

Baidu Appoints Microsoft Veteran Qi Lu as Group President and COO



- 1) Baidu has appointed former Microsoft executive Dr. Qi Lu to be its Group President and COO, and to oversee the Chinese search giant's business, with immediate effect.
- 2) As COO, Dr. Lu is responsible for maintaining the dominance of Baidu's advertising and search-engine business, and spearhead the company's initiatives on artificial intelligence (AI). Baidu's core search and advertising business has been negatively impacted following new regulations released in 2Q16.
- 3) Prior to joining Baidu, Dr. Lu served as Executive Vice President of the Applications and Service Group in Microsoft, where, until October 7, 2016, he led the company's work on the Bing search engine, Skype and Microsoft Office.

Baidu Appoints new COO to Realize its AI Strategy

Baidu has appointed former Microsoft executive Dr. Qi Lu as Group President and COO, overseeing the Chinese search giant's business, including products, technology, sales, marketing and operations, with immediate effect.

Baidu's Chairman and Group CEO, Robin Li, has flagged AI as a fundamental pillar to its future, as well as the next key profit driver for the business in the longer term. The appointment of Dr. Lu as COO will be an important step for the company, as it focuses on the research of advanced technologies. In addition, his role as COO will allow Robin to focus more on the technology and the strategy for the company going forward.

Background of Dr. Qi Lu

Dr. Lu served as Executive Vice President of the Applications and Service Group at Microsoft, leading the company's work on the Bing search engine, Skype and Microsoft Office between 2009 and 2016.



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He joined Yahoo! in 1998, where he served as a senior executive for 10 years, leading development efforts around Yahoo!'s web search and monetization platforms. Dr. Lu received both a Bachelor's and Master's degree in Computer Science from Fudan University in Shanghai and a PhD in Computer Science from Carnegie Mellon University. He holds more than 40 US patents.

Strategic Initiatives for Baidu

The new COO is tasked with leading Baidu's strategic initiatives, summarized as follows.

- 1. Strengthening the advertising business:** Given his expertise in search-engine monetization, Dr. Lu's foremost priority is to improve the company's search and advertising segment. Baidu's search business was impacted by negative publicity and reduced ad loads following the release of regulations on online healthcare advertising in 2Q16.
- 2. Maintaining the dominance of its search-engine market share:** Baidu's advertising business faces strong competition from social media leader Tencent and the growing threat of Alibaba's mobile search-engines affiliates—Shenma and Sogou—which collectively hold a market share of around 31%, a challenge to Baidu's 44.5% share.
- 3. Spearheading AI initiatives:** Dr. Lu was brought in to lead Baidu's research and development on AI. AI and machine learning is an area that has been emphasized as the key pillar of Baidu's business strategy over the next decade.

Figure 1. Baidu: Timeline of Recent Key Developments in Artificial Intelligence

January 17, 2017	Baidu Appoints Dr. Qi Lu as Group President and COO, in charge of products, technology, sales, marketing and operations
January 16, 2017	Baidu launches augmented reality division
November 28, 2016	Chery Automobile develops autonomous car with Baidu
October 12, 2016	Foton Motor signs five-year strategic partnership framework agreement with Baidu Netcom Science and Technology
October 3, 2016	Baidu Research introduces TalkType for Android
September 26, 2016	Baidu Research announces Deepbench and Open Source Deep Learning Benchmark

Source: Company reports



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