

Bangladeshis top list of workers in Saudi cover-up businesses

STAR BUSINESS REPORT

Bangladeshi nationals topped the list of foreign workers involved in cover-up businesses run by illegal companies in Saudi Arabia, a study conducted by King Abdul Aziz University revealed yesterday.

The study carried out by the chair of Prince Mishal bin Majid on cover-up business research at the university found that such businesses sponsor 80 percent of undocumented foreign workers in the country.

Bangladeshi workers ranked first standing at 22.7 percent, as reported by the Saudi-based English daily Arab News.

Egyptians came second in line at 19 percent, followed by Syrians (14.1 percent), Yemenis, Sudanese, Palestinian and Lebanese nationals, it mentioned.

The study was based on the quarterly statistics issued by the Ministry of Commerce and Industry's Consumer Affairs' Committee of Saudi Arabia.

The sectors that witnessed the highest rates of cover-up activity according to the study are construction and contracting, followed by consumer goods sector and general trade.

The amount of remittances sent by foreign workers have increased, and the number of fake institutions have increased recently, which indicates that the existence of cover-up businesses in the Saudi market, said Farouk Al-Khatib, a professor of economics at King Abdul Aziz University.

Dr Tasneem Siddiqui, founding chair of Research of Refugee and Migratory Movements Research Unit (RMMRU), said the impact of the

report on the Bangladeshi workers is a matter of concern, but there is no scope to blame Bangladeshis alone.

"As Saudi companies give fake 'Iqama' or work permit to foreign nationals including Bangladeshis, they can not avoid liability. Now the governments of Bangladesh and Saudi Arabia should work jointly to identify and take stern action against this quarter," she told The Daily Star.

Emdadul Haque, labour counselor at the Bangladesh embassy in Riyadh, denied having any information regarding the issue.

"Arab nationals run their business and employ our workers within a procedure in which the employers become sponsors of the foreign workers. So, there is no scope for our people to be involved in such activity," he told The Daily Star by phone yesterday.

Twitter pays engineer \$10m as Silicon Valley tussles for talent

REUTERS, San Francisco

Among Twitter Inc's highest-paid executives, Christopher Fry's name stands out.

The senior vice president of engineering raked in \$10.3 million last year, just behind Twitter Chief Executive Dick Costolo's \$11.5 million, according to Twitter's IPO documents. That is more than the paychecks of executives such as Chief Technology Officer Adam Messinger, Chief Financial Officer Mike Gupta and Chief Operating Officer Ali Rowghani.

Welcome to Silicon Valley, where a shortage of top engineering talent amid an explosion of venture capital-backed start-ups is inflating paychecks.

"The number of A-players in Silicon Valley hasn't grown," said Iain Grant, a recruiter at Riviera Partners,

which specializes in placing engineers at venture-capital backed start-ups. "But the demand for them has gone through the roof."

Stories abound about the lengths to which employers will go to attract engineering talent - in addition to the free cafeterias, laundry services and shuttle buses that the Googles and Facebooks of the world are already famous for.

One start-up offered a coveted engineer a year's lease on a Tesla sedan, which costs in the neighborhood of \$1,000 a month, said venture capitalist Venky Ganesan. He declined to identify the company, which his firm has invested in.

At Hotel Tonight, which offers a mobile app for last-minute hotel bookings, CEO Sam Shank described staging the office to appear extra lively for a prospective hire.



BAY EMPORIUM

Shamsur Rahman, chairman of Bay Group, opens an outlet of Bay Emporium on level 6 of Bashundhara City market on Panthapath in Dhaka recently. MA Quader, chief executive officer of Bay Emporium, was also present.

Yahoo acquires ad-service, URL-shortner Bread

AFP, Washington

Yahoo said Saturday that it acquired tech company Bread, a URL shortner that allows users to design then target advertisements to readers who click on their links.

"Through this acquisition, we're gaining a team of six engineers and product managers who will join our advertising technology organization in Sunnyvale," a Yahoo spokesman said.

Bread, which has already been shuttered, allowed users to make and insert ads that people clicking through to a shortened link's webpage would have to view, according to media.

"When we launched Bread in 2011, our goal was to help social media influencers and publishers better monetize their online content," the company said in a statement.

All Bread links will be viable until November 11, at which point the company says users should switch to another URL shortner, bit.ly.

Yahoo has been undergoing major changes since former Google executive Marissa Mayer became boss just over a year ago, notably acquiring what is now more than 20 startups including the billion-dollar buy of blog platform Tumblr.

Malaysia is on track for growth in 2014: central bank governor

BLOOMBERG

Malaysia's central bank Governor Zeti Akhtar Aziz said that the economy is on track for 4.5 percent to 5 percent expansion this year as domestic demand holds up and exports recover, predicting higher growth in 2014.

"We saw the latest numbers for exports have turned around to become positive so if that trend continues it will be at the higher end" of the 2013 gross domestic product forecast that was given in August, Zeti, 66, said in an Oct. 12 Bloomberg interview in Washington. She said she expects that economic growth next year "would be an improvement from 2013."

Malaysia, Southeast Asia's third-largest economy, has posted average 6 percent growth in the three years through 2012, aided by domestic demand and investment. As the country now joins Asian emerging markets from Indonesia to China in facing slower growth, Zeti said the ringgit has been relatively stable compared with other currencies and should appreciate over time if the country's underlying fundamentals remain strong.

Independent directors must be appointed on merit

FROM PAGE B1

An independent director will not be an employee or director of any capital market intermediary, including merchant banks or asset management firms within the preceding three years of the proposed date of appointment.

Any employee of any regulatory organisation and any director or employee of a listed company will not be eligible to be an independent director, according to the scheme.

There is also restriction on the chief executive officer or managing director of any subsidiary company, associated firm, associated undertaking or holding company of the exchange within the preceding three years to be an independent director.

The scheme also set educational and professional qualifications for an independent director of a demutualised stock exchange.

As per the scheme, an independent director must have post graduate academic qualification in business, economics, statistics, computer science, mathematics, public administration or law with 10 years of professional experience.

However, graduate holders in a similar discipline can also be eligible for the posts, but they need to have 15 years of professional experience.

Professional designations such as CFA, CA, CMA, CS and CPA, with no less than 10 years of professional experience, will also be eligible for the posts of independent directors.

Persons with at least a graduate degree from any discipline with 20 years of management experience can also be an independent director, according to the scheme.



GRAMEENPHONE

Arifur Huq Chowdhury, mayor of Sylhet City Corporation, inaugurates a rally to mark the commercial launch of Grameenphone's 3G services in Sylhet on Saturday. The service was also launched in Chittagong at the same time.



TRUST BANK

Ishtiaque Ahmed Chowdhury, managing director of Trust Bank, receives the "Kormobir Crest & Manpotro" Award from Finance Minister AMA Muhith during the Kormobir Reception and Gunijon Shommilon 2013 organised by Sylhet Ratna Foundation, at Biam auditorium in Dhaka recently.

Hard road to world domination for Chinese firms

AFP, Beijing

In the global contest for business Chinese brands struggle to rival big Western and Japanese names, but some are now looking to reinvent their identities to overcome image and political hurdles.

The world's second largest economy does not have a single one of the world's top 100 brands, as compiled by marketing consultancy Interbrand.

And according to a survey by HD Trade Services, 94 percent of Americans are unable to name a single Chinese brand, with a third saying they would not buy one they knew to be Chinese.

"Brand China has many problems -- transparency, ethical practices, treatment of employees, the quality of the products," Richard Edelman, head of public relations giant Edelman told a World Economic Forum meeting in Dalian.

"And unfortunately the China reputation for companies is too much overshadowed by reputation of government."

Chinese phone security company NQ Mobile dealt with the problem by effectively presenting itself as an American firm.

It created an entirely new headquarters in the Lone Star state, listed on Wall Street, has an American co-CEO brought over from US banking giant Citigroup, and its English website proclaims: "Made in Dallas, Texas".

Henry Lin, the group's founder, told

AFP: "All our employees in the US are American people... the consumer will feel it's a US company."

"We divided the global market in two parts, developing countries, for which the headquarters is Beijing... and developed countries, with a headquarters in Dallas."

"If you can be successful in the US, you would be successful in western Europe, Japan, Australia."

Others are simply buying foreign firms, as decades of inward investment into China begins to move in the other direction.

Last month a \$7.1 billion takeover by Shuanghui International was agreed by shareholders of US pork giant Smithfield Foods, the biggest ever Chinese acquisition of a US company.

Chinese car manufacturer Geely bought out Sweden's Volvo, while its rival Chery created a new brand, Qoros, in partnership with an Israeli group.

Most symbolically, electronics group Lenovo took over the PC arm of venerable US computer firm IBM in 2005, and went on to become the world's biggest PC maker.

But others prefer to stick with their own name, such as the world's top fridge maker Haier, or telecoms giant Huawei -- which has been described as one of the world's most controversial companies.

It generates 67 percent of its sales from outside China, and last year was listed among the top five companies in the world for numbers of patents.

Without grand plans for China, US, Sony set to lag in smartphones

REUTERS, Tokyo

Kazuo Hirai's plan to restore Sony Corp to lasting profitability rests in large part on its smartphones leapfrogging rivals to become the world's third-biggest sellers after the Apple iPhone and Samsung's Galaxy series.

But that goal remains some way off. Sony's CEO, installed last year with a brief to turn the serial loss maker around, said on Friday that for now, Sony has no big plans for the world's two largest smartphone markets, China and the United States.

Instead, Hirai said Sony, which aims to rise to third position from its current ranking of seventh, will focus on Europe and its home market in Japan, which collectively account for 60 percent of its smartphone sales.

"Those two are the most important areas for us and we'll put substantial resources there. But not yet for the US and China," Hirai told a gathering of journalists.

"It's not realistic to try to do everything at once. In the US we'll start gradually."

In the US, only the fourth-largest carrier T-Mobile US Inc offers Sony smartphones. Meanwhile, Sony has been unable to compete in China with homegrown brands from ZTE to CoolPad despite contracts with the three largest carriers.

Sony is not among the top five smartphone brands in either of those markets, according to research firm IDC. Its global share of the smartphone market was a modest 2.2 percent in the second quarter of this year, according to research firm Gartner, trailing the likes of LG Electronics

Inc and Lenovo Group Ltd as well as Apple Inc and Samsung Electronics.

Hirai has positioned mobile devices as one of the three pillars for a turnaround of the company's electronics unit, which relied on help from a weak yen to post a profit in the latest quarter - its first quarterly profit in two years.

The other two key divisions are games, where the PlayStation 4 console due for launch next month has drawn strong pre-orders, and digital imaging, where Sony dominates the production of image sensors for smartphone cameras.

Against that background, smartphones could end up the weakest link in the strategy.

"Their devices are OK but frankly not compelling. They're fine, but they're not exceptional," said Benedict Evans, an independent mobile and telecommunications analyst based in London. "But the deeper problem is that when you're selling devices made on someone else's platform it's extremely difficult to differentiate."

Even in its home market, where Sony ranked No. 2 in the latest quarter behind Apple, the outlook has become tougher. Last month Japan's largest carrier, NTT DoCoMo Inc, which in its summer campaign favoured Sony's Xperia over other domestic brands, struck a deal with Apple to carry the latest iPhone.

Still, Hirai said the Xperia's established reputation in Japan should help to see off the threat from Apple. "We have strong brand recognition here for Xperia's hardware and services," Hirai said.



SOUTHEAST BANK

SM Mainuddin Chowdhury, deputy managing director of Southeast Bank, inaugurates the bank's 100th branch in Sirajganj recently. Wares-UI-Matin, head of logistics and general services division, was also present.



REGENT AIRWAYS

Yasin Ali, chairman of Regent Airways, and Wing Commander Nur-E-Alam, airport manager, inaugurate the airline's direct flights on the Chittagong-Kolkata route at Shah Amanat International Airport on Friday. Regent will fly to Kolkata from Chittagong on Tuesdays, Fridays and Sundays.



M RAHMAN

Tanvir Rahman, deputy managing director of M Rahman & Co Ltd, receives the International Star Award for Quality on behalf of his company from Jose E Prieto, president of Business Initiative Directions, at a ceremony in Geneva, Switzerland recently.