

IT & TELECOM

DHAKA, FRIDAY, APRIL 30, 2010, E-MAIL: it.telecom@thedailystar.net



Cost factor drags down industry

With budget in mind, Nokia boss shares his take on telecom

NAFID IMRAN AHMED

Nokia Emerging Asia General Manager Prem Chand's office provides a panoramic view of Dhaka city. One can see the city breathing from there, which is instantly relaxing. On a hot summer's day, the Nokia boss sits there and shares his experiences from the Bangladesh telecom market.

When Chand first came to Bangladesh in 2006, there were approximately 10 million phone subscribers. Over the next three-years, he saw growth accelerate and now, there are over 50 million subscribers.

"We had fairly high expectations for this market and we have met some of those, but the reality is that the growth we were expecting in Bangladesh has slowed down significantly," says Chand.

He said one can expect that to happen, when affordability is big a challenge in the market. Bangladesh is still in the bottom five countries for mobile penetration. Now to take mobile phone penetration to the next level and to the masses and to reach the next 10-20 million, it is all about affordability, he adds.

The average income in Bangladesh is \$1 a day, so to buy a SIM card and a mobile phone -- it is quite a significant investment, he says.

"The SIM tax, customs duty on handsets and other taxes has slowed down penetration. The government has a vision of digitising Bangladesh and mobile internet will be the best solution to that, as in this country, fixed line internet is not going to be available to the masses."

Considering infrastructure and affordability, the mobile device is the logical option for Bangladeshis to access the internet as it is affordable and



PHOTO: SK ENAMUL HAQ

provides convenience and immediate accessibility. It provides more benefits than a desk top computer or laptop, he says.

"As affordability is a big issue, duties and taxes need to be reviewed. If we use other countries like China and India as a benchmark, their internet and mobile penetration are increasing because they have embraced the industry and acknowledged the benefits the industry brings and therefore, reduced taxes and duties," he informs.

Chand thinks there is a change in consumer behavior. "There is more recognition here now that the device is no longer a voice centric device and that it is not a device that can be used for making phone calls only. This is definitely a move in the right

direction and it fits in with Nokia's objective of providing internet services. This is a reason why we are focusing more on mobile applications and internet services."

"We see the next phase of growth and consumers' needs coming from mobile services and applications and therefore Nokia services like Ovi Mail and Ovi Chat have been launched to meet this demand."

Ovi Mail was launched in July last year and according to research done by Nokia, there were 750,000 consumer email accounts such as Yahoo, Gmail and Hotmail, in Bangladesh at that time.

"After the launch, we have just under 300,000 Ovi Mail users in six months, which is about 25-30 percent of the market share."

Ovi Share was the other service that Nokia launched, keeping in mind that there are many consumers who do not have a computer in Bangladesh, but they want to store images and content and share with their friends, he adds.

Talking about the operators, the Nokia boss says the market is maturing. In the first phase, price competition was really driving these operators and now, they are recognising the need to differentiate themselves, he says. "So, branding and customer services as well as value added services have become more important."

"Acquiring new subscribers is important but the focus has moved towards retaining existing subscribers. Along with

changing mindsets, the operators are now talking about mobile broadband and internet. So the industry is maturing and is becoming more professional and these are all positive."

On his expectations on the upcoming budget, Chand says: "The government needs to recognise the importance of the industry. This is a sector that provides significant revenue to the government. Government needs to undertake development works such as infrastructure, health and education. Where do funds for these come from? The telecom sector ends up subsidising and funding a lot of these activities as government has limited means to raise the revenue."

"This industry helps to develop the country. But the sector needs support to keep going. Secondly, if penetration needs to be taken to the next level, it has to come from rural Bangladesh. For that, affordability is an issue."

According to Chand, the government or regulator should think about a telecom advisory body, representing both the private and public sector. The telecom companies working here have international experience and we can share our experiences to develop the industry working with the government, he says.

"I do not think that there is enough dialogue between the government and the private sector in that respect. We always seem to go to the government asking for things, so they feel it is for our own benefit. An advisory committee could look into the scope of development of the sector and its contributions to the economy, and come up with a five-year plan. Then we can move in the right direction."

On the present tax structure and its impacts, the Nokia boss says it has increased the entry of unauthorised handsets. "The government is deprived of the revenue and the percentage of grey handsets has increased over the past year. Nokia brought down the grey market level from 80 percent to 20 percent."

On whether Bangladesh is ready to embrace the 3G network, Chand says the timing is right, as there are over 50 million subscribers and the government wants to digitise the country.

"3G is certainly the way to go and I feel the government should act on it immediately and get those licences out. The country is ready for 3G."

He says there is a misconception that 3G is unaffordable and the devices are expensive, but Nokia can offer 3G devices within Tk6,000-7000.

"The government should not view 3G licensing as a revenue earner and over price it, because an operator can pay that price, but at the end of the day, they have to get returns and the consumer ends up paying for that," Chand adds.

He suggests the government also looks into interoperability, so that consumers can send MMS to subscribers with different operators, and number- portability, where a consumer can move from one operator to another by keeping their same number.

Future growth of the industry will come from mobile applications and services, which is why Nokia moved into services. He mentions that Nokia plans to roll out services like Nokia Money and Nokia LifeTools soon.

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Fake anti-virus a growing online threat: Google

AFP, San Francisco

Google said Tuesday that fake software security programs rigged to infect computers are a growing online threat with hackers tricking people into installing nefarious code on machines.

An analysis of 240 million Web pages by the Internet search giant during the past 13 months revealed that fake anti-virus programs accounted for 15 percent of malicious software it detected.

"The Fake AV threat is rising in prevalence, both absolutely and relative to other forms of Web-based malware," Google said in its findings.

"Clearly, there is a definitive upward trend in the number of new Fake AV domains that we encounter each week."

Fake anti-virus (AV) peddlers rig websites to frighten visitors with pop-up messages warning that supposed scans have found dangerous malicious software on machines.

The scam goes on by selling victims programs that hackers claim will fix the purported problems but which in fact usually plant nefarious computer code on machines.

Such transactions can also leave credit card information in the hands of cyber crooks.

Google has refined tools to filter out booby-trapped Websites and hackers have evidently responded by flitting from one domain name to another.

Robot takes on battle of the bulge

AFP, Hong Kong

Imagine something between a computer game and a pet that helps makes you slim. One inventor did just that and came up with Autom -- a robot that will look dieters in the eye and tell them what they need to hear.



Users can have daily conversations with the 38-centimetre-tall (15-inch) robot, which will crunch calories and provide feedback and

encouragement on their weight-loss progress.

For those who hate manuals -- there isn't one. Switch Autom on and it's ready to go.

Its blue eyes open and its head swivels as a computer inside its head allows it to search for a human face in front of it and maintain eye contact.

"Hello, I'm Autom! Press one of the buttons below to talk to me," it says in a robotic female voice with an American accent. "I'm ready to get started. Let's keep working together."

Users tap their details onto the robot's screen in response to its spoken questions about weight, diet, exercise regime and goals and over time it builds up a knowledge of the dieter's strengths and weaknesses to tailor its questions and advice accordingly.

The information is also processed to provide graphs on their progress and habits over time.

The brainchild of Cory Kidd, a graduate of the Massachusetts Institute of Technology with a doctorate in human-robot interaction, Autom hits the US market later this year, retailing for about 500 dollars.

It is a so-called sociable robot, a new generation of robots that adapt their behaviour in order to interact with humans.

Autom looks fairly simplistic, with a head and neck attached to a rectangular box-shaped body on two stumpy legs. Its face has no nose and only the hint of a mouth.

But the cutting-edge field of human-robot interaction combines insights from the social sciences as well as technology and medicine.

New Fujitsu Lifebook hits market

IT.TELECOM DESK

Computer Source Limited has introduced Fujitsu life book LH530 to the local market recently, says a press release.

Equipped with Windows 7 operating system, the new product performs every basic task. With its latest refreshed processor technology from Intel, the LH530 gives even a novice user a huge uplift in personal productivity and competency.

Fujitsu LH 530 is powered by Intel core i3 processor and its processing speed is 2.66 GHz, it has got 2 GB DDR3 ram and 1066 MHz cache memory.

It is also bundled with a built-in 1.3 mega Pixel web camera. Its Bluetooth v2.1 feature also makes picture and file transfers to mobile phones extremely easy.

The LifeBook LH530 has a glossy surface and is available in Glossy Black or Ruby Red that gives it a stylish winning edge. This slim-designed LH530 has a specially designed keyboard made for easy use and perfection. It has a price tag of Tk 49,900.



HP buying Palm for \$1.2b

AFP, New York

US computer giant Hewlett-Packard, in a bid to become a player in the fast-growing smartphone market, said

Wednesday it was buying struggling US mobile phone maker Palm for 1.2 billion dollars.

HP and Palm said Palm stockholders will receive 5.70 dollars in cash for each share of Palm common stock they hold at the closing of the merger, a premium of 23 percent over Palm's closing price on Wednesday in New York.

"Palm's innovative operating system provides an ideal platform to expand HP's mobility strategy and create a unique HP experience spanning multiple mobile connected devices," HP executive vice president Todd Bradley said.

"The smartphone market is large, profitable and rapidly growing, and companies that can provide an integrated device and experience command a higher share," Bradley said in a statement.

"Advances in mobility are offering significant opportunities, and HP intends to be a leader in this market," he added.

In a conference call with financial analysts, Bradley said the "smartphone market is over 100 billion dollars and growing over 20 percent annually."

He said the widely praised Palm

webOS mobile operating system would allow HP to expand "our breadth of products" from smartphones to netbooks to "slate," or tablet, computers.

Apple released its own tablet computer, the iPad, this month and has reported strong sales of the touchscreen multi-media device.

HP currently has a small presence in the mobile phone market with a device called the HP iPaq which runs on Microsoft's Windows Mobile operating system.

HP and Palm said that the acquisition has been approved by the boards of directors of both firms and was expected to close during HP's fiscal quarter ending July 31, 2010.

They said Palm's current chairman and chief executive Jon Rubenstein is expected to remain with the company.

"We look forward to working with HP to continue to deliver industry-leading mobile experiences to our customers and business partners," Rubenstein said.

Palm's touchscreen Palm Pre smartphone, powered by the Palm webOS mobile operating system, won "Best in Show" at the annual gadget fair in Las Vegas in January of last year, but posted disappointing sales.



TECH:PHOTO Eyes only

Driver David Latotzky sits in the car "Spirit of Berlin" and leads it with eye-controlling across the tarmac of former German airport Tempelhof in Berlin on April 23. The autonomous vehicle developed by computer scientists of the "Freie Universitaet Berlin" can now be controlled simply by eyes and telecontrolled by an iPhone.

PHOTO: AFP

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