Coca-Cola workers protest layoffs in Spain

AFP, *Madrid*

THOUSANDS of workers from Coca-Cola bottling factories in Spain marched Sunday in protest at plant closures they say will cost 750 jobs.

In red caps and vests bearing the logo of the giant US drinks company, crowds marched in Madrid and the eastern city of Alicante, where two of the threatened plants are located.

Coca-Cola's plan to close four of its bottling factories in Spain is expected to lead to 750 workers being laid off and 500 others being offered relocation to other plants.

The company said last month that the closures were needed to improve efficiency. Workers say the layoffs are unjustified since the company is making a profit.

Workers at the plant in the southern Madrid suburb of Fuenlabrada, one of the capital's poorest districts, have been on strike since Friday in protest.

About 2,000 protesters marched to central Madrid from Fuenlabrada in Sunday's five-hour protest.

They waved signs reading: "Boycott, they are destroying jobs" and "No to the layoffs".

"The plants are profitable but they are throwing us into the street," said Francisco, 51, who fills bottles at the Fuenlabrada plant where he has worked for 17 years. He asked not to be identified by his surname.

Kingfisher to appeal winding-up plea by creditor

REUTERS, *New Delhi*

GROUNDED carrier Kingfisher Airlines Ltd said on Monday it will appeal against a court order accepting a winding-up petition by a UK-based creditor.

Kingfisher, which has not flown in more than a year for want of cash, said it would appeal against the Karnataka High Court's order admitting the petition by Aerotron Ltd. Kingfisher said Aerotron was an unsecured creditor.

A Kingfisher spokesman declined to comment further.

Kingfisher, controlled by flamboyant liquor baron Vijay Mallya, owes more than $1 billion to Indian state-run lenders, and hundreds of millions of dollars more to airports and the tax office among others.

India does not have a formal bankruptcy process. Liquidation pleas could take years before a final verdict.

Kingfisher has said several times in the past that it was trying to arrange funds and revive operations, but has seen little success so far.

edotco Bangladesh plans to maximise tower sharing

Managing director of the firm shares his thoughts on tower infrastructure

SUMAN SAHA

A telecom tower operating company—edotco Bangladesh—aims to reduce telephony cost in the country by ensuring maximum utilisation of tower infrastructure.

"We want to maximise tower sharing through consolidation," said Andy Rolt, managing director of the company.

Consolidation is important for Bangladesh as the market's average revenue per user is very low, he said.

With tower sharing, telecom operators can free up the capital that they have invested in tower infrastructure and reduce the operating cost, he said.

Such sharing will enable network operators to invest more funds in value-added services and widen access to telephony, Rolt said in a recent interview.

The company plans to rent out the space on its BTS (base transceiver) sites for customer antennae and radio equipment along with providing power to operate the equipment.

It means edotco will help operators to move from sole occupancy to sharing on low revenue sites, he said.

"Our BTS sites include ground-based sites, rooftop locations and specialised in-building solutions. We support power and cooling systems too."

The firm launched as an independent business on June 1 last year is part of the Malaysia-based Axiata Group with mobile telephone and network infrastructure operations in eight countries, according to the

Andy Rolt

website of edotco Group.

Axiata always judges the future of a business before getting involved in it, said Rolt. "The potential of tower sharing business in Bangladesh mainly prompted Axiata to launch edotco here."

"Passive infrastructure is a revenue-generating asset and best exploited as a standalone business."

The company also plans to minimise risks by reducing the weight of rooftop sites. "This is not just a safety issue; it also represents a programme which could make best use of assets."

edotco Bangladesh intends to work with Bangladesh University of Engineering and Technology, professional engineering bodies, Bangladesh Garment Manufacturers and Exporters Association and the telecom regulator to establish enforceable guidelines for rooftop sites.

The company has so far invested around $150 million in Bangladesh and will invest an additional $50 million in the next one year to upgrade and expand its network to operate these assets, he said.

"It will provide tower services to all telecom, Wi-Fi, WiMax and other similar organisations."

Currently, the company has more than 6,000 towers in operation, he said.

The telecom regulator had enacted an infrastructure sharing guideline to let telecom operators share their towers, but the initiative was not successful. As a result, operators are setting up multiple towers at the same sites.

Pakistan's privatisation tsar faces challenges

REUTERS, *Islamabad*

MOHAMMAD Zubair was on a cruise dinner with Pakistani Prime Minister Nawaz Sharif in Thailand when he was offered the hardest job of his life: privatising a huge chunk of the economy while fighting resistance from the opposition and trade unions.

When the prime minister left the table, a colleague of former IBM executive Zubair rushed to his side.

"Are you mad? Three privatisation ministers have gone to jail and most have corruption cases hanging over their heads," he said. "Don't take this job."

But Pakistan's new privatisation tsar is determined to find buyers for 68 public companies, most of them loss-making, including two gas companies, an oil company, about 10 banks, the national airline and power distribution companies - all within the next two years.

The government sees the sell-offs as a life saver for Pakistan's $225 billion economy crippled by power shortages, corruption and militant violence. Successful privatisation is Sharif's top political and economic goal.

"We lose 500 billion rupees annually because of failing enterprises," Zubair told Reuters. "Every day a file lands on a bureaucrat's desk and he has to take a decision he isn't qualified to. This can't go on, no matter what."

Pakistan can raise up to $5 billion in privatisation revenue in the next two years to ease pressure on strained public finance, Zubair said.

Last September, the International Monetary Fund saved Pakistan from a possible default by agreeing to lend it $6.7 billion over three years. In return, Pakistan must make good on a longstanding promise to privatise loss-making state companies.

Privatisation officials, requesting anonymity, said several foreign investors, including the World Bank's private-sector arm, the International Finance Corporation, and the U.S. mutual fund Fidelity Investments have shown interest in the companies.

But for Zubair, a former IBM chief financial officer for the Middle East and Africa, the real challenge is overcoming resistance from thousands of workers who will have to be laid off and opposition parties who are against the plan.

Once a source of pride, Pakistan International Airlines is struggling to stay aloft, having accumulated losses of more than 250 billion rupees. A quarter of its 40 aircraft are grounded. Flights are regularly cancelled and engineers say they have to cannibalise some planes to keep others flying.

Unions strongly oppose the privatisation. The IMF wants the airline partially privatised by December.

Global automakers look for dream market in rural India

REUTERS *Mumbai*

FOR global automakers, the dusty backroads of rural India could be the new El Dorado.

As economic torpor suffocates demand for new cars in India's megacities, incomes are growing faster in small towns and country areas. That's pushing the likes of General Motors and Honda Motor Co to fan out in search of buyers in places where fewer than 20 people in every thousand own a car - for now.

Standing firmly in the way are strong home-grown brands. With local services plentiful and repairs cheap, Maruti Suzuki India Ltd, Mahindra and Mahindra Ltd, and Tata Motors Ltd dominate the rural vehicle market where foreign automakers are seen as expensive and distant.

Foreign companies showing cars at the Delhi auto show, starting on Wednesday, have already poured billions of dollars into factories, product development and marketing in India's once-booming car market.

Still, no foreign car maker has a share of more than 6 percent in India's passenger vehicle market aside from South Korea's Hyundai Motor Co with 15 percent.

Car makers see success in rural areas as vital, as slow economic growth, high interest rates and rising fuel prices mean overall sales are headed for their second straight year of decline. Though the need for rural sales has been recognised, success could yet prove illusory.

Japan's Honda entered India nearly two decades ago but will still have only 170 dealerships by end-March, compared with market-leading Maruti's current 1,300. Of the 60 sales outlets Honda plans to open in India in the fiscal year that starts in April, 43 will be in small towns.

"It's very easy to travel once in three-four years to a place 100 kilometres away to buy," said Jnaneswar Sen, senior vice president of sales and marketing at Honda India. "It becomes a bit of a hassle for the customer to travel 100 or 150 kilometres every few months to get the car serviced."

Like most foreign carmakers in India, however, Honda is seen as a premium brand, beyond the reach of price-sensitive rural buyers. To

REUTERS

A villager cleans his Renault Duster car as buffaloes look on nearby, outside his house in Kishangarh village on the outskirts of the northern Indian city of Chandigarh.

expand its potential market, Honda last year launched the entry-level Amaze sedan, which starts at about 520,000 rupees and has helped it nearly double its market share to 4.7 percent.

Smaller towns and cities account for nearly two-thirds of Amaze sales, the company said.

"Smaller towns and rural areas are a gold mine that foreign automakers are yet to tap efficiently," IHS Automotive analyst Anil Sharma said.

"One of the prerequisites for any automaker to be successful in rural areas would be availability of after-market services. Since the population is more dispersed in rural areas, what we probably need is services like mobile workshops."

Selling foreign cars to rural India remains tough. Deepanshu Rai, who lives in Raigad, a small town about 100 kilometres from Mumbai, said he never considered buying a foreign model when he bought his first car about 10 months ago, an Alto 800 hatchback made by Maruti.

"If you buy a foreign brand, it won't have a service centre everywhere. You may have to travel far even for a small issue," said the 22-year-old Rai, who works for a mapping company.

MIGHTY MARUTI

For Maruti, the opposite is true. Founded in Gurgaon, outside New Delhi in 1982, Maruti accounts for nearly one in two new cars sold in India.

Though it has drawn on the small-car knowhow of Japan's Suzuki Motor Corp, its majority shareholder, Maruti is seen as so home-grown that in the 1980s, the word "Maruti" was used generically to mean any car.

On narrow rural roads, its cheap small cars jostle for space with Mahindra's sturdy utility vehicles, tractors, motorbikes and bullock carts, with foreign models scarce. Spare parts, including fakes, are cheap and ubiquitous, and mechanics everywhere can fix a Maruti, keeping maintenance costs down.

Maruti's deep rural penetration has helped it defend its market share amid the industry's two-year downturn. That's despite the onslaught of new models launched by foreign rivals.

Next in line will be Nissan Motor Co's relaunched low-end Datsun brand. At the Delhi auto show Datsun will showcase a hatchback to compete with Maruti's Alto 800, which starts at 280,000 rupees.

Areas with populations of less than 10,000 people account for 31 percent of Maruti's sales so far in the fiscal year that ends in March, said Mayank Pareek, Maruti's chief operating officer for marketing and sales, adding the company began a heavy push to target rural buyers five years ago.

Mobile Asia holds key to Facebook's future growth

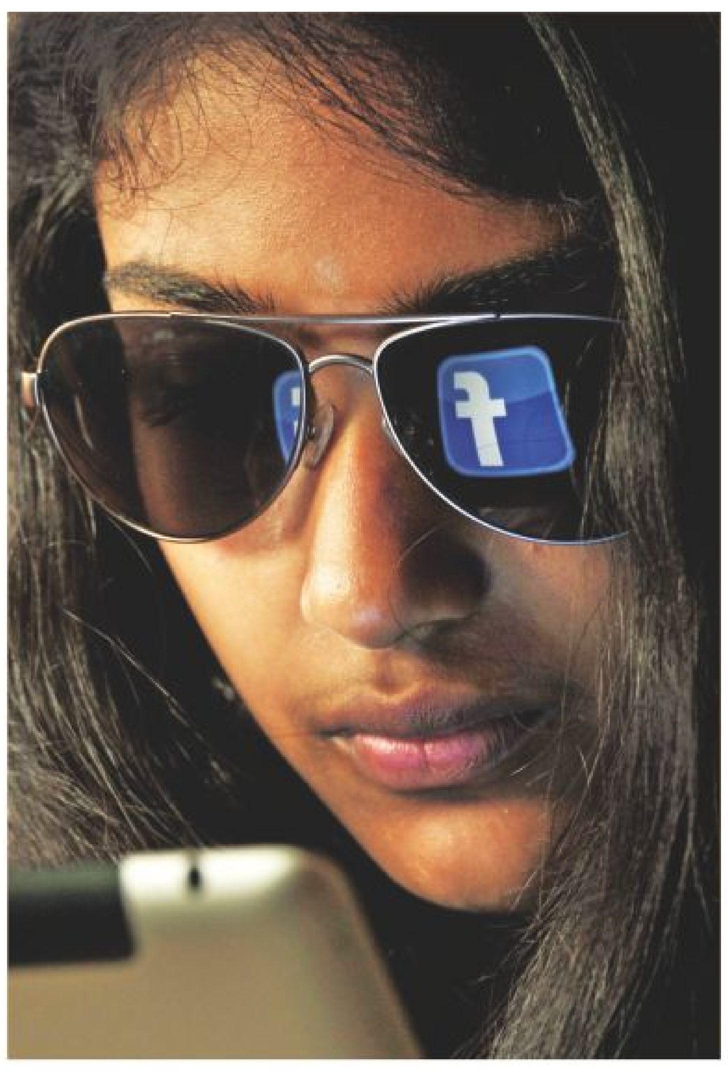
AFP, *Mumbai*

AS Facebook celebrates its 10th birthday, one of its biggest challenges is to tap the mobile market in emerging Asian economies, where it can drive expansion after growth in the West tapers off.

India is expected to overtake the United States as the country with most Facebook users in 2014, with its total number forecast to surge beyond the 150 million mark from the current 93 million level.

But despite its rapid growth in parts of Asia, experts say Facebook cannot afford to be complacent and locally-tailored competitors are threatening to steal its thunder in countries such as Indonesia.

With Internet penetration still relatively low in Asia's emerging economies, many people's first online experience comes when they log on with a mobile phone.



AFP

The Facebook logo is reflected in an Indian woman's sunglasses as she browses on a tablet.

Kevin D'Souza, Facebook India's head of growth and mobile partnerships, says the key to success in emerging markets therefore depends on encouraging access via basic mobiles known as "feature phones".

"We're already seeing the majority of users sign up to Facebook on mobile devices," D'Souza told AFP.

"A large chunk of mobile phone users in India are feature phone users, and with low price points, these devices are becoming the first Internet connected device many people will own."

He said more than 100 million people globally are now using the "Facebook for Every Phone" app specifically for non-smartphones and many of the next billion users Facebook hopes to attract are expected to do the same.

Preloaded

The Nokia Asha 501 feature phone now comes preloaded with Facebook, while India's telecom giant Bharti Airtel announced last month that it would offer free Facebook access in nine local languages to prepaid customers.

In India, more than 40 percent of the 1.2 billion population have cell phones but barely five percent are smartphone users, according to estimates by consultancy Analysys Mason.

Nevertheless, researchers at eMarketer predict India will reach 152.4 million Facebook users this year, surpassing the 151.1 million forecast for the US.

The growing importance of mobile Internet access was demonstrated with Facebook's strong earnings released last week.

Advertising revenue surged to $2.34 billion in the quarter, up 76 percent over the past year, and more than 53 percent of that figure was mobile advertising revenue -- up from 23 percent in the fourth quarter of 2012.

"2013 was the year we turned our business into a mobile business," said boss Mark Zuckerberg, who began the company as a student a decade ago, since when it has swelled to attract 1.23 billion active users worldwide.

Aakrit Vaish, a founder of mobile company Haptik, said it was not just the sheer population size that made India such a big Facebook player.

"Culturally in our country we have always been, for better or worse, very inquiring about other people's lives," he said.

He believes an additional benefit for Facebook in India has been the prominence of English speaking among the urban elite, who were the first to get access to the social network.

The same is true of the Philippines, where more than one in three people are on Facebook according to marketing agency We Are Social whose data shows the country spending more hours per day on social media than anywhere else in Asia.

Facebook has overtaken mobile text messaging as a key communication tool, also embraced by Philippine politicians and activists -- President Benigno Aquino's Facebook page has more than three million "likes".

Protesters last year used the network to vent anger over the misuse of state funds by lawmakers, snowballing into a mass rally in Manila in August.

Tailoring content

But experts say that Facebook's dominance in some Asian markets faces a threat from competitors who are adapting to local tastes.

With Facebook banned from China since 2009, Indonesia has the second largest number of users in Asia, with around 65 million.

But youngsters are also active on Indonesian-made social media such as Kaskus, while US-based social network FourSquare and China's WeChat have launched popular Indonesian versions of their platforms.

"Nothing works better than making something local," market research firm Roy Morgan Asia director Debnath Guharoy told AFP.