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A gaze at pvt Bangla channels - Part 3

New entrants delving into viewers' tastes to set business schemes

By Inam Ahmed

For advertisers, the viewers are the gods. In the western world, their tastes are cultivated in depth by focusing on what age they represent, what programmes they prefer, and when they switch on their TV sets. All these are of intense interest for the ad firms and TV channels which have their eyes fixed on burgeoning business profits.

This culture has all these years been completely absent in Bangladesh as BTV spread the monopoly wings over the country's advertisement industry. But now the new satellite channels and ad firms are delving into these information to set their business strategies.

The Bangla satellite channels have already started pulling potential advertisers and ad firms because of their rapid viewer growth.

According to Sirius, a media company that surveys TV viewers, 37 per cent of the households having televisions switch to channels. The audience is growing by 20 per cent annually, and the figure is encouraging enough for companies to choose C&S channels for advertising their products.

Sirius also rates different programmes. To make its ratings, it uses a more simplistic system of viewers maintaining a diary of what programmes they watch. According to the company, BTV's package drama on Mondays is the top notcher.

An estimated 15 million households have televisions with another 50 million people having access to it.

Satellite channels are also doing everything they can to generate and lure more viewers. ATN, however, has the added

advantage of being the first private Bangla channel.

Agencies meanwhile said companies haven't increased their ad spend to match the proliferation of channels. Not only this, there had also been a huge cut in their ad spend last year due to the floods.

"So far, our clients have not upped their advertisement budgets," said the marketing manager of an ad firm, adding "they have just shuffled the same money amount of over the new channels."

"Our revenues fell by 60 per cent," said the top boss of another ad agency. "When the floods hit manufacturers, it bit off a big chunk of advertisement spending."

BTV still enjoys a hold on the market. But in the future, the winner will be the one who has greater reach and flexibility.

The advertisement market is coming of age, as advertisers and ad agencies are getting more informed and exploring new avenues for their products. The firms are already going for branded programmes for satellite channels like the Pepsodent Brain Check quiz programme.

"Our budget is moving toward ATN and Channel I. We are even thinking of exploring Alpha TV. But the problem with Alpha is that it is basically a West Bengal-oriented channel and the Bangladesh viewers aren't very interested in the Indian events."

"Clients have now become more informed and, therefore, are increasingly choosy," said an ad firm chief executive.

"They know which programmes are on top and we also have optimisation software to chalk

out budget placement. Budget placing is now becoming important because of audience segmentation. Different classes of people watch different types of programmes and we place our advertisements accordingly."

At the same time, ad firms are becoming more careful about their productions. "For quality ads, we have to rely on foreign expertise in Singapore, London or Mumbai. They have specialised directors and cameramen. There are people who only make ads on skin products, while others work on soaps and beauty products of the like."

How do they fare?

The satellite channels are getting nervous as ETV's launching is in the offing. Now it has dawned upon them that to keep their ad revenue intact, they need to come up with quality programmes.

"We are working to improve our programmes," said M. Rahman Nahid, Marketing Manager of a new satellite channel, Total Entertainment Network (TEN). "ATN or Channel I are no threats for us. ATN has already earned its reputation as a 'bid' channel and Channel I is simply broadcasting the alien culture. We will be a multi-cultural channel with quality programmes."

However, other than ATN, none of the satellite channels has reached its break-even point.

According to Nahid, TEN, which was launched two months back, spends Tk 50 lakh per month, which pitches it to a position still miles behind the break-even line.

ATN started its jaunt about two-and-a-half year ago with an estimated investment of Tk five crore and has a 32 per cent audience. "We have already reached the breakeven mark," claims Mahbul Alam, Director - Administration and Operation of ATN. The channel claims an average Tk 25 lakh revenue income from advertisements.

Alam said the docking of the two new channels - TEN and Channel I - hardly affected its advertisement income.

"It did not vary even a trifling five per cent. We are almost where we used be a couple of months ago. But we are readying ourselves for the upcoming ETV foray by bettering our programmes. We have already made deals with a number of renowned play-writers. We will also start documentaries and programmes for the school children. These will add value to our channel."

By cutting advertising rates and providing better deals, the newcomers are encouraging fresh clients to get into the ad market groove. Advertisements of many small producers, shops and supermarkets are also seen on the channels these days.

Channel I, also launched in October, claims to have the most imaginative programme contents and designs.

"We want to be a modern channel, and on top of it, our clear digital picture is an added attraction," said Shykh Seraj, Channel I Director. "We are also the first channel to broadcast messages on issues like social crimes and safety."

According to Sirius, Channel I's audience is growing fast.

In the first 13 days, it had a 9 per cent share of the audience. This increased to 22 per cent after only two months.

However, Channel I faced a problem because cable operators didn't have digital receivers. To overcome this, the channel went on an aggressive marketing drive. It distributed digital receivers free of cost to 500 mother cable operators of the country with a view to making its transmission available to all cable-connected households.

Despite providing concessions i.e. 10 free ad spots for every 30 paid ones, Channel I is yet to make profits. "We are launching an international drive to win ads as our channel has wide footprints ranging across Asia and Europe," said Seraj.

But how will it fare when ETV comes on the scene?

"ETV is a big threat for us because it will make dent into our ad market share. I have a limited investment, which will, however, make it easier for me to make gains. ETV has a huge initial investment and will need hefty revenue income to reach the break-even point."

But among the new channels, ETV will not only have the strongest Tk 80 crore capital base, but also the finest people available in the audio-visual field.

"One of ETV's strongest point will be its news programme," said Farhad Mahmud, ETV Managing Director. "We will also have a satellite news gathering (SNG) system to reach our viewers with events instantly. This will be an added pull of our channel."



A customer walks past a sign set up in front of a bank in Bangkok Friday, announcing its readiness against the millennium bug. Thailand's central bank said it has set aside an extra 318 billion baht (8.1 billion dollars) in reserves over the new year period in case of heavy withdrawals due to the millennium bug concerns. — AFP photo

Export-oriented fertiliser plant to be set up at Fenchuganj

SYLHET, Dec 17: A hundred per cent export-oriented fertiliser factory will be set up at Fenchuganj costing US dollar 35 crore, the highest foreign investment after oil, gas and power sector in the country, says UNB.

A US investment company, American Business Corporation for Development (ABCD), will construct the proposed "Shajal Fertilizer Factory" at the existing Fenchuganj Fertilizer Factory.

Officials sources said the ABCD would provide technical assistance for setting up granular and ammonia technologies in the new fertilizer factory while Cadel Construction and General Electric for engineering and electricity facilities.

India fully ready for Y2K glitch

NEW DELHI, Dec 17: India's minister for information technology, Pramod Mahajan, said today the country was fully ready to ensure a smooth transition into the new millennium, says Reuters.

"We are fully prepared, there is nothing panicky. We have complied (with) everything about Y2K," he told the lower house of parliament, after an opposition leader said India was not prepared for the millennium bug.

Mahajan said the government would make a detailed statement later during the day.

"Y2K is a major problem. Only 13 days are left. The government is not serious. There

can be a serious economic crisis," Congress party member of parliament ND Tiwari told the lower house.

On Thursday, the Indian government's action force on Y2K said 11 critical sectors, including atomic energy, space and defence, were ready for Y2K. The other critical sectors are banking and finance, insurance, power, telecommunications, railways, civil aviation, ports, petroleum and natural gas.

The government has also set up a special Y2K control room which will be operational from 10:00 am (0430 GMT) on December 28 until 8:00 pm (1430 GMT) on January 3, 2000.

United effort to stop milk import stressed

Minister for Fisheries and Livestock A S M Abdur Rob has stressed concerted action to stop import of milk powder, reports BSS.

He called upon the officials of Bangladesh Animal Husbandry Association to make all-out efforts to bring an end to importing milk powder in the next five years.

Rob said it is quite possible to raise the productivity of cattle and poultry birds to meet not only local demand but also have surplus for export provided appropriate plans and programmes were taken.

The minister was discussing with the leaders of the Association on various problems confronting them.

The minister said although the number of cattle and poultry birds in the country is not less, the average animal protein in take has dropped by 16 per cent as the productivity has

gone down. The livestock sector has to be recast to meet the needs, he added.

The leaders of the association who discussed their various problems with the Minister informed him that production of milk, meat and eggs has gradually increased during the tenure of the present government. Some 18.2 lakh kg of milk, 6.2 lakh tons of meat and 325 crore eggs were produced during the last fiscal year. The import bill for milk has come down to 45 million US dollars, they said.

The meeting was further informed that there are about one lakh seventy-five thousand poultry and dairy farms in the country and number of animals and birds including ducks and hens will be 21 crore. Twenty per cent population put in their full time labour, while about half of the population give part time for the upkeep of animals.



Picture shows the inauguration of the three-day IMART Children Computer Fair '99, arranged by IMART Children Computer Club — a sister concern of IMART Computer Tech Ltd, which is the authorised reseller of Gateway computers — by chief guest Tim Forsyth, Economic/Commercial Officer of the US Embassy, Thursday. Akhteruzzaman Khan, Managing Director of IMART Computer Technology Ltd., and Aftabul Islam, Ex-President of BCS, were present. — IMART photo

'Govt implements widespread reforms in banking sector'

State Minister for Information Prof. Abu Sayeed on Wednesday said that the present government had implemented widespread reform programmes to infuse dynamism in the banking sector, reports BSS.

Prof Sayeed was addressing the inaugural function of the Green Road Branch of Bangladesh Commerce Bank Limited as the chief guest. Chairman of the bank's Board of Directors Prof. Abdul Mannan Chowdhury and Managing Director Sheikh Aminuddin Ahmed also addressed the function.

The state minister said that the culture of bank loan default was built up after 1975 for plundering the public money. He said all successive governments after 1975 created vested interest groups by awarding special financial privileges.

Weekly Ctg Tea Sale

Market witnesses good demand amid rate falls

CHITTAGONG, Dec 17: The first sale of the month of Ramadan here on Wednesday saw a good demand from all sections of the market though prices were generally easier barring a few cleaner types, reports UNB.

Poland, Russia, the CIS and out-markets were more active. Afghanistan was absent whilst there was limited buying from Pakistan, according to a National Brokers Ltd market report.

Internal buyers were more active including major blenders who lent useful support to the clean-liquoring types. Dusts saw a good demand but mostly at easier rates.

CTC Leaf: 9,749 chests and 14,269 gunny sacks on offer met with a fairly good demand at easier rates.

CTC Broken: Bold and large broken met with more enquiry with the better types being fully firm, while others eased slightly. Clean good-liquoring medium and smaller broken were about steady whilst all others generally easier by Tk 2 to Tk 3 following quality. The plainer types were irregularly easier.

CTC Fannings: All fannings met with a good demand. The cleaner types were fully firm whilst others occasionally easier, but the plain fibrous types declined further.

CTC Dust: 661 chests and 1,441 gunny sacks on offer met with a good demand at mostly easier rates. The well-made better-liquoring types eased slightly by Tk 2/3 whilst others eased by up to Tk 5. Internal market lent good support.

Row over WTO chaos may cost Seattle mayor his job

SEATTLE (Washington), Dec 17: The anger over police handling of chaotic protests at the recent World Trade Organisation meeting here is continuing, and observers say it could cost Mayor Paul Schell his job, reports AFP.

Police Chief Norm Stamper quit under fire last week, after critics charged that police were disorganized, undermanned, and unable to protect WTO delegates or prevent 2.5 million dollars in vandalism damage.

But his resignation has not taken the heat from mayor Schell, who has managed to anger every constituency in this city.

"He lacks the necessary political reflexes," says Bob Coery, a local political consultant. "This and his lack of credibility puts his ability to

govern into question."

Seattle residents are embarrassed and upset by what most are calling the inept, top-down planning for the international event. This laid-back, beautiful city took a black eye from the publicity surrounding the civil unrest, and locals are calling for political heads.

At a city council forum on Tuesday night, 500 people packed an auditorium to demand not only accountability but also Schell's resignation or impeachment.

"I want to know who was responsible for tear-gassing innocent bystanders in my neighborhood... and I want their metaphorical head," said Jamie Lutton, who owns a bookstore on Capitol Hill, an area outside the "no protest zone" that saw police action.

Japanese economic recovery at 'sensitive crossroads'

TOKYO, Dec 17: Japan's economic recovery is at a "very sensitive crossroads" as the nation opens its markets to foreign competition and ends lifetime employment guarantees, the country's top economic planner said, reports AP.

"Japan's economy continues to face severe conditions, but mild improvements are being made," Taichi Sakaiya, director general of the Economic Planning Agency, said at a press conference.

The government is exposing once-coddled industries to greater competition to strengthen the world's second-largest economy. Yet the changes, including the collapse of banks that helped build Japan into an economic power, have driven unemployment to a record high and aggravated the country's longest economic slump since World War II.

But short-term pain is necessary for lasting prosperity, Sakaiya said.

"Reform of the economy will create new industries to boost employment and demand," Sakaiya said at the Foreign Correspondents Club of Japan.

Sakaiya said consumer spending started to recover in October, production at the nation's factories is up and corporate profits are starting to rise. Unemployment has also fallen from a record 4.9 per cent in July.

The government predicts that Japan's gross domestic product — the value of all goods and services produced — will rise 0.6 per cent in the fiscal year that ends March 31, the first increase in three years.

Further, Sakaiya did not deny media reports this week that said the economy will grow one per cent in fiscal 2000.

"I can't say that's an error," he said, adding that the EPA will release its outlook for

Japan's economy next week.

Reuters reports from Berlin: Federal Reserve chairman Alan Greenspan said yesterday over-reliance on bank lending was one cause for Japan's economic slowdown in recent years, a top Japanese finance ministry official said.

Greenspan said at the G20 meeting the imbalance between direct financing and indirect financing exacerbated Japan's problems after asset prices collapsed in the early 1990s. Yoshihisa Hayashi, parliamentary vice finance minister, told reporters.

The G20 groups the G7 group of industrialized nations — Britain, Canada, France, Germany, Italy, Japan and the United States — plus 11 emerging and other economies — Argentina, Australia, Brazil, China, India, Mexico, Russia, Saudi Arabia, South Africa and Turkey.

Oil rises to fresh post-Gulf War high

LONDON, Dec 17: Buoyant oil prices sped to fresh post-Gulf War highs yesterday as bulls shrugged off the resumption of Iraqi loadings under a delayed news phase of humanitarian exports, reports Reuters.

London's January futures contract, which expired on Thursday, shot to a nine-year high of \$26.15 a barrel before cooling off to close at \$26.09.

Benchmark North Sea Brent for February delivery was 60 cents better at \$25.45 a barrel compared to sub-\$10 lows reached at the start of the year. A rally that has more than doubled prices this year has gained pace as industrialised nations enter peak winter de-

mand amid a steady shrinkage of the world's stockpile of spare oil.

Output restraint by the Organisation of Petroleum Exporting Countries (OPEC) and some other major oil exporting nations is forcing down world inventories so fast that consumers in the West might even be hit by retail outages this winter, the International Energy Agency has warned.

The chairman of the US Senate Energy Committee urged President Bill Clinton on Wednesday not to sell oil from the nation's Strategic Petroleum Reserve in order to lower crude oil prices.

"The government has never tapped SPR releases to manipulate crude prices and should not do so now," Senator Frank Murkowski, and Alaska Republican, said in a letter to Clinton.

Murkowski said he was responding to recent statements from senior administration officials, whom he did not name, that oil prices were worrying and might require government intervention.

Energy Secretary Bill Richardson said last week oil prices were dangerously high, and he was drawing up options for the White House to consider using to lower them. Richardson clarified his remarks on Tuesday by saying oil

from the reserve would be sold only in the event of a national emergency and not to lower prices.

Data showing an unexpectedly large fall in US stocks of petroleum pushed Brent up by 41 cents on Wednesday.

The American Petroleum Institute (API) and the Energy Information Administration (EIA) published data showing crude and products stocks fell last week in the United States.

The data is closely watched as a test of the success of OPEC supply cuts. The United States uses a fifth of the world's oil. Oil's fresh leap has occurred despite the resumption at the

Gulf port of mina al-Bakr late on Wednesday of Iraqi exports under the UN's oil-for-food programme.

Iraq last Saturday began signing new oil contracts after accepting a six-month extension of the 180-day oil-for-food plan which was approved by the United Nations the previous day.

Baghdad halted 2.3 million barrels a day (bpd) of exports on November 24 in protest against the UN's stop-gap extensions of the oil-for-food deal.

Some 50 million barrels of Iraqi oil has been lost to the world market because of Baghdad's suspension of exports.

IMF top job open: Camdessus

PARIS, Dec 17: International Monetary Fund (IMF) chief Michel Camdessus said yesterday the choice of who replaces him was wide open and that Europe should be able to come up with a suitable candidate, says Reuters.

He said German deputy finance minister Caio Koch-Weser, who is being pushed hard by the Germans for the post, was a totally respectable man, but Europe was a big place and a replacement could come from any of several countries.

"It's a very old and respectable tradition. It will be a European if the Europeans reach agreement," Camdessus, who plans to stand down in mid-February, told French in-

ter radio.

"Maybe a German, Mr Koch-Weser is a fully respectable man. It could also be a Frenchman, why not? Or it could be a Spaniard or an Italian. Europe is a huge place," he told France Inter.

"That said, it's not cast in stone that it will always be a European and that the World Bank will always be headed by an American. These things can evolve. It has to be a man of conviction, and the best possible," he said.

Camdessus, the long-standing and latest in a line of French men who have monopolised the managing director job since the IMF was created after World War Two, intends to

stand down early.

But Germany has yet to rally public support for Koch-Weser, a 55-year-old who spent 25 years at the World Bank — the other big Washington-based lender whose leadership has traditionally gone to an American in exchange for a European heading the IMF.

Japan has also made noises about a change in that custom at the IMF and that Tokyo should perhaps have a say or a claim. France and Britain remain conspicuously silent on Koch-Weser, the only declared runner. Washington, which has to give the nod as well is believed to have reservations, but it has studiously avoided official judgement on the German.