

DHAKA TUESDAY MARCH 25, 2008



Stocks	↓
DGEN	2,813.34
CSCX	5,038.66

Asian Markets	↓
MUMBAI	1.96
TOKYO	12,480.09
SINGAPORE	3.64
SHANGHAI	3,626.19

Currencies	
Buy TK.	Sell TK.
USD 68.30	69.30
EUR 103.88	108.59
GBP 133.71	138.86
JPY 0.68	0.71

SOURCE: STANDARD CHARTERED

Commodities	
Oil	\$100.23 (per barrel)

SOURCE: AFP



A showroom of Cats Eye brand clothes

B-4

Jute mills workers to get dues soon

The workers of BJMC-run 21 jute mills and four closed ones will receive most of it in a week as the government yesterday released Tk 75.52 crore to pay the dues. B-3

International

Philippine tourism sector breeds new jobs

New opportunities and jobs are surfacing in the wake of wide-ranging expansion moves in the country's tourism sector. The horizon for more tourism workers--especially those with new expertise or hitherto irrelevant specialisations--widens as well.

S Korean leader seeks trade zone with Japan, China
South Korea's new president, Lee Myung-Bak, has said he backs a vast free-trade zone with Japan and China to boost the competitiveness of the three economic powers. B-4

Bangla Biz Lexicon

BPC- Bangladesh Petroleum Corporation, the sole state-owned entity for importation of crude and refined oil, and other petroleum products in Bangladesh.

Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at business@thecitizen.com

Bengal Meat trebles halal meat exports

KAWSAR KHAN

Bengal Meat Processing Industries Limited, the lone and pioneer processed halal meat exporter and domestic supplier, has almost trebled its export growth in a span of nine months.

The trend reflects the sharp rise in demand for processed meat in Bangladesh at a time when consumers have become increasingly concerned by reports of food adulteration.

The company started exporting about 3 tonnes of processed halal mutton a week to Dubai in May 2007, but now it exports 9 tonnes of mutton a week.

Besides, since September 2007, the Bengal exported 12.5 tonnes of beef to Kuwait per week, but now its weekly beef export to the country has reached 25 tonnes, according to the company officials.

"We have been getting huge response from Kuwait and from the next week we will double our export to the country with sending 50 tonnes of halal beef to the country per week," Mostafizur Rahman, chief executive officer (CEO) of Bengal Meat, said.

The business entity, which now requires 1,600 to 1,700 cows and 2,200 goats every month to meet the growing demand in both foreign and domestic markets, could also expand its export 20-25 times if the government had extended proper support, its officials claimed.

"We have a huge market for processed halal meat mainly in Middle East and Southeast Asia. But we are failing to tap the potential as we cannot penetrate into their markets due to some legal barriers," says the CEO of the company.

Officials said the company now has a capacity of processing 20 tonnes of meat every day and 250 people are now working with the company.

They also said that they maintained the Australian standard in processing meat.

Currently, Brazil, China, India and Australia are the main suppliers of processed meat.

Besides exporting meat to the international market, the company has also concentrated on the local market with supplying around 2-3 tonnes of meat a day and is expecting a supply of 10 tonnes a day shortly.

tion from any other importing countries than Kuwait and Dubai. Such certification from any importing country is mandatory for an exporting country, as the country concerned is to satisfy the importer that the product exported does not contain any hazardous elements and germs.

"As the respective ministries of those particular countries issue export permission, everyone except the government has a very little role to play in this regard," said Rahman.

Echoing his boss's view on the limitation to get such export permission, Mohammad Jalaluddin, assistant manager (Marketing and Sales Support) of Bengal Meat, said, "Despite our ability and growing market demand, we are unable to go for market expansion."

Meanwhile, the meat processor is eyeing to grab the Malaysian market in two or three months as a team from that country will visit Bangladesh soon to assess the standard the Bengal Meat follows in processing the item.

"Only four-five markets are enough to export all of our products. But those are yet to be explored," Mostafizur Rahman said, urging the government to resolve the issue.

Officials said the company now has a capacity of processing 20 tonnes of meat every day and 250 people are now working with the company.

They also said that they maintained the Australian standard in processing meat.

Currently, Brazil, China, India and Australia are the main suppliers of processed meat.

Besides exporting meat to the international market, the company has also concentrated on the local market with supplying around 2-3 tonnes of meat a day and is expecting a supply of 10 tonnes a day shortly.



Workers of Bengal Meat Processing Industries Ltd, the lone and pioneer processed halal meat exporter and domestic supplier, are processing meat at the factory plant. "We have a huge market for processed halal meat mainly in Middle East and Southeast Asia. But we are failing to tap the potential as we cannot penetrate into their markets due to some legal barriers," says the CEO of the company.

Now around 1,068 shops and business entities, including five star hotels, super shops and chain stores are the main consumers of processed meat of the company.

People think processed meat is very pricey, but Bengal Meat takes only Tk10 more than the market rate of common meat.

As buying and selling of processed meat remains a very new concept in Bangladesh, the company is finding it difficult to convince shoppers about the item.

But the scenario is changing, the company officials said.

"In the beginning our marketing and supply chain officials could hardly get order for more than five hundred kgs a

day. But now we have reached 3 tonnes and it will certainly increase in coming days," said Jalaluddin.

About the meat quality the officials said they got the supply from their selected agents who collect cattle from different places of the country.

"We have reached an agreement with our suppliers that if we find any hazardous disease in the supplied cattle they are bound to get the cattle back," Jalaluddin said.

The officials added that the supply chain of cattle of the country is not that much good as the practice of farming cattle for non-milking and non-cultivating purposes is very new.

"But this culture are devel-

oping in the country as recently some farms have sprung up in the northern region who exclusively rear cattle to supply us," the Bengal Meat CEO said.

On the business potential in the sector, he said, "We have a huge international market and we are in need of more investment in the sector."

He, however, urged the government to withdraw duty on importing live animal for export purpose, as finally meat export will generate more income.

Presently, Bengal Meat is enjoying 20 per cent incentive on export, but they face hardship as such incentive is given against opening L/Conly.

kawsar@thecitizen.com

Booming ad industry faces skilled manpower dearth

SAJJADUR RAHMAN

Bangladesh's advertisement market has boomed over the past decade but the industry now faces a lack of skilled manpower due to the failure to develop training institutions, claim industry leaders.

"There is no institute or school that can produce communications experts and professionals to meet the growing demand," said AZM Saifuddin, chief executive officer of Paper Rhyme, an ad firm.

Gausul Alam Shaon, general manager of Grey Advertisement Bangladesh Ltd, said the industry is facing a crisis of professionals for the thriving market, which grew 10 times in the last 10 years.

Fahima Chowdhury, managing partner of Ogilvy and Mather Bangladesh, and AZM Saifuddin, CEO of Paper Rhyme, say there is a dearth of skilled people in the ad industry.

According to the industry people, the Tk 1,000 crore-ad market is ready to absorb at least 150 communications professionals every year. Grey Advertisement GM Shaon said the number could cross 300 within a couple of years.

In 1996-97, Bangladesh's ad market size was around Tk 150 crore, according to industry sources.

However, a research published in a newly launched magazine, Bangladesh Brand Forum, revealed that the spending on advertisement was estimated at Tk 840 crore in 2007.



Fahima Chowdhury (left), managing partner of Ogilvy and Mather Bangladesh, and AZM Saifuddin, CEO of Paper Rhyme, say there is a dearth of skilled people in the ad industry.

slowed sharply in 2007 compared to previous years, reflecting weaker economic growth and a more cautious attitude in sectors such as real estate, according to the research.

Presently, the mobile telecoms operators are the big spenders followed by banks.

Ad industry has been growing at an average rate of 7 to 10 percent for the past decade due to the continued economic growth of 5 percent and above since 1995.

The economic growth rate was over 6 percent for the last three fiscal years. Economists and other experts attributed this steady growth to the

rate of spending growth

dynamic leadership of the country's private sector entrepreneurs.

Hundreds of ad agencies have come up to get the slices of the booming market share. Many of these firms are very small in size and can handle hardly any contract due to dominance of large firms. Some five big firms deal almost 60 percent of the country's total ad market.

On the recruitment process, Fahima said: "We recruit fresh talents and groom them up by in-house training."

Good news is that, Shaon, said some private universities are coming up to generate professionals, though in a small scale.

Saifuddin said the industry could employ a good number of professionals every year with lucrative salary package.

"One of my staff now gets Tk 35,000 a month, which was Tk 8,000 two years ago," he added.

Fahima called for concerted efforts involving the government, industry people and private sector entrepreneurs to build professionals for the ad market.

sajjad@thecitizen.com

PricewaterhouseCoopers to probe GP's alleged involvement in VoIP

STAR BUSINESS REPORT

PricewaterhouseCoopers has been appointed as an independent external company to audit Grameenphone's (GP) alleged involvement in illegal international call termination.

Asked when the external auditor will finalise its report, he replied: "It's an ongoing process and it depends on the outcome of the audit."

According to the FIR prepared by Gulshan police station where the case was filed, the accused former Grameenphone officials are Erik Aas and Ola Ree, chief executive officers, Thor Randhaug, technical director, Yogesh Sanjeev Malik, chief technical officer, and Mehboob Chowdhury, director, sales and marketing.

The sitting accused Grameen officials are Khalid Hasan, director (regulatory and corporate affairs), Md Shafiqul Islam, chief technical officer, Kafil HS Muyeed, director (new business), Md Arif Al Islam, director (finance), and Espen Wiig Warendorp, head of revenue assurance.

The two former CEOs left the company in December 2004 and January 2007 respectively.

The FIR said three companies including Grameenphone, DiGi Telecommunications and AccessTel, and individuals were involved in providing international call termination facility or VoIP.

The January 16 case was a follow-up of an 8-day long RAB (Rapid Action Battalion) raid starting from December 6, 2007 on the GP head office at Gulshan. The raid found huge equipment of illegal VoIP.

On the company's 11-year achievement, Jensen said, "In the telecom world 11-year is a very long time; it's a short time."

"We have just taken up the leadership. We have achieved world class network, world class services among the lowest price market in the world," he added.

Malaysian minister says price controls 'a joke'

AFP, Kuala Lumpur

Malaysia's price-control system which is designed to suppress the cost of essential goods is "a joke", the new domestic trade minister said according to a report Monday.

Anger over rising prices of food and fuel were a key issue in general elections earlier this month, and one of the factors credited with the ruling coalition's worst performance in its half-century history.

In a bid to win back support, Shahrir Abdul Samad -- a maverick in the United Malays National Organisation which leads the coalition -- was installed as domestic trade and consumer affairs minister last week.

Shahrir signalled a sweeping review of the expensive system of subsidies and price controls which he said were unrealistic and no longer working.

"The whole price control mechanism is a joke," he said in an interview with the New Straits Times.

"If you have price controls just for PR (public relations) purposes, it does not make the government look good, especially when you have price controls but can't control the price."

Shahrir said that for example, the government had set a price ceiling on steel bars 600-700 ringgit (190-220 dollars) below market price.

"But contractors can't buy them at these prices. So what they do is inflate the price with other costs. It becomes a joke



Shoppers walk past an under-construction outlet in a posh shopping mall in downtown Kuala Lumpur yesterday. Malaysia's annual inflation rate in February was 2.7 percent compared with 2.3 percent in January, official data showed.

and the government gets laughed at."

Malaysia heavily subsidises petrol, diesel and gas as well as 21 food items including milk, salt, wheat flour and rice, but the controls have triggered severe shortages, as well as smuggling across its porous borders and long coastline.