

Exports to cross \$22b mark: minister

STAR BUSINESS REPORT
Exports will cross the \$22 billion mark surpassing the year's target, as the country has already earned \$12 billion from overseas trade in the first seven months of the current fiscal year, said Commerce Minister Faruk Khan yesterday.

The export target for fiscal 2010-11 was fixed at \$18.5 billion, the minister said adding that exports grew by 39.85 percent in the first seven months, compared with the same period of the last fiscal year. The minister was speaking at a ceremony of the Junior Chamber of Commerce, Bangladesh (JCI)

at the city's Brac Centre Inn auditorium. The minister reiterated that the prices of basic commodities are still lower in Bangladesh compared with other countries. Ceremonial chains were handed over to the six presidents of six chapters in Bangladesh of JCI, including Ahmed Ashfaqur Rahman (Dhaka-East), Mahib

Ekram (Dhaka-West), Mahbub Manik (Dhaka-Central), Rehana Parveen (Dhaka-North), Mustafizur Rahman Sohel (Dhaka-South) and Abdul Moin (Chittagong-Central). Three memoranda of understanding (MoU) were signed between Sandhani Dhaka Medical College and Prottoy Medical

Clinic Limited at the ceremony. Shahid Uddin Akbar, JCI Bangladesh national president, presided over the ceremonial event where Shafique Alam Mehedy, civil aviation and tourism secretary, MA Rouf Chowdhury, an FBCCI director, and Syed Alamgir, principal director of ACI Limited, also spoke.



BD-RED Bangladesh Real Estate Directory (BD-RED) yesterday signed a deal with BRAC Bank under which the bank will be the title sponsor of BD-RED Dubai Fair-2011 to be held on April 28-30 in Abu Dhabi. BD-RED Chief Executive Md Yasin Khan and BRAC Bank Managing Director (acting) Mohammad Mamdudur Rashid inked the deal.



SM Shamsul Arefin, managing director of Uttara Finance and Investments Ltd, shakes hand with AKAH Chaudhuri, managing director of Bangladesh General Insurance Company Ltd, after signing the trust deed of Ultra Finance First Mutual Fund in Dhaka recently.

WB stresses govt sincerity to boost FDI

UNB, Dhaka
World Bank Country Director Ellen Goldstein yesterday said both the government and the donors should be more sincere and move forward to bring dynamism to foreign direct investment in Bangladesh. Goldstein made the remarks when she called on Planning Minister AK Khandker at his office in Dhaka. Planning Division Secretary Monzur Hossain and World Bank senior government specialist Junghun Gho were also present. "Among the donors, World Bank, Asian Development Bank and Japan International Cooperation Agency provide about 80 percent of foreign aid to Bangladesh," said Goldstein. She

also urged the government to hold consultation meeting with the donors on the sixth five-year plan. In response, the planning minister said national dialogue is going on over the draft of sixth five-year plan. "There will be discussions with the donors after the draft is finalised," Khandker also assured the WB country director of rendering necessary support regarding their interest to conduct a research on foreign investment in Bangladesh. They discussed various issues relating to bilateral interests, good governance, procurement process, investment environment in Bangladesh, use of foreign assistance, Perspective Plan and the upcoming Population and Housing Census-2011.

Barua to hand CIP cards today

UNB, Dhaka
Industries Minister Dilip Barua will formally award the commercially important person (CIP) status to 42 eminent businesspersons today for their outstanding performances in the industrial sector. The programme will be held at Dhaka Sheraton Hotel. The government named the businessmen as CIPs-Industrial for 2010 in recognition of their outstanding performances in line with the CIP Policy (Industrial) 2008. The CIP cardholders will enjoy a number of facilities for one year from the issue date of the identity card. The facilities include priority in reserving seats in Biman, train, bus and other modes of transport for business-related travels, availing Letter of Introduction from the foreign ministry to get visa

easily in case of foreign tours and using VIP Lounge-2 at the airport. The cardholders, their spouses and children will get priority in getting cabins in case of treatment in public hospitals. They are also free to enter the Bangladesh Secretariat for a year, according to a gazette notification on February 28. Industries ministry officials said the 42 CIPs have been selected in four categories -- ex-officio, large-scale industries, medium-scale industries, and small-scale industries. Federation of Bangladesh Chambers of Commerce and Industry President AK Azad, Metropolitan Chamber President Amjad Khan Chowdhury and Dhaka Chamber President Asif Ibrahim will join the programme to be chaired by Industries Secretary KH Masud Siddiqui.

Mattel closes Barbie concept store in China

AFP, Shanghai
US toy maker Mattel on Monday shut the world's first and only Barbie concept store after just two years, ending an ambitious marketing push to boost the iconic American doll's sales in China. "Mattel Inc. confirms that the 'Barbie Shanghai Flagship Store' will be closed on March 7, 2011," the company said in a statement, adding it remained committed to developing the brand in China. The Shanghai concept store opened in March 2009 as Mattel celebrated the doll's 50th birth-

day, hoping to woo customers in the world's most populous nation amid flagging sales after the global financial crisis. The store featured a pink neon escalator that transported customers into a showroom with 900 display cases containing dolls in unique dresses, as well as a restaurant, spa and a Barbie bar. However, sales at the six-storey outlet failed to get off the ground and Mattel had to cut its targets by nearly a third within the first eight months, according to previous media reports. Mattel spokeswoman Linda Du declined on Monday to pro-

vide sales figures for the store or China as a whole. She said the store's closure reflected a change in strategy, adding that Mattel would launch a new campaign to expand the brand across the country later this year. She gave no details. Barbie dolls still remain available in more than one thousand retail outlets in China, Du added. The closure highlighted the challenges global brands face in China, where consumers are often unfamiliar with products that are well-known elsewhere, said Ben Cavender, an analyst with Shanghai-based China

Market Research. "Barbie in the US has a very long history, people grow up with the brand, their parents grow up with the brand, so brand recognition is very high. In China, though, nobody really knew what Barbie stood for," he told AFP. US retailer Best Buy announced last month it had closed its nine outlets in China as well as its head office in Shanghai, making it the latest foreign big box operator to exit after struggling in the fast-growing market. "What it definitely says is that it is a challenging market," Cavender said.

"For foreign retailers, it is a very hard market to get correct. They either don't change quickly enough or they are not patient enough to be successful here." Mattel told AFP when the concept store opened that China accounted for 2.5 percent of the doll's global sales but the company aimed to make it Barbie's top market as early as 2014. Barbie sales rose eight percent worldwide in the fourth quarter of 2010 while Mattel's overall revenue increased nine percent to \$2.1 billion. It reported a profit of \$325.2 million in the quarter, down from \$328.4 million a year earlier.

Malaysia firm hits out at Vietnam state shipbuilder

AFP, Hanoi
Malaysian conglomerate The Lion Group has blamed problems at Vietnam's scandal-hit shipbuilder Vinashin for the failure of a multi-billion-dollar joint venture. The \$9.8 billion project by state-owned Vietnam Shipbuilding Industry Group (Vinashin) and Lion would have included a steel mill, power plants and a sea port in the southern Vietnamese province of Ninh Thuan. Vietnamese officials said last month that the project's investment licence had been revoked because investors did not fulfil their commitments. "The Lion Group wishes to clarify that the lack of progress is due to the financial and management issues affecting Vinashin which has not been able to respond on the continuity of the project," the Malaysian firm said in a statement to AFP. It added that Lion required certain conditions, including adequate import tariff protection, to be in place for such a large investment. "As these requirements have not been met, the Group has therefore decided not to proceed with the project," it said. Pham Dong, head of the Ninh Thuan planning and investment department, earlier told Dow Jones Newswires that The Lion Group held a 75 percent stake in the project but had difficulties arranging funding. There was also "trouble" with the chosen technology, Dong said. In December Vinashin, whose debts of more than \$4 billion pushed it to the brink of bankruptcy, reportedly defaulted on the first \$60 million instalment of a \$600 million loan arranged by Credit Suisse in 2007.

Daimler and Rolls-Royce mull joint \$4.2b Tognum bid

REUTERS, Frankfurt
German automotive group Daimler and British engine maker Rolls-Royce are considering a joint bid for engine maker Tognum in a deal sources said could be worth about 3 billion euros (\$4.2 billion). Shares in Tognum, a manufacturer of industrial-size diesel engines formerly owned by Daimler, gained more than a fifth on the news to trade at 22.57 euros at 1307 GMT after being up 29 percent at one stage. "Daimler AG confirms that together with Rolls-Royce, it is in discussions about the possibility of acquiring the majority of Tognum AG in equal shares," Daimler said in a statement that Rolls-Royce later confirmed. "Currently, constructive discussions with the supervisory board and management board of Tognum are being held," they said. Both added no final decision had been made. Tognum said in a statement that it would evaluate any proposal that may be received. Sources close to the talks said that Daimler was willing to consider a price of about 24 euros per share -- almost 30 percent above Friday's closing price -- whereas Tognum was pushing for more. "Management and employees hold roughly 10 percent and to convince them, a 30 percent surplus on the share price wouldn't be enough," one person close to Tognum said.

Japan's Terumo in \$2.6b deal for US firm

AFP, Tokyo
Japan's medical equipment and goods firm Terumo said Monday it would acquire a US blood collection and processing systems manufacturer from Sweden's Gambro AB for \$2.6 billion. The takeover of CaridianBCT would make Terumo the leader in the world's market related to blood transfusions, with consolidated annual sales of about 70 billion yen (\$854 million), the company said in a press release. A contract on the takeover was signed Monday to push Terumo's aim of boosting its overall annual revenue to one trillion yen within 10 years, the statement said. Terumo booked sales of 316 billion yen in the year to March 2010, with its blood-related products making up less than 10 percent of the total. CaridianBCT, established in 1964, specialises in devices that can efficiently extract platelets from blood. With the purchase, due to be completed in May, the ratio of products related to blood transfusions in Terumo's total sales will rise to 18 percent from eight percent "as a new pillar to prop up Terumo's growth,"



TNT Ataur Rahaman, country manager of Moody International, presents ISO 9001:2008 certificate to Rajiv Bhattacharya, country manager of TNT Express, Bangladesh, at TNT head office in Dhaka on Sunday.



CEMEX Fifty students and three teachers of Asia Pacific University yesterday visited the plant of CEMEX Cement Ltd at Mahmudnagar in Narayanganj. Corporate Sales Manager of CEMEX Atiqur Rahman and Plant Director Khandakar Nuruddin were present on the occasion.

Japan's Hitachi to sell HDD unit to Western Digital

AFP, Tokyo
Japan's Hitachi Ltd. said Monday it will sell its wholly owned hard disk drive unit to US firm Western Digital for about \$4.3 billion. The subsidiary, Hitachi Global Storage Technologies (Hitachi GST), was established in 2003 after Hitachi acquired the HDD business from IBM. Under a contract concluded Monday, Western Digital will buy all shares of Hitachi GST's holding company, Viviti Technologies Ltd., in a cash and stock transaction, Hitachi said in a press release. Western Digital will repay Hitachi with \$3.5 billion in cash and its 25 million common shares currently valued at some \$750 million, the statement said. As a result, the Japanese high-tech giant will own about 10 percent of Western Digital shares and be given two seats on the US firm's board of directors. The transaction is expected to be completed by late