August 2022 Issue

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Akin Gump's Autonomous Systems and Advanced Mobility Group is excited to announce the rebrand of our Advanced Aviation Newsletter. We know many of you have been enjoying the Advanced Aviation Newsletter. That content, and more, will now come to you as Autonomous Akin.

Autonomous Akin reflects the cross practice work of our Autonomous Systems and Advanced Mobility Team. We're working with businesses and governments worldwide to advance the growth and impact of autonomous systems and advanced mobility both on the ground and in the air.

As anyone involved in this industry knows, it's not just about the cool autonomous technologies and vehicles. It's also about the systems, services and ecosystems supporting those technologies including spectrum solutions for communications, navigation and surveillance, smart cities and the Internet of things.

There are material regulatory, policy, trade, intellectual property, and cybersecurity and privacy issues to resolve for autonomous systems involving the Department of Transportation (DOT), Federal Aviation Administration (FAA), National Highway Traffic Safety Administration (NHTSA), Federal Communications Commission (FCC), National Telecommunications and Information Administration (NTIA), U.S. Department of Homeland Security (DHS) and The State Department.

Without question, these are exciting times for advanced mobility and autonomous systems. Autonomous Akin will capture that excitement and momentum and bring you the latest news and developments so that you can keep a pulse on what is happening in government and

industry that is impactful for your business. We hope you'll continue to read and for our new readers, you can subscribe to future issues of this newsletter here. Thank you!

IN THIS ISSUE

UNMANNED AIRCRAFT SYSTEMS (UAS)

How Transportation Departments Are Using Advanced Drone Technology for Infrastructure Inspections

Departments of Transportation (DOTs) are increasingly using autonomous drones for monitoring and performing inspections of critical infrastructure such as bridges and highways. An autonomous drone can eliminate the need for a manual inspection, which can be difficult and dangerous. Autonomous drone inspections are also less expensive to perform. DOTs in Alaska, North Carolina, New York and other states have found that using autonomous drone technology to monitor and inspect infrastructure can improve workflow efficiency and lower costs.

They first used the technology to perform an autonomous 3D scan on a pedestrian bridge over a creek in Juneau. Although the bridge had undergone numerous manual inspections, the drone captured visuals of a previously undetected structural issue that needed repair. "We were able to see something leaking out of the timbers," Marlow said. "It allowed us to capture this environment in a way that we'd never been able to visualize."

Read Article

Ford's Ambitious New Patent May Be Game-Changer for Drone Delivery

It's been more than a century since Ford Motor Co. pioneered the assembly line, but the automaker still has a few more tricks up its sleeve. And we're not talking about electric vehicles or self-driving cars. While those are emerging technologies, Ford has something even more ambitious in mind.

In Ford's system, the delivery vehicle becomes the hub while the drones serve as spokes. Drones would be docked and launched from on top of the vehicle, which then pilots the aircraft to their drop-off location. Then, the drones would communicate with nearby Ford vehicles to find the closest place to dock.

The automaker's model is also similar to a system proposed by Walmart last month. The world's largest retailer apparently is looking to combine drones with autonomous delivery vehicles to add a failsafe to its last mile. For example, if the vehicle identifies something blocking its path, like a gate, it would automatically release a drone to complete the delivery.

These models likely will take some time to come to fruition, but Ford already has been experimenting with drones in other forms. It uses them at its engine plant in Valencia, Spain, to monitor inventory, and in Canada, the automaker is testing out a system for drones to land on moving vehicles.

Read Article

Watch How Amazon Is Preparing for Safe Drone Delivery

When we first started Amazon Prime Two-Day Delivery 17 years ago, it was considered revolutionary. Getting packages to people where they wanted them—in a matter of days—was exciting and new.

Since then, we've developed new technologies and made investments in our logistics network that have helped us get packages to customers in two days, one day, and even on the same day. We received a Part 135 Air Carrier Certificate from the Federal Aviation Administration (FAA) in 2020. This means the FAA has authorized us to operate as an airline and deliver small packages via drone. We'll use this certification—the FAA's approval of our operating and safety procedures—to conduct deliveries later this year to customers living in Lockeford, California, and College Station, Texas.

Watch YouTube Video

American Water Achieves Drone Program Milestone, Earns FAA BVLOS Waiver Advanced Air Mobility

American Water, the nation's largest publicly traded water and wastewater utility company, is proud to announce a significant milestone for its Unmanned Aerial System (UAS) Program. American Water has been granted an FAA waiver to fly Beyond Visual Line of Sight (BVLOS). This waiver will allow American Water to fly 4 miles from the UAS pilot, providing the company with the opportunity to enhance its monitoring of source water and potential environmental threats to the water supply.

“Through American Water’s leadership, our country is another step closer to making safe BVLOS drone missions commonplace. The exciting part is the story doesn’t end here.”

“American Water earning this FAA approval is important for the integration of drones in the national airspace because it is an example of enterprise operation standardization across multiple applications,” says Trevor Perrott, CEO & Co-Founder Censys Technologies. “Through American Water’s leadership, our country is another step closer to making safe BVLOS drone missions commonplace. The exciting part is the story doesn’t end here.”

Read Article

FAA Issues Task Order for UTM Project at Griffiss International Airport

This week, the FAA issued a task order contract to the New York UAS Test Site for an unmanned aircraft system (UAS or drone) integration project. The project is designed to assist in the development of a UAS traffic management (UTM) system and to promote the safe operation of high-volume drone operations. This UTM Field Test project (the “Project”) will be overseen by the Northeast UAS Airspace Integration Research Alliance, Inc. (NUAIR), a New York-based nonprofit that manages the operations of the FAA-designated New York UAS Test Site at Griffiss International Airport in Rome, New York. NUAIR led the efforts for New York’s 50-mile UAS Corridor that runs between the cities of Rome and Syracuse. The Project will be conducted in this Corridor and will provide the FAA with information useful to policy development and standards for BVLOS drone operations. Such operations are critical to the advancement and widespread integration of commercial drone operations in the national airspace at low altitudes.

The demand for the operation of drones in low altitude airspace (i.e., below 400 feet) continues to increase, especially after the pandemic, when the desire for at-home and instantaneous delivery grew. The FAA seeks to support these complex drone operations in a safe and efficient manner. Projects like the Field Test will assist in improving UTM and other necessary technologies and systems. The Project went live in July and is set for completion by Spring 2023.

Read Article

Fruit-Picking Drones Can Solve the Farm Labor Shortage

Fruit rotting on trees or on the ground costs farmers some $30 billion in sales a year. Fruit picked even two weeks late loses 80 percent of its value. A major reason for wasted produce: A global shortage of fruit pickers, estimated to grow to five million missing workers by 2050. Even today, more than 10 percent of all fruit worldwide cannot be harvested—equivalent to the total annual consumption of fruit in the entire European Union.

Israeli startup Tevel Aerobotics Technologies has developed flying autonomous robots that take off from a base station, pick only the ripe fruit off the tree and gently lower it for collection. Because they're not human, Tevel's robotic pickers can work 24/7 during the harvest. They never get tired and never need to step out for a coffee or bathroom break. Tevel started with apples, but has since added peaches, nectarines, plums and apricots. "Every week we add an additional variety of fruit," Maor notes. "Now we have a whole library of fruits so we can choose in advance, rather than building it each time." Maor estimates that a single robot can cover one hectare (2.5 acres) over the course of a harvesting season.

Read Article

ADVANCED AIR MOBILITY

United Airlines Puts Down Deposit on Flying Taxis

United Airlines Holdings Inc. has paid a $10 million deposit for 100 electric flying taxis, a sign that the airline is growing more confident in the nascent technology. United and a regional airline it partners with last year invested in Archer Aviation Inc. and struck a preliminary agreement to buy up to 200 of the flying taxis that the San Francisco Bay Area-based company is developing. Other airlines and leasing companies have announced their own investments in flying-taxi startups and preliminary orders. But the aircraft haven't yet been approved by regulators to fly passengers, and customers generally haven't had to put down cash.

United and Archer said United will be the launch customer for the four-passenger aircraft Archer is working on—the latest indication that traditional airlines see a place for the new technology in their businesses as they face pressure to find ways to reduce their carbon footprint.

Leaders at the agency have said the FAA is committed to meeting timelines that would allow at least some companies to gain certification for their vehicles as early as 2024. Archer expects to gain certification by the end of that year and start commercial operations afterward, Chief Executive Adam Goldstein said.

United is starting to make more concrete plans about where it will deploy its new flying taxis and will likely announce routes in the coming months, Mr. Leskinen said. United initially plans to use the aircraft in one or two of the congested cities where it has airport hubs, though it hasn't yet determined which ones.

Prices will be comparable to Uber Black service, Mr. Leskinen said, where a trip from Manhattan to a New York airport might cost in the range of $110 to $120, though Mr.

Leskinen said that could come down over time. Trips on the electric flying taxis will compete with airport trips in cars and ride-share services, he said.

Read Article

Airbus Helicopters to Build a Test Center for CityAirbus Nextgen

Airbus Helicopters has started construction of a test center for CityAirbus NextGen, with company representatives, politicians and business leaders attending the ground-breaking ceremony in Donauwörth, Germany, about 35 miles northwest of Munich. The building is scheduled to be completed in the first quarter of 2023. Occupying a surface area of 10,764 square feet, the new structure will be used for testing systems for eVTOL vehicles. The ceremony was attended by Anna Christmann, the Federal Government Coordinator of German Aerospace Policy.

“We are investing in the future of electric flight because we believe this technology holds key potential for zero-emission flights,” said Wolfgang Schoder, managing director of Airbus Helicopters in Germany. “Urban Air Mobility will change the way we travel in cities and beyond and it will be a new pillar of business for Airbus. Donauwörth plays an important role in the development and construction of CityAirbus NextGen.”

The hangar integrates high-voltage equipment and lithium batteries and is designed to undergo testing with the highest safety precautions. All tests needed before CityAirbus NextGen’s maiden flight can be performed there. These tests cover the electric motors with their eight rotors as well as the aircraft’s other systems such as flight controls and avionics.

In September 2021, Airbus unveiled its eVTOL prototype CityAirbus NextGen, to explore advanced air mobility technologies and bring urban air mobility services to life. With a range of 50 miles and cruise speed of 75 mph, it has been developed to be suited for a range of deployments in urban areas. As well as carrying passengers, the aircraft could also be deployed on medical missions or used in an eco-tourism context.

Read Article

Volkswagen Group Unveils Its First Electric Flying Taxi Prototype

Volkswagen Group China has unveiled its first eVTOL passenger drone prototype as part of the Vertical Mobility project it launched in 2020. After intensive research, conceptual work and development, the project team finally has something to show for in the form of the first validation model, the V.Mo. This initial prototype has also been nicknamed the “Flying Tiger” due to its distinctive black and gold livery that commemorates its launch in the Year of the Tiger.

Unveiled at Volkswagen Group China's headquarters in Beijing, the drone has eight rotors for vertical lift and two propellers for horizontal flight. It has an X-shaped wing with a span of 10.6 meters (34.7 feet) and it uses existing autonomous driving solutions and battery technology for emission-free mobility.

Volkswagen says it will conduct several flight tests later this year to optimize the concept before producing an improved prototype that will undergo further advanced test flights by late summer 2023. In its final iteration, the all-electric and automated eVTOL could eventually carry four passengers plus luggage over a distance of 200 kilometers (124 miles).

As its Vertical Mobility project develops, Volkswagen Group China says it will work with the relevant Chinese authorities to achieve certification.

Read Article

The eVTOL Claiming to Have the Largest Number of Pre-Orders Will Fly This Summer

The U.K.-based Vertical Aerospace caused a buzz in the world of UAM at the beginning of this year by claiming to have the top pre-order book in the industry. At the moment, that number adds up to more than 1,400, according to a recent statement issued by the company.

But even more importantly, the first half of 2022 brought the completion of the full-scale VX4 prototype. The future air taxi is now undergoing an intensive testing program, which will culminate with the first flight this summer.

Vertical has managed to secure collaborations with a wide variety of partners, including Babcock, FlyingGroup and even American Airlines, which has agreed to a pre-delivery payment for 50 eVTOLs, with the possibility of extending that to 350.

The VX4 was announced as one of the most capable electric aircraft in the industry. Boasting an impressive maximum speed of 200 mph, this four-seater could fly passengers from Heathrow to London in just 12 minutes. The best in the game were selected to contribute to the development of the VX4, including Honeywell, Leonardo and Rolls-Royce.

In addition to the high-performance powertrain developed together with Rolls-Royce, the VX4 is also equipped with avionics that are similar in performance to those of the famous F-35B (the fighter jet version that can take off and land vertically).

Read Article

Video: Rolls Royce Director Neil Mantle On Additive Manufacturing for

Aerospace at Farnborough Airshow 2022

How is Rolls Royce using 3D printing? I visited the 2022 Farnborough International Airshow to learn more. Standing in front of the UltraFan, the world's largest jet engine, Neil Mantle, Director of Manufacturing at Rolls Royce, explains how industrial 3D Printing, aka Additive Manufacturing, is used by the aerospace leader.

3D printing is also driving the electrical propulsion revolution with projects such as the VX4 electric aircraft from UAM start-up Vertical Aerospace. Furthermore, Rolls Royce has used metal additive manufacturing in projects for its defense arm. For example, the Orpheus project demonstrator engine went from initial concept to testing in 18 months.

Watch Video

TECHNOLOGY, ENVIRONMENT & LEGISLATION

U.S. Federal Appeals Court Upholds Federal Aviation Administration Drone Identification Rule

The U.S. Court of Appeals for the District of Columbia Circuit upheld the FAA's rule on drone identification. *Brennan v. Dickson* was brought by Tyler Brennan, a drone user, and the drone equipment retailer owned by Brennan, RaceDayQuads LLC, challenging the FAA over its Remote Identification Rule of April 2021. The rule requires drone manufacturers to begin producing drones with remote ID.

Judge Cornelia Pillard, who wrote for the 3-0 panel, explained remote ID technology as requiring "drones in flight to emit publically readable radio signals reflecting certain identifying information, including their serial number, location, and performance information." The FAA has compared remote ID to a "digital license plate."

Pillard upheld the FAA rule, writing in her judgment, "Drones are coming. Lots of them. They are fun and useful. But their ability to pry, spy, crash, and drop things poses real risks. Free-for-all drone use threatens air traffic, people and things on the ground, and even national security." She struck down claims that the remote ID requirement amounted to privacy breaches and unconstitutional surveillance, stating that "drones are virtually always flown in public. Requiring a drone to show its location and that of its operator while the drone is aloft in the open air violates no reasonable expectation of privacy."

Read Opinion

NBAA Applauds Rep. Graves' Support for AAM

Rep. Garret Graves (R-6-LA), ranking member of the House Aviation Subcommittee, recently encouraged the Office of Management and Budget (OMB) to ensure timely review of an upcoming Special Federal Aviation Regulation (SFAR), which would enable eVTOL entry into commercial passenger and cargo service as early as 2024.

The FAA recently changed its regulatory policy regarding these aircraft, determining they would be regulated as “powered-lift” aircraft, potentially delaying the implementation of the AAM industry.

In the Aug. 8 letter to the OMB, Graves expressed the House Aviation Subcommittee’s continued support of FAA’s efforts on AAM, saying, “Such work should include maximizing the existing regulatory system to the greatest extent and prioritizing agency internal and interagency coordination and planning to facilitate the introduction of these aircraft and enabling autonomy and other technologies.”

Read Graves’ Letter to OMB

Announcement of the Launch of a Congressional Autonomous Vehicle Caucus

Reps. Debbie Dingell (D-Mich) and Bob Latta (R-Ohio) announced the launch of a Congressional Autonomous Vehicle (AV) Caucus, a group that aims to bring lawmakers and various interests together to craft future AV legislation and policy.

“We must ensure our nation is engaging all stakeholders, making bold investments, and working across the aisle to support the safe deployment of autonomous vehicles,” Dingell tweeted. “The future of American mobility and leadership depends on us getting this right and working together.”

Latta said the caucus will “work towards a national framework” to expand the use of autonomous vehicles across the country.

NASA's Fixed-Wing Angle eVTOL

Current eVTOL configurations for UAM applications often require performance-hindering equipment only used for a specific operation (e.g., takeoff or cruising). The need for such equipment, such as separate lift and thrust mechanisms, often stems from the challenge posed by transitioning from hovering to forward flight. For example, tilt-wing eVTOLs have complex transition periods that can result in large pitching movements or wing stalling without adequate propulsion, potentially causing catastrophic loss of control.

NASA’s design instead uses a slight wing angle and large flaps designed to deflect slipstream generated by the propellers to create a net positive force in the vertical direction, all while preventing forward movement. This unique configuration allows for takeoff and landing operations without the need for near 90° wing tilt angles. After takeoff, the transition

to forward flight only requires a slight change in attitude of the vehicle and retraction of the flaps. Similar solutions require large changes in attitude to accomplish this transition, which is often undesirable, especially for air taxi operations that involve passengers. Given the effectiveness of this configuration for generating upward force, the requirement for wing angle tilt has been reduced from near 90° to approximately 15° during takeoff.

Innovators at NASA leveraged the Langley Aerodrome 8 (LA-8), a modular testbed vehicle that allows for rapid prototyping and testing of eVTOLs, to design and test this novel concept.

Read Article

American Airlines Agrees to Buy 20 Boom Supersonic Jets

American Airlines Group Inc. agreed to buy 20 planes from Boom Supersonic, betting on the future of an ultra-fast plane that is still years away. American put down a nonrefundable deposit on its initial 20 aircraft, known as the Overture, and has the option to purchase 40 more, the companies said Tuesday. The companies didn't disclose additional financial details of the transaction.

Aerospace startup Boom is developing new planes capable of traveling at supersonic speeds, faster than the speed of sound. Overture is being designed to carry 65 to 80 passengers at Mach 1.7 over water, or 1.7 times the speed of sound—about twice as fast as commercial planes can fly today.

Boom has said Overture will be able to fly over 600 routes in half the time those flights currently take—such as Miami to London in under five hours, and Los Angeles to Honolulu in three hours—at fares comparable with current business-class prices.

Read Article

AUTONOMY & ELECTRIC VEHICLES

Michigan Law Paves Way for Autonomous Vehicle Corridor

Michigan Governor Gretchen Whitmer has authorized a law that gives Michigan's Department of Transportation (MDOT) the power to designate some roadways and driving lanes for the use of autonomous vehicles (AVs) and permits the agency to work with a third party to develop such technology.

In 2020, connected infrastructure firm Cavnue was selected to develop a 25-mile corridor between Ann Arbor and Detroit, which is now set to become the state's first major artery designed specifically for autonomous vehicles.

“We are thrilled to continue growing Michigan’s leadership by setting new global standards for automotive safety, mobility infrastructure and smart cities, through policies like Senate Bill 706,” said Kathryn Snorrason, Managing Director, Michigan Office of Future Mobility and Electrification (OFME).

While there has been a significant investment in AV technology over the past five years, relatively little has been done in building the infrastructure needed for vehicles to communicate with each other or their surroundings.

Details on whether the corridors will use existing roads or new builds, as well as the types of vehicles that will be permitted, have not yet been established. “It is certainly possible that an existing right of way could be used,” a spokesperson from Michigan’s Office of Future Mobility and Electrification told Cities Today. The new law also permits the state to work with third party operators to charge a ‘user fee’, which OFME say “would be used by the roadway or lane system operator to carry out functions related to the roadway such as to design, construct, manage, operate or maintain the automated vehicle roadway system.”

“[This is] at our own cost and expense – to date, there has been no monetary investment by the state nor [is] any planned at the moment.”

Read Article

Qualcomm Secures Samsung License Renewal in Deal that Includes 6G

Qualcomm announced that it has agreed to a seven-year global patent license deal with Samsung, renewing an arrangement that began in 2009, a year earlier than was necessary. It will expire in 2030. The deal also expands the use of Qualcomm’s Snapdragon chips in Samsung’s products.

Notably, it not only covers 3G, 4G and 5G, but also future 6G patents. This may be the first time that two major companies have agreed to a 6G licensing deal. It represents a major vote of confidence in Qualcomm’s future roll-out of this technology that Samsung has signed up to it without full sight of what it will look like.

“The license agreement is a significant milestone event. Samsung is the world’s largest smartphone supplier by unit volume, with a well-developed portfolio of patents,” said Qualcomm CEO Christiano Amon on the company’s July 27 earnings call. “The extended license agreement with Samsung demonstrates the tremendous ongoing value of our patent portfolio, our innovation, and our long-standing leadership in driving the important and foundational elements of the mobile roadmap.”

In response to an analyst’s question, Amon added that the agreement presents an opportunity for Qualcomm’s chips to get a larger share of the market—one that could reach

75 percent. Snapdragon will power Samsung's flagship Galaxy smartphone line, but the deal extends beyond that to cover other types of Samsung products.

"It provides incredible stability for our mobile business," Amon said. "You should think about us powering their devices globally."

Read Article

Prices for Used Teslas Jump 6% In Just Two Weeks to $65,000

Tesla's electric vehicles can move fast—but prices for used models may be moving even faster. The cost of a used Tesla jumped about 6 percent in the past two weeks, to about $65,000 as of March 20, according to CoPilot, which tracks prices at car dealerships nationwide. Newer used models—those just one- to three-years old—are averaging around $70,000, CoPilot also reported.

The price increases for old Teslas come as prices for brand-new Teslas have risen as well. And the average price of all used cars—both gas and electric—has jumped a stunning 41 percent in the past year, roughly $29,000, according to Edmunds.

Tesla quietly raised the price of its new vehicles by thousands of dollars, earlier this month, after CEO Elon Musk tweeted that the company is "seeing significant recent inflation pressure in raw materials and logistics." Tesla's Model X now costs $114,900—a jump of more than $10,000. The Model S price has risen by $5,000, to $99,990; the Model 3 Performance price rose by $3,000, to $61,990; and the Model Y price rose by $4,000, to $62,990.

The price increases likely won't torpedo the demand for Tesla vehicles, Sam Fiorani of AutoForecast Solutions told Yahoo Finance.

"Prices are now peaking at $65,000 and supply has dipped to record lows, making it much more challenging for consumers in the market for an EV," Ryan told CBS MoneyWatch. "Across the board, the market has become increasingly competitive for folks looking to convert from a gas guzzler."

Read Article

How Would a Taiwan Invasion Affect The EV Industry?

Tensions between China, Taiwan and the U.S. have flared up following House Speaker Nancy Pelosi's visit, raising the risk of Chinese military demonstrations escalating further into a potential invasion. While heightened risk and increased military presence at the moment have impacts on the EV industry, such as delaying chip shipments via ocean freight delays, escalation of the conflict, such as in a full-scale invasion, would likely spell

serious trouble for the EV industry as a whole. Let's break down possible impacts to the EV industry and supply chain, as well as individual manufacturers, to assess and understand the risks involved from tension escalation.

Aside from substantial impacts to production and revenues for individual original equipment manufacturers (OEMs) with significant concentration in China, the EV (and broader auto) industry would face mounting hardships from increased Chinese actions or ultimate invasion of Taiwan. The EV supply chain is still heavily reliant on the nation, and sanctions placed on China as a result of military action would severely impact battery supply chains and likely send metals prices soaring, adding to OEM costs while hindering production. Translating these additional raw materials costs to consumers could see further price increases to already-less-affordable EVs while squeezing automakers' margins as cost increases take time to reflect down the line.

Ocean freight and related logistics to ship necessary automotive chips and components from Taiwan, South Korea and Japan would likely face long delays, again limiting production and hitting startups harder, who are most affected by dwindling supplies (supplies focus on high value, high quantity contracts).

Read Article

GM Reinstates Quarterly Dividend Suspended Since Start of COVID-19 Pandemic

General Motors Co. said it plans to reinstate its quarterly dividend, after suspending it in April 2020 to preserve cash during the early days of the COVID-19 pandemic. The Detroit auto maker also said it plans to resume opportunistic share repurchases, saying progress on key initiatives has instilled confidence it can fund growth in electric vehicles and other advancements while returning capital to shareholders.

The move marks a shift from GM's position early this year. In February, Chief Executive Mary Barra said the company wouldn't resume paying out a dividend, to give priority to spending on EVs and other growth plans. Since then, GM's profits have rebounded, and it has set aside billions of dollars to expand its lineup of EVs, including hefty investments in battery factories. In all, the company plans to spend $35 billion on electric and autonomous vehicles by 2025.

Read Article

SEP Holders Targeted in Proposed Chinese Regulatory Changes

Ahead of the latest version of China's Anti-Monopoly Law (AML) coming into effect on August 1, 2022, the State Administration for Market Regulation has released a draft

document entitled Provisions on Prohibiting the Abuse of Intellectual Property Rights to Exclude and Restrict Competition. Local experts say the changes favor licensees over licensors. Stakeholders have until the end of July to submit responses to the proposals.

The draft strengthens legal liability, with fines of up to 10 percent of the previous year's sales for the abusive use of intellectual property (IP) rights. It also introduces individual liability. Specifically: Where a business operator abuses its IP rights, the AML Enforcement Agency shall order it to cease the violation, confiscate its illegal gains and impose a fine of not less than one percent, but not more than 10 percent, of the sales achieved in the previous year (or a fine of not more than RMB 5 million if it had no sales in the previous year). If a monopoly agreement reached by the parties has not yet been implemented, a fine of not more than RMB 3 million may be imposed (Article 21).

"I think if you really look at the text, given the anti-monopoly theme, certain provisions seem relatively more friendly to licensees," says Annie Xue Ying, senior counsel and partner at Beijing-based GEN Law Firm.

For Xue, the amendments reflect what has happened in the past few years at the antitrust IP nexus. Faced with patentees' pursuit of injunctive relief in overseas forums, some Chinese licensees are lodging antitrust lawsuits in China as a counter measure. In response to this, the draft focuses on the term FRAND multiple times and explicitly identifies as abusive practices patentees seeking injunctions, without first carrying out good faith negotiations, to force through excessive pricing and other unfair terms.

Xue believes that IP holders must engage with authorities to ensure their voices are heard before any changes are made: "If you don't tell these decision makers your concerns, they won't be able to fully consider your opinion. They are very willing to listen and this is why they consult the industry in the legislative process."

Read Article

Baidu Wins Approval for China's First Full Driverless Taxis

Baidu Inc. has won approval to deploy the first fully autonomous self-driving taxis on China's roads, giving it an edge over rivals like Pony.ai Inc. and XPeng Inc. The tech giant has secured permits to operate robotaxis in Wuhan and Chongqing, it said in a statement Monday. The move marks a relaxation of Chinese rules, which previously mandated someone must be in the vehicle to take control in case of an emergency.

Baidu will begin to provide fully driverless robotaxi services in designated areas in Wuhan between 9 a.m. to 5 p.m., and Chongqing from 9:30 a.m. to 4:30 p.m., with five Apollo fifth generation robotaxis operating in each city. The service area covers 13 square kilometers (5 square miles) in the Wuhan Economic & Technological Development Zone, and 30 square kilometers in Chongqing's Yongchuan district.

“It’s as if we’ve landed on the moon and built a base there,” he said in a video interview. “It’s just a matter of time for us to go to Mars or even beyond our solar system.”

In the U.S., Cruise LLC in June won a license to charge for fully driverless rides in selected areas in San Francisco, but the General Motors Co.-backed startup is now facing regulatory scrutiny after two on-road incidents, including an accident that left two people with minor injuries. In China, Baidu and self-driving startup Pony.ai earlier this year were greenlit by local regulators to deploy cars without someone in the driver’s seat in part of Beijing.

Baidu, which operated China’s largest search engine, is transitioning to artificial intelligence and self-driving cars after its core advertising revenue shrank in the mobile era. Its smart-driving business provides software to carmakers like Geely Automobile Holdings Ltd. and runs a ride-hailing app powered by a fleet of self-driving cars in major cities including Beijing and Shanghai.

Read Article

Alibaba Cloud, Deloitte Set Up China Facility to Drive Automotive Applications

Alibaba Cloud and Deloitte China have teamed up to launch a facility that focuses on developing applications for the automotive sector. The new center looks to tap a market they say will be home to the world’s largest autonomous vehicle industry by 2035.

Called Deloitte-Alibaba Cloud Auto Industry Center, the new site will develop applications that include autonomous driving, smart manufacturing, and digital marketing, the two partners said in a joint statement Tuesday. The center will be supported by Deloitte China’s automotive cloud services team that specializes in products and services that encompass digital supply chain, intelligent network connectivity, and cybersecurity. Alibaba’s cloud computing resources spanning artificial intelligence (AI) and networking also will be tapped.

The two companies added that their partnership would look to facilitate the automotive sector’s cloud deployment and digitalization efforts. Citing Deloitte’s research, Deloitte China’s automotive industry lead Andy Zhou said China was projected to be the world’s largest autonomous vehicles market by 2035, with more than 5.7 million such vehicles. Worldwide, by 2030, there would 82.5 million autonomous vehicles.

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EVENTS

Commercial UAV Expo
September 6 – 8, 2022

Las Vegas, NV

U.S. Chamber of Commerce Global Aerospace Summit
September 14 – 15, 2022
Washington, DC

Aviation Week Aerospace IT
October 6 – 7, 2022
Chicago, IL

ICAO Drone Enable Symposium 2022
November 14 – 16, 2022
Montreal, CA

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