

# Bill Gates' software empire may face sanctions

## US court declares Microsoft a monopoly, hurting consumers

WASHINGTON, Nov 6: A federal judge declared Microsoft Corp is a monopoly, ruling that aggressive actions by Bill Gates' software empire to protect its technology dominance are "stifling innovation" and hurting consumers, reports AP.

The decision announced Friday could lead to serious sanctions against Microsoft and a reshaping of the multi-billion-dollar high-technology industry.

In a decision tilted heavily toward the government's view of the antitrust case, US District Judge Thomas Penfield Jackson said Microsoft has "demonstrated that it will use its prodigious market power and immense profits to harm any firm that insists on pursuing initiatives that could intensify competition against one of Microsoft's core products."

The judge added that some innovations "that would truly

benefit consumers never occur for the sole reason that they do not coincide with Microsoft's self interest." He said harm to consumers was "immediate and easily discernible."

Gates said he and other company executives "respectfully disagree with a number of the court's findings."

The decision to apply the monopoly label is a significant setback for Microsoft, as well as a clear recognition of the expansive influence of the Microsoft giant whose Windows products run most of the world's personal computers.

Still, Friday's action does not necessarily mean the company will lose the case. Federal law generally bans companies from maintaining monopoly power through illegal business practices, but not from achieving their success selling popular products or making shrewd business decisions.

"We'll continue to make our best efforts to resolve the case," Gates said in an apparent reference to possible settlement talks. "Getting it behind us would be a very good thing, but we'll continue to stick up for our principles."

Assistant US Attorney General Joel I Klein said the government was "always prepared to discuss settlements." But he added that "any talks would have to fully and properly address our competitive concerns."

Shares of Microsoft on the Nasdaq Stock Market closed Friday before the ruling at \$91.56 1/4, down 18 3/4 cents.

A final ruling could come by the end of the year, with any penalties or remedies spelled out next year.

"These are serious and far-reaching violations that should lead to serious and far-reaching remedies," Connecticut Attor-

ney General Richard Blumenthal said. His state was among 19 that sued Microsoft alongside the Justice Department.

Jackson could order that Microsoft be broken up into smaller companies that would compete against each other. Or he could choose from a range of lesser punishments, such as requiring Microsoft to allow rivals to sell and improve its dominant Windows operating system, or prohibiting the company from interfering with new technology that could threaten Windows.

Appeals are likely to keep the case in court — and delay any punishments for several years.

The government, which spent \$7 million on the lawsuit, said the company illegally used its left to undermine competing technologies and to discourage support for its rivals.

# Moore for more flexibility to agree WTO agenda

GENEVA, Nov 6: WTO member governments must be more flexible in order to reach compromises for agreeing an agenda in time for a new round of global trade talks in late November, WTO director-general Mike Moore said, reports AFP.

In a letter released by the WTO yesterday, but dated Thursday, Moore told the chairman of the WTO General Council, Ali said Mchumo, that efforts to agree an agenda ahead of the ministerial meeting in Seattle, Washington on November 30, were at a critical stage.

"The very short time remaining before the Seattle Conference, and the magnitude of the continuing divergences in positions, means that the preparatory process is at a critical point," the letter said.

"I strongly believe that unless governments give their delegations in Geneva additional flexibility necessary to reach acceptable and balanced compromises, we risk not being able

to progress significantly beyond the existing text by the time of the Ministerial (meeting)," Moore said.

Talks at WTO headquarters in Geneva between trade officials have resulted in a draft agenda for Seattle of about 30 pages, which is full of disputed passages.

In his letter, Moore highlights issues relating to the implementation of the Uruguay Round agreements (1986-94) — an issue dividing developing countries and industrialised ones.

Developing nations say they have difficulties meeting their obligations under the agreements but industrialised countries are against re-opening Uruguay Round agreements.

Moore said in his letter: "I urge all governments to review with urgency their approach to these issues and to work towards a solution as a top priority."

And on agricultural issues, where they members disagree

over the extent of liberalisation, Moore said: "Here the outstanding issues have been more clearly defined in our recent consultations but there has still been insufficient movement on the substantive issues which divide delegations. We cannot allow this issue to become, as it has in the past, a roadblock to other work," the letter said.

Some progress has been achieved in areas of the draft, including provisions on action in favour of the least-developed countries, Moore pointed out, but he added that it "is increasingly apparent that progress overall is closely related to movement on the key sections identified above."

"This is why, Mr Chairman, I am appealing through you to Member governments to undertake without delay a review of their instructions to their negotiators in Geneva in order to break out of what could otherwise become a vicious circle," he wrote.

# Square to market Eisai products in Bangladesh

Square Pharmaceuticals Ltd has signed an agreement with Eisai Co Ltd of Tokyo for the import and marketing of Eisai products in Bangladesh, says a press release.

Tapan Chowdhury, Managing Director of Square Pharmaceuticals, and Haruo Naito, President and CEO of Eisai Co, signed the deal on behalf of their respective sides.

The Eisai products to be launched initially include Pariet, an anti-ulcerant, and Aricept, a new reversible acetylcholinesterase inhibitor for the Alzheimer's disease treatment. Among the other products are a peripheral neuropathies remedy, a muscle relaxant, and a treatment for vertigo and equilibrium disturbances.

Under the agreement, Square will market Eisai's products in Bangladesh with a view to strengthening its efforts for globalised operations. Sales are expected to begin around mid-2000.

As an ISO-9001 certified company, Square Pharmaceuticals Ltd is dedicated to ensure world-class quality of medicines through advanced technology and strict compliance with WHO cGMP standards. The company is maintaining its leadership in domestic market for more than a decade.

Eisai Co Ltd is a research-based human healthcare company which discovers, develops and markets products in more than 30 countries. Through its global network of research facilities, manufacturing sites and marketing subsidiaries, Eisai actively participates in all aspects of the worldwide healthcare system. The company reported sales of over \$2.3 billion in 1998 with more than 15 per cent of spent for research and development.

# ICB declares 7pc dividend

Star Business Report

The Investment Corporation of Bangladesh (ICB) has declared a 7 per cent dividend for its shareholders for the year 1998-99.

The dividend was approved at the 23rd Annual General Meeting of the Corporation held at a city hotel on Thursday, says a press release.

The Director of the Board of Directors of the corporation, Brigadier Fakhruddin Ahmed, presided over the meeting.

The Corporation had earlier declared attractive dividends on its eight Mutual Funds and on the United Fund, the highest being 10 per cent on the First Mutual Fund.

ICB made a net profit of Tk. 4.32 crore during the fiscal year 1998-99, which is 4.60 per cent higher than that of previous year.

During FY 1998-99, the Corporation sanctioned financial assistance of Tk. 18.39 crore to six projects, raising the total amount to Tk. 253.23 crore for 349 projects.

ICB has initiated reforms in different areas of its operations and since diversified its business activities in the areas of lease financing and advance against unit certificates. Emphasis has been given on direct underwriting and investment in shares and debentures through placement.

During FY 1998-99, under the investors' scheme an incremental margin deposit of Tk. 7.61 crore was received. An amount of Tk. 17.79 crore has been invested in listed securities on behalf of the investment account holders during the year resulting in a net investment of Tk. 431.83 crore up to 30th June, 1999.

During the fiscal year 1998-99, ICB Unit certificates were sold for Tk. 45.82 crore. The cumulative sale of Unit Fund up to 30th June, 1999 stood at Tk. 578.68 crore.

ICB made transactions during the year to the tune of Tk. 159.91 crore in the Stock Exchanges.

A large number of shareholders attended the meeting. They noted with satisfaction the continuous expansion and growth of business of the corporation.



This photo taken from CNN shows Microsoft CEO Bill Gates during a news conference on Friday in Redmond, WA, responding to the US Justice Department's ruling that his company has monopoly power in the market for personal computer operating systems. Gates said he was confident Microsoft's integrity would be upheld.

# IMF to resume Indonesian lending talks next week

WASHINGTON, Nov 6: The International Monetary Fund said yesterday it would resume talks in Jakarta next week on the possibility of resuming lending to Indonesia, which is anxious for fresh money in the face of a budget shortfall, says Reuters.

"Directors agreed that a mission should resume discussions over Indonesia's programme in Jakarta next week," the IMF said in a statement.

The IMF experts will discuss Indonesia's economic plans, including a detailed 'letter of intent' listing the policies Indonesia plans to adopt.

Indonesia, the world's fourth most populous nation, received an international rescue package worth more than \$45 billion in 1997.

But the IMF halted lending to Indonesia earlier this year amid a scandal surrounding payments from Bank Bali to people linked to former president BJ Habibie's Golkar party, and it said Indonesia had to publish an independent audit

of the bank before payments could resume.

Indonesian authorities are now meeting this condition, and the nation's top economics minister said Thursday he would tighten banking laws to avoid a repeat of the Bank Bali scandal.

The IMF noted Indonesia's cooperation in its statement. The board welcomed the recent public release of the PriceWaterhouseCoopers report and took note of the government's intention to resolve the Bank Bali case fully.

The fund still wants Indonesia's government to implement recommendations from the audit, including starting the process of taking legal action against those accused of wrongdoing.

An economic meltdown in Indonesia has thrown millions into poverty and unemployment. The nation's new government has pledged to tackle the social and political problems confronting the nation, where thousands have died in

communal violence over the past two years. It also aims to eliminate budget deficits by boosting domestic revenues.

Earlier US Treasury Secretary Lawrence Summers told a Senate Committee that the resumption of lending to Indonesia remained uncertain, adding that a number of criteria had yet to be met before payments could restart.

"It's certainly the case that a number of the steps that have taken place in the last month, including these revelations with respect to corruption, move us closer to a resumption of lending, Summers told the Senate Foreign Relations Committee."

But Summers cautioned that it was impossible to predict when that might happen.

As anxious as Indonesia is for fresh injections of IMF cash, the fund's chief Asia expert, Hubert Neiss, said in Jakarta on Thursday that the Indonesian economy was not in crisis and not in urgent need of fresh IMF funds.

# Indonesia plans to open trade ties with Israel

JAKARTA, Nov 6: Indonesia, the world's largest Muslim nation, will go ahead with its plan to open trade ties with Israel despite some public opposition, the official Antara news agency reported today, says Reuters.

"To those who oppose it or don't want to understand, I appeal, please try to understand," the agency quoted President Abdurrahman Wahid as saying on Friday.

While stopping short of recognising the Jewish state in the near term, Wahid said Indonesia should be able to establish economic relations with any country in the world, including Israel.

He said a number of Islamic countries, which have publicly ruled out ties with Israel, quietly conducted business with Tel Aviv.

Let us not become hypocrites," said Wahid, adding that the purpose of opening trade ties with Israel was purely to enjoy the economic benefits. Antara gave no further details.

The government has said the plan to establish trade ties with Israel was part of an effort to lobby the Jewish country on the Palestinian issue.

But some Moslem groups have warned that opening such ties could jeopardize Indonesia's relations with other Moslem countries.

# UNDP faces budget crunch

COPENHAGEN, Nov 6: The UN Development Programme (UNDP) is in dire straits as budget cuts force it to reorganise its efforts to fight global poverty, director Mark Malloch Brown told a press briefing here yesterday, reports AFP.

The UN programme's budget has dropped from 1.2 billion dollars (1.15 billion euros) five years ago, to 750 million dollars in 1999.

The loss in funds means the UNDP will have to redefine its mission, putting more people "out in the field" and transforming itself from a project manager to a new role as counsellor and partner to developing countries.

"The problem is that the number of UNDP projects did not diminish at the same time the budget contracted," said Brown, who was named as head of the programme in April.

Denmark's contribution has followed the trend, dropping 30 per cent since 1998 to its current level of about 60 million dollars.

Copenhagen has slipped from second to fifth place among donor countries, behind the United States, Japan, The Netherlands, and Norway.

Brown concluded that "political rights and the respect of human rights are crucial in reducing poverty."

# Leading Internet firms agree to protect users' privacy

LOS ANGELES, Nov 6: Leading Internet advertising and data-profiling companies have agreed to a plan that would give Internet visitors the option to switch off information-gathering technology used at many Web sites, says AP.

The plan reflects an attempt by the Internet industry to address growing concern about technology that allows Web site operators to collect data about Internet users, often without the knowledge or consent of those who are being profiled.

By coming up with their own plan, companies hope to forestall government regulation, said David Morgan, president of Real Media, one of several companies joining the agreement.

"We know that privacy is going to be an enormous issue with respect to the Internet and advertising," Morgan said Friday.

"I think because of the nature of the Internet, consumers have an enormous amount of power in this case. Ultimately they're going to drive our business practices," said Morgan, whose company provides advertising technology to Web sites, but does not collect data about users.

The participating companies plan to disclose details of the agreement in Washington on Monday during a workshop sponsored by the Federal Trade Commission and the Department of Commerce.

Under the agreement, each company will develop a system that would notify consumers that the site they are visiting uses data-profiling technology, and give them the opportunity to turn it off.

Companies participating in the plan also include 24/7 Media, Acknowledge, Doubleclick, AdForce, Engage Technologies, and others. The companies gather information about users in two ways. Many Web site require users to fill out registration forms that ask for information such as name, gender, age and income level.

The other way is to use technology that tracks a user's activity after they have logged on.

The technology allows Web site to target specific ads to users when they return to the site. For example, a user who has looked extensively at sites dealing with automobiles might, on a return visit, see ads about car products. Another user would see different ads reflecting their Web browsing habits.

The Federal Trade Commission has not reviewed the plan yet, but wants companies to produce an effective system self-regulation.



Picture shows (from left) Dr A R Q Baksh, Deputy Managing Director, and T Chowdhury, Managing Director of Square Pharmaceuticals Ltd, H Kimura, Executive Director, Eisai, and Garg, Director of Product Planning, Eisai, at the agreement signing ceremony between the two companies.

# US stocks, bonds, dollar up on ebbing rate fears

NEW YORK, Nov 6: US stocks, bonds and the dollar rallied yesterday, with the Nasdaq composite smashing records for the sixth day in a row, after news of subdued inflation eased worries about climbing interest rates, reports Reuters.

The Dow Jones Industrial average finished up 64.84 points, or 0.61 per cent, at 10,704.48, after flying up more than 200 points earlier in the session. The index is now only about 5 per cent off its high of 11,326.04.

The Nasdaq composite index jumped 46.34 points, or 1.52 per cent, to 3,102.29, continuing a winning streak fuelled by strong investor appetite for seemingly anything technol-

ogy. The Standard and Poor's 500 index ended up 7.59 points, or 0.56 per cent, at 1,370.23.

The 30-year US Treasury bond was up 20/32, or 8.625 on each \$1,000 of face value. The yield, which moves in the opposite direction, slid to 6.06 per cent from 6.14 per cent on Thursday.

Stocks went on a tear after news that average hourly earnings showed a rise of only 0.1 per cent to \$13.37 from September's \$13.36.

This morning's data put a sizzle into stocks," said Alan Ackerman, market strategist at Fehnestock & Co. "There is likely to be some caution ahead of the (US Federal Reserve's Nov. 16) meeting. But today's benign economic data took

some of the worries away from the market."

October non-farm payrolls grew by a less-than-expected 310,000. Economists polled by Reuters had forecast a rise of 313,000.

But analysts said the market later in the day backed away from its early highs as investors took home some profits after the impressive runup in the past two weeks.

Also weighing on Wall Street was concern about a decision expected after the market's close in the US government's landmark antitrust case against software king Microsoft Corp.

# Taiwanese forex reserves hit record high

TAIPEI, Nov 6: Taiwan's foreign reserves hit a record high of US \$102.6 billion last month, the government said Saturday, reports AP.

The reserves have been climbing steadily in the past 16 months as Taiwan's economic power attracts foreign capital in its financial markets, said Chou A-ting, an official in charge of foreign exchange in the Central Bank.

Backed by a strong high-tech industry, Taiwan weathered the Asian financial crisis and foreign trade continued to expand despite a devastating Sept. 21 earthquake, which killed more than 2,400 people.

Microsoft stock fell 3/16 to 91-9/16 in Nasdaq trading.

"The market has had quite a run up and it is a little overextended," said Dan Ascani, president and director of research at Global Market Strategists Inc. in Gainesville, Ga. "Also it is waiting on that decision for Microsoft."

After a slew of encouraging reports on economic indicators, fears on Wall Street that the Fed will jack up interest rates more than 25 basis points when its policy-setting committee meets later this month are starting to fade. In fact, there is a growing consensus that the inflation-fighting Fed may very well leave rates untouched.

The dollar rose to 106.06 Japanese yen from 104.92 yen late Thursday, and advanced to \$1.0429 per euro from \$1.0381 euro.

COMEX December gold fell \$2.70 to end at \$291.00 a troy ounce, as the benign October US Jobs data took the edge off inflation worries.

On the New York Mercantile Exchange, crude oil for December delivery slipped 14 cents to settle at \$23.00 a barrel, amid concerns over a slight increase in production by members of the Organisation of Petroleum Exporting Countries.

Overseas, London's FTSE 100 index ended 25.3 points or 0.4 per cent higher at 6,356.6 rising 100.9 from Oct. 29. In Tokyo, the benchmark Nikkei average finished up 6.77 points or 0.04 per cent at 18,354.90, a jump of 412.82 on the week.