

WTO TALKS IN BALI

Bangladesh to press duty-free access for garment to US



People work at a garment factory in Bangladesh, which seeks easy access to developed markets.

REFAYET ULLAH MIRDHA

BANGLADESH will once again ask for duty- and quota-free access to developed countries at the upcoming World Trade Organisation ministerial conference.

Pascal Lamy, director general of WTO, has already called for proposals from the least-developed countries for consideration at the summit, the ninth of its kind, to be held in Bali, Indonesia, on December 3-6.

"Our officials are now preparing the papers to be sent to the WTO soon," Mahbub Ahmed, commerce secretary, said yesterday.

The country will call for relaxation of the rules of origin, while giving a reminder to the developed countries to follow through on the promises made in previous conferences about extending preferential treatment to the LDCs, Ahmed said.

"I do not want to mention the names of the countries which announced duty-free access for Bangladeshi items many years ago, but are yet to implement them," the commerce secretary said.

The duty-free entry of garment items from Bangladesh has been a long-standing demand, which Mahbub says the government will once again ask for, particularly from the US, the single

largest export destination of the country's garment products.

Currently, 97 percent of the products originating from Bangladesh enjoy duty-free access to the US, but garment, the country's main export item, is excluded from the package.

Bangladeshi garment exports, as a result, are struck with a 12.3 percent duty upon entry to the US market. In contrast, the same items from China, a developed country, are met with a mere 3 percent duty.

In 2011, Bangladesh paid \$746 million in duty for exporting about \$5 billion of garment items.

How tablets can save the PC

JOHN C ABELL

THESE are tough times for the personal computer: The 30-something device that everyone used to covet is being crowded out by younger objects of our affection. Time for a makeover.

Visionaries like Microsoft's Bill Gates and Apple's Steve Jobs started a revolution by imagining that computers -- at the time, massive, room-filling machines that basically just did arithmetic -- could become indispensable tools for the masses. PCs led to a world filled with powerful electronics we could take anywhere: Desktops became laptops, phones became mobile and then smart. And now there are tablets.

PCs aren't going to disappear, but they are no longer the most important computer we use. Many people carry three computers now: smartphone, tablet and laptop. The laptop is becoming the one we use least. Even some of our enduring PC use is reflex and habit. If we lost the use of a laptop, would life grind to a halt? Not with all these other options.

PC sales had their worst quarter ever in the first three months of this year, down almost 14 percent over the same 2012 period and the first full quarter when computers shipped with Windows 8. Analyst Bob O'Donnell from top research firm IDC connected these dots. Per Yahoo News:

At this point, unfortunately, it seems clear that the Windows 8 launch not only failed to provide a positive boost to the PC market, but appears to have slowed the market," O'Donnell explains. "While some consumers appreciate the new form factors and touch capabilities of Windows 8, the radical changes to the UI,

removal of the familiar Start button, and the costs associated with touch have made PCs a less attractive alternative to dedicated tablets and other competitive devices. Microsoft will have to make some very tough decisions moving forward if it wants to help reinvigorate the PC market.

There was a time when bad computer hardware or software were mere bumps in the road. But the problem for PCs now is that there are hardware alternatives. Great ones.

Chief among the alternatives are the computers we are never without the smartphone and tablet. My own habits have changed dramatically over the past few years, and especially in the last year with the advent of Siri, which I use to take dictation constantly. I haven't been without a laptop since my first iPhone and iPad, but I am increasingly inclined to do anything I need -- work or play -- without one.

The reason is simple. Laptops have few unique features, and some of those they do have aren't important to most consumers. People don't need them to edit video or pictures? Two of the heaviest lifts in consumer computing. People don't need them to store pictures or videos or documents? That is what Google Drive, SkyDrive and Dropbox are for.

PCs also have acute disadvantages in battery life and true portability; it isn't possible to use your laptop standing in line or waiting in traffic. But check out the people around you in line and at the red light. They're immersed in mobile devices.

Because we have steadily increased our use of smartphones and tablets we've learned that we can rely on them a lot more than we expected. Opportunistic use --

tapping away while standing or walking -- has in a very short time conditioned us to realize that mobile devices are full-fledged tools we don't have to resort to but would choose first.

New things don't necessarily kill old things. Television was an enormous disrupter of the movie industry, but Hollywood adapted with improvements in audio and video that could not be matched on the home screen. In the TV era, movies and theaters didn't wither and die. TV improved the movies.

Tablets can do the same for PCs. The challenge for PC makers is to tap into the compelling reasons why traditional computers are still relevant, not perpetuate what has become an outdated commodity business. That's already happening in a couple of ways: Netbooks are being tossed into the mix again, primarily thanks to Google. These offer a low-cost, full-keyboard experience at disposable prices (Chromebook Pixel notwithstanding).

At the high end, there should be premium models, just as there are with other consumer goods: over-powered and over-featured machines some people just have to have. Touchscreens are being slowly introduced as a new laptop interface enabled in large part by the new functionality in Windows 8. And we've only begun to see the possibilities of hybrid devices -- offering the promise of the best of both the tablet and laptop world -- despite the poor showing so far for most, notably Microsoft's Surface models.

So as Churchill might have said, this isn't the end of the PC. But it is the beginning of the end of the PC as we know it. As it should be.

John C Abell is a Reuters columnist and reviewer for Reuters Go Bag.

Eurozone approves Cyprus bailout



French Economy Minister Pierre Moscovici (3L), Poland's Finance Minister Jacek Rostowski (L), German Finance Minister Wolfgang Schäuble (2L), British Chancellor of the Exchequer George Osborne (3R), Italy's Minister Vittorio Grilli (2R) and Spanish Finance Minister Luis De Guindos Jurado (R) attend a press conference at a meeting of Economic and Financial Affairs Council ministers in Dublin, Ireland on Friday.

AFP, Dublin

EUROZONE finance ministers formally approved Friday the terms of a problematic Cyprus debt rescue that will cost Nicosia far more than first thought, with the government seeking additional help.

With the Cyprus crisis driving fresh concerns over the euro's future, EU finance ministers meeting in Dublin welcomed progress by bailed-out Ireland and Portugal, giving them both another seven years to repay their rescue loans.

Dutch Finance Minister Jeroen Dijsselbloem, who heads the Eurogroup of 17 finance ministers, said they wanted to ease the pressure on both countries. The move was then approved together with their 10 non-euro counterparts.

Dijsselbloem said ministers formally approved the March 25 rescue accord between Cyprus and its international creditors -- the International Monetary Fund, European Commission and European Central Bank.

It had appeared earlier Friday, amid some confusion, that Cyprus wanted more bailout

aid after leaked documents indicated a sharp increase in the overall amount needed to 23 billion euros (\$30 bn) from the 17 billion euros agreed last month.

EU Economic Affairs Commissioner Olli Rehn said however there was no need for confusion because the lower figure was net, and the higher, was gross financing needs -- with "additional financial buffers... to allow for unexpected fiscal developments and banking sector needs."

"People have been comparing apples with pears and coming up with oranges," Rehn told a press conference following the agreement.

Rehn said regular EU structural funds, used to boost the economy and planned seven years at a time, could be brought forward and re-directed to help Cyprus.

He also warned that accurately forecasting the depth of the recession in Cyprus was impossible, with the economy possibly shrinking by up to 15 percent this year alone.

In Nicosia, a spokesman for President Nicos Anastasiades said Cyprus was not looking for more money under the bailout programme but rather discussing the "possi-

bility of increasing European funds for growth and social cohesion."

The first aid payment to Cyprus should be possible in May, the ministers said.

The agreement to extend debt repayments for Ireland and Portugal will be especially welcome in Lisbon where the Constitutional Court last week ruled that several measures in the 2013 budget were unlawful.

As a result, the government is likely to find it even more difficult to reduce the public deficit -- the shortfall of revenue to spending -- to 5.5 percent of gross domestic product (GDP), the target for this year set under its 2011 78-billion-euro EU-IMF bailout.

Prime Minister Pedro Passos Coelho announced that cuts scheduled for 2014 would be brought forward to try to plug the 1.3-billion-euro gap caused by the court ruling.

Both Ireland and Portugal had been pushing for the extension on the grounds that they had stuck closely to the terms of their bailouts and had made most progress in being able to return to the financial markets to raise funds conventionally.

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BlackBerry to ask regulators to probe report on returns

REUTERS, Toronto/New York

BLACKBERRY plans to ask securities regulators in Canada and the United States to probe what it said is a "false and misleading" report that consumer return rates for BlackBerry's new Z10 smartphone have been especially high.

The Canadian company, which has pinned its turnaround hopes on its new BlackBerry 10 line of smartphones, went on the offensive on Friday after the report from Boston-based research and investment firm Detwiler Fenton sent its stock tumbling on Thursday.

BlackBerry said return rates for its flagship Z10 devices have been at, or below, its forecasts and in line with industry norms.

"To suggest otherwise is either a gross misreading of the data or a willful manipulation," Chief Executive Thorsten Heins said in a statement. "Such a conclusion is absolutely without basis and BlackBerry will not leave it unchallenged."

BlackBerry said Detwiler Fenton had so far refused to share its report or its methods. It said it would present a formal request for an investigation to the US Securities and Exchange Commission and to the Ontario Securities Commis-

sion, which is Canada's major securities regulator, over the next few days.

Detwiler has had run-ins with regulators in the past, documents reviewed by Reuters show. But none of the cases involved questions about the accuracy of Detwiler's research or were linked to BlackBerry.

The OSC said it would review the matter once it receives a formal complaint.

"After the first 14 days, quality performance of the Z10 has been in line with similar devices we've launched," said Debra Lewis, a spokeswoman for Verizon Wireless.

A spokeswoman for Detwiler did not respond to a phone call and an email from Reuters seeking comment. The director of research also did not respond to a call seeking comment.

"We believe key retail partners have seen a significant increase in Z10 returns to the point where, in several cases, returns are now exceeding sales, a phenomenon we have never seen before," its report said. Detwiler Fenton gave no details on how it had gleaned this information.

While a number of brokerage firms have in recent weeks published reports saying Z10 sales in the US market are slow, none of them have flagged any major concerns about returns.

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REUTERS

A BlackBerry Z10 device is displayed at a Rogers store in Toronto. BlackBerry said on Friday it would ask securities regulators in Canada and the United States to probe a report about retail return rates for its new Z10 smartphone that it called "false and misleading"