Crypto startup aims to tokenize stocks by playing by the rules

FOR YEARS, cryptocurrency startups have tried to replicate parts of the US stock market on the blockchain for use by digital-asset investors around the world, often without worrying too much about getting approval from regulators first.

The latest project, however, is an attempt to turn equities into crypto tokens in a way that won't run afoul of securities laws, and it has scored the backing of one of Wall Street's most well-known trading firms. Susquehanna International Group joined former Coinbase Global, Inc. executive Balaji Srinivasan and other investors in funding the company called Dinari, based in Los Altos, California.

The co-founders of Dinari have acquired a broker-dealer in the US, subject to final approval by the Financial Industry Regulatory Authority. They've also registered with the Securities and Exchange Commission (SEC) as a transfer agent, allowing the company to perform tasks such as distributing dividends and maintaining records of securities ownership.

"Oftentimes people, especially in the crypto space, are just afraid of regulation. And the thing is, in a lot of ways, they shouldn't be," Gabriel Otte, cofounder and chief executive officer of Dinari, said in an interview. "Look at the US stock exchanges. We are probably one of the highest-regulated ecosystems in the world. But it's allowed us to flourish and grow since the 1920s into what really has become the most-robust market for securities in the world."

The project is part of a growing list of efforts to turn real-world assets into digital tokens that trade on blockchains. Decentralized finance, the corner of the crypto world that proponents hope to make a more transparent and decentralized version of Wall Street, once offered triple-digit returns during an era of ultra-low interest rates. But the tables have turned following last year's collapse of several lending projects and an environment of more-favorable returns in the relative safety of traditional assets. — *Bloomberg*

FULL STORY

Read the full story by scanning the QR code or by typing the link <https://bit.ly/45EuMnf>

Technology, AI to boost BPO sector

DAVAO CITY — Wider adoption of technology and artificial intelligence (AI) is expected to provide growth opportunities to the business process outsourcing (BPO) industry, an official said.

George Michael "Mike" Hao Bian, president and CEO of SixEleven Global Services and Solutions, expects AI to transform the BPO industry and offer new opportunities and benefits to both service providers and clients.

"AI with ChatGPT is really popular. A lot of people are concerned about how AI will affect the industry. But the main thing that I've seen recently is that a lot of new things are coming, like new job opportunities," he said in an interview.

SixEleven Global Services was launched in 2006 as the first locally-owned call center in Davao City and the entire Mindanao. It started as a small 16-seater call center and has since developed into a full-blown corporation, employing approximately over 2,500 employees.

Starting with just single-account outbound telemarketing in 2006, the call center is now providing voice and non-voice, 24-hour inbound and outbound online customer support to 12 accounts.

"In the past years, we've been doing primarily voice work, but recently we've been doing data work. One of our growth this year is back office jobs, meaning we do accounting, auditing, quality service monitoring," Mr. Bian said.

He said one of the company's projects is research and development and image annotation.

"And the point of image annotation is to feed office images towards the AI learning machines," he said.

While there are some challenges to implementing AI in the BPO industry, Mr. Bian said AI will become an important tool for the company to improve its operations and offer more value to its clients.

"Yes, AI will come, it will happen. Things will change but there will always be opportunities," he said.

Meanwhile, the company is aiming to double its current agent count to 5,000 by 2025 through its expansion in Cagayan de Oro City, the official said.

"The Cagayan de Oro expansion is a step towards that goal. But year over year, SixEleven has shown that we are capable of growing the company and we are capable of finding clients who want to work with us. At the same time, we are capable of finding good people to join our organization. And on the side, our BPO is strengthening our corporate community programs," Mr. Bian said.

He said the company aims to grow while helping provide better opportunities for their staff.

"On our end, we always intend to grow our company. Right now, we are going to Cagayan de Oro for our newest site and this will open a lot of our growth opportunities for our people. Because of this growth, our agents become team leaders and team leaders become operations managers. They have a clear, attainable career pathway," he said.

Currently, SixEleven has 90 different clients covering 10 countries. Based on its latest census, the top industry it caters to is e-commerce.

"Wherein people are selling items online or transacting online. That is 30% of our business as of the moment," Mr. Bian said. — **Maya M. Padillo**

Microsoft, Activision Blizzard set to sell streaming rights to Ubisoft to secure biggest video gaming deal

LONDON — "Call of Duty" maker Activision Blizzard will sell its streaming rights to Ubisoft Entertainment in a fresh attempt to win approval from Britain's antitrust regulator for its $69 billion sale to Microsoft.

Shares of Activision were trading 1.1% higher, while Microsoft was up 0.7% before noon in New York. Ubisoft shares listed in Paris closed 8.8% higher, the biggest gainer on the pan-European STOXX 600 index.

Microsoft announced the biggest gaming deal in history in early 2022, but the acquisition was blocked by Britain's competition regulator, which was concerned the US computing giant would gain too much control of the nascent cloud gaming market.

After months of back and forth, the Competition and Markets Authority (CMA) said on Tuesday it had stuck by its original decision to veto the deal, forcing Microsoft to come forward with new terms.

Under the restructured deal, Microsoft will not be able to release Activision games like "Overwatch" and "Diablo" exclusively on its own cloud streaming service — Xbox Cloud Gaming — or to exclusively control the licensing terms for rival services.

Instead, French gaming rival Ubisoft will acquire the cloud streaming rights for Activision's existing PC and console games, and any new games released by Activision in the next 15 years.

That will apply globally but not in Europe, where Brussels had already accepted the original deal. In Europe, Ubisoft will get a nonexclusive licence for Activision's rights to enable it to offer those games in that region too.

Microsoft would need to license the rights to Activision's games from Ubisoft for its own Xbox cloud platform outside the European Economic Area, the CMA said.

EU antitrust regulators are examining whether Microsoft's proposal to gain UK approval would affect its concessions to the European Commission, a spokesperson said.

Tom Smith, a partner at law firm Geradin Partners and previously legal director at the CMA, said it now looked like the deal would go through. "The process has been torturous, and there's still possibly scope for the wheels to come off, but we shouldn't expect Big Tech deals to sail through nowadays," he told Reuters.

Microsoft said on Tuesday it believed its new proposal was "substantially different" and it expected it to be reviewed by the CMA by Oct. 18.

The CMA said it would examine the new deal under its usual system, with a Phase 1 process ending on Oct. 18. If it still has concerns about the impact on competition, the CMA could open a much longer Phase 2 examination.

The two American companies have already extended the deal deadline — pushing it back by three months to Oct. 18 — after the regulatory process took longer than expected.

Alex Haffner, competition partner at UK law firm Fladgate, said he did not believe Microsoft would have taken this new step if it did not believe it would be able to get the new deal past the British regulator by Oct. 18.

EFFECTIVE COMPETITION

CMA Chief Executive Sarah Cardell said the UK regulator would now look closely at the new deal, including seeking the thoughts of third parties.

"Our goal has not changed ‚Äì any future decision on this new deal will ensure that the growing cloud gaming market continues to benefit from open and effective competition driving innovation and choice," she said in a statement.

The CMA will argue that the major concession by Microsoft shows the success of its tough approach to tech deals since it became a standalone regulator following Britain's departure from the European Union.

Competition lawyers have argued, however, that the divergence with Brussels and the back-and-forth over the deal have introduced huge uncertainty to the regulatory landscape.

The Federal Trade Commission in the United States also opposed the deal, but it has failed in its bids to block it. The European Union, however, waved it through after accepting Microsoft's commitments to license Activision's games to other platforms.

The CMA first said it would block the deal in April and was preparing to go to court to defend its case.

However, it took the rare step of reopening its investigation in July after Microsoft said commitments accepted by the European Union and a new agreement with Sony constituted a material change.

The CMA said on Tuesday that, having reviewed those changes, it still did not accept them and would block the original deal, forcing the US giant to come back with its new terms.

Microsoft said Ubisoft would acquire the rights through a one-off payment and a market-based wholesale pricing mechanism, including an option that supports pricing based on usage.

Ubisoft's shares listed in Paris were up by almost 10% at 1430 GMT. — *Reuters*

MPIF and Tulong Kapatid join force

Metro Pacific Investments Foundation (MPIF) and Tulong Kapatid, the CSR alliance of foundations and companies under the MVP Group of Companies, have united their efforts to provide aid to the regions devastated by Typhoon Egay.

Third-party subscribers take 13.55% of DITO CME's shares

TWO unrelated third-party subscribers to shares in DITO CME Holdings Corp. have cornered as much as 13.55% of businessman Dennis A. Uy's listed holding firm.

In a regulatory filing on Wednesday, DITO CME said one of the subscribers, Xterra Ventures Pte. Ltd., makes up 3.76% or 610 million of the firm's 16.235 billion issued and outstanding common shares.

The subscribed shares via private placement were issued out of the company's unissued authorized capital stock.

Before the share issuance to Xterra Ventures, DITO CME issued 1.59 billion new shares to Summit Telco Corp. Pte. Ltd., bringing the listed firm's outstanding shares to 15.625 billion.

Summit Telco now accounts for around 9.79% of DITO CME's outstanding shares, with Udenna Corp. remaining the biggest shareholder with a 68.98% stake, lower than its previous 71.68% before the entry of the new investors.

The identity of the third-party subscribers was disclosed by DITO CME on Tuesday.

On Wednesday, the company responded to a query from the Philippine Stock Exchange for more information on the transaction.

DITO CME said the issue price was set at P1.00 par value considering that the book value per share of the company was a negative P2.21 as of the latest quarterly financial report on June 30, 2023, and since it cannot issue new shares below par value of P1.00.

The company finished the second quarter with an attributable net loss of P1.1 billion, which was more than four times lower than the P6.63 billion recorded a year ago.

It described Xterra Ventures as a Singapore-based entity with an investment fund engaged in investment activities in the Asia-Pacific region. No additional information was given about Summit Telco.

DITO CME said the net proceeds of the transaction are to be fully invested in its operating subsidiary, DITO Telecommunity Corp.

It said the investment is "in compliance with the capital contribution commitments of DITO to be used to support its operations for the roll-out of its telecommunications business, further improving quality of access and user experience as well as accelerating the take up of its FWA (fixed wireless access) 5G and mobile postpaid product offerings."

DITO Telecommunity is considered the third dominant telecommunications company in the Philippines.

DITO CME said the payment for the subscription of the shares had been fully paid.

The transaction also brought the company's public float to 30.94% of its shares from 20.11%, while raising its foreign ownership level to 15.18% from 1.88% previously.

On Wednesday, shares in DITO CME jumped 2.7% or six centavos to close at P2.28 each. — **VVS**