

International Business News

Apple launches iPhone 4 in China

AFP, Beijing

Apple on Saturday launched the latest version of its iPhone in China and boosted its presence in the world's biggest Internet and mobile market by opening another two stores in Beijing and Shanghai.

Dozens of people queued up at the new store in the capital for the first official iPhone 4, some waiting for more than 24 hours, even though the smartphone has been available on the grey market for months.

At the front of the queue was Yu Zhonghui, who began lining up at 5:00 am on Friday.

"I thought I was going to be bored standing in line but I'm having a great time," Yu said, according to the Global Times.

"It's like a party."

Han Ziwen, a bookstore owner who had queued for 60 hours to get his hands on the iPad, also lined up for an iPhone 4.

"The iPad and iPhone 4 will certainly have a great impact on the publishing industry," Han was quoted by the China Daily as saying.

"My bookstore will either be destroyed or have to find a new way forward. I have to witness the process."



A Star Ferry passes behind a woman posing for a photo at the edge of Victoria Harbour in Hong Kong yesterday. In the first six months of 2010, Hong Kong received 16.9 million international visitors, representing an increase of 23.1 percent over the same period last year and setting the highest half-yearly record.

Bernanke makes case for economics amid criticism

AFP, Washington

Fed chief Ben Bernanke made a spirited apology for economics Friday, defending a discipline derided for failing to predict the financial crisis and accused of being numb to Americans' plight.

Speaking to a group of his former colleagues at Princeton University, the chairman of the Federal Reserve said economics was not broken despite failures in the run-up to worst economic crisis since the Great Depression.

"The episode as a whole has not been kind to the reputation of economic and economists, and understandably so," he said.

"Almost universally, economists failed to predict the nature, timing, or severity of the crisis," he told a conference at the New Jersey university where he was once a tenured professor.

But, he added: "I don't think the crisis by any means requires us to rethink economics and finance from the ground up."

The Fed chair, who is one of world's foremost experts on the economics of the Great Depression, said it was economic management and analysis, not theory that had failed.

Toyota to produce new compact hybrid in France

AFP, Onnaing

Japanese carmaker Toyota will invest 53 million euros (71 million dollars) to produce a new hybrid vehicle at its plant in France, a decision welcomed Saturday by government and unions.

Production will begin in 2012 at Toyota's Onnaing plant near the northern city of Valenciennes and will safeguard around 3,000 jobs.

The new vehicle will be a compact hybrid but the company would not provide any further details following its announcement on Friday.

Onnaing, where the Yaris compact is manufactured, was chosen ahead of facilities in Britain, Turkey and Japan.

"The decision to produce the future hybrid at this plant confirms its position in the Toyota system," said Makoto Sano, the director of the plant, during a news conference.

The decision to locate production at Onnaing, which is currently operating at 60 percent capacity, was welcomed by government and unions.

Google chief sees Bing as main threat

AFP, San Francisco

Google chief executive Eric Schmidt on Friday said that Microsoft's Bing search engine was the company's main threat, not Facebook or Apple.

"While it's true Web search is not the only game in town, searching information is what it is all about," Schmidt said in Wall Street Journal interview video posted online.

He described Apple as a well-respected competitor and Facebook as a "company of consequence doing an excellent job in social networking," but said that Microsoft's latest-generation search engine was Google's main competition.

"We consider neither to be a competitive threat," Schmidt said, referring to Facebook and Apple. "Absolutely, our competitor is Bing. Bing is a well-run, highly competitive search engine."

LIFESTYLE

In CHT, weaving chic while cheap

SAYEDA AKTER

Up in the Chittagong Hill Tracts (CHT), 25-year-old weaver Sonabi Chakma of Rangapani village starts her long day as the sun rises over her five-acre pineapple field. There, she works for two hours until, back from the field, she dyes rayon or silk thread for another two hours. Then she cooks, serves and tidies up after her six-member family for two hours or more.

Only then is Sonabi ready to start weaving a chinnon, a thami -- a traditional long cloth that covers one's lower half -- a khadi or a stoll scarf.

"We used to produce these for ourselves for years, as our ancestors never bought cloths from the market," said Sonabi, a mother of two. "Later, we used to produce cloths for our fellow villagers who dresses similarly," she said.

"Gradually, the urban people started wearing them as trendy items, mainly in the last decade. But in early days they used to purchase our traditional fabric as souvenirs whenever they visited Rangamati."

The sales grew with the number of local tourists visiting in the CHT. "Now many urban people like to make kameez or futua out of a chinnon, others make skirts, while the khadi mostly goes as a scarf."

While the fashion is still relatively fresh to urbanites, it is now a lifeline for nearly half of the 8 lakh people from the 13 indigenous hill communities, including Chakma, Marma, Tripura, Rakhain, Tanchangya, Khumi and Byom.

Weaving is still a common livelihood in Rangamati, Bandarban and Khagrachhari districts, where nearly every household has a traditional waist-loom, often along with a handloom. Indigenous people also produce saris, shawls, bedcovers, and trendy decorative items.

Local people said that demand for woven items made by the hill people picked up in the last six years, and is now a key part of indigenous income. There is no data on the market size, but they estimate that the indigenous weavers in Rangamati earn nearly Tk 2 crore a year.

Malotee Tanchangya, another weaver who also works to collect finished pieces and to supply to the shop owners at Ghagra Bazar, said she produces two pairs of



An indigenous weaver is pictured in Rangamati. Rising urban demand for items woven by the hill people is being cut by cotton prices.

ANURUP KANTI DAS

chinnon and a few pairs of khadi a month to bring nearly Tk 5,000.

It's low because they she weaves only after finishing all household work, Tanchangya said. Besides, most of the villages have no access to electricity -- that is another reason for low production," she said.

"Earnings rise in summer, when the majority of festivals are held. Sometimes it doubles. But in winter productivity declines for the coldness."

In some communities, the skill of weaving is considered as a plus point for marriage, said Tanchangya. For weaving they use a customised waist-loom named -- a soj-podor -- made from bamboo cut to different sizes and a long nylon rope, attached to a belt worn on the waist.

Most weavers inherit the simple

machines -- including the wheel, waist-loom or handloom made of bamboo and wood -- from their immediate ancestors. They collect cotton thread and dye from local markets.

Meijhi Marma organises Rangamati Cooperative, the Asham Bosti village-based business association. She said most weavers sell to local textile enterprises. There are 50 handloom-based textile enterprises in the CHT, of which 40 are enterprises located in Rangamati district.

Local salespeople are also happy about the increasing sales. Sheching Marma, owner of Manorama Textile in Tobolchori, now sells nearly 500 items a month.

"When I started in 2006, I did not expect to sell even 200 items a month," she said. "But the demand is growing, and so are the sales."

Lately, the weavers are unhappy about the rising price of thread, as are the industrial weavers. Sheching wants the government to supply thread at lower than market price to indigenous people -- much like big weavers stung by rising cotton prices want the government to fix low prices.

"Earlier, we needed nearly four kilos of thread to weave a bedcover, it cost Tk 600; now the price is double," she said. "This increased the production cost, but the majority of tourists don't want to buy pricey items."

So the indigenous fabrics and fusion clothing trends may be popular, with local boutiques including these in their show-cases. But the weavers may have to find a better way to market their products to make more consumers prepared to pay higher prices.

Outgoing HSBC boss concedes it is time for the next generation



Stephen Green

Michael Geoghegan

AFP, London

HSBC's outgoing chief executive conceded it was "time for the next generation" after reportedly losing a boardroom power struggle that culminated in his resignation and a major management shake-up.

Michael Geoghegan also admitted he was never approached to replace Stephen Green as chairman, following a day of drama Friday which saw him announce his retirement after 37 years with the lender.

Two new people were named to lead the bank, with Geoghegan being replaced as chief executive by HSBC's head of investment banking, Stuart Gulliver.

Finance director Douglas Flint was named the new chairman as the bank looks to build on its recovery after the financial crisis as well as profiting from strong growth in Asia.

The announcements came after markets closed in London.

The dramatic overhaul at the top of HSBC caps a tumultuous period for the bank since Green announced he was quitting earlier this month to become Britain's trade minister.

Speculation over boardroom machinations had reached fever pitch in recent days, with one report in the Financial Times claiming that Geoghegan had threatened to quit if his main rival to become chairman was given the job.

At the time, HSBC dismissed the report as "non-sense."

Geoghegan, 56, admitted Friday the board had not asked him to be chairman and he had concluded that it was time for a change of leadership, while Green dismissed reports of turmoil at the top of the bank as "absolute nonsense."

"I came very quickly to the conclusion, about 10 or 12 days ago, it was time for the next generation," Geoghegan told reporters in a conference call Thursday.

"I never really went out of my way to be chairman."

"It's been historical at this company that the chief executive goes on to be chairman but you have to be asked and the reality was, I wasn't asked."

ONE SMALL STEP FOR YOU, ONE GIANT LEAP FOR YOUR CORPORATION



Percentage seems small when seen individually, but when a global company counts the percentage many folds it is surprising what a huge amount one small percentage results to.

A historical step was taken even before Neil Armstrong took his first steps on the moon. This step did not land anyone on the moon, but provided companies with savings and efficiency level far beyond expectation. It happened when American Express launched the first Corporate Card program in the United States of America that heralded the revolution in the financial world, leading to an unparalleled quality of service few could hope to match.

Companies that fully automate expense processing and maximize card capabilities have been known to reduce process costs by as much as 40%. This includes a 9% of incremental savings from your travel and entertainment budgets¹. For example, for a company spending Taka 1,000,000 on Travel & Expenses this can mean Taka 90,000 (1,000,000* 0.09) worth of savings a year. That said, it is no wonder that outside of Bangladesh greater than 75% of companies currently use Corporate Card programs as part of their Travel and Entertainment Expense Management².

The latent demand for corporate cards was felt nearly

two decades ago but because of the technological barriers and fluctuating efficiency, the prospect of turning the potential benefits of the Corporate Expense Management Solutions into a reality seemed like a distant possibility. However, the scenario has improved by a large margin this time around. In this digital era, American Express Corporate Cards benefits companies around the world, and are the solution by which every penny of company can be monitored to avoid any unnecessary expenditure and valuing every penny to its maximum utility.

The right partner and the right tool will drive the tremendous savings for companies. Since American Express' innovative step in 1966, their continued innovations and value added services in the realm of Expense Management Solutions have become the benchmark for service quality that companies look up to. This has enabled American Express to continue to grow and maintain its position as the most widely used Corporate Card program globally⁴.

¹Accenture American Express Corporate Card Data Value Study 2004

²Accenture American Express Corporate Card Data Value Study 2004

³T&E Expense Management Report, Aberdeen Group, 2006

⁴Business Travel Survey 2008, Business Travel News