

Star BUSINESS

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Transcom Beverage launches lemon taste soft drink Teem

STAR BUSINESS REPORT

Transcom Beverage Ltd, the exclusive franchise for Bangladesh from PepsiCo USA, introduced a new lemon taste soft drink named 'Teem' in the local market yesterday.

Teem is the international cloudy lemon drink of PepsiCo. With other PepsiCo brand soft drinks like Pepsi, Diet Pepsi, Seven Up, Seven Up Ice, Mountain Dew, Miranda and Slice, the 500ml Teem is now available in the market.

Latifur Rahman, chairman and managing director of Transcom Beverage Ltd, formally launched the new lemon taste Teem at a gala function at Bangladesh-China Friendship Conference Centre in Dhaka.

Shahnaz Rahman, member of the Board of Directors of Transcom Group, G Q Chowdhury, executive director, Khurshid Erfan Chowdhury, general manager of Transcom Beverage, and Sudhir Pradhan, country manager of PepsiCo International, were also present at the function.

Speaking at the function, Latifur Rahman said Teem is the first-ever international brand soft drink of cloudy lemon category.

He said, "We bring the soft drink in the local market after conducting a huge market research. During the research work, customers responded so much that encouraged us to launch Teem in the local market".

"With different lemon tastes, customers will prefer Teem as their one of the most favorite drinks within a short time," Rahman hopes.

As per our market research, it was found that soft drink customers change habit from drinking Cola brand to cloudy lemon since 2003, said G Q Chowdhury.

"But Tanscom Beverage has no cloudy lemon drink in its product chain so that we are introducing Teem to cater to the customers' demand," he added.

The total share of cloudy lemon in the local soft drink market is more than 20 percent. "We hope Teem will achieve customers' acceptance and hold a 50 percent market share within a short time", Chowdhury said.

He also urged the distributors and dealers of Transcom Beverage to introduce the taste of new Teem to the customers. The price of 500ml bottled Teem is only Tk22. Transcom Beverage will launch 250ml, 1litre and 2litre bottled Teem by January 2007.

Meanwhile, on the basis of an exclusive franchise for Bangladesh from PepsiCo USA, Transcom Beverage acquired three modern bottling plants in different areas in the country.

Beverage Distribution Limited, another concern of Transcom Group, is the distribution arm through which all PepsiCo products are distributed all over Bangladesh.

Oil steady over \$63

REUTERS, London

Oil prices held above \$63 on Wednesday ahead of data expected to show a fall in U.S. crude stocks, adding to perception that high inventory levels that hit prices in the third quarter have been reversed.

U.S. crude for February delivery traded at \$63.87 a barrel at 1239 GMT, up 72 cents from the January contract expiry of \$63.15 on Tuesday. London Brent February crude rose 52 cents to \$63.33.

Delays to U.S. oil imports due to dense fog along the Gulf of Mexico coast forced refiners to draw on inventories last week.

U.S. crude stocks were expected to fall 1.7 million barrels in government data due later on Wednesday, according to a Reuters poll of analysts.

The fog disruptions exacerbated an overall tightening inventory picture, analysts said.

U.S. commercial crude and refined product stocks combined were just half a million barrels higher than the same time a year ago last week, a sharp fall from a huge 76 million barrels year-on-year surplus at the end of September.

Crude stocks were still four percent higher than a year ago, but gasoline and distillate stocks were lower.

"I think what we are getting here is a little bit of a delayed reaction to tightening inventories," said Paul Horsnell at Barclays Capital.

EXPORT EARNING

22.7pc rise in Jul-Oct

MD HASAN

Although the exports earning marked a 22.70 percent rise during the July-October period of the current fiscal as it reached \$3.34 billion, it slowed down from the 31.49 percent growth in September.

The garment exporters attributed this slow growth to the labour unrest in the sector, which occurred in May this year.

According to the Export Promotion Bureau (EPB), the export growth of two major foreign exchange earners—woven and knitwear—slowed significantly to 9 percent and 5 percent respectively in the month of October.

The rise in exports of woven garments was 31 percent, while knitwear exports grew 35 percent. But in the month of October, it came down to 22.70 percent and 30.14 percent respectively.

"We lost huge export orders during the labour unrest in the

garment sector. Buyers felt worried to place orders in Bangladesh," said SM Fazlul Hoque, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), while talking to The Daily Star yesterday.

"As a result, we lost to our competitors who gained huge orders," he said, adding that export orders that were placed to Vietnam, one of Bangladesh's competitors, grew more than 40 percent during the period.

Echoing the BGMEA president, Fazlul Haque, president of Bangladesh Knitwear Manufacturers and Exporters Association (Bkmea) said, "This is basically the effect of labour unrest which started on May 2006 and continued for several months, which drastically hampered our business."

He said, "It was the time while foreign buyers are used to place their orders in Bangladesh. But we had to miss most of the orders at

that time as because many buyers shifted their orders to another country due to labour unrest".

Terming the shortfall 'very natural', he said no buyers felt interested to place their orders in an unstable business environment.

"We are awaiting another shortfall of exports in February 2006, which may happen because of political deadlock that we have been facing for the last few months," he feared.

Apart from woven and knitwear, export earning from frozen food, home textile, footwear, petroleum by-products, ceramic products, handicrafts, cut flower, agro processed goods and engineering products also saw a steady growth during the July-October period.

The growth of exports of pharmaceuticals, chemical fertilizers, vegetables, tobacco, jute goods have declined and also failed to achieve the target during the period.



PHOTO: STAR

Latifur Rahman, chairman and managing director of Transcom Beverage Ltd (R-2), formally launched a new lemon taste soft drink Teem at a gala function at Bangladesh-China Friendship Conference Centre in Dhaka. Other senior officials of the company were present.

US asks India to adopt bold reforms

AFP, Washington

The United States asked India on Tuesday to adopt sweeping reforms, including lifting ownership caps and reducing high tariff rates, to draw foreign investments and fuel rapid growth in the world's second most populous nation.

The call came as the two countries braced for a new era of investment and trade ties capped Monday by US President George W. Bush's signing into law of a landmark bill for Washington to transfer nuclear fuel and technology to India.

Although India in recent years has embraced reforms which have helped fuel the country's current rapid economic growth, "significant challenges" exist, US Under Secretary of Commerce Franklin Lavin said, suggesting key reforms.

He called for the opening of India's retail sector to foreign multi-brand retailers, saying it would allow Indian consumers access to the "best products at the lowest prices" and improve supply chain efficiencies in the world's second most populous nation.

"Despite recent news stories

about cracks in the dam on retail access, the fact is that barriers remain," he said, apparently referring to American retailer Wal-Mart's penetration of the Indian retail market through a local partnership.

Lavin, in charge of the US Commerce Department's international trade portfolio, also suggested that India eliminate foreign equity caps in the financial services, banking and insurance sectors.

"Right now, investment caps are very low," he said, citing particularly the 26 percent equity limit in the insurance sector which prohibited foreign firms from participating in the lucrative pensions sector.

Lavin, who just returned after leading the largest US trade mission to India, said that India should realise that long term funding provided by insurance companies could help pay for much-needed infrastructure development.

He also urged India to bring down its "high" tariffs and formulate laws that protect patents and copyrights, and sought joint ventures for open access to foreign broadcasting and cable TV.

As India entered its fourth year of booming economic growth,

Lavin asked whether the government would continue with long term reforms.

"It will be very easy for anybody in leadership position looking at eight, nine, 10 percent growth numbers to say, 'we've broken the code, we have done it, its not a bad bit of work,'" he said.

"Will these reforms continue or will India pull back? I think it's somewhat an open question what the long term prospects for reforms are. It's a question that can be answered by the Indian people and government."

Comparing the Asian giant with tiny but business friendly Singapore, Lavin said India had immense potential to draw investments if it pursued reforms.

Overall, as of 2005, India received 45 billion dollars in foreign direct investment with eight billion dollars from the United States compared with Singapore's 186 billion dollars in foreign direct investment with 48 billion dollars from the United States, he said.

Banglalink launches enterprise package

Banglalink, one of the fast growing mobile phone operators in the country, has recently launched 'banglalink enterprise', a complete telecom solution for businesses.

The latest deal comes with wide ranges of products and services to suit the needs of the business community, says a press release.

Companies under this package will be assigned dedicated enterprise relationship manager who would provide them with personalised customer care round the clock.

Other benefits of this business package include attractive tariff and connection fees, enterprise SMS broadcast, enterprise short code, international roaming, missed call alerts, free voicemail retrieval, fax & data services and call conference, the release added.

HSBC donates Tk 2.93 lakh to School of Hope

The Hong Kong and Shanghai Banking Corporation Ltd (HSBC) in Bangladesh has recently donated Tk 293,000 to School of Hope, an educational institute for the underprivileged children of Gulshan and Badda areas of the capital.

The bank has been providing financial support for the school since 1997, says a press release. Recently, the school organised its annual programme.

HSBC Bangladesh CEO Steve Banner, Head of Credit Risk Management Tim Liverton and Head of Marketing and Public Relations Mustafizur R Khan attended the programme.

Tata Motors announces joint venture with Thai firm Thonburi

PALLAB BHATTACHARYA, New Delhi

India's biggest commercial vehicle manufacturer Tata Motors has entered into a joint venture with a Thailand-based assembler of automobiles Thonburi to manufacture, assemble and market pick-up trucks.

Announcing the joint venture in a statement, Tata Motors Managing Director Ravi Kant said on Monday that his company will hold 70 percent and Thonburi 30 percent, and will see an initial investment of Rs 120 crore.

The joint venture will allow the Tata Motors access into the world's second largest pick up vehicle market in the world after the United States. The Thai market for this type of vehicles has been growing at 20 percent in the past three years with sales of 4.76 lakh units in 2005-6.

The vehicles will also be exported to other potential markets in the region, he said adding though the Thai joint venture will start with just a single model there is a possibility of diversifying into more models of the pick up vehicles.

US, Panama reach trade deal

AFP, Washington

The US government said Tuesday it had virtually wrapped up a free-trade agreement (FTA) with Panama in what should be a major boost to bilateral commerce before the Panama Canal is expanded.

The office of US Trade Representative Susan Schwab said the pact was complete save for further talks on labor issues, which are gaining in trade prominence as the Democrats prepare to retake control of Congress next month.

"This historic agreement between two good friends and close partners will promote economic growth and development in both of our countries," Schwab said after talks with Panama's Minister of Trade and Industry Alejandro Ferrer.

"Before submitting the agreement to Congress, we will work with both sides of the aisle to ensure strong bipartisan support for the agreement," she added.

The agreement is the latest in a series of FTAs negotiated by Schwab's team this year, both in Central America and further afield, in a rush before the US administration loses its "fast-track" trade authority next June.

Improve productivity of RMG to sustain competitiveness

Bkmea seminar told

STAR BUSINESS REPORT

Bangladesh's garments sector should improve its productivity to sustain in the competitive world market, said Nick Taylor, the first secretary at the European Commission (EC) in Dhaka.

"The pattern of the world textile and clothing trade is changing fast and those who perform better in terms of quality and price can easily attain more and more markets," Taylor told a seminar on 'Productivity Improvement Program' at a city hotel yesterday.

He said China's productivity is three times higher than that of Bangladesh and China can pay to its workers better than Bangladesh.

The EC official, however, made an assurance that the commission would continue its support to the Bangladesh's garments sector in improving its productivity.

The Bangladesh Knitwear Manufacturers and Exporters Association (Bkmea) organised the seminar in order to explain benefits of different EC-run capacity building programmes.

Mia Mosaddek Ahmed, secretary, Ministry of Post and Telecommunications, and Md. Fazlul Hoque, president of the

Bkmea, spoke on the occasion.

Hoque said the knitwear sector has no alternative to improving its productivity to compete with other countries.

"Productivity of one of the most significant factors that affect the competitiveness of Bangladesh garment industry," he added.

The chief of the apex trade body of the knitwear suggested that the apparel industry should minimise its cost and improve its productivity sector. "The cost of raw materials, employees wages and other services increase day by day", he said.

Bkmea productivity improvement cell advisers Kais Bin Zaman, Selina Begum and Arif Sultana presented three papers on 'Rendering Service to the Member Organisations', 'Implementation of Productivity Improvement Techniques' and 'Productivity Improvement Methods and Techniques' at the seminar.

They laid emphasis on increase in awareness level, maximum utilisation of available resources, reduction in wastage in production process, raising efficiency and knowledge level as part of the initiative to enhance productivity.

4.5 lakh applicants for Brac Bank IPO

STAR BUSINESS REPORT

Brac Bank Limited held its lottery of applications submitted against the bank's initial public offerings (IPO) at Bangladesh-China Friendship Conference Centre in Dhaka yesterday.

The bank has decided to float 50 per cent of its shares in the capital market. A total of 4.5 lakh applications were submitted against the one lakh unit of shares. 50 shares make a unit.

The paid up capital of the bank is Tk 100 crore while the Bangladesh Bank has allowed the bank to collect Tk 80 crore from the capital market.

Earlier, the bank offered 50 lakh of shares through the IPO.

The face value of each share was fixed at Tk 100, while every share was sold at Tk 170 including Tk premium.

80 percent of the shares were

distributed among resident Bangladeshis, 10 percent went to non-resident Bangladeshis (NRBs) while the rest 10 percent shares were allocated for mutual fund.

"The difference between Brac Bank and other banks is that we have invested 53 per cent of our capital for the development of small entrepreneurs while we provide loans to small entrepreneurs without any collateral interest," Fazle Hasan Abed, chairman of Brac Bank, said at the function.

In the next 10 years, the bank would go for operation in China and India and emerge as a global bank, he further said.

Imran Rahman, managing director and chief executive officer of the bank, also spoke on the occasion.



PHOTO: STAR

A kid picks up a winning ticket of the lottery for Brac Bank IPO applications held at Bangladesh-China Friendship Conference Centre in Dhaka yesterday.

Bush backs embattled WTO round

AFP, Washington

US President George W. Bush offered his renewed backing Wednesday for the World Trade Organization's embattled efforts to free up global commerce.

At a year-end press conference, Bush said free trade was in the interest both of the United States and of developing countries struggling to improve their economies.

"Free trade will be good for producers of US products, services," he said, as the Democrats prepared to retake control of Congress next month in a move that many analysts say could endanger the US agenda for trade liberalization.

"Free trade is also going to be the most powerful engine for development around the world. It's going

to help poor nations become wealthier nations," Bush added.

"We have had a lot of discussions here in this administration of WTO negotiations," the president said.

"I'm very strongly in favor of seeing if we can reach an accord with our trading partners and other countries around the world to get this round completed so that free trade is universal in its application."

The WTO's "Doha Round," launched in the Qatari capital in November 2001, is mired in an impasse as Western and developing countries remain split on issues such as agricultural subsidies and market access.

Time is running out for the Bush administration to get a deal done before it loses its authority to "fast track" trade pacts through Congress at the end of June.



Margaret Dawson

Citigroup senior official in Dhaka

Margaret Dawson, managing director & head of Securities and Fund Services in Citigroup Asia Pacific Region, is in Dhaka now on a 3-day visit, says a press release.

Margaret is accompanied by Lawrence Komo, managing director & Securities Finance head for Asia Pacific, and Benedict Lumley Smith, Regional Product head for Agency & Trust.

During their stay, they will meet senior government officials, major clients of the bank and review Citibank's growth opportunities in the country.

Fears of regional financial crisis recede

AFP, Bangkok

Asian stocks recovered from sharp falls Wednesday after Thailand's military government backed down on imposing harsh currency controls which saw Bangkok shares lose a massive 15 percent.

However, the expensive miscue in the capital markets has raised questions about the military-installed government's ability to keep the country on an even keel, analysts said Wednesday.

The flip-flop and a steady performance on Wall Street overnight had investors chasing bargains following Tuesday's sell-off amid chaos in Thailand and echoes of the 1997 Asian financial crisis.

The capital controls were reminiscent of the 1997-98 Asian financial crisis when excessive borrowings in US dollars coupled with high interest rates forced the Thai government to float the currency. The Baht then promptly collapsed along with the economy and the contagion spread across the region.

Central bankers and governments played down suggestions that their countries might follow Bangkok's latest lead and ruled out any repeat of the havoc that engulfed East Asia in the late 1990s.

Harry Su, head of research at BNP Paribas said from Jakarta the knee-jerk reaction to the controls on Tuesday was largely because of the spectre of the financial crisis in 1997 and 1998.

'Euro is being scapegoated for economic problems'

AFP, Brussels

European Central Bank President Jean-Claude Trichet said Wednesday that the euro was being unjustly used as a scapegoat for economic problems in Europe.

Speaking to the European Parliament's economic and monetary affairs committee here, Trichet said he detected "a tendency to take the euro as a scapegoat, which is extraordinarily unjust, unfair and false."

The 12-country eurozone had achieved much better results in growth, job creation and inflation in the eight years since the launch of the euro than in the eight preceding years, the Frenchman argued.

A number of French politicians have recently voiced concern about the current strength of the euro and have called for governments to have some say in the ECB's monetary policy decisions.

But Trichet said there was strong public backing for the ECB to remain free from political interference.

Asked about moves by some central banks to put more of their foreign exchange reserves into euros and cut the proportion held in dollars, Trichet reiterated that the ECB took a neutral line on international use of the euro.

He said shifts in reserves had so far taken the form of an "orderly, smooth and slow transformation".

He said more sharp, abrupt moves in reserves would not be in the interest of the eurozone, the US or the global economy.



PHOTO: RANKSTEL

A Rouf Chowdhury, president and CEO of Ranks Telecom Ltd, inaugurates the company's regional office in Khulna recently. General Manager AKM Shamsuddin was also present among others.