

International Business News

BP to sale Mexican Gulf assets to Japanese group

AFP, London

BP is selling its interests in four Gulf of Mexico deepwater fields to Marubeni Oil and Gas of Japan for 650 million dollars just months after acquiring them, the British group said on Monday.

The cash deal comes as BP looks to sell up to 30 billion dollars (21.4 billion euros) of assets by the end of 2011 to help meet its financial obligations from the Gulf of Mexico oil spill.

BP acquired the interests in the four fields -- Magnolia, Merganser, Nansen and Zia -- from US group Devon Energy in March as part of a wider acquisition of assets in the Gulf of Mexico, Brazil and Azerbaijan.

"When BP acquired Devon's Gulf of Mexico assets it was clear that these four fields did not fit well with the rest of our business in the region," said Andy Hopwood, BP executive vice president, Strategy and Integration.

"We therefore decided they would be of more value to another company than to BP," he added in a statement. BP hopes to complete the deal in early 2011.

And it expects the Gulf of Mexico spill to cost it more than 32.2 billion dollars, taking into account compensation as well as clean up costs.



US Ambassador to Japan John Roos (L) and Japanese Transport Minister Sumio Mabuchi (R) shake hands during a ceremony on an "Open Skies" pact between the two countries at Japan's Transport Ministry in Tokyo yesterday. Japan and the US will implement the "Open Skies" deal, aiming to liberalise air traffic.

Sony presses 'stop' on Walkman in Japan

AFP, Tokyo

After three decades and more than 220 million units, Sony has stopped selling its Walkman cassette player in Japan, the company said Monday, admitting the gadget could not keep up in the digital age.

Cherished by a generation of joggers, school children and music fans since its launch in 1979, the Walkman revolutionised the way people listened to music but has since been overtaken by another icon of the modern era -- the iPod.

"The music-listening style of our customers has shifted so much to digital audio," Sony spokeswoman Hiroko Nakamura told AFP. "We have decided to end shipments because demand for the cassette-type Walkman has decreased."

Models on the company's Japanese website were marked "production completed".

The consumer electronics giant said that Chinese-made Walkman cassette players would still be exported to markets such as North America, Europe and Asia.

China expected to raise fuel prices

AFP, Shanghai

China was expected to raise domestic fuel prices by around three percent starting on Tuesday, a Chinese consultancy said, in what would be the first hike in more than six months.

The average maximum retail price for petrol would rise by 230 yuan, or 2.9 percent, to 8,220 yuan (1,235 dollars) a tonne, according to an AFP calculation based on figures posted online by CBI China, a commodities consultancy.

The average maximum retail price for diesel would rise 220 yuan, or three percent, to 7,480 yuan a tonne, CBI China said on Monday.

A spokesman at the National Development and Reform Commission, the powerful state economic planning agency in charge of fuel pricing, declined to immediately comment when contacted by AFP.

The price hike, which would be the first since April 14, is likely to further fuel domestic inflation, which has been picking up in recent months and rose in September at the fastest pace since October 2008.

INTERVIEW

Time to go high-end

US apparel maker tells The Daily Star of Bangladesh's potential

REFAYET ULLAH MIRDHA

Bangladesh should now target the high-end value-added segments of garment products, as the country has already developed a sustainable industry and a diversified customer base, said a top official of a US-based apparel sourcing giant.

Martin Trust, president of Brandot International Ltd, said it is time for the country to come out of the traditional low-cost basic exports and focus on 'moderate to premium' items to secure a long-term sustainability.

Recently, Brandot tied up with Ananta, a local leader in apparel manufacturing, and a Chinese entrepreneur to set up two factories in Adamjee Export Processing Zone (AEPZ) to make high-end sweater and metal button.

Ananta has been in the sector for the last two decades with an annual turnover of \$54 million now. It runs three big factories with around 11,000 employees.

The \$11 million sweater factory -- Ananta Huaxiang Ltd -- and \$4.5 million button factory -- T and S Button (Bangladesh) Ltd -- will go into production in May next year, said the apparel supplier.

Trust said the production target of the sweater factory is three million pieces a year and it would be upgraded to six million pieces within the next five years.

He sat with The Daily Star at the Dhaka Westin on Saturday.

Three thousand workers will be employed in the sweater plant, while 200 in the button factory.

He targeted the Bangladesh market as the demand for metal buttons has gone up due to the increasing exports of jeans from the



Martin Trust

country over the years.

"I have chosen Bangladesh for establishing the joint venture projects as we have found good partnerships here. They have good ability to be a good partner. The partners have a good customer base," said the US-based entrepreneur.

The Brandot president, who has been running garment factories in Sri Lanka for the last two decades, is quite happy with the

labour-abundant Bangladesh market. "They (the workers) are quick learners too."

Around 30,000 people work in his plants in Sri Lanka.

"We have plan for further expansion in Bangladesh, but it depends on the satisfaction of the customers," he said, adding that Bangladesh's garment industry has the potential for achieving a substantial growth in the near future.

"We are targeting the moderate and high-end markets now," he said.

The world is recovering from the worst recession and so is the garment industry, he said.

"We do not have retail stores, but have high-profile customers," he said.

He said the workers will get higher wages than those set by the government as they will be trained as skilled labourers for handling high-tech machinery.

Bangladesh might have problems such as shortage of gas and frequent power outages in the industrial units. But the country still has low production costs, Trust said.

He said the recent surge in cotton prices will fuel the prices of apparels on the international market.

Cotton prices have gone up worldwide, as the growers have switched to corn cultivation for more profit, he said.

The farmers in the US have shifted focus to corn cultivation as the government is providing them with subsidy to encourage ethanol production.

"The nature of business is that it moves from the high-cost end to the low-cost. Garment business also follows the same," said the Brandot president.

"The garment business started in Europe, and then moved to Japan, and later from Korea to China, Cambodia and Taiwan. It has now moved to Bangladesh for low production costs."

He was the president and chief executive officer of MAST Industries, established in 1970, before he founded Brandot International Ltd in 2003.

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COLUMN

Hiring right

SARWAR AHMED

I was recently invited to interview boards of organisations who were hiring people. When we hire, we certainly want to hire the best. Reflecting on this experience, I thought we could have done better. No, it is not only the human resources department's responsibility to interview right. It is the responsibility of the interview board to ensure that the right persons are taken on board. So what are the factors that will make hiring right for you?

Where do you have the interview? Look for a room that has a lot of preferably natural light. Darker rooms stress out the interviewees, especially if you are going to spend several hours. Look out for the basics like pencils, erasers and drinking water. Of course the resumes and time schedule should be laid out for each of the persons on the interview board.

The interview board should decide on the time per candidate and stick to the schedule. A time overrun can be tiring as well as unfair to the waiting candidates. Their first impression of the organisation is formed by how well we maintain time. So the scheduling should carry enough slack to accommodate delays or time overruns. The interview board members, preferably three to five, should then decide on how to conduct the interview. Who should ask what and the flow of questions should be discussed.

What are we looking for in our candidate? A favourite phrase that resonates is hire values, train skills. We should look for personal values, behaviour, knowledge and skills that are required to perform the job.

After the introductions, ask the candidate to introduce himself. This gives you the opportunity to see how clearly the candidate presents himself. His voice, appearance, confidence and presenting his introduction will set the tone for the rest of the interview. I once had to face a candidate who was

grouching about how his less qualified classmates got jobs in prestigious organisations and he was still struggling to find one. No wonder he wasn't getting any offers with this kind of raving and ranting about their connections and his bad luck.

Knowledge and skills can be explicit and easy to read in the resume. We need to explore the candidate's past that will help us to understand about his values, behaviour and the application of his knowledge and skills to his workplace. As an indication of achieving goals, I ask about an example of a particularly difficult situation the candidate had gone through in his life and how this was resolved. Getting a specific example can be quite an effort. Keep asking questions related to this event so that a clear picture emerges of the behaviour and values that came to play in the unfolding of event. Is the person willing to achieve or simply tread water when the going gets tough? Another question I usually have is a story of achieving success and what was his contribution to this?

If the job requires teamwork, ask questions of how the person worked in a team event. If you are looking for leadership qualities, ask how the candidate led to achieve an event and his role. Digging in the past is more realistic as this tells us of what the candidate has done and relates to actual behaviour.

Quite obviously, we are also interested to understand why the person is seeking to join us. What is the motivation to join our organisation? Does the resume show the person is using this opportunity as a stepping stone to a career path in the industry? We certainly do not want candidates to use our organisation as a training ground to go elsewhere once they are ripe and ready to contribute.

How serious is the candidate about us? Ask questions what he knows about our organisation. If he is really interested, the candidate should have done some homework. A complete blank should raise a flag about the long-term interest of the person in



our organisation.

And to test out the ability to think out of the box, ask a curveball question like, "If you were to run the country for a day, what would you do?" These extreme questions help to assess if the candidate is quick and adept in thinking on his feet and come up with an answer. We are not looking for the right or wrong answer here. We want to see if the candidate is confident and has thinking abilities to answer, and not just a "I don't know."

Remember to be courteous to those who do not make it. Send a thank you note for coming over and explain why the person was not selected. I remember a letter that I got back from such a candidate who stated his surprise and gratefulness for this courtesy.

Sometimes we make the mistake of hiring a person who seemed to have had all the right qualities. This is where the six-month probation helps to ensure that we watch closely and see the person's development and fit in the company's culture. If things do not work out, be polite and firm and get the person out. It would not only be a mistake for the organisation to keep this person, it will be a disservice to the person too.

People do make a difference in an organisation. What makes the right difference is to have the right people. This is where you can contribute by hiring right, right?

The writer is the managing director of Syngenta Bangladesh Ltd.



Robi Chief Executive Officer Micheal Kuehner, right, poses at the telecom operator's Partners' Meet in Dhaka on Saturday.

Robi recognises partners

STAR BUSINESS DESK

Mobile phone operator Robi Axiata Ltd organised a programme to recognise its partners in Dhaka on Saturday.

The Partners' Meet 2010 was aimed at identifying the contribution of Robi's business partners and to enhance the mutual understanding.

Robi Chief Executive Officer Micheal Kuehner and Chief Financial Officer Mahtabuddin Ahmed were present on the operator's first such event where top partners were awarded.

"We would like to thank our partners for being on our side and contributing on the brand transformation of Robi," said Kuehner.

AB BANK LIMITED
Card Division
Elite House, 54 Motijheel C/A, Dhaka-1000

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