

THAT EXTRA BIT

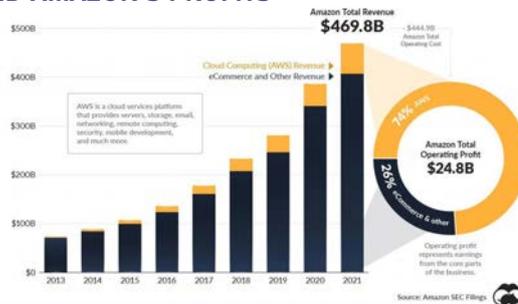
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Adviceworx

AWS POWERING THE INTERNET AND AMAZON'S PROFITS

The Amazon growth story is certainly remarkable. In terms of sales and revenue, the company has grown every single year since its inception. Even going back to 2004, Amazon generated a much more modest \$6.9 billion in revenue compared to the massive \$469 billion for 2021. Most of these sales come from their retail and ecommerce operations, which the company is well known for.

However, Amazon's source of profit paints a completely different picture because 74% of Amazon's operating profit comes from Amazon Web Services (AWS). AWS is Amazon's cloud computing service that provides the critical infrastructure for an assortment of applications like data storage and networking. With this, they help fuel over a million organisations including businesses like Twitter and Netflix and even both the US and Canadian Federal Governments. Ultimately, the cloud business has been, and possibly will always remain, a higher margin business and consistent profit centre in comparison to ecommerce and the physical distribution of goods.



Here are some other notable entities and the monthly payments they've made towards AWS:

AWS Customer	Monthly Payments (\$M)
Netflix	\$19
Twitch	\$15
LinkedIn	\$13
Facebook	\$11
Turner Broadcasting	\$10
BBC	\$9
Baidu	\$9
ESPN	\$8
Adobe	\$8
Twitter	\$7

Based on these monthly figures from 2020, AWS collects \$1.3 billion in sales a year just from these 10 customers, while raking in \$62 billion of revenue overall. Moreover, this makes them the leader in the competitive cloud market.

AWS has been a cash cow for years and there have even been rumours of an Amazon split up, where AWS would spin off as its own entity. It's believed by some that if the cloud segment of the business separates, it will be seen as a pure play on the cloud industry and will be awarded a higher valuation multiple by the market. One thing is for sure, from the perspective of profits, Amazon could better be described as a cloud company, with an ecommerce business on the side.

DIAGEO TO CONSTRUCT €200 MILLION CARBON-NEUTRAL BREWERY IN IRELAND

Diageo has announced plans to invest €200 million in a carbon-neutral brewery in Kildare, Ireland. The new facility will brew lagers and ales, including brands such as Rockshore, Harp, Hop House 13, Smithwick's, Kilkeny and Carlsberg.



In order to reduce overall energy and water consumption, the site will be powered using 100% renewable energy. As a result, the brewery will be able to reduce carbon emissions by up to 15,000 metric tons a year. Diageo said that the transfer of the production of lagers and ales to the new facility will allow St James's Gate to increase the production of Guinness to meet export demand and will help the company to meet its 2030 environmental commitments.

SOURCE: Visualcapitalist.com, Therobotreport.com, Foodbev.com, IOL.co.za

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ACCENTURE TO ACQUIRE ECLIPSE AUTOMATION TO HELP CLIENTS BUILD FACTORIES OF THE FUTURE

Global professional services company Accenture is acquiring Eclipse Automation, a provider of custom automation and robotics solutions for manufacturing applications. The acquisition will allow the company to offer automated production lines that leverage the cloud, data and artificial intelligence (AI), making factories and plants smarter and thus, more productive, sustainable and safe. Financial terms of the deal were not disclosed.

Founded in 2001, Eclipse Automation has offices in Canada, the US, Hungary, Germany, Switzerland and Malaysia. The acquired company's approximately 800 professionals will join Accenture's digital engineering and manufacturing service, Industry X.

mr price



MR PRICE GETS ALL CLEAR FROM COMPETITION TRIBUNAL FOR STUDIO 88

Branded leisure, sporting apparel and footwear retailer Studio 88 is now officially part of the Mr Price stable as the deal has been given the green light from the Competition Tribunal to proceed without conditions.

In April, Mr Price announced that it was acquiring 70% ownership of the Studio 88 Group which includes the SideStep, John Craig, and Skipper Bar brands for R3.3 billion.

Mr Price is a South African retailer that sells predominantly private label merchandise and operates through physical stores and its e-commerce platforms.