj3>

House, Senate advance Rhode Island sports betting remote registration. Mobile sports betting registration in Rhode Island is a signature away from legalization. HB 8097 and SB 2919 both hit Gov. Gina Raimondo's desk after they overwhelmingly passed their chambers of origin and passed to the governor in concurrence Thursday evening. The bills strip the requirement for sports bettors to complete the registration process at either of Twin River's two casinos in the state. <https://bit.ly/2WF1aol>

Adtech, Privacy & Regulatory

House hearing with tech CEOs may be delayed. Next week's highly-anticipated House antitrust hearing featuring four of tech's most powerful executives will likely be postponed due to a scheduling conflict with the memorial service for Rep. John Lewis, Axios reported. The hearing, featuring Facebook's Mark Zuckerberg, Google's Sundar Pichai, Apple's Tim Cook and Amazon's Jeff Bezos, was set for Monday, but may be rescheduled to the subsequent week, Axios said. A person familiar with the situation confirmed with The Information that there would likely be a delay. While the hearing's official theme is antitrust, House members are expected to grill the CEOs on a variety of subjects, including privacy, disinformation, censorship and labor practices. <https://bit.ly/30HD8dX>

Disney has reportedly slashed its Facebook advertising budget amid a big-business boycott of the social media platform. Disney has slashed its advertising spend on Facebook and Instagram amid a boycott of the social-

media platform led by civil-rights groups, the Wall Street Journal reports. Sources familiar with the matter didn't say how much had been cut, or when the decision was taken. The sources said Disney-owned streaming service Hulu had paused all advertising on Instagram, and one source said that ads for its cable network shows are unlikely to return to Facebook after the summer TV advertising lull, unless the social media giant changes its policies. Analysis provided to the Journal by research firm Pathmatics Inc suggests Disney was the top advertiser on Facebook for the first half of this year, spending an estimated US\$210 million. It was the number two spender in 2019, behind Home Depot. <https://bit.ly/3jj5Que>

Jeff Bezos hated ads — now Amazon is America's top advertiser. Amazon spent nearly US\$7 billion on U.S. advertising in 2019, making it the top ad spender in the country, according to a new analysis from Kantar featured in AdAge. Why it matters: It wasn't that long ago in 2009 that Jeff Bezos triumphantly declared that "Advertising is the price you pay for having an unremarkable product or service." By the numbers: Total U.S. ad spending in 2019

	(in	millions):
1. Amazon:		US\$6,879
2. Comcast	Corp.:	US\$6,142
3. AT&T:		US\$5,484
4. Procter & Gamble:		US\$4,281
5. Walt Disney Co.:		US\$3,154
6. Alphabet (Google):		US\$3,130
7. Verizon:		US\$3,071
8. Charter Communications:		US\$3,044
9. American Express:		US\$2,990
10. General Motors Co.:		US\$2,952

<https://bit.ly/3eRhQ2P>

F.T.C.'s Facebook investigation may stretch past election. Nearly a year ago, Joseph J. Simons, the chairman of the Federal Trade Commission, predicted his agency would wrap up an antitrust investigation of Facebook by the presidential election. That goal now seems virtually impossible, according to numerous people with knowledge of the inquiry. Instead, it will probably roll into next year, when there may be a new president choosing its leader. The change could alter the commission's priorities. The investigation into whether the tech giant has broken antitrust laws continues to move along, said the people, who spoke on the condition of anonymity because the investigation was private. <https://nyti.ms/2E4TC8u>

eCommerce

Top 10 eCommerce retailers will grow their market share to 60.1% in 2020. The retail divide among top performers and the rest of the market has been amplified by the coronavirus pandemic. According to our most recent forecast, the top 10 US ecommerce players will collectively grow their share of the overall ecommerce market to 60.1% in 2020. That's up from 58.2% last year, as consumers shift toward retailers of essential goods and brands they can count on for reliable delivery and fulfillment. <https://bit.ly/3eRoia3>

Google Shopping waives commission fees for retailers. Google is making another big change to its Shopping platform in an effort to compete with rival Amazon. On Thursday, the company announced that merchants selling through its checkout product (called Buy on Google) will no longer pay commission fees. Current fees on Google range between 5% and 15%. By waiving commission fees, Google should be able to attract more retailers to sell through its Shopping platform. On Thursday, Google also said it would open up Shopping to third-parties— starting with Shopify and PayPal—so that merchants who want to use their existing checkout, inventory, and order management systems can do so. Typical fees for those products will still apply. <https://bit.ly/2ZUTPUC>

Fintech, Blockchain & Cryptocurrency

US banking regulator greenlights crypto custody at federally chartered banks. The office of the U.S. Treasury that handles banks has issued a determination on the long-debated subject of custodying crypto assets. Per a July 22 announcement shared with Cointelegraph, the Office of the Comptroller of the Currency (OCC) is granting permission to federally chartered banks to custody cryptocurrency. <https://bit.ly/2BnyTM1>

WhatsApp to pilot projects to deliver credit, insurance and pension to users in India. WhatsApp plans to offer credit, insurance and pension products to lower-income individuals and those in rural areas in India and help digitize local small and medium-sized businesses as the Facebook service looks to make a digital payments push in its biggest market by users. The instant messaging app maker has been working with banks — including ICICI, Kotak Mahindra and HDFC — in India for the past year to explore ways to bring financial services to individuals who have yet to become part of the banking population. WhatsApp also plans to digitize businesses and help them secure working capital, said Bose. Facebook invested US\$5.7 billion in India's top telecom operator Reliance Jio Platforms in April this year and said the two companies had agreed to explore ways to serve small businesses, such as mom and pop shops. <https://tcrn.ch/2ZSBvuW>

ESG

Apple joins tech rivals with pledge to be 100% carbon neutral by 2030. Apple Inc. on Tuesday joined the ambitious aim of rival tech giants, believing it can reduce and offset emissions along its entire supply chain and in the production of its iPhones and other devices, all in less than 10 years. The company, pledges to be 100% carbon neutral by 2030. Apple's global corporate operations are already carbon neutral, so Tuesday's update means that the company will extend that goal to its manufacturing supply chain and product life cycle. Apple's most recent environmental report, covering fiscal 2018, put its carbon footprint at 25.2 million tons. Apple said it aims to achieve 75% of the goal by reducing emissions, with the remainder coming from carbon removal or offset projects such as planting trees and restoring habitats. <https://on.mktw.net/3jxpwun>

Microsoft, Starbucks and Nike opt for show-and-tell to push others to hit net zero carbon emissions. Microsoft has teamed up with Unilever, Starbucks, Nike and a handful of other global companies that would seem to have little in common expect for established plans to cut carbon pollution and what their executives say is a willingness to teach others to hit net zero emissions by 2050. <https://on.mktw.net/2CYnC5a>

Ford made a ludicrous 1,400-horsepower electric Mustang Mach-E. About a year ago, before [the Mustang Mach-E broke cover](#), Ford's motorsports division quietly started work on something outrageous: a one-off version of the electric vehicle that makes 1,400 horsepower. Now, the company is showing it off for the first time. Dubbed the Mustang Mach-E 1400, it's a wicked-looking three-seater demonstration car that screams like a banshee and smokes tires like they're kindling. Equipped with a massive rear wing, aerodynamic bodywork, and seven — yes, seven — electric motors, the Mustang Mach-E 1400 has a top speed of around 160 miles per hour. It can presumably reach that speed in very quick fashion, though Ford says it hasn't yet benchmarked a 0-60 mph or quarter-mile time. <https://bit.ly/3fOpsUJ>

Sophic Capital Client Insights

Legend Power (LPS-TSXV) - Insights into a growing ESG investment theme. Governments aren't the only ones cracking down on Greenhouse gas emitters. On LPS' second quarter fiscal 2020 conference call, management indicated in the coming months a number of systems could be placed with some of North America's largest Energy Service Companies (ESCO). ESCOs audit energy consumed by a property & specialize in bundling energy conservation measures for government organizations and schools, and will act as Legend resellers. Legend's management stated on the call that late-stage deals are moving forward, despite the pandemic, and contracts should be forthcoming within the next two to three months. <https://bit.ly/2OVYRt7>

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