

Textile owners want withdrawal of duties on machines, raw materials

By M Shamsur Rahman

Textile mills owners have demanded an across-the-board withdrawal of all types of taxes and duties on import of raw materials and machinery for the sector.

The Bangladesh Textile Mills Association (BTMA), which groups the textile mills owners, in its budget proposal to National Board of Revenue (NBR) said, the high taxes and duties imposed on the industry will thwart the development of the sector.

The textile industry at present is the most potential sector contributing significantly to-

wards increase of the GDP, BTMA claimed.

"But the currently imposed 30 per cent duty on import of dye and chemicals, 2.5 per cent infrastructure development surcharge, 2.5 per cent license fee 15 per cent VAT along with 2.5 per cent advance income tax totaling 52.50 per cent duty and tax are hindering the government plan to reach its target to make the country self-sufficient in textiles by the year 2005," the Association said.

The Association also demanded reimposition of 30 per cent duty on commercial import of yarn till the year 2005. The government had reduced the duty on foreign yarn from

duty on import is increasing our cost of production, causing difficulties for the exporters to compete in the international market," it pointed out.

The government has set a target to set up 242 spinning mills, 476 dyeing mills and 475 dyeing printing mills to meet the domestic demand for local yarn, fabrics and ready-made garments by year 2005.

The Association also demanded reimposition of 30 per cent duty on commercial import of yarn till the year 2005. The government had reduced the duty on foreign yarn from

30 per cent to 7.5 per cent making local yarn producers vulnerable to foreign competition, BTMA said.

The BTMA also demanded banning import of pocketing/interlining fabrics through back to back L/C arrangements. It also said that most of the 500 specialised textile and power loom industries of the country are capable of producing these types of fabrics of international standard. It said these industries are becoming sick as pocketing/interlining fabric are now being imported.

Congress agency says US govt unable to ensure safety of imported foods

WASHINGTON, May 11: More than one-third of all fresh fruit and 12 per cent of vegetables consumed in the United States now come from overseas. But a study released today by Congress' investigative agency said the federal government is unable to ensure that imported foods are safe, reports AP.

The findings by the General Accounting Office could boost President Bill Clinton's efforts to strengthen the Food and Drug Administration's authority to require that other countries adopt safe practices for fruit, vegetables, fish and processed foods.

If Congress passed pending legislation giving FDA that authority — which the Agriculture Department already has for imported meat and poultry — it would "provide greater assurance that the imported foods it is responsible for are safe," the report said.

The study did not conclude that imported foods are more dangerous than those produced domestically, but imports grew more than 50 per cent since 1990 to reach some 33 billion dollars in 1996.

There have been some high-profile incidents of illness from imported foods, including Guatemalan raspberries, Mexican cantaloupes and alfalfa sprouts from the Netherlands.

"An increase of this magnitude demands more certainty that our food supply is safe," said Sen. Susan Collins, a Maine Republican who requested the GAO report as chairwoman of the Senate Permanent Subcommittee on Investigations.

The study found that the FDA's reliance on port-of-entry inspections meant that only 46,395 or 1.7 per cent of more than 2.7 million imported food shipments in 1997 were actu-

ally checked by an inspector. Of those, only 16,000 underwent a laboratory analysis for disease-causing organisms or other problems.

The Agriculture Department, on the other hand, visually checked every shipment and did inspections on about 20 per cent of 118,000 meat and poultry imports. In addition, USDA officials visited 30 countries and checked 336 foreign plants to ensure their safety practices were equal to those in this country.

In a written response to the audit, FDA Associate Commissioner Diane Thompson said the agency is seeking congressional approval for authority to check foreign practices. But to prevent disruptions in foreign trade, Thompson said they should not be a requirement for all imported foods.

"Such a requirement could have the undesirable effect of forcing FDA to bar entry to imports from most of the world" until each countries' practices were certified, she wrote.

The FDA also has proposed safety rules regarding seafood and juice processing that would apply to imports. The agency is pushing voluntary agriculture practices for both foreign and domestic fruit and vegetable growers and processors.

The GAO report found other gaps in the imported food safety system, including:

USDA's food inspection service focuses too much on violations such as missing shipping labels that breed little relationship to food safety" and should instead use health data to zero in on foods likely to pose the greatest hazards.

Importers, not the FDA, choose which laboratories do sampling when a shipment is held up over food safety questions.

business tips

STRATEGY Danger Ahead

Many business crises or downturns can be avoided at an early stage by recognizing the signals of potential problems. Smart Business SuperSite (<http://WWW.smartbiz.com/>) identifies two of them:

Sense of urgency vs. laid-back culture. Are employees driven to get jobs done and find new ways to meet customer needs, or do they put off projects and make excuses? Without a company-wide sense of urgency, decisions are frequently a day to late.

Staff tenure vs. industry change rate. People with long tenure at one firm don't bring the benefits of different methods of doing business at other organizations. For example, design companies that fought the move to CAD/CAM were soon outpaced, outpriced, and outperformed by their competitors.

Growth Is an Option

While bringing in as much revenue as possible is nice, it's not always essential. *Sales & Marketing Management* magazine asserts that some companies are content with their numbers, and don't even want to grow. Why? The hassles that often come with growth — restructuring, hiring, training, and so on — are major investments. Also, growth-averse companies realize that growth doesn't always mean more profits.

MANAGING PEOPLE Criticize Your Stars

To make the tough task of criticizing your top performers easier, follow these tips from *Communication Briefings*:

Mix criticism and diplomacy by starting with a positive. Example: "I know you're always pushing yourself to excel. Here are some ideas to help you improve your performance further."

Communicate like a coach, not a critic, by replacing "should have" with future-looking phrases such as "next time" and "from now on."

Start with a question to give the person a chance to save face. Example: "What were you trying to accomplish with that project?" Then you can follow up with, "How did you determine that?" Asking questions also protects you if you learn you're basing your criticism on bad data.

The Root of Unethical Behavior

Wondering why some of your key employees engage in unethical acts such as lying on an expense account, accepting kickbacks, falsifying reports, and forging signatures? One or more of these factors might be the culprit, according to The Management Advantage, Inc. (<http://WWW.management-advantage.com>):

- Pressure to balance work and family
- Poor communications
- Poor leadership
- Long work hours, heavy work load
- Lack of management support
- Pressure to meet sales or profit goals
- Little or no recognition of achievements
- Company politics
- Personal financial worries
- Insufficient resources

The Ethics Test
Texas Instruments (TI) has devised a seven-step guideline employees can use to determine whether or not a decision is ethical.

1. Is the action legal?
2. Does it comply with TI values?
3. If you do it, will you feel bad?
4. How will it look in the newspaper?
5. If you know it's wrong, don't do it.
6. If you're not sure, ask.
7. Keep asking until you get an answer.

— from *Management Quality and Competitiveness*

ENTREPRENEURSHIP Strictly Business

Several banks have already rejected your request for money, leaving you with no other recourse but to go to your friends and family. How do you do that in the most professional way possible?

"Approach them as you would any other group of investors," lawyer Timothy Tippins told *Success* magazine. "Everything in a loan agreement with a friend or family member must be clearly spelled out, from interest rates and schedules of payments, to guarantees of equity if one party defaults."

Remember that business relationships between friends or family members revolve around not just money, but emotional issues as well. "Some of the bloodiest litigation I've been involved in has been between family members over money."

SALES MANAGEMENT The No. 1 Challenge

Improving communication technology is crucial to more sales executives than any other business strategy over the next three years, reports Hewitt Associates in *Sales & Field Force Automation* magazine. See how other strategies stacked up:

Improving communication technology 65%
Providing better management skills 60%
Reorganizing positions to serve key accounts 57%
Measuring results with new factors 53%
Developing processes for global opportunities 46%
Recruiting for better account management skills 41%
Using sales teams more effectively 35%
Measuring team results 29%
Forming teams 20%

The Cost of Waiting

Customers often agree that a purchase is in their best interest, but then they still want to wait a while before making a final decision. If you can show them how delaying is likely to cost them money, prospects might be prompted to make quicker decisions, notes *Selling*.

In your calculations, include rising interest rates, price increases, market changes, potential decreases in the prospect's market share, and so on. Your knowledge of the industry, plus an understanding of the economic, political, and other factors affecting the cost of waiting will add to your credibility.

COMMUNICATION Free Advertising

Look for opportunities to deliver a speech to local business associations and trade groups. Such occasions allow you to help your company by delivering a prepared message to a select audience, notes *Bottom Line/Business*.

Get a friend or colleague to recommend you as a speaker. Send a short description of yourself to the program chair to position yourself and your firm the way you want.

CAREERS Is Your Job Toxic?

A harmful job may not be apparent on the surface, but the warning signs are there if you look closely, reminds *EEO Monthly*:

• What is the company power structure? If top executives are all the same race, gender, and age, watch out — your job may be toxic. Diversity is essential to healthy business.

• Are the company's policies family-friendly? Leave policies for child or parent care, family health insurance coverage, and on-site child-care facilities indicate an employer's interest in the most important part of an employee's life.

• What are the turnover rates in the company? If employees who leave this department or the job itself? If employees who leave this company are thrilled to get out, this job is toxic. Don't be foolish enough to believe you'll be an exception.

• What is the company's attitude toward customers? An organization that neglects customers won't treat employees any better.

MANAGERIAL SKILLS Ask from the Heart

Important requests are always better received when those making them are passionate, friendly, polite, and firm. "Such a stance is difficult to resist," Mark Victor Hansen, co-author of *Chicken Soup for the Soul*, told *Success Connection* (<http://WWW.lotska.com/successconnection/>). "It increases your odds of success."

Money Talks
The trick is to make sure you don't wait for prosperity to come.

"Money is the most egalitarian force in society. It confers power who ever holds it."

—Roger Starr

—Ronald Landau

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G-15 summit opens in Cairo Suharto pledges reforms, urges Indonesians to show patience

CAIRO, May 11: President Suharto of Indonesia said Monday he is committed to economic reforms required under the aid package of the International Monetary Fund, but he urged his countrymen to show patience and discipline, reports AFP.

The Indonesian leader spoke at the opening of a summit of developing nations that is seeking ways to encourage economic growth while avoiding the pitfalls that have led to the current financial crisis in Asia.

Opening the meeting of the so-called G-15 countries, Egyptian President Hosni Mubarak urged poor nations to learn from the current Asian crisis and advised rich ones to keep promises to help the developing world.

This episode has shown us the weaknesses of our global system," he said. "We have an obligation to learn from this crisis."

The three-day summit is being held at the Ittihadiya palace built for King Farouk, Egypt's last monarch before his 1952 overthrow.

Mubarak referred to the current crisis as "but a passing pause in the impressive record" of Asian economies.

"This crisis will pass," he said. "Stronger, more robust economies will emerge."

But for now, huge problems confront Indonesia and

Malaysia, two of the G-15's members hit hard by the financial turmoil that since last June has weakened currencies, bankrupted companies and eroded stock markets.

In addition, widespread riots have erupted in Indonesia in protest against rising prices and lost jobs.

Suharto acknowledged that the crisis has been "devastating" and said his country's growth rate of seven per cent for the past 20 years is now forecast to shrink by 4 per cent in 1998.

To reverse these trends, Indonesia must now implement a series of integrated reforms — including those already underway in cooperation with the IMF," he said.

The IMF demanded reforms in return for loans of 43 billion dollars. Suharto warned that Indonesians will have to make "painful sacrifices and summon our reserves of endurance and social discipline."

The Egyptian leader had earlier spoken with British Prime Minister Tony Blair to urge that the developing nations voice be heard at the upcoming London meeting of the G-8, the world's richest nations.

The G-15 countries are Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Kenya, Nigeria, Malaysia, Mexico, Peru, Senegal, Venezuela and Zimbabwe.

Malaysia's new chairman and vice-chairman, Mir Zahir Hossain and

Yakub Ali have been elected

respectively of the Board of Directors of National Credit and Commerce Bank Limited with effect from Sunday, says a press release.

Both of them have been the

sponsor directors of the bank

since its inception.

Hossain is the Managing Director of Mir Akther Hossain Limited, one of the leading construction and engineering firms in Bangladesh, both in the roads and buildings sectors. He is a Fellow of the Bangladesh Institute of Engineers, as well as one of the founders and former member of the Faridpur Chamber of Commerce and Industry.

All is currently the Managing Director of Habib Steels Limited, Diamond Cement Limited, Habib Shares and Securities Limited & MTS Steels Limited.

He is a Director of Chittagong Chamber of Commerce and Industry.

Digital, DHL launch new logistics project

The cooperation between

Digital Equipment BV and DHL Worldwide Express has now

been extended with a new Pan

European logistics programme:

'Repair & Return Service'

Mobile Repair).

Paul Aerts, European Distribution Purchasing Manager of

Digital, and Marc Duale, Regional Director-Western Europe

and Northern Africa of DHL Worldwide Express in Nijmegen, officially launched this

logistics project yesterday.

According to a press release,

this new service gives Digital a

great competitive advantage in

the market. DHL also offers

various value added services'

for this programme. Thus,