

Qatar Airways seeks 10% stake in American

New York

Qatar Airways, its Middle Eastern business pressured by a diplomatic row with neighbours, is seeking as much as a 10 per cent stake in American Airlines, the US carrier said yesterday.

The surprise investment push by Qatar Airways was disclosed by American Airlines in a securities filing Thursday saying the Qatari company planned to buy at least \$808 million in American shares.

In addition, Qatar Airways's chief executive told his counterpart at American that the carrier sought a stake of about 10 percent.

The outreach drew a frosty response from the US carrier, which said the intended purchase "was not solicited by American Airlines and would in no way change the Company's Board composition, governance, management or strategic direction."

American's bylaws require board approval to stakes of 4.75 percent or more. Qatar Airways said it would not exceed this level without board approval and would "make all necessary regulatory filings."

"Qatar Airways sees a strong



This combination of pictures shows an American Airlines plane sitting on the tarmac of McCarran International Airport in Las Vegas, Nevada and a Qatar Airways plane landing at the Hamad International Airport in the Qatari capital Doha.

investment opportunity in American Airlines," the company said in a statement.

"Qatar Airways believes in American Airlines' fundamentals and intends to build a passive position in the company with no involvement in management, operations or governance." At the Paris Air Show this week, Qatar Airways was named the world's top airline for passenger service by Skytrax, a closely-watched industry prize.

American has had its differences with Qatar

Airways, among other Middle Eastern carriers, over state subsidies the US air travel industry says violate international agreements.

American chief executive Doug Parker has joined an effort with the leaders of Delta Air Lines and United Airlines to urge a crackdown by President Donald Trump on an alleged \$50 billion in state subsidies to Qatar Airways and two other state-backed Middle East carriers that they argue allows the airlines to illegally compete in the US

market.

Parker alluded to the controversy in a letter to employees Thursday, which adopted a skeptical tone toward Qatar's motives.

"While anyone can purchase our shares in the open market, we aren't particularly excited about Qatar's outreach, and we find it puzzling given our extremely public stance on the illegal subsidies that Qatar, Emirates and Etihad have all received over the years from their governments," Parker said. (AFP)

Geely seals Proton deal, eyes Lotus production

Kuala Lumpur

The parent of Malaysia's Proton said yesterday that Chinese auto giant Geely will inject \$40 million and an SUV product into the loss-making carmaker, as it looks to access a Southeast Asian market dominated by Japanese automakers.

DRB-HICOM group managing director Syed Faisal Albar said Geely will invest 170.3 million ringgit (\$39.7 million) cash and its SUV Boyue platform worth 290 million ringgit for the 49.9 percent stake in Proton it agreed to buy in May.

Geely will also pay Proton 51 million pounds (\$65 million) for a 51 per cent stake in British sports-car maker Lotus, he said.

"With Zhejiang Geely Holding Group on board,



Proton can now eye the huge Southeast Asian passenger car market with renewed confidence," he said at the signing ceremony of the deal, which was attended by Malaysian Prime Minister Najib Razak and Zhejiang Geely Holding Group chairman Li Shufu.

Najib hailed the merger, saying it will end "handouts from the government" for troubled Proton.

Proton was formed in 1983 as part of an ambitious national industrialisation plan, but has suffered from a reputation for unimaginative models.

Tesla mulls entering music streaming biz

New York

Electric carmaker Tesla said it was considering ways to enter music streaming amid a report it may launch a unique new service. The high-end carmaker, which already has a tie-up with streaming leader Spotify in some international markets, said it was aiming at ways to please drivers.

"We believe it's important to have an exceptional in-car experience so our customers

can listen to the music they want from whatever source they choose," a Tesla spokesperson said.

The company was responding to a report that Tesla had reached out directly to major music labels about creating its own service.

Technology news site Recode said Tesla was discussing the creation of a service unique to the automaker which would be integrated into the cars.

Facebook launches plan to combat online extremism

Cool Trends

US social media giant Facebook launched a campaign in Britain yesterday to counter the spread of online extremism. Facebook seeks to educate charities and other organisations on how to fight hate speech.

Earlier this year, Group of Seven (G7) leaders had urged online giants like Facebook and Google to do more to curb extremist content online. "The fight is moving from the battlefield to the internet," May said at the time.

More curbs

British government has rolled out new rules to crack down on terrorist and criminal financing. Businesses like banks, estate agents and accounting and payment firms will have to carry out "stringent and targeted checks" to make sure that money "is from a legitimate source and will not be used to fund terror acts".

Civil Courage Initiative

The Online Civil Courage Initiative (OCCI) will act as a forum for charities and other nonprofit organisations to share their experiences of extremism and develop "best practices" to tackle the issue, both on and offline. There are already OCCI schemes in France and Germany.

Jo Cox

Partners in the new initiative include the Jo Cox Foundation, which was established in memory of the British member of parliament who was assassinated last year by a man with links to neo-Nazi organisations. Other partner organisations include anti-hate groups from the Jewish and Muslim communities.

"We use technology like AI (artificial intelligence) to find and remove terrorist propaganda, and we have teams of counterterrorism experts and reviewers around the world working to keep extremist content off our platform."

- Sheryl Sandberg, Facebook chief operating officer