

CONSULATE GENERAL OF INDIA
SAN FRANCISCO

MONTHLY COMMERCIAL REPORT MAY 2015

Important Commercial News – May 2015

1 Goods and Services Deficit decreased in April 2015

The U.S. Census Bureau and the U.S. Bureau of Economic Analysis, through the Department of Commerce, announced that the goods and services deficit was \$40.9 billion in April, down \$9.7 billion from \$50.6 billion in March, revised. April exports were \$189.9 billion, \$1.9 billion more than March exports. April imports were \$230.8 billion, \$7.8 billion less than March imports.

The April decrease in the goods and services deficit reflected a decrease in the goods deficit of \$9.3 billion to \$60.7 billion and an increase in the services surplus of \$0.4 billion to \$19.8 billion.

Year-to-date, the goods and services deficit increased \$1.5 billion, or 0.9 percent, from the same period in 2014. Exports decreased \$18.0 billion or 2.3 percent. Imports decreased \$16.5 billion or 1.8 percent.

The April figures show surpluses, in billions of dollars, with South and Central America (\$3.0), Brazil (\$0.8), and OPEC (\$0.5). Deficits were recorded, in billions of dollars, with China (\$27.5), European Union (\$11.9), Japan (\$6.7), Germany (\$5.9), Mexico (\$4.2), Italy (\$2.2), South Korea (\$2.1), India (\$1.5), France (\$1.1), United Kingdom (\$1.0), Canada (\$0.3), and Saudi Arabia (\$0.1).

2 Senate Votes to Grant Obama Fast-Track Power on Trade Deals

President Barack Obama scored a major victory when the U.S. Senate voted to give him "fast-track" powers that would help wrap up negotiations on a 12-nation Pacific Rim trade deal central to projecting American influence in Asia. Attention now turns to the House of Representatives, where opposition is deeper to granting the president power to negotiate trade deals that can be approved or rejected by Congress but not amended.

Obama needs trade promotion authority (TPA) to complete the Trans-Pacific Partnership (TPP) trade agreement this year, an economic alliance that would encompass 40 percent of the world's economies in countries ranging from Japan to Chile.

"Bipartisan Senate vote is an important step toward ensuring the United States can negotiate and enforce strong, high-standards trade agreements," Obama said in a statement issued immediately after the Senate passage.

If eventually enacted into law, the up to six-year TPA would extend to any trade deals negotiated by Obama's successor, who would take office in January 2017. The Senate voted 62-37 for TPA, or fast-track as it is known in Washington, following weeks of bitter debate and White House lobbying. Senate Finance Committee Chairman Orrin Hatch, the Republican who shepherded the legislation through the Senate, said: "This is an historic piece of legislation...likely the most important bill we'll pass this year."

3 US pharma sector welcomes India's intellectual property policy

The US pharma sector has welcomed India's recent moves on intellectual property, including bringing out a draft policy and sustained engagement, while

regretting the consistent barriers posed by the country's pharma sector to US companies.

Acknowledging the "measured and cautious approach" of India in responding to recent requests for compulsory licenses and the successes some companies in enforcing their patents in at the preliminary injunction stage, representative of Pharmaceutical Research and Manufacturers of America told members of the US International Trade Commission yesterday that barriers remain.

"Despite these potentially positive signs and sustained industry engagement, PhRMA and its member companies remain negatively impacted by India's barriers to US trade and investment, including its failure to respect IP rights", said Amiee Aloï, associate vice president, Pharmaceutical Research and Manufacturers of America (PhRMA).

The innovative biopharmaceutical industry's pursuit of secure intellectual property (IP) protections - consistently enforced - aligns with Prime Minister Modi's goals of bringing growth to India through research, innovation and manufacturing, he said.

"The Modi Government has also emphasised predictable decision-making, implementation of political commitments, transparency, and good governance - all factors that are consistent with a rules-based government open to dialogue and problem solving in partnership with stakeholders," he added. At the same time significant unpredictability in IP protection and enforcement in India remain as no progress has been made in terms of meaningful policy change to address the challenges faced by the innovative biopharmaceutical industry in India or in tackling the true barriers to patient access to new medicines, Aloï said.

"On the contrary, four new examples of negative IP decisions in India have been added to the list of roughly twenty products that have had their patent rights undermined in India over the last few years", he said.

Changes are afoot in the country, with new administration and positive indicators that the government recognises intellectual property as an important element of India's overall economic future, said Michael Schlesinger of International Intellectual Property Alliance (IIPA).

"These changes should translate into significant new market opportunities for right holders", Schlesinger said. Copyright piracy, regulatory barriers, and market access barriers inhibit the continued growth of domestic and foreign copyright stakeholders in India, he added.

4 Google's biggest campus outside US in Hyderabad

Stealing a march over India's silicon valley and other tech-savvy states, 'Brand Hyderabad' has managed to woo global tech giant Google to set up its biggest facility outside the US. Incidentally, Google's Hyderabad campus will be its first own campus in India.

Telangana IT minister KT Rama Rao tweeted saying Google will invest Rs 1,000 crore in the over-7-acre campus that will create over 6,000 jobs. The tech giant has currently four offices in India. An MoU was inked by Google's global head (facilities and workplaces) David Radcliffe and Telangana IT minister K T Rama Rao at the Google headquarters in Mountain View on Tuesday.

Excited KTR broke the news tweeting that the global tech giant will be investing around Rs 1,000 crore in building its first campus in India that will create an additional 6,500 jobs. Google currently has four offices in India at Hyderabad, Bangalore, Gurgaon and Mumbai, but all of them are leased. According to the Telangana government, it has allocated 7.2 acres to Google at Gachibowli, where it will build the facility with a built-up space of about 2 million sft. Google expects it to be operational in about four years time.

"The company will spend about 12 months on planning and construction will start around the summer of 2016. Construction should take about two and a half years and we could have a facility up and running as early as 2019," said

Radcliffe. KTR also met the Google Street View team, which has agreed to make Hyderabad the first Indian city to be fully covered by 'Street View'. Subsequently, Street View will be extended to other major cities and towns of Telangana as well.

Google Street View is a technology that provides a 360 degree panoramic view of an area and is featured in Google Maps and Google Earth. It was initially launched in the US in 2007 and thereafter has been extended to geographies like Canada and Europe. However, its applications have been limited in India so far to just some popular tourist sites like Taj Mahal and Qutub Minar among others, in partnership with the Archaeological Survey of India.

In fact, Google has already sought permission from the Union home ministry to launch Street View in major cities in the country. With the company expecting a nod shortly, Hyderabad is tipped to become the first city in the country to get it, the Telangana government said.

Google has also agreed to support specific requests made by the state's IT minister to utilize Street View for monitoring deviations from approved building plans, property tax collection and mapping of industrial land banks located in different parts of the state, among others.

KTR also met senior officials of the Google Education team and discussed plans to improve educational standards in the state with the help of technology. He urged Google to support the Digital Telangana programme, particularly the component that is designed to promote digital literacy among school children.

5 Google Launchpad Week to mentor 16 startups

Google has identified 16 Indian startups for the five-day mentoring programme, focused on areas like product strategy, user experience (UX) and user interface (UI), technology, marketing, business development and presentation skills. The event will conclude with a demo day where the startups will make a pitch to VCs and investors.

Google Launchpad Week, the flagship programme of the Google Developers Launchpad Program, is designed to support the local startup ecosystem and to add value to existing accelerator and incubator programmes.

This is the second Launchpad Week to be held in Bengaluru this year as part of its annual four-part series. Launchpad's weeklong events are held on a regular basis in locations including Tel Aviv, Barcelona, Paris, Berlin, Singapore and London.

Last August, Launchpad Week debuted in Bengaluru, inducting 20 local startups to the programme, which included iReff Technologies that allows you to find the best prepaid mobile recharge plan for your needs and Smart Pocket that manages all your loyalty cards on the phone.

This time, the mentoring programme is opened to startups outside Bengaluru — three each from Mumbai, National Capital Region (NCR) and one from Hyderabad — to support entrepreneurial diversity. Some of the startups who have made it to the programme include Bengaluru-based furniture rental startup Furlenco, Gurgaon-based contextual news startup Newsbytes and Delhi-based mobile travel marketplace SeekSherpa. "We have taken only startups that have dealt with real experiences on ground. The cost it incurs to the founders is minimal but they get validation from real customers," said Sunil Rao, country head - developer relations and startup ecosystem at Google India.

Rao said that selection process was more stringent this time with over 150 startups being evaluated to shortlist the final 16. This was twice the number of startups evaluated previously.

"We have identified startups that have validated their ideas much more thoroughly this time. They have used the classic product management approach with step-by-step iteration to validate their ideas. Even before the prototype, they have done a market study to assess the interest levels among 200-300 potential customers. The pedigree of entrepreneurs is very good," he added.

Take Hyderabad-based ride-sharing app Zify for instance. Its founder Anurag Rathor, went to Ireland to participate in a global ride-sharing app developers' conference to understand and gather insights about alternative commuting options that are comfortable and affordable.

Mahesh Vorkady, the 41-year-old founder of city-based startup Talkative Solutions, created a communication app dedicated solely to parents of school-going children. "It encourages interaction among parents about tuition, school activities and the challenges they face at school," said Vorkady. He said the startup is looking to tap into neighbourhood communities or alumni network to create a social network of sorts.

The Bengaluru event has a roster of 40 mentors that includes Cisco's UX lead Muthu Rajamani, Adobe Systems consumer group's design lead Sharad Baliyan, Redbus co-founder Phanindra Sama, Google's programme manager and member of its developer relations team in India Amrit Sanjeev and JPMorgan Chase vice-president Saurabh Chandra. Seedfund's managing partner Bharati Jacob and Srijan Capital's partner Ravi Trivedi would be mentoring startups on the go-to-market strategy.

6 US burger chain Wendy's to open first outlet in Gurgaon

Wendy's franchisee, Sierra Nevada Restaurants, is a joint venture between International Market Management of England and Rollatainers of India, which will officially open its first outlet in Gurgaon, a company statement said.

"Sierra Nevada plans to open three more outlets in the Delhi-National Capital Region during summer and up to 20 more in Northern India over the next few years," the statement said. Wendy's seeks to differentiate itself by offering a casual dining experience at a 'quick serving restaurant' price, it said.

In the burger segment Wendy's will compete with market leader McDonald's which has been here for 20 years, and has nearly 250 outlets, while Burger King launched in India last year. A slew of quick-format restaurant brands including

KFC, Krispy Kreme, Dunkin' Donuts and Taco Bell opened outlets last year. Globally, Wendy's has over 6,500 restaurants in 29 countries, including its home market, the statement said. In India, Wendy's will introduce a new menu, new restaurant designs and new approaches to customer service.

"We've worked on the concept with the Wendy's team for almost two years" one of Sierra Nevada's directors Sanjay Chhabra said in the statement. The India menu is customized to be "beef-free" and will offer a wide range of vegetarian options, the statement said.

"India is a growing, dynamic market, which is attracting the attention of leading brands around the world," Wendy's president and chief executive Emil Brolick said in the statement.

7 Trade Enquiries:

The following organizations / individuals approached this Post for the various enquiries and all of them were appropriately responded.

1	Susan Beckman, California	Steel Roofing Material
2	P.J. Exports, Madurai	Handicrafts
3	Geo Milton, India	Fruits, Vegetables, Spices & Tea
4	Shreya Exports, Tirucirappalli	Cotton Night wear
5	MACIFICAm TN	Areca Leaf Plates, Paper products
6	HBK International, Gujrat	Fasteners, Electric Components, Sanitary Fittings. Hardware, Agro-parts, Etc.
7	Mittal Chamilal Ind., Agra	Disinfectants, Soap, Cleaners Candles, Coolers ect.
8	Konah Impex, Rajkot	Ceramic Tiles, Food grains, Packed Foods
9	Lizon Digital Wall tiles	Ceramic Tiles
10	RKS Exports, India	Candle stands
11	Shivam Exports, Chennai	Cashew nuts
12	ALS Exports, Coimbatore	Leather footwear, Hand bags, Harness, Saddle Etc.
13	Maruti Impex, Kolkata	Imitation Jewellery
14	Mystic International, Gujarat	Metaphysical products
15	Santosh Overseas, Noida	Basmati Rice
16	Rolex Cables Ltd. India	Winding wires, Flat / round cables
17	UniGlo Exports, Chennai	Rice
18	P Banerjee, India	Spices, Cashew nuts, Agro-products, Food products
19	VNSRI Indian Martm Madurai	Terry Towels

8 Trade Delegations:

No commerce related delegation visited the jurisdiction of this Consulate from India during the month of May, 2015.

9 Visas

During the month of May this Post issued **966** Business visas & **3548** Tourists visas

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