



Survey Reminder

The quarterly CNBC TEC Survey is now open. As a reminder, all responses are secure and anonymous.

Please complete the survey, found here: <https://www.surveymonkey.com/r/MRPBHN5> by end of day Thursday, September 10th.

The CNBC TEC Quarterly Survey dives into a wide range of current and forward-looking issues facing technology leaders. Results will provide members and the CNBC audience with in-depth analysis and help frame ongoing TEC coverage.

Excerpts of the results will publish on CNBC.com and air on CNBC TV. In addition, a white paper with full analysis will be circulated to all TEC members.

We estimate that the survey should take no more than 7 minutes to complete.

TEC Talk

The latest [news out of TikTok](#) has made one thing abundantly clear: It's all about the algorithm.

A deal for TikTok's U.S. business is facing new hurdles as Washington's deadline for a sale approaches, putting the app in danger of facing an effective ban. An announcement of a deal had been expected as soon as Tuesday, CNBC [previously reported](#), but that day came and went with no news of a transaction.

The reason? Over the weekend, Chinese officials introduced new restrictions on technology exports that could require Chinese approval for TikTok's parent company, ByteDance, to sell its algorithm, which is integral to the app's value. It's also been the main attraction for heavy-hitters like Microsoft, Walmart and Oracle, all of which have expressed interest in acquiring the company's U.S., Canadian, Australian and New Zealand operations for somewhere in the \$20 to \$30 billion range.

Here are the likely scenarios in which this could play out:

- ByteDance can sell TikTok without its algorithm, potentially expediting the sale but requiring the new owner to inject an alternative into the app.
- Negotiate a year-long transition period with the Committee on Foreign Investment in the United States (CFIUS), though it's unclear if China's rules would allow this in the required time frame.
- Seek approval from China to sell the algorithm to the proposed U.S. buyer(s).
- Or, the buyer(s) could license TikTok's algorithm from ByteDance. However, it's unclear if U.S. authorities would be content with any continuing relationship between TikTok and the Beijing-based parent company, post-sale.

This brinkmanship shows how valuable and game-changing data, analytics and the secret sauce of a proprietary algorithm can be to a company's product.

Would-be buyers now have to consider how much they value the algorithm or, perhaps more to the point, the company, without it.

Save the Dates



In the News

Microsoft launches a deepfake detector tool ahead of US election

Microsoft has added to the slowly growing pile of technologies aimed at spotting synthetic media (aka deepfakes) with the launch of a tool for analyzing videos and still photos to generate a manipulation score. The tool, called Video Authenticator, provides what Microsoft calls “a percentage chance, or confidence score” that the media has been artificially manipulated. [Read More](#) *Tech Crunch*

Amazon wins FAA approval for Prime Air drone delivery fleet

Amazon received federal approval to operate its fleet of Prime Air delivery drones, the Federal Aviation Administration said Monday, a milestone that allows the company to expand unmanned package delivery.

The approval will give Amazon broad privileges to “safely and efficiently deliver packages to customers,” the agency said. The certification comes under Part 135 of FAA regulations, which gives Amazon the ability to carry property on small drones “beyond the visual line of sight” of the operator. [Read More](#) *CNBC*

Elon Musk demonstrates brain-computer tech Neuralink in live pigs

Elon Musk’s brain-machine interface company, Neuralink, conducted a live demo of its technology on Friday, showing a coin-sized device without wires. The Tesla and SpaceX CEO brought along three pigs, who had varying levels of interest in cooperating. Eventually, the audience was shown real-time neural signals from one of the pigs, which Musk named Gertrude. According to Musk, Gertrude has had the implant for about two months. The start-up, which launched in 2016 and is funded primarily by Musk, said it is designing tiny flexible ‘threads’ that are 10 times thinner than a human hair with the goal of treating brain injuries and trauma, along with someday enabling symbiosis between humans and artificial intelligence. [Read More](#) *CNBC*

Digital Transformation

AI, Cloud Aim to Enhance the U.S. Open Fan Experience

The U.S. Tennis Association is turning to cloud computing and artificial intelligence to enhance the experiences of fans who can only watch this week’s U.S. Open on televisions, computers and smartphones. The USTA decided on June 17 to hold this year’s tournament, which begins Monday in New York, without fans due to the coronavirus pandemic and restrictions on large gatherings. The decision led to sweeping changes to almost every aspect of the competition, from playing matches with electronic line calling to having athletes use food-ordering apps for meal deliveries to their hospitality suites at the Billie Jean King National Tennis Center. [Read More](#) *WSJ*

Cash App's Surge During Covid-19 Pandemic Fuels Square Stock

Square Inc.'s Cash App looks a lot like a bank—digitally storing and transferring money for users. Investors don't seem to mind. Square shares have rallied 28% in the past month and are up 166% since the start of the year, while bank stocks have fallen sharply. The run-up is mostly due to the popularity of its Cash App offering, which lets consumers send money to one another via smartphone, purchase things with a prepaid debit card and invest in bitcoin and slices of individual stocks, analysts and investors said. [Read More](#) *WSJ*

Google and Apple will now autogenerate COVID-19 contact tracing apps for states

After slow adoption, Apple and Google have developed an automatic way to generate COVID-19 exposure notification apps for public health authorities. Their joint Exposure Notification platform, which uses Bluetooth to tell people if they've come into contact with someone who has COVID-19, was launched in May. Since then, only six states have signed on. Now, with Exposure Notification Express, the companies are hoping to create an easy way for states to get onboard. [Read More](#) *Fast Company*

Deeper Dives

Snowflake CEO Frank Sloatman isn't worrying about hurt feelings as he goes for IPO three-peat

In an era of founder-led tech companies, Snowflake's Frank Sloatman is a corporate throwback. Sloatman, 61, is a professional CEO. He's an operations guru, the leader who turns a jet plane into a rocketship and makes piles of cash for investors, employees, and himself. Along the way, some feelings will get hurt. As Sloatman says himself, he's more Marine Corps than Peace Corps. Now, as Snowflake heads out on its virtual roadshow, Sloatman is gearing up for his third IPO in what many investors say is the hottest tech deal of the year, even with Airbnb, Palantir, and Asana — all run by founders — in the pipeline. [Read more](#) *CNBC*

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