

# US govt asks court to split Microsoft up

## Employees greet government plan with casual indifference

WASHINGTON, Apr 29: The US government on Friday proposed breaking software powerhouse Microsoft Corp. into two companies to curb its monopoly, the harshest antitrust penalty sought by the government in two decades, says Reuters.

The Justice Department and 17 states formally submitted their 17-page proposal to the federal judge hearing one of the biggest antitrust cases in US history.

The dramatic request raised the stakes in the final phase of a two-year legal battle that pits one of the world's most successful high technology companies against the full weight of the US government.

"Under our proposal, neither ongoing government regulations nor the self-interest of an entrenched monopolist will decide what is best for consumers," said Joel Klein, the head of the Justice Department's antitrust division. "Instead, consumers will be able to choose for themselves the products they want in a free and competitive marketplace."

It was the stiffest antitrust penalty sought against a US corporation since the case against telephone giant AT&T, which agreed to spin off the regional "baby bells" in 1982.

The Microsoft case has also been compared with the breakup of oil baron John D. Rockefeller's Standard Oil empire in 1911.

The government proposal would separate Microsoft's dominant personal computer operating systems — including the Windows software code-named "Millennium," "Whistler," "Blackcomb" and their successors — from application programmes.

The split would last 10 years. This was not developed by anyone who knows anything about the software business, an angry-sounding Bill Gates, Microsoft's founder and chairman, told a telephone news conference.

"These proposals would have a chilling effect on innovation in the high technology industry. Microsoft could never have developed Windows under these rules," Gates said in an earlier

videotaped statement.

The company has promised to appeal vigorously all the way to the Supreme Court, which could push the controversial case into 2001 or beyond, when a new president will take office and could change US antitrust policy.

Greenhill & Co LLC, a Wall Street firm retained to advise the government, said breakup could be positive for shareholders. "No one should think that shareholder value would be preserved," Gates shot back.

Microsoft shares firmed slightly to 70-11/16 in after-hours trading following the announcement of the proposal, from its close of 69-3/4 in the regular trading session.

Analysts said there was relief at finally knowing exactly what remedy was being sought.

The government wants to stop Microsoft from using its monopoly in Windows, which runs on over 80 per cent of personal computers, to force companies and consumers to use other Microsoft software.

The government also wants to encourage challengers to

Windows, hoping that a separate Microsoft applications company would develop versions of popular software such as Microsoft Office to run on non-Windows systems.

The government justified the more extreme proposal to split the company by saying Microsoft would flout conduct restrictions if they were imposed on their own.

There is no sign that the legal wrangling over the case will end soon. Jackson has asked Microsoft to reply by May 10 to the government plan and has set a hearing for May 24. Jackson hopes to expedite any appeal, possibly straight to the Supreme Court.

The company would prefer a slower progression of the case through appeals court. "We do not believe we have violated the law and the Court of Appeals has yet to consider this case," Microsoft President and Chief Executive Officer Steve Ballmer said in a statement.

"Microsoft has exciting plans to develop a broad array of next-generation software products that will take computing to the next level, but those plans are imperilled by the extreme regulation proposed by the government," Ballmer said.

The trial began in October, 1998.

Federal District Judge Thomas Penfield Jackson ruled in November last year that Microsoft held monopoly power. After months of settlement efforts failed, the judge ruled April 3 that the company's actions violated the law.

Another reports says: At the sprawling college campus-like headquarters complex of Microsoft Corp, employees greeted the government's plan to split up the computers giant yesterday with casual indifference.

"It won't really have any impact on my job, and I don't think they'll actually go through with it anyway," said a software testing engineer who would give his name only as Steve.

Aside from a cluster of television news satellite trucks at a nearby parking lot and the headlines in sidewalk newspaper boxes, there were few outward signs that a major announcement about the company was even in the air.

Employees dodged the occasional raindrop as they walked between buildings at the facility. A group played a game of pickup softball on a company athletic field, ignoring a small cluster of balloons that had floated in from somewhere.

"I'm going to be doing the same job next week that I was doing this week," said an employee.

# US, EU to hold talks on tax system

WASHINGTON, Apr 29: Top US and European officials will hold talks next week in hope of narrowing their differences over a US tax system that affects hundreds of billions of dollars of US exports, sources said yesterday, reports Reuters.

A World Trade Organisation panel (WTO) ruled earlier this year that the US Foreign Sales Corporations (FSC) tax break system for US companies violated global free trade rules, and recommended that the United States amend the system to bring it into line with WTO regulations by October.

In hope of working out a compromise with the EU, which challenged the tax system, Deputy US Treasury Secretary Stuart Eizenstat will hold talks on May 2 in Brussels with EU Trade Commissioner Pascal Lamy and other top European officials.

It is unclear whether Eizenstat will present an alternative to the FSC during the meeting, but EU officials said they did not expect a breakthrough. "We're just waiting to hear what the US has to say," an EU official said.

US business groups have come up with several proposals to replace or reform the FSC, which according to US estimates, would provide US companies with some \$4.1 billion in tax breaks in 2001 and up to \$25 billion over the next five years.

A leading proposal would replace the FSC with an indirect tax system similar to one used in Europe that is WTO consistent. Another plan would let companies use a lower tax rate on their foreign trade income. US officials declined to comment on these options.

But even if the United States and the EU swiftly worked out an agreement, congressional aides were sceptical that US lawmakers would approve the necessary legislation before the October deadline.

If there is no bilateral solution and the United States refused to cancel the scheme or alter it, Washington could be obliged to compensate EU companies for business they say they are losing.

FSCs are usually subsidiaries of US corporations located in tax havens such as the Virgin Islands.

# New protein product to switch on crops' self-defence

## Farmers get new alternative to pesticides

WASHINGTON, Apr 29: The US government has approved a first-of-its-kind protein product that switches on a plant's natural defenses against disease and insects, giving farmers a new alternative to chemical pesticides, reports AP.

The protein, produced from genetically engineered bacteria, has been shown in field testing to increase yields for tomatoes and peppers by up to 22 per cent and make plants more tolerant of drought.

"For the first time in modern agriculture, growers will be able to harness the innate defense and growth systems of crops," the US Environmental Protection Agency said in a report on the product, which is expected to go on sale in the United States in the next two months.

Known by the trade name Messenger, it's one of a growing number of "biopesticides" that either trigger or strengthen plants' natural defenses or contain microbes that attack the pests.

Messenger, which EPA approved for registration April 19, is the first natural product that can turn on crops' own immune systems, Phil Hutton of EPA's Office of Pesticide Programs said Friday. Another product awaiting EPA approval uses a chemical to trigger plants' resistance.

Although environmental groups have been leery of many genetically engineered crops, they were less concerned about messenger.

The development of Messenger and other biopesticides is likely to speed up as EPA forces companies to take more conventional products off the market because of health and ecological concerns, environmentalists say.

Chuck Benbrook, a consultant for environmental groups on pesticide issues, said the future for such products "is very bright." But he cautioned: "Sometimes in large scale commercial applications, biopesticides either work sig-

nificantly better than people hoped or are not nearly as consistent as needed to be effective."

Among the pesticides that messenger could help replace is methyl bromide, an ozone-depleting gas that is widely used on strawberries, tomatoes and other vegetables. Methyl bromide, which is used to fumigate the soil, is being phased out for most uses.

"We've been anxiously awaiting the registration so we can use the product in the field," said Dan Botts, director of environmental and pest management division for the Florida Fruit and Vegetable Association.

The product, which will be marketed by EDEN Bioscience Corp of Seattle, is primarily designed to protect against diseases caused by viruses, bacteria and fungi, but field trials have also shown it to be effective against some insects, the government said.



Reporters scramble for copies of the proposed remedies handed out by the US Department of Justice regarding Microsoft in Washington, DC Friday. The Justice Department defended its call for a break-up of software giant Microsoft, saying consumers would benefit from lower prices and faster high-tech innovation. — AFP photo

# Oracle's Ellison beats Gates in key wealth benchmark

SAN FRANCISCO, Apr 29: Oracle Corp's Larry Ellison has become technology's top tycoon after a truly bad month at the Microsoft office for Bill Gates, says AP.

Investors have bailed out of Microsoft in the past four weeks, erasing \$27.1 billion of Gates' vast personal fortune, as he fights the US government's efforts to break up his computer software empire.

In the same time frame, Ellison, a longtime Gates critic, has seen the value of his Oracle holdings rise by \$1.3 billion. Ellison took the symbolic throne for the first time Friday when Oracle's stock rose by \$ 2.62 1/2 to close at \$79.93 3/4. Microsoft fell 61/4 cents to close at \$ 69.75.

That means Ellison's 662.6 million shares of Oracle stock are worth \$53 billion, while Gates' 741.7 million shares of Microsoft stock are worth \$ 51.7 billion.

Gates, the world's richest person through much of the 90s, remains well ahead of Ellison in overall wealth because he owns an estimated \$10 billion in assets outside of Microsoft stock, according to Forbes magazine. Ellison holds an estimated \$200 million in assets besides his Oracle stock, Forbes said.

Ellison's rise nonetheless represents a significant milestone.

## Metal: Weekly Roundup

# Gold slips, silver follows suit

LONDON, Apr 29: The combination of a global trend towards higher interest rates, a strong dollar and the prospects of further central bank sales pulled the price of gold lower this week, reports AFP.

The cash price on the London Bullion Market slipped to 275.70 dollars an ounce from 280.50 dollars a week earlier.

As early as next week, the Swiss National Bank is expected to become the latest central bank to announce it is auctioning off part of its gold reserves.

That would be almost certain to deepen gloom in the gold market, where the price has been depressed over the past weeks by announcements of further central bank auctions.

Meanwhile, a report this week by the London-based commodities company Gold Fields Minerals Services (GMS) predicted the price of gold is likely to hover between 250 and 300 dollars for the rest of the year.

"For the time being, the price elasticity of supply and demand indicates that spikes above the 300-dollar level are probably just as unsustainable as slumps into the 250 dollars," the commodities research company said in its annual survey of the world gold market.

The price of gold has twice spiked above the 300-dollar level over the course of the past 12 months.

But each time it sank back

down again because of what the report described as "the absence of any genuine investor demand for gold."

Stock market volatility over the past weeks has only slightly boosted the demand for gold.

**Silver:** Dull. Silver prices slipped back in line with falls in the price of gold.

Cash prices slipped to 4.97 dollars compared with 5.10 dollars an ounce the week before.

**Platinum and Palladium:** Weaker. The price of platinum weakened slightly, as protracted supply problems seemed to be easing, while palladium strengthened.

Platinum prices fell to 486 dollars from 506.8 dollars an ounce last week.

Palladium prices firmed slightly to 577 dollars an ounce from 574.30 dollars.

Norilsk Nickel of Russia, one of the world's largest platinum exporters, said Tuesday it has resumed exports after receiving the necessary licence.

Supplies from Russia — the world's biggest exporter of palladium and the second-biggest platinum producer after South Africa — have been blocked for months even though then acting president Vladimir Putin signed a decree in January supposedly to free up exports.

Norilsk Nickel had already been able to export palladium, although has been alone in doing so. The producer was last year given its quotas for the next 10 years, while two other

producers, the Russian Central Bank and Gokhran, the state repository of precious metals, have not been able to export since the start of the year because they have yet to obtain the necessary permit.

**Base Metals:** Shiny. The price of base metals climbed higher as demand outstripped supply.

Nickel has for several months benefited from strong demand from the steel industry, chiefly because of economic recovery in Asia.

Over the past week, fears of production problems at two major Canadian producers, Falconbridge and Inco, also helped to move the price higher.

Stock market resilience further helped to strengthen metals, although sentiment has been tempered by fears of interest rate rises.

Three-month nickel on the LME was trading at 9,760 dollars a tonne compared with 9,490 dollars a tonne the week before.

Stocks slipped to 27,102 tonnes compared with 27,852 tonnes last week.

Copper rose to 1,741 from 1,704 dollars a tonne.

Aluminium prices moved up to 1,485 dollars from 1,220 dollars a tonne.

Zinc climbed to 1,167 dollars from 1,148 dollars.

Lead sank to 424 dollars a tonne from 443.5 dollars.

Tin firmed to 5,420 dollars a tonne to 5,440.

## Dhaka WASA Tender Notice

পানির অপচয় রোধে কাজ শেষে কলের মুখ বন্ধ করুন

Tenders are invited from Dhaka WASA enlisted 1st class supplier contractors/bonafide suppliers/manufacturers for supply of 200 MM dia 'E' class PVC pipe for the Interim Project 4. Amount of estimated cost of the work is Taka 56,06,900/-. Tenders will be received up to 12:00 Noon of 9.5.2000 and will be opened on the same day at 6:00 PM in presence of the tenderers or their representatives (if any).

Schedule of tender will be available at the office of the Chief Accounts Officer of Dhaka WASA, WASA Bhaban, 98, Kazi Nazrul Islam Avenue, Dhaka and all MODS Zone offices of Dhaka WASA. Other details will be available at the office of the undersigned.

**Address:**  
WASA Bhaban  
98, Kazi Nazrul Islam Avenue, Dhaka. A K M Zafarullah  
Project Director  
Interim Project-4  
Dhaka-WASA  
WASA-PI-139-2000  
DFP-9714-24/4  
G-792

## Notice Inviting Tenders

No 30 of 1999-2000

1. Tenders in sealed cover are hereby invited in Form No. 2911 from special class, combined class I (one), class-I (one) and class II (two) sanitary and plumbing approved contractors of this department for the undersigned, work and will be received by the undersigned Executive Engineer, PWD Division-I/II, Rajshahi/Natore/Naogaon and Sub-Divisional Engineer, PWD Sub-Division, Nawabganj up to 12-00 Noon of 8-5-2000 and will be opened on the same day at 12-15 PM.

2. Name of work: Providing sanitary and water supply arrangement to Sub-Registry Office Building at Santhia in the district of Pabna.

3. Estimated cost : Tk. 2,01,900/=

4. Earnest money : Tk. 4,038/= in the form of Sanchaypata/BD, CD from any scheduled bank. Fixed deposit holder to submit a certificate from the concerned Executive Engineer received within three months.

5. The tender form together with the schedule of items, specification, terms and conditions, plans etc. can be seen and obtained from the office of the undersigned and abovementioned offices during office hours on payment of usual charges up to the previous day of receiving tender.

**Md. Shah Alam**  
Executive Engineer  
PWD Division, Pabna  
DFP-9541-23/4  
G-797

## Export Promotion Bureau Tender Notice

Sealed tenders are invited from the advertising agencies enlisted with the Bureau for printing two separate brochures on exportable products 5,000 (five thousand) copies each by 3-00 PM on 10-5-2000. Schedule of tender can be procured from the General Section of the Bureau till 9-5-2000 during office hours on payment of Tk 200/- (two hundred) taka non-refundable. Tender can be submitted either for any one or more than one brochures. Two design layouts for each brochure will have to be submitted with tender. The Publication Section of the Bureau may be contacted to know about the tender in details.

DFP 9839-26/4  
G-794  
Abdul Majid Bhuiyan  
Director (Information).

## Government of the People's Republic of Bangladesh Tender Notice

No 16/N of 1999-2000

- Name of work : Construction of Dist Jail at Narail (SH: Constrn of 600 sqft (1-unit) staff qrt vertical extension.
- Estimated cost : Tk 3,74,378/- only.
- Earnest money : Tk 7,488/- only.
- Last date of selling of tender : 9.5.2000 up to office hours.
- Receiving and opening date of tender : 10.5.2000 at 12:00 Noon and opening at 12:15 pm on the same day.
- Time allowed for completion of work : 60 (sixty) days from the date of issue of work order.
- Date of lottery : 22.5.2000 at 11:00 am in the office chamber of undersigned.
- Name of office from where tender schedule of items etc can be purchased and submitted : All the Executive Engineers office under Jessore PWD Circle, Jessore.
- Eligibility of contractor for purchasing tender : Valid enlisted bldg contractors/firms of this dept according to their financial limit.

DFP-9892-25/4  
G-795  
Khandker Mohd Jamshed Ali  
Executive Engineer  
Narail PWD Division, Narail.

## Bangladesh Navy Tender Invitation for Appointment of Contractors for Repairing and Maintenance of Typewriters and Duplicating Machines

1) Sealed tenders are invited from government approved repairing establishment/contractors for regular repairing and maintenance of Bangla and English typewriters and duplicating machines for Dhaka Naval Zone of Bangladesh Navy during 2000-2001 fiscal year. It is requested to deposit the tenders in the tender box kept at the NSSD Dhaka by 1200 hours on 25th May 2000. Tenders will be opened on the same day at 1230 hours before the tenderers present (if anyone remains present). Necessary schedule regarding it will be available in the office of the undersigned during office hours.

- Interested tenderers must deposit the undermentioned papers with tender.
  - Valid trade licence with certificate of experience for at least five years.
  - Bank solvency certificate.
  - A Pay Order for Taka 5,000/- in favour of NSSD (refundable).
  - Income Tax certificate upto date.
- Incomplete tender will be treated as rejected.
- Establishment selected finally will have to keep deposit Prize Bond for Taka 10,000/- as the security deposit money in favour of NSSD, Dhaka.
- The authority reserves the right to accept/reject any tender without assigning any reason.

ISPR/Navy/02/2000/35  
DFP-9838-25/4  
G-789  
M M Islam  
Lt Commander BN  
Officer-in-Charge

**Directorate General Defence Purchase**  
Ministry of Defence  
New Airport Road, Tejgaon, Dhaka-1215

## Re-Tender Notice

1. Sealed tenders in FOREIGN currency are invited from bonafide manufacturers/dealers/suppliers/indentors (enlisted firms in DGBP) for supply of following items for Bangladesh Navy:

Sl No	Name of items & qty	Selling date	Opening date	Tender No	Tender value
a.	Marine Propulsion Engines, Gear Boxes, Stern Gears and Control System Qty-02 Sets	02 May 2000 to 15 May 2000	16 May 2000	6425/NP-4	Tk. 1,500/00
b.	Marine Propulsion Engines, Gear Boxes, Stern Gears and Control System of High Speed Naval Ship Qty-04 in No	-do-	-do-	6432/NP-4	Tk. 1,500/00

2. Tender schedule with detailed specifications/conditions will be available on payment as per I/T selling rate (not refundable) during office hours between 0800 hrs to 1300 hrs. The tender can be dropped latest by 1000 hrs and opened at 1005 hrs on the specified date of opening in the presence of tenderers (if any).

ISPR/Misc/2000/374  
DFP-9857-25/4  
G-796  
Lt Cdr BN  
For Director General

## S Arabia sets up tourism organisation

RIYADH, Apr 29: Saudi Arabia has set up a tourism organization to encourage Saudis to spend holidays at home and to attract foreigners to visit the desert kingdom, reports AP.

The Higher Organisation for Tourism is part of the kingdom's strategy of diversifying its income, 70 per cent of which comes from oil sales. Like many other oil producers, Saudi Arabia, the world's largest also has been hit hard over the past few years by slumping oil prices.

Saudis spend more than US \$16 billion on vacations abroad annually, according to unofficial figures. Most expatriates also fly elsewhere for vacations.

The kingdom is not a major tourist destination due to its almost year-round severe hot weather and a deeply conservative society where women must be covered from head to toe. Alcohol, gambling and movies are forbidden.