

APRIL I - 2011 ISSUE:

Pages 2 - 4

Late Breaking News:

- Observation from the BIIA Business Information Forum 2011
- BIIA at Online-Information Asia-Pacific Conference and Exhibit
- BIIA Forum 2011: Legal Information Services in Asia
- BIIA Forum 2011: State of Information
- 2011 State of Industry: Global Corporations 'Must Rethink' Asian Engagement Strategies

Page 5

Member News:

- Sinotrust Review of 2010 China's Automotive Market
- Equifax & Moody's Analytics Redesign CreditForcast.com Consumer Credit and Economic Intelligence Service
- Equifax is Providing Credit Solutions for Lenders and Investors

Page 6

Industry News:

- Acxiom Drops Surprise Announcements on Shareholders
- Epsilon System Rifled by Hackers
- FTSE4Good Ratings Puts Spotlight on Governance, Social and Environmental Practices
- Central Bank of Indonesia Calls for Standard Operating Procedures for Debt Collection
- Singapore: Electronic Sector Grew 27% - Best ever in 20 years

Page 7

News from China

- Alibaba to Expand Loan Business
- Baidu Shuts Down E-commerce Platform
- Baidu Tests New Web Browser
- China Online Finance Revenues up 11% in 2010

Pages 8 - 9

From the User Corner

- Trade Credit Supply Recovers
- Credit Management Index (CMI): Optimism Takes a Hit as the CMI Indicates a Sharp Decline in New Credit Applications
- Late Payments: European Parliament Sets New Rules
- Commercial Lending: Software for Commercial Portfolios is Catching Up

Events - Events

[FCIB International Credit Management Meeting](#); Chicago, IL; April 17th - 18th, 2011

[EADP \(European Association of Directory and Database Publishers\) Conference](#) Discover the Mobile And Social EI Dorado: Mallorca, Spain; May 12th - 13th, 2011

[Global Credit Congress](#); Sydney, Australia; May 19th - May 22, 2011

[ACCIS General Meeting](#); Dubrovnik, Croatia; June 8th - 10th, 2011

Events - Events

LATE BREAKING NEWS

Observations from the Business Information Forum 2011

BIIA's Business Information Forum 2011 took place on March 24th 2011 in Hong Kong. This intensive forum addressed a number of key issues of interest to both users and information professionals. Accordingly discussions centered on the current state of business information markets, both globally and regionally. The availability and reliability of financial and legal information and the future of trade credit post global financial crisis and the implications for credit information services. Improving financial infrastructure with information, especially dealing with supply chain issues concerning SMEs; their lack of access to credit due to information asymmetries, which has become a renewed focus by the G20 summit in Korea in 2010.

BIIA will report on the proceedings of the BIIA Forum 2011 in this and the following BIIA newsletters. Presentations will be posted on <http://www.bii.com/category/bii-news>



BIIA's Chairman David Worlock, who chaired the BIIA Forum 2011, commented in his recent blog on the proceedings and outcome of the recent BIIA Business Information Forum 2011 and [we encourage you to read his comments:](#)

"... March 24th 2011 around 3 pm Hong Kong time I heard a conference light up with really vibrant debate, sourced from all around the Asia-Pacific region, on a subject which at once focused regional attention and yet was symptomatic of the state of ePublishing and Business Information Solutions in a global networked society as a whole." - "In a topic devoted to eliminating information asymmetries it quickly became clear that for many participants business information was becoming increasingly controversial. There were major issues concerning government-held information in the region, symptomatic both of culture and control, and of privacy and data protection legislation."

"Yet there was also an air of discontent: Current content was becoming commoditized, and in particular, it was becoming much more difficult to provide reliable and verifiable information about small and medium-sized enterprises. And the problems were not confined to banks and finance houses: clearly identifying SMEs (or even defining them) was a problem for all traders in the market, especially as SMEs are generally seen as the engine of growth in any economic recovery. How well I recall this debate in the European Union in the 1990s, and how frustrating it was that nothing could ever be done at any level to alleviate it. I (Worlock) settled in for an interesting but fruitless discussion, which was not how things turned out. Instead real energy was devoted to ways of tackling this."

"I do not seriously doubt any longer that the answers to most information services development questions are already known, because the content needed to answer them already lies, though under-exposed, in the network. And Asia-Pacific remains undoubtedly the most stimulating part of the world if you want to think about Next Steps." **Source: David Worlock, Chairman - to read the full story click on the link above** - **On the right Dr. Kuehl and Dr. Scriffignano in an animated debate -**



BIIA NEWSLETTER

Market Intelligence - Industry Developments & Trends - Information Technology - Regulatory Issues - User Community

BIIA NEWSLETTER ISSUE 04 / I - 2011

LATE BREAKING NEWS

BIIA at Online-Information Industry Asia-Pacific Conference and Exhibit



greeting visiting BIIA member Chamaiporn Apikulvanich, Managing Director of Business Online Thailand.

BIIA partnered with Incisive Media, the organizer of Online-Information Asia Pacific, by assisting in program development and organizing the BIIA Forum 2011. Online-Information Asia-Pacific drew over 90 companies attracting approximately 1,000 visitors. Incisive Media intends to make Online-Information Asia-Pacific a recurring annual event.

BIIA took part in the exhibit together with its co-founder Outsell Inc. In a co-operative spirit BIIA's Hong Kong members, Business Strategies Group, D&B Hong Kong and TransUnion provided logistical support, which was very much appreciated.

BIIA's Managing Director Joachim Bartels (left), and Outsell's Executive Vice President Steve Goodall (right) are

BIIA Forum 2011: Legal Information Services in Asia



Klaus Pfeifer, managing director of Thomson Reuters Hong Kong Ltd. spoke about the legal environment and legal information services in Asia.

He pointed out that companies are being challenged by 12,000 regulatory updates annually. More than 50+ regulatory updates per day and 620,000+ SEC filings coming from more than 200 countries. Enforcement actions are at a record high, 4 times increase in UK and US. The impact is going beyond financial institutions and companies are confronted with a high variation in legal frameworks, which differ significantly on the dimensions of "efficiency" and "independence".

Thomson Reuters answer to these challenges lie in 'E - workflows and collaboration' which means that search is more efficient. There is a decisive shift to higher value work. The uses of mobile devices are taking hold. Relationships matters – as social media has become a business information source.

To access the PPT file go to BIIA news: <http://www.biaa.com/category/biaa-news>

Copyright © BIIA 2011 - For Member Internal Use Only – To Request Permission to Publish Contact: iejcb@attglobal.net
The content of this newsletter does not necessarily reflect the opinion of BIIA and its members. BIIA is not responsible for the use which might be made of the information contained in this Newsletter. Nothing in this Newsletter implies or expresses a warranty of any kind. Neither will BIIA be responsible for any errors. To unsubscribe: Contact iejcb@attglobal.net

LATE BREAKING NEWS

BIIA Forum 2011: State of Information



Steve Goodall, Executive Vice President of Outsell gave a riveting overview of the current state of information services. Total revenues of information services in 2010 were US\$ 369bn. The industry had grown year by year by an average of 6% until 2007. As a result of the global financial crisis growth had stalled by 2008 and declined by 8.2% in 2009.

In geographic terms the Americas account for approximately 50% of total industry revenues. EMEA (Europe/Middle East/Africa) accounts for approximately 28% and Asia 22%. While growth has not recovered in the Western hemisphere, Asia's information services are currently growing at 7% p.a.

Steve Goodall's message to our members was: Help your customers make money, save money, or mitigate risk. Develop platforms, not products. Invest in Web and customer analytics and perform at industry benchmarks or better.

To view Steve Goodall's presentation go to BIIA News: <http://www.biaa.com/category/biaa-news>

2011 State of the Industry (In-House) Report: Global Corporations "must rethink" Asian Engagement Strategies

Western corporations must do more to localize their operating plans, government relations strategies and senior staffing profiles if they are to achieve their goals in Asia Pacific. These are the central findings of the **PublicAffairsAsia** In-House "State of the Industry Report" which was conducted among senior-level corporate public affairs practitioners operating in Asia Pacific.

The report, published today by **PublicAffairsAsia magazine and network**, finds that three quarters of PA industry leaders in Asia Pacific believe that global operating plans, public affairs and government relations practices will have to change to accommodate the shift in geopolitical and economic power to the East.

[To read the full story click on the link](#)

BIIA comment: Issues about localization within the context of a global strategy are not new to the business information industry. In essence data, data collection, processing, marketing & sales, plus regulations are all local. In many countries even the processing of credit information outside a local jurisdiction is not permitted. The only applicable global elements are branding, technology and best demonstrated practices.

The overriding issue lies in the corporate mind set: Many of the major information companies' management and board reside in current core (western) markets and answer to an investment community that is still driven by western (financial) core values. Hardly ideal conditions for accommodating the apparent shift in geopolitical and economic powers to the East.

INDUSTRY NEWS

Acxiom Drops Surprise Announcement on Shareholders

What is happening at Acxiom? Acxiom's stock plunges 22.68% on the heels of surprising announcements:

CEO John A. Meyer resigns: Acxiom stated that John A. Meyer notified the company of his resignation from his positions as the Chief Executive Officer and President of the company, and as a member of its Board of Directors, effective March 28, 2011.

CFO Christopher W. Wolf resigns: The company also announced that Christopher W. Wolf will resign from his position as Chief Financial Officer of the company in the second calendar quarter of 2011.

The company expects a write-down of international assets of \$50 million and \$90 million. As a result of recent performance of the international operations and management's evaluation of those businesses, indicators arose during the fourth quarter requiring the company to accelerate the process to review goodwill and other long-lived assets. Due to the complexity of the calculation process, and the need for appraisals and analyses that have not yet been obtained and performed, the company is currently unable to estimate with precision the amount of the impairment charges.

Additional restructuring charges in the U.S. expected: In addition to the estimate of the goodwill impairment charge, unusual items in the fourth quarter will include other restructuring and impairment charges in both the U.S. and international operations.

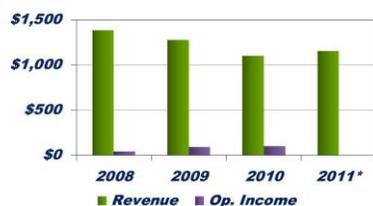


The Board of Acxiom appointed Jerry D. Gramaglia, a member of the Board, to serve as interim Chief Executive Officer until a permanent replacement has been found.

Based on currently available information, the company announced the following estimates for the fourth quarter and fiscal year ending March 31, 2011: Revenue is estimated to be in the range of \$295 million to \$299 million for the fourth quarter and **\$1.156 billion to \$1.160 billion for fiscal year 2011.**

Earnings (loss) per diluted share attributable to Acxiom stockholders presented in accordance with generally accepted accounting principles are estimated to be in the range of (\$1.03) to (\$0.49) for the fourth quarter and (\$0.49) to \$0.05 for fiscal year 2011. **Source: [Acxiom Press Release](#)**

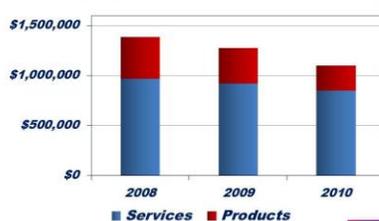
Acxiom Results 2008 to 2011
(Fiscal Years Ending March 31st)



Source: Acxiom *2011 Preliminary - Figures in (US\$ 000)



Acxiom Revenues 2008 - 2010 by Services
(Fiscal Years Ending March 31st)



Source: Acxiom



The sudden announcements may indicate that Acxiom's international operations are in a more serious trouble than previously acknowledged by management. The company's margin performance as compared to its peer group is dismal and no improvement appears to be in sight.

MEMBER NEWS

Sinotrust Review of 2010 China's Automotive Market

SUV market achieved vigorous growth; Total auto sales will increase by 12.6% in 2011

Beijing, February 14, 2011----according to statistics from China Association of Automobile Manufacturers (CAAM), auto production and sales volumes reached 18.2647 million and 18.0619 million units respectively in 2010, increased by 32.44% and 32.37% on a year-on-year basis. On February 14, Sinotrust conducts comprehensive analysis of 2010 China's automotive market on "Auto Policy and Market Analysis Workshop" organized by the China Automobile Dealers Association and co-organized by the CPCA and Sinotrust. **Source: Sinotrust** - [To read the full story click on this link](#)

Equifax and Moody's Analytics Redesign CreditForecast.com Consumer Credit and Economic Intelligence Service

Add powerful features to analyze and forecast consumer credit performance with greater granularity

Equifax (NYSE: EFX) and Moody's Analytics have joined forces to redesign CreditForecast.com, adding powerful new features to analyze and forecast consumer credit risk with greater granularity. CreditForecast.com can now forecast credit performance by origination vintage and analyze consumer behavior within credit score segments with greater precision.

CreditForecast.com is a single source of actionable consumer credit and economic data for lenders, financial institutions and others who need to analyze the relationship between economic and consumer credit trends and react accordingly. Lenders use CreditForecast.com to adjust their lending strategies to mitigate risk and to help comply with regulatory requirements, such as Basel. The service also helps drive marketing decisions, identify new market opportunities and segment and address borrower needs.

The CreditForecast.com service benchmarks and forecasts both the volume and credit quality of future origination vintages for many consumer credit products such as mortgages, home equity loans, auto loans, bank cards and student loans. Credit risk can now be analyzed for an expanded spectrum of risk score bands, as well as by quarterly origination vintage. CreditForecast.com can be used to estimate the impact of a range of potential economic scenarios on consumer borrowing and risk. Following significant technology and analytics enhancements, the service now links and tracks monthly account-level consumer credit data for more than 960 million unique credit accounts from over 200 million consumer records, and houses 68 months of historical data to track performance trends. **Source: Equifax and Moody's** www.CreditForecast.com

Equifax is Providing Credit Solutions for Lenders and Investors

Equifax has issued several press releases since the beginning of 2011. Unsurprisingly, quite a few highlight developments about human resource products and identity protection tools. Credit sub-segment adjacencies are providing expansion opportunity. Equifax's new solutions and metrics hit several stakeholders in the credit chain. The first two primarily support lenders, while the Default Distance metric is geared towards investors in the secondary market. **Source: Outsell Inc.**

INDUSTRY NEWS

Epsilon System Rifled by Hackers

Several clients of Epsilon, a marketing services provider, informed their customers that the e-mail addresses of their respective subscriber lists were exposed by unauthorized entry. According to their services provider only first name, last name and e-mail addresses were compromised. According to press comments customer lists of approximately 18 companies were affected.

FTSE4Good Ratings Puts the Spotlight on Governance, Social and Environmental Practices

The FTSE Group, jointly owned by The Financial Times and the London Stock Exchange, has developed the ratings by assessing companies according to the risks they face in three areas: environmental management, human and labor rights and supply chain labor standards, corporate governance and countering bribery. The ratings provide a company score from 1 – 100 in how well companies address these risks. This rating system makes it possible to spot companies that are exposed for instance to, human rights risks, corruption risks, but have no policies in place to address those. *Source: [Financial Times](#)*

Central Bank of Indonesia Calls for Standard Operating Procedures for Debt Collection

Bank Indonesia has summoned 21 commercial banks to establish standard operating procedures for debt collection as well as the marketing of credit cards. The case comes amid widespread complaints against bad behavior employed by third-party debt collectors. Additional criticism comes from the Indonesian Consumer Protection Foundation who states that half of complaints are related to credit card companies employing aggressive debt collectors. There was also a call for consumer education about the use of credit facilities and for banks to better inform clients about the repercussions of failing to pay on time. *Source: [The Straits Times](#)*

*In this conjunction BIIA would like to point out that Collection Professionals from 30 countries are to gather at the **Global Credit Congress** which will take place in Sydney, Australia in May 2011. Since the industry has become the focus of heavy handed debt collection practices lately in India, Bangladesh and now in Indonesia, expectations are high in how the industry will deal with such issues. The 2011 World Credit Congress serves as an event for credit and collection professionals to explore and discuss issues affecting the industry today and into the future.*

Singapore: Electronic Sector Grew 27% - Best ever in 20 Years

The Singapore electronic sector grew by 27%, treble the rate of the global electronic industry, generating S\$89.9bn in output, attracting S\$5.8bn investment in the sector. According to the EDB (Singapore's Economic Development Board) the proliferation of electronic devices such as 3-D TV sets, electronic cars, iPads and mobile phones has boosted demand for electronics manufacturing.

In addition the sector has gone up-stream, instead of just assembling hard disk drives; Singapore is now concentrating on the media inside hard disk drives that records content. Singapore now holds 40% of the global market share of production of media inside hard drives. *Source: [Straight Times](#)*

NEWS FROM CHINA

Alibaba To Expand Loan Business

Beijing, 22nd March: Hangzhou-based e-commerce company, Alibaba Group, plans to expand its small-loans business this month partnering with two more financial institutions, the China Construction Bank (CCB) and Industrial and Commercial Bank of China (ICBC). AliLoan, the company's loans division, has facilitated loans worth US\$4.1 billion as of the end of January this year and AliLoan is seeking agreements with 15 other commercial banks including the Bank of China (BOC) and the Agricultural Bank of China. A pilot project has already been carried out with the BOC in Zhejiang Province. **Source: Business Strategies Group**

Baidu Shuts Down E-commerce Platform

Beijing, 31st March: Baidu, China's leading search engine with more than 80% market share, has announced that it will be closing its e-commerce platform, Youa. The platform will be shut-down next month and users will be migrated to other platforms – primarily Rakuten China and Yaodian100.

Youa was established as a competitor to the Alibaba Group's Taobao which now has over 370 million registered users and a more than 70% market share of ecommerce transactions in China. **Source: Business Strategies Group**
www.bsgasia.com

Baidu Testing New Web Browser

China's largest search engine, Baidu, is developing its own web browser in an effort to cement its hold over the country's Internet market. Starting this month, Baidu began testing an early beta version of the product within the company, according to an industry source familiar with the browser. The browser is built to be integrated with the company's search applications. Baidu has also incorporated its "box computing" strategy into the design, a concept which allows users to not only search for results, but also execute commands like launching an application in the browser, or directly accessing an online service.

Baidu is also emphasizing security with the new browser, and has built it with the intention of protecting the user's PC from malware implanted on infected websites. The web browser uses the Chinese language and functions on major Windows operating systems. **Source: CIO White Papers**

China Finance Online Revenues up 11% in 2010

Beijing, 24th March: NASDAQ-listed China Finance Online (CFO), has released its full year results. For the year ended 31st December 2010, CFO recorded revenues of US\$60 million, an increase of 11% over revenues of US\$54 million recorded in 2009. Net income attributable to shareholders in 2010 was US\$2.0 million, compared to a loss of US\$6.2 million in 2009.

CFO's registered users rose from 14 million at the end of 2009 to 20.2 million at the end of 2010 - an increase of 44%. The active paid subscriber base also increased year-on-year by 32% rising from 117,900 to 156,000. Given the small revenue base, in comparison to the huge market, points to a key challenge: Continued subscriber growth will be crucial in light of the fact that Asians in general do not want to pay for information. In view of large competitors such as Xinhua Finance and Bloomberg it may not be able to keep up the current pace in subscriber growth. **Source: Business Strategies Group** www.bsgasia.com and **BIIA assessment**

FROM THE USER CORNER

Trade Credit Supply Recovers

The supply of credit to support global trade has recovered after [drying up significantly](#) at the height of the global financial crisis, according to an analysis released recently. A study of 210 banks in 94 countries by the [International Chamber of Commerce](#) said that letters of credit and other forms of trade finance became much cheaper and more widely available during the course of 2010 as financial markets and the global economy recovered.

Separately, an estimate of global trade was released which showed global commerce in goods continuing to expand rapidly into 2011. A monthly measure of compiled by the [Netherlands Bureau for Economic Policy Analysis](#) revealed that world trade expanded by 1.3 per cent in January, on top of a rapid 15 per cent year-on-year rise in 2010. The ICC said that, after contracting sharply in 2009, the supply of trade credit increased markedly last year, with three times as many respondents reporting an increase in credit volumes as recording a fall. Meanwhile, a return of confidence and liquidity among banks reduced the cost of finance, with the price of letters of credit in large emerging economies falling from a range of 150-250 basis points in 2009 to 70-150 basis points last year. Trade finance contracts, such as the letters of credit that protect exporters' earnings while the goods are in transit, are familiar and low-risk financial instruments that have been employed for centuries. Yet banks seeking to reduce their lending during the global financial crisis often cut high-volume but low-margin trade credit lines, threatening further disruption to a global trading system already suffering from rapidly contracting demand.

Alarmed by the scarcity and rising price of such credit at the end of 2008, an initiative including the World Bank and other development banks and official export credit agencies announced a financial package to subsidise trade finance in early 2009. The chamber said that such support should continue. However, the chamber repeated its warning that the forthcoming [Basel III capital requirements for banks](#) would penalise banks for offering trade credit. *Source: Financial Times - www.ft.com/globaleconomy*

Credit Management Index (CMI): Optimism Takes a Hit as the CMI Indicates a Sharp Decline in New Credit Applications

For those who export to the United States the latest news from the credit front is not encouraging: The optimism that had given rise in recent month has taken a sudden hit in March 2011 as there have been sharp declines in sales, new credit applications, dollar collections and the amount of credit extended—all the positive factors. The overall index dropped from 64.1 to 62.2.

The most dramatic change in the CMI data is in the category of dollar collections, as the index has slipped back to levels not seen since November of last year. All of the gains made in the favorable categories in February have been reversed; the index numbers are now back to where they were at the end of last year. The real damage here is not that the numbers are drastically reduced—they are still holding fast in the 60s and upper 50s as far as the index is concerned. The real problem is that expectations had been high and it was anticipated that these numbers would be well into the mid-60s by now. There had been some expectation that gains would be placing these index numbers into the 70s by mid-summer but that is no longer the most likely scenario. The gains seem to have stalled for the moment, and it is not likely they will start up again as long as the global situation remains fundamentally unpredictable. *Courtesy Dr. Chris Kuehl, Armada Corporate Intelligence and Economist of the US based NACM (National Association of Credit Managers)*

FROM THE USER CORNER

Late Payments: European Parliament Sets New Rules

The European Parliament adopted by a very large majority (612 votes in favour, 12 against and 21 abstentions), new rules against late payments.

The text approved by the Parliament confirmed, as general rule for both the public and the private sector, the 30 days limit to settle invoices for the purchase of goods and services. Some exceptions are foreseen in the following cases: in business-to-business relations, the 30 days limit could be extended to 60 days if agreed by both parts and if this possibility is specifically stated by the contract; in the public sector, every extension of the terms of payment needs to be clearly provided and objectively justified.

It is also confirmed that in case of late payments debtors will be liable for interest of 8% to be added to the interest rate applied by the European Central Bank. Businesses have also an automatic right to charge a flat rate of a minimum of 40 euro to cover the costs of recovery. The European Commission emphasizes that access to finance should be facilitated for SMEs and that a legal and business environment, which is supportive to timely payments in commercial transactions, should be developed. *Source: [European Union](#)*

Commercial Lending: Software for Commercial Portfolios is Catching Up

The 'American Banker' featured an article recently on the subject of software for commercial lending and portfolio applications. Unlike consumer lending portfolios, which have long benefited from standardization of information and analytical tools, commercial lending portfolios have been neglected. Many still use Excel spreadsheets to account for portfolios that are vast and complicated.

Industry experts are of the opinion that commercial lending space has long been overlooked for small and midsized banks. Only larger banks have the resources to build their own systems. However current regulatory pressures in the U.S., and around Basel III, have forced smaller banks to take action.

Needless to say commercial loans are more complex than consumer loans. The latter being more reliant on a credit bureau score and a decision can be made within minutes. This is however not the case with commercial loans. However greater standardization can be achieved with small business commercial loans, because small businesses, which are frequently sole-proprietorships of simple business entities, behave much like consumers. Proprietors often secure their business loans against their home equity.

Smaller banks are starting to realize that they would be better served with a single platform solution that incorporates origination processes and automated of workflow and sound decision capabilities. Third-party vendors have now stepped into the void in recent years. Vendors mentioned in the American Banker article are: Experian, Fidelity National Information Services Inc., Finserv Inc., Harland Financial Solutions Inc., Moody's Investor Service, and Web Equity Solutions. *Source: [American Banker](#)*

Business Information Industry Association Asia Pacific – Middle East Ltd.

1101 Wilson House, 19-27 Wyndham Street, Central, Hong Kong

Telephone: +852 2525 6120; Fax: +852 2525 6171; E-mail: biainfo@bii.com Home Page: www.bii.com

Certificate of Incorporation: 979425