

International Business News

Struggling Japan Airlines seeks public money

AP, Tokyo

The president of Japan Airlines said Thursday the money-losing carrier is applying for public funds to help turn around a company that's been pumelled by the downturn in global air travel.

JAL President Haruka Nishimatsu said he has told Land and Transport Minister Seiji Maehara that the airline plans to apply for emergency government aid under the industrial revitalization law that's intended to help struggling companies.

"I have made the request from JAL," seeking approval for an injection of public funds, Nishimatsu told reporters after the talks. He refused to reveal how much money the airline wants.

If approved, JAL would be the second company to receive emergency aid under a new government program designed to help companies ride out the global slump. The government approved aid for chip maker Elpida Memory Inc. in June.

Approval is not guaranteed because some government officials believe JAL's slump reflects structural problems in the company not just the global economic downturn, Japan's largest newspaper Yomiuri said.

JAL has reportedly been in talks with several major airlines including American Airlines, Inc. and Delta Air Lines Inc. for possible financial and business support. Earlier this month, JAL said it would cut 6,800 jobs by March 2012.

Jaguar to close British plant amid auto sector gloom

AFP, London

Indian-owned historic carmaker Jaguar Land Rover said Thursday it will close a British factory over the next decade as part of a wider restructuring drive amid mounting gloom for the auto industry.

JLR, bought by Tata Motors for 2.3 billion dollars (1.6 billion euros) last year, unveiled a new business plan which it said would cut costs, increase the group's global competitiveness and drive future growth.

The group announced that it will decide next year whether to close a central England factory at Castle Bromwich in the West Midlands, which produces Jaguars, or a site in nearby Solihull that makes Land Rovers.

Jaguar Land Rover employs 14,500 workers in Britain, including at its three manufacturing plants in Halewood, Solihull and Castle Bromwich.

But the company added that it would create up to 800 jobs in Halewood, Merseyside, northwest England, to produce a new Range Rover model.

"The plan includes decisive actions to see through the next 12-18 months as markets recover and positions the company to grow and prosper in the future," JLR said in a statement.



A Sri Lankan vegetable vendor prepares his wares for sale at a market in Colombo yesterday. Despite a growing number of supermarkets, local shoppers still patronise street stalls to pick up bargains.

China dominates Forbes' Asia Pacific business list

AFP, Singapore

Chinese firms have maintained their dominance of the Asia Pacific business scene, accounting for a third of a Forbes list of 50 large and profitable firms in the region released Thursday.

Sixteen companies from China were in the list this year, up from 13 in 2008 and only five when the US business magazine first came out with its "Fabulous 50" compilation in 2005, a Forbes statement said.

"The mainland's fast growth continues to toss up hot new companies for the list," it said.

Out of the 24 newcomers this year, nine are from China, among them Agile Property Holdings, Anhui Conch Cement, Digital China Holdings and Tencent Holdings.

"The mainland firms, together with five from Taiwan and three from Hong Kong account for almost half the entries, giving Greater China the biggest regional representation," Forbes said.

The list covers only companies with revenues or market capitalisation of at least three billion dollars and a five-year record of operating profitability and a return on equity.

Vietnam nine-month inflation slows to 7.64pc

AFP, Hanoi

Vietnam said Thursday its inflation rate in the first nine months of the year slowed to 7.64 percent compared with the same period a year ago.

In September alone, prices increased by 2.42 percent year-on-year while the rise against the previous month was 0.62 percent, the General Statistics Office (GSO) said.

The rate of inflation in the first nine months of 2008 was 22.76 percent.

The latest data comes after the Asian Development Bank this week raised its inflation forecast for Vietnam to 6.8 percent from 4.0 percent this year, partly because global commodity prices are expected to rise.

"Inflation in Vietnam will remain higher than most other countries in the region," the Bank's Vietnam economist, Bahodir Ganiev, told reporters.

For the January to September period, food prices rose 10.35 percent, beverages and tobacco were up by 10.25 percent while housing and construction costs gained 2.09 percent, GSO said.

ENTERTAINMENT

Cinemas face dull business

MD HASAN

Running a cinema has now turned a risky entrepreneurship, as many a movie-lover is increasingly preferring small screen to big ones.

This shift in tastes of cinema-goers has taken a toll on such entertainment businesses over the decade, say cinema owners, pointing to the closure of 400 cinemas across the country since 1998.

From the audiences' point of view Bangla movie is not decent enough to watch with family members. Some also point to the deteriorating condition of the entertainment houses.

"The atmosphere has turned so worse that you could experience bad smell inside every cinema," said Mohammad Hossain, a Bangla movie-lover at a cinema in the city's Farmgate area, adding: "Uncomfortable seats and bad screen also discourage us to go to cinema."

According to Bangladesh Chalachitra Projojak Paribeshak Samity-BCPPS (an association for film producers and distributors), the number of cinemas now in operation countrywide is 800, which was more than 1,200 in the 90s.

The occupancy rate of each cinema came down to less than 30 percent, prompting many owners to quit such floppy ventures.

In Bangladesh, around 70 films are produced every year, of which only 10 percent hit the market.

The amount cinema owners usually give to film distributors as rent ranges from Tk 10,000 to Tk 2,50,000 per week. The urban and rural ticket prices also vary. Tk 30-Tk 70 is the urban cinema ticket price, while it is Tk 20-Tk 35 in rural areas.

Setting up a cinema hall in urban areas costs around Tk 5 crore, while it is in rural area a minimum amount of Tk 50 lakh.

"Therefore, with the low occupancy rate, it is difficult to run cinema as a commercial venture," said A K Nasir Uddin, the BCPPS' immediate past president.

Vulgarism and movie piracy cause the present setback of the industry, Nasir Uddin admitted.

The number of cinemas has now dropped to 33 from 44 in the 90s in Dhaka. A good number of those have been transformed into



A shift in tastes of cinema-goers has taken a toll on such entertainment businesses. Many a movie-lover is increasingly preferring small screen to big ones.

shopping malls, which include Gulistan, Shyamoli, Beauty, Mukti, Joti, Shabistan, Rupmahal (later Chitramahal), Laurence of Arabia, Lion and Tajmahal.

The same thing happened in Chittagong as well. Only 9 cinemas are in operation there.

Khurshid Mahal, Nupur, Jalsha, Guljar, Upohar, Rongum, Alangkar, Ujala, Akash, Ridom and Melody are among the cinemas that had been shut down over the last few years.

Narayanganj, Rangpur, Dinajpur, Khulna, Sylhet, Barisal, Chandpur and Feni are some

other areas that could not avert such setbacks.

Rezaul Karim, a high official of Mòdhumita Cinema, said since the satellite channels are available to household level, the rate of cinema-goers reduced to some extent.

"But vulgarism is the major reason behind the closure of a good number of cinemas," he said, adding that this entertainment business is in peril with only 40 percent occupancy rate.

Fahmidul Haq, assistant professor of the Department of Mass Communication and Journalism

at Dhaka University, points to so many options for movie-lovers to entertain themselves.

"So people are not ready to go to cinema to enjoy trash movies," he said while talking about the dull business of cinema owners.

Along with big shopping malls, cinemas are being developed globally, as the number of movie-lovers is on the rise, Haq pointed out.

Citing the example of India, he said the advanced technology does not reduce the number of cinema-goers, rather it is growing day by day because of quality.

"Unfortunately, we see a reverse scenario here. Cinemas now are transformed into shopping malls," said Haq.

However, some filmmakers are still optimistic to get back enthusiasm in the industry. Praising the last caretaker government's move against vulgar movies, they expect a new shape in the Dhallwood.

"The decent environment will come back gradually in the industry. I hope cinemas owners will see profit again in business," said Rana Hamid, a young producer.

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COLUMN

SARWAR AHMED

Agriculture and Monga

A faint pleasant aroma wafted in the air as we stepped on the porch of the regional station of Bangladesh Rice Research Institute (BRRI) in Rangpur. Wondering what this fragrance was, Dr Jalil Mridha, principal scientific officer and station head, explained that it was a new BRRI variety, BR-50, a fine and aromatic rice, meant to compete in the global market. The lush dark green paddy plant had not even sprouted its rice seeds and it was already making its presence felt. As we were ushered into the meeting room, we were introduced to Dr Abdul Mazid, recently retired from BRRI and now hub manager for an International Rice Research Institute (IRRI)/BRRI project.

We had travelled to Rangpur during the middle of Ramadan to learn from Mazid about direct-seeded rice technology. As we settled down in the comfort of an air-conditioned meeting room, Mazid explained the evolution of this concept in Bangladesh. The typical way high yielding rice varieties are grown is by transplanting seedlings from seedbeds to the main field. If a farmer would opt for direct seeding, he would save two thirds of this initial establishment cost, which could translate to two thousand taka savings per acre. This was only the appetiser.

The nagging question that prodded Mazid was how rice cultivation could alleviate *monga*, a situation in northern Bangladesh where farm labourers, who live on a daily wage, were left idle from end September to early November. Marginal farmers too would deplete their rice home stocks and look around for rural jobs. There just were not sufficient jobs to bring in cash to feed their families.



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In far-flung char areas of Kurigram, a journalist found half a village without any food, a quarter had provisions for a once-a-day meal, and the rest quarter could afford two meals during this period.

As such, these vulnerable and hungry people, for their survival, sell off their labour in advance for a pittance. At the mercy of vultures, these desperate people get only one third of the labour market value when it is actually needed, at the time of rice harvest in November.

Using his scientific knowledge, Mazid who was then in BRRI and

at Rangpur, came up with a cropping plan that would help people out of this hunger trap. By cultivating BR-33, a farmer could harvest a month earlier than the usual rice varieties, albeit with lesser yields. However, the farmer would then be able to cultivate another cash crop, be it potatoes, vegetables, maize, and then top it off with Boro rice. He further explained that with direct seeded rice, the harvest would come ten days earlier, thus bringing in the rice just when it was needed most, by the farmers who would be depleting their stocks, and the labourers, who would be able to work for the

harvest. A brilliant strategy indeed.

Mazid further explained that a farmer cultivating three times rice would at best get 15 tonnes per hectare per year. If you convert the annual crop plan into equivalent rice production, due to the high value, diversified cropping plan, this would translate to 39 tonnes of rice cultivation.

As we walked under an overcast sky and a hot humid sweaty afternoon, we saw the tall and strong BR-33 in BRRI station, ready to be harvested by the end of September.

Across the road a farmer, Hem

Babu, daringly decided to follow this new way of rice cultivation. Even though the yields were less than BR-11, his happiness was more because of having a harvest well in advance for his family to celebrate Durga Puja without borrowing money or rice.

We were taken around the station to see how Amon varieties like BR-11, which are susceptible to sudden flash floods, have been naturally implanted with a gene that ensures survivability of the rice plant even if it stays under water for 10 days, and that too, without impairing its yield. BRRI varieties that are saline-tolerant meant for our coastal regions are already in the offing.

To prove that science works, we took a short trip out to farmer fields. Meeting farmers who have sowed using zero-tillage, dry seeded rice cultivation, we saw no difference between their transplanted cousins. The major difference was of course money saved for the farmers, and the eventual ten days earlier harvest even for the same varieties, which will help in preparing for early potato cultivation. This would also benefit the farmers as earlier potato harvests meant lesser vulnerability to disease and its associated costs.

It was an exhilarating day to see that there are good souls who selflessly work for the better of mankind. The Ramadan fast and thirst from sweating out in the humid afternoon did not seem to bother us as we said a very grateful 'thank you' to Mazid and Jalil. In the spirit of Ramadan we prayed that they live long enough to see the word *monga* and its related social pains disappear from Bangladesh.

The writer is managing director of Syngenta Bangladesh Ltd.