

PARIS ENTREPRENEUR'S 2CV TOURS TO GO ELECTRIC

PARIS: The humble "Deux Chevaux", once ubiquitous in the French countryside, chugging down tree-lined roads - cue accordion music - is now more of a curiosity than a cheap and cheerful runabout. For entrepreneur Florent Dargnies, the Citroen 2CV - as the car is known for short - is the heart and soul of his Paris tour company, ferrying some 20,000 visitors around the French capital each year. But the car comes with a built-in problem: its petrol-fuelled thermal engine does not meet ever-stricter emissions standards.

At the instigation of Paris Mayor Anne Hidalgo, all cars registered before 1997 will be barred from Paris streets during the day beginning in July. Dargnies, anticipating the problem, began working on going electric five years ago, delving into not only the research and development required but also the administrative hurdles he would face. Late last year, he obtained a patent for the electric 2CV and a green light from Citroen. His prototype has a 16-kilowatt powertrain manufac-

tured by Mia Electric, a now defunct company that produced "made in France" electric cars. The battery allows the car to cover 80 km before recharging, enough for any of his tours, which include "Secret Paris", "Romantic Paris" and "Paris Impressionism". Its top speed is a nippy 110 km an hour. "Our hope is to really work with City Hall not only so that this vehicle is accepted but so that it contributes to the image, to the French art of living," Dargnies told AFP. Citroen's answer to the Volkswagen Beetle was first produced in 1948, and kept rolling off the production line until 1990, more than five million of them. That was when the French auto giant had to stop producing them because of emissions standards.

No Broken Eggs

The name of Dargnies' company, Four Wheels Under an Umbrella, was the title of Citroen's rather whimsical original specs for the 2CV. These included instructions suggesting that a farmer's wife should

have no trouble driving it on "the worst roads" and that the suspension should ensure that a basketful of eggs riding on the backseat would survive intact. The cars are ideal for Dargnies' tours, which are heavy on nostalgia for the France of yesteryear. Also, since they are convertibles, they "offer great views of the monuments", he says.

Set up in 2003, the company now boasts a fleet of 40 2CVs driven by around 100 chauffeurs. But if Dargnies converts them all to electric power, would their silent operation make them unauthentic? Dargnies concedes that the distinctive thrum of the original air-cooled motor was as familiar to generations of his countrymen as the car's rounded shape and its ultra-soft suspension system. "The noise is part of the car's charm," he said, adding that his electric version could one day, like some electric BMWs and Renaults, come with recorded audio of the sound that gets louder with speed. "It doesn't seem too complicated," he said. — AFP



PARIS: This photo taken on Jan 21, 2016 shows an employee of the French tourist agency '4 roues sous un parapluie' (4 wheels under an umbrella) looking at the engine of a Citroen 2CV electric car close to the Eiffel Tower. — AFP



NEW YORK: Electronic screens post the price of Alphabet stock on Monday at the Nasdaq MarketSite. — AP

ALPHABET/GOOGLE OVERTAKES APPLE AS BIGGEST COMPANY

NEW YORK: Alphabet, the parent firm for Google, became the world's most valuable company yesterday as a jump in its share price helped it vault past tech rival Apple. In opening trade following a robust earnings report, Alphabet shares rose 2.9 percent to lift its market capitalization to \$543 billion while Apple's value declined to \$530 billion with a modest dip in trading. Alphabet's reported quarterly profit rose five percent to \$4.92 billion on the back of strong online advertising revenue, particularly from searches done by holiday season shoppers using smartphones or tablets.

"This holiday season, we found that shopping moments replaced shopping marathons," Google chief executive Sundar Pichai said during an earnings call. People made purchases online when time allowed, with Google powering many of their searches and serving up related ads.

Mobile and YouTube Shine

Google ad revenue climbed globally, gaining on both mobile devices and desktop computers, according to Alphabet chief financial officer Ruth Porat. The California-based Internet colossus said its revenue topped \$21.3 billion in the final three months of last year. Prime revenue drivers in Q4 were mobile search ads and ads on YouTube, where people watch "hundreds of millions" of hours of video daily. Porat said the

strong revenue growth was a return on years of investment in mobile search, YouTube and so-called programmatic advertising, which involves ads being sold automatically using software.

The earnings report was the first in which recently formed parent corporation Alphabet separated money made by Google from what it calls "Other Bets" such as its work on self-driving cars or delivering Internet using high-altitude balloons. The new structure under Alphabet is expected to offer more transparency for investors worried about Google investing in money-losing projects. "Essentially, what they have now is a big advertising business and a venture capital business," Forrester analyst Frank Gillett said of the new earnings presentation.

Lost Money on 'Bets'

Alphabet's earnings listed a loss of about \$3.6 billion last year in a consolidated "Other Bets" category that brought in \$448 million in revenue. Overall revenue for last year stood at \$74.5 billion, up from \$65.7 billion in 2014. While Google is best known as the dominant player in Internet search, it has launched a variety of trailblazing projects in recent years that are marginally related at best to its core operation. Alphabet subsidiaries include Google, Nest Labs, and Google X labs devoted to big-vision new technologies such as self-driving cars, along with such projects as smart "Google Glass" spec-

acles, drones, health care and Google TV - none of which has become a major source of income.

Porat referred to expenses related to "milestones" hit by some Alphabet "big bets" but declined to provide details or specifics on the earnings call. Alphabet is notably expected to ramp investments in Google projects such as virtual reality as well as big bets including the Fiber ultra-high speed internet service it has launched in some US cities.

Investing in the Cloud

Meanwhile, Pichai said Google is seeing "incredible progress" with enhancing services with artificial intelligence. He also noted that the Internet giant's priorities this year include beefing up cloud services for businesses, a market dominated by Amazon Web Services and Microsoft Azure. "It is a strongly growing business for us and we plan to make it a major investment area in 2016." Google has refined the online search ad business to become hugely profitable, but analysts say the company needs to diversify as technology moves away from the personal computer to mobile apps, wearables and other "Internet of Things" connected devices. Industry tracker eMarketer expected Google remain the dominant player in worldwide search advertising, raking in \$45.58 billion in revenue this year to claim a share just shy of 57 percent of the overall spend. — AFP

DUTCH POLICE TRAIN EAGLES TO SNATCH ENEMY DRONES

AMSTERDAM: Dutch police puzzling over how to remove drones that pose a public safety threat are testing a way to get the job done in one fell swoop - with trained eagles. "It's a low-tech solution to a high-tech problem," spokesman Dennis Janus of the country's national police said. The idea arose because amateur use of drones has boomed and police have begun to worry about unlicensed drones flying into off-limit spaces around airports or above public events such as politician's appearances.

Possible solutions the Dutch police have studied include shooting nets at the offending drones, remotely hacking them to seize their controls - or taking them out with birds of prey. "People sometimes think it's a hoax, but it's proving very effective so far," Janus said. Showing off the technique in a video released by police, a four-propeller drone hovers in the middle of a warehouse, colored lights flashing. Released by her keeper, a white-tailed eagle glides straight toward the

drone, clutches it easily in her talons - clack! - and drags it to the ground.

Sjoerd Hoogendoorn of "Guard from Above", the company working with police to develop the concept, said the birds must be trained to recognize the drones as prey. They are rewarded with a piece of meat after each successful foray. Their scaly talons are strong and tough enough to seize most consumer-grade drones without injury from the blades, he said. "These birds are used to meeting resistance from animals they hunt in the wild, and they don't seem to have much trouble with the drones," he said.

The potential impact on the animals' welfare is subject of testing by an external scientific research institute. "The real problem we have is that they destroy a lot of drones," Hoogendoorn said. "It's a major cost of testing." Another unknown is how the birds will fare in a crowd situation, he said. A decision by police on whether to move ahead with using the eagles is expected by the end of the year. — Reuters

EMC REPORTS Q4 AND FULL-YEAR 2015 RESULTS

DUBAI: EMC Corporation yesterday reported fourth-quarter and full-year 2015 financial results. Fourth-quarter consolidated revenue was \$7 billion and full-year 2015 revenue was \$24.7, up 1 percent year over year. EMC generated \$1.9 billion in operating cash flow and \$1.5 billion in free cash flow in the fourth quarter, and ended the quarter with \$14.8 billion in cash and investments. EMC returned approximately \$229 million to shareholders via a quarterly dividend.

Joe Tucci, EMC Chairman and CEO, said, "The fourth quarter of 2015 follows 24 consecutive quarters of reported year-over-year top-line growth; an accomplishment very few of our peers have matched. 2015 brought geopolitical and other market-wide uncertainties, while secular technology trends continued to accelerate. EMC anticipated and focused on capturing the massive growth opportunity these trends will avail, and we are well equipped in 2016 with some of the most exciting technology advancements in our history."

Tucci added, "Together, EMC and Dell will be better positioned in the market. We believe that the coming together of the companies is the best strategic option for all stakeholders. I'm pleased to report that progress on closing the transaction remains on track under the

original terms and timeline."

Zane Rowe, EMC CFO, said, "As we work toward closing the transaction with Dell to build one of the world's premier IT powerhouses, we continue to focus on synergies and operating efficiencies across our business. Our previously announced \$850 million cost reduction and business transformation plan is on track and the initial \$50 million cost reduction target was met in Q4. We are confident that we will exceed our goal, thanks to our unified team's effort and focus."

David Goulden, CEO of EMC Information Infrastructure, said, "Customers are buying 'just enough' and 'just in time' for their traditional environments. They are also transforming existing IT systems toward a Hybrid Cloud or building and deploying new digital applications. In some cases they are doing it all simultaneously. Against this market backdrop, our storage business revenue grew 3% in constant currency for the full year. Looking forward, I am excited about our position in 2016 as we further expand our industry-leading Storage and Converged Infrastructure portfolio, which is built upon the architectural pillars of the modern data center - Flash, Scale-Out, Software Defined, Cloud Enabled and Trusted technologies."

SPIN-OFF OR SALE? YAHOO TURNAROUND PLAN IN FOCUS

SAN FRANCISCO: Yahoo Inc's plans to turn around its struggling core business were set to dominate its earnings report yesterday, with investors keen to see if CEO Marissa Mayer will push ahead with a proposed spin-off or entertain calls for a complete sale. The spin-off of its main business which includes its search engine and digital advertising units was flagged by Mayer in December after Yahoo abandoned efforts to sell its stake in Alibaba Group Holding Ltd, but the company has provided few details.

On Monday the Wall Street Journal reported Yahoo planned layoffs of about 15 percent of its 11,000-strong workforce and would close unspecified units. A Yahoo spokeswoman declined to comment on the report, citing the quiet period ahead of earnings. Investors are also expected to zero in on any comments from Mayer on her plans to increase the company's advertising sales and improve its efforts on mobile platforms, where more users are spending their online time.

Some activist investors are pushing Yahoo to ditch the spin-off and instead sell the core business. Verizon Communications Inc has expressed interest in the core, and analysts say other potential buyers include media and pri-

ivate equity firms. A note published by SunTrust Robinson Humphrey last week valued the core business at between \$6 billion and \$8 billion. A Reuters story earlier this year reported that investors are prepared to take a tax hit on a quick sale of the core business instead of waiting for a spin-off that could take more than a year.

For the fourth quarter, analysts expect Yahoo to report revenue of \$1.18 billion and earnings per share of 12.5 cents, according to Thomson Reuters I/B/E/S. Last quarter's revenues and EPS both missed analysts' estimates. Yahoo has struggled to expand its Internet business, which includes selling search and display ads on its news and sports sites and email service, in the face of competition from Alphabet Inc's Google unit and Facebook Inc. Yahoo's revenue has fallen slightly since Mayer took the helm in mid-2012, and its share of US web searches is essentially flat with three years ago, gaining no ground on market leader Google.

Activist hedge fund Starboard Value last month said investors appear to "have lost all confidence in management and the board" after the company, led by Silicon Valley star

Mayer, has failed to turn around Yahoo's core Internet business. In a letter to the board, Starboard said Yahoo needs to sell off the core business to other investors, but that so far the company has ignored expressions of interest from buyers. Starboard argued that "significant changes are desperately needed." In December, SpringOwl, another sizeable Yahoo investor, demanded the company cut more than 80 percent of its workforce and replace chief executive Mayer.

Investors such as Starboard point out that current market valuations of the company put the value of the core business at zero, and that selling it to investors would reap far more for investors than keeping the business. "Despite over three years of effort and billions spent on acquisitions, the management team that was hired to turn around the core business has failed to produce acceptable results, in turn, causing massive declines in profitability and cash flow," Starboard said. Word of looming job cuts came on the same day that a fired Yahoo employee filed a lawsuit in federal court in Silicon Valley arguing that the company's job performance evaluation system is discriminatory and violates the law. — Agencies



LAS VEGAS: In this Jan 7, 2014 file photo, Yahoo president and CEO Marissa Mayer speaks during the International Consumer Electronics Show. — AP