Samsung, Apple call truce in patent war outside US

AFP, *Seoul*

Arch-rivals Samsung and Apple decided Wednesday to drop all patent disputes outside the United States, marking a partial ceasefire in a long-running legal war between the world's two largest smartphone makers.

Both companies have been locked in a three-year battle of litigative attrition in close to a dozen countries, with each accusing the other of infringing on various patents related to their flagship smartphone and tablet products.

But neither has managed to deliver a knock-out blow with a number of rulings going different ways, and Wednesday's announcement suggested a line was finally being drawn.

"Samsung and Apple have agreed to drop all litigation between the two companies outside the United States," Samsung said in a statement.

However, the agreement came with one key caveat, with the two giants stressing that they would continue "to pursue the existing cases in US courts."

The patent row kicked off in earnest back in 2011, when Apple sued Samsung in a US court, and swiftly went trans-continental with cases being heard in South Korea, Germany, Japan, Italia, the Netherlands, England, France and Australia among others.

Apple has accused its South Korean rival of massive and wilful copying of its designs and technology for smartphones and tablets, and has asked for a bar on US sales of Samsung smartphones and tablet computers.

Samsung has counter-claimed that Apple had used some of its technology without permission.

The two firms had been pushed into talks in early February by a US court order that saw Apple CEO Tim Cook and his Samsung mobile communications counterpart JK Shin attend a full-day negotiation session, along with their advisors and legal teams.

But despite several follow-ups, the mediator's settlement proposal was not taken up and the litigation continued.

In the latest development in May, a jury in federal court in California awarded Apple close to $120 million in damages in one of its patent suits with Samsung.

The award was only a fraction of the more than $2 billion Apple had sought at the outset of the trial, and the result was seen as partial victory for both sides.

- Law of diminishing returns -

Daishin Securities analyst Claire Kim said the two companies appeared to have tired of a lengthy, costly process that was producing no tangible dividends.

"They now realise there is no reason to continue their battle outside the US, because their lawsuits have produced so little results," Kim told AFP.

When the lawsuits first started flying Samsung and Apple were the undisputed kings of the global smartphone market and their legal wrangles were seen as a fight for supremacy.

But that situation has changed, as developed markets have become increasingly saturated and emerging markets more competitive with the rise of Chinese manufacturers like Lenovo, Xiaomi and Huawei.

"There's no more merit in the old strategy of expanding market share through attacks on rivals," Kim told AFP.

Samsung's share price closed 1.22 percent lower on Seoul's main stock exchange after Wednesday's announcement.

Samsung's second-quarter net profit plunged 19.6 percent from a year ago to 6.25 trillion won ($6.1 billion), as competition from cheap Chinese phones and the strong won saw sales slump in its key mobile business.

Alarm bells have been sounding for a while over Samsung's reliance on smartphone sales in mature markets such as Europe and the United States.

Efforts to expand sales in emerging markets, most notably China, have stumbled over the growing challenge posed by smaller rivals producing cheaper handsets.

There is a general consensus that smartphone evolution has hit a barrier that will only allow incremental improvements on existing design and technology, rather than market-changing reinvention.

Ebola threatens African economies

AFP, *Monrovia*

In the deserted shops and marketplaces of west Africa's towns and cities, traders worry about a secondary, insidious effect of the world's most deadly Ebola outbreak: the prospect of financial ruin.

The tropical virus has claimed almost 900 lives since it emerged in the forests of southern Guinea at the start of the year, but it is also killing off business and threatening manufacturing.

In perhaps the most worrying indication of the epidemic's damage to the wider economy, the World Bank has warned of a possible decline in the key mining sector as expatriate workers abandon the region.

"This Ebola sickness is affecting us... because first, people used to buy from us. But now the money we used to make, we are not making it," says Yukon Morris, a stallholder in the eerily quiet Jorkpeh market, in the Liberian capital Monrovia.

Morris sells ground leaves from cassava, a woody shrub used extensively in west African cuisine and one of the most important food crops in Liberia.

Ebola, which has killed more than half the people it has infected in the current outbreak, spreads through contact with bodily fluids such as blood, saliva and sweat.

Morris says his customers, fearful of coming into contact with their fellow Liberians, are staying away from Monrovia's once-crowded marketplaces.

"If you grind this particular (produce), you sweat. And the people say 'no sweating, no touching', and in this business we cannot put gloves on our hands to do this work."

Fellow trader Kimeh Johnson is also feeling the pinch. "What I want to tell the government of Liberia and the international community, they should please find a means for (controlling) this Ebola virus," she tells AFP from her vegetable stall.

"So it can stop and our children can go to school freely in a way that our business and everything will be fine. Customers will flow like before. But right now, nothing [is] going on for we, the business people."

The Ebola virus is as terrifying as it is deadly.

Infected people who do not get the correct treatment quickly face muscle pain, headaches, fever and, eventually, an agonising and undignified death soaked in their own vomit, faeces and blood.

The confirmation on Monday of a second case in Nigeria came amid fear and anger about the dead being left unburied in Liberia's capital.

Meanwhile, Sierra Leone's president said that the regional epidemic threatened the "very essence" of the nation.

Global medical and travel security group International SOS says it has received hundreds of requests for advice on Ebola since the beginning of March, with queries up 400 percent month-on-month in June.

The World Bank has pledged $200 million (149 million euros) to help contain the virus and prop up the region's economies, but has warned that the damage to business is already being done.

"With the Ebola virus now directly and indirectly impacting economies in Guinea, Liberia, Sierra Leone and neighbouring countries, the new World Bank Group emergency response will also help countries and communities cope with financial hardship caused by the outbreak," it said in a statement.

The bank said Guinea was expected to experience a full percentage point fall in gross domestic product (GDP) growth, from 4.5 percent to 3.5 percent, while agriculture had been affected in all three countries as rural workers flee farms in the affected zones.

The statement said cross-border commerce had slowed considerably, with land crossings to neighbouring countries closed, and a drop in international flights had reduced the amount of cash coming into the region.

Revenue has further been affected as projects involving expatriate workers or business travellers scale down.

The bank also warned of a possible decline in mining across the region.

The sector is the cornerstone of the economies of west Africa, which sit atop some of the largest deposits of iron ore, diamonds and other minerals in the world.

British operation London Mining said in June it had evacuated "non-essential" staff from Sierra Leone and was screening all staff and visitors entering its sites.

"In the mining sector, if the evacuation of skilled expatriate staff continues, there will be a sizable decline in production," the World Bank said.

REUTERS

People buy food at a market in Bangkok. The Bank of Thailand kept its policy rate at 2 percent, a level set in

Thailand holds rates as economy shows signs of life

AFP, *Bangkok*

Thailand's central bank held its key interest rate Wednesday as the kingdom's economy showed signs of revival after an army coup ended months of political protest which rattled consumers, tourists and investors.

The Bank of Thailand kept its policy rate at 2.00 percent, a level set in March in an effort to boost an economy which shrank 2.1 percent quarter-on-quarter in the first three months of 2014.

The economy had since shown "signs of improvements... from private spending following the political resolution," said Paiboon Kittisrikangwan, Secretary of the Monetary Policy Committee (MPC).

Explaining the decision, he said the bank expected stronger domestic demand in the second half of the year as "fiscal policy, particularly public investment, should lend further growth recovery" while exports including tourism are also expected to recover, albeit slowly.

It was the bank's second monetary policy decision since the army toppled a civilian government whose spending plans were hamstrung by months of political turmoil.

Thailand's army seized power from the elected government on May 22, pledging to galvanise the kingdom's stuttering economy.

It has promised to make swift decisions on much-needed major infrastructure projects and has moved to reassure tourists the kingdom is once again safe to visit after violence linked to the protests claimed nearly 30 lives and wounded hundreds more.

An appointed national assembly will be convened for the first time tomorrow, opening the way for the selection of a new prime minister who will marshall economic policy.

Analysts said the bank's expected rate hold reflected fragile economic gains since the army power grab.

"With the economy still in a delicate state, the Bank of Thailand will be keen to keep rates low," Capital Economics said in a briefing note.

"But as the economy gains a stronger footing in 2015, supported by public spending, we expect the BoT to gradually tighten monetary policy."

Obama woos Africa with billions of dollars in deals

AFP, *Washington*

President Barack Obama announced billions of dollars in investment for Africa on Tuesday, as the United States challenges China and Europe's leading roles in the continent's economic emergence.

But America's first black president urged African leaders to not let corruption or rebellions sidetrack their gains, as he pledged a new partnership at a landmark summit with African leaders

"As president, I made it clear that the United States is determined to be a partner in Africa's success, a good partner, an equal partner and a partner for the long term," he declared.

"We don't look to Africa simply for its natural resources. We recognize Africa for its greatest resource, which is its people and its talent and their potential," he told 45 heads of state and government.

On the business-focused second day of the three-day summit, which brought together scores of US and African business tycoons, Obama announced $33 billion in new investments and financing from the private sector and government agencies.

This includes a new $12 billion for Africa's crucial power sector -- including contributions from Sweden and the World Bank -- an industry Washington has particularly focused on for US participation.

On top of that was another $14 billion in investment deals, and $7 billion in loans to support US exports to Africa, which have sagged while imports, mainly oil, have surged in recent years.

AFP

US President Barack Obama reaches for a glass to make a toast during a dinner for participants of the US Africa Leaders Summit in Washington on August 5.

Obama pitched American business as a potent rival to China and Europe in the race to benefit from Africa's economic emergence.

"We don't simply want to extract minerals from the ground for our growth," he said in a dig at China, which over the past decade has become Africa's leading partner, with more than double the trade that the US has with the continent.

"The bottom line is that the United States is making a major long-term investment in African progress," Obama said.

"That will support development across Africa and jobs in the United States."

But he stressed that African leaders had to do their part to protect their gains.

"Capital is one thing. Development programs and projects are one thing. But rule of law, regulatory reform, good governance: those things matter even more," he said.

"Because people should be able to start a business, and ship their goods without having to pay a bribe, or hire somebody's cousin."

"And we are going to have to talk about security and peace, because the future belongs to those who build, not those who destroy."

The summit also sought to wake up US businesses to the fact of Africa's rapid growth and huge middle class, consumers US officials want to target for American goods, from cars to processed foods.

Yet African leaders and business chiefs complained that American businessmen are bound to outdated stereotypes of a backwards continent, and see too much risk in investing there.

US firms still think "about Africa a decade ago... whereas things have really changed dramatically," said Nigerian commodities and telecommunications tycoon Aliko Dangote, Africa's richest man with an estimated $20 billion fortune. "Africa now has been growing at about 5.5 percent on average in the last decade," he insisted.

"There is a lot of perceived risk. People only talk about risk. But the majority of those who perceive risk don't know the story. They have not really been there."

The International Monetary Fund expects the African economy as a whole to grow by 5.4 percent this year and 5.8 percent the next, outstripping the global economy.

But, despite the new optimism in many parts of the continent, industry has failed to create jobs fast enough to employ a growing young population.

Civil wars and disease have also undermined governance in many areas, endangering regional stability.

Secretary of State John Kerry pointed to a "staggering youth bulge" in the African population that needs to see a future in economic growth and development, 700 million people under the age of 30.

Germany dismisses Hollande's economic growth appeal

AFP, *Berlin*

Germany on Wednesday rejected a fresh call from French President Francois Hollande to do more to promote economic growth in Europe, saying it was already pulling its weight.

Asked about comments made by the French leader this week calling for "stronger support of growth" by Germany, a government spokeswoman said Berlin saw "no reason" to change tack.

"Germany is already an important or even the most important growth engine in the eurozone," the spokeswoman, Christiane Wirtz, told reporters.

"Which is why these rather general comments coming from Paris give the German government no reason to make any corrections to its economic policy."

Hollande made the comments in an interview published on Monday, arguing that Germany's trade surplus and its relative fiscal health "would allow it to do more in terms of investment".

"That would be the biggest favour that Germany could do for France and for Europe," he said.

Since the start of the eurozone debt crisis in 2010, Germany has faced accusations that by failing to use its standing as Europe's biggest economy to do more to kickstart growth, it is leaving struggling partners in the lurch.

Meanwhile its insistence on fiscal discipline in exchange for aid to debt-mired countries has left Germany open to accusations that it is exacerbating the problems it aims to help solve.

Under Chancellor Angela Merkel's left-right "grand coalition" government which took power in December, Germany has pledged more public spending on infrastructure and education and has passed a national minimum wage which it says will boost consumer demand.

But it has continued to keep a tight lid on financial outlays to meet its goal of a balanced federal budget from 2015.

China anti-trust regulator conducts new raids on Microsoft, Accenture

REUTERS, *Beijing*

A Chinese anti-trust regulator conducted new raids on Microsoft Corp and partner in China Accenture PLC, the agency said on its website on Wednesday, after saying last week Microsoft is under investigation for anti-trust violations.

The State Administration for Industry and Commerce (SAIC) raided offices in Beijing, Liaoning, Fujian and Hubei, it said. The SAIC also raided the Dalian offices of IT consultancy Accenture, to whom Microsoft outsources financial work, according to the regulator. Microsoft and Accenture declined to provide immediate comment.

Last week, the SAIC said it was formally investigating Microsoft for breach of anti-trust rules and had raided four of the software firm's offices in China.

Microsoft has been suspected of violating China's anti-monopoly law since June last year in relation to problems with compatibility, bundling and document authentication for its Windows operating system and Microsoft Office software, the SAIC said last week.