

Regus offers convenient but low-cost office space

MD FAZLUR RAHMAN

A central location plays a key part in tapping in business potential, but for start-ups finding one to set up office with their limited budget is a near-impossible task.

The same is true for travelling businessmen, who are in the country occasionally and do not need a permanent office structure.

But now, both of the groups have found a solution in Regus, the world's largest provider of flexible workplace.

Regus has opened two centres in the two key commercial districts of the capital -- one in Crystal Palace on Gulshan South Avenue in October last year and another in the UTC Building at Karwan Bazar in March -- to provide a simple and flexible solution.

Both the centres provide a range of fully-equipped workspace options and business services including a business lounge, part-time and virtual offices, serviced offices, meeting rooms and video conferencing.

Regus also offers global membership, which means its members can avail facilities in any of its 2,000 centres located in 650 cities of 100 countries, said Rejaul Amin Sohail, who joined the company as its new head recently.

Businesses can access the ready-to-use offices with no upfront capital expenditure or long-term financial commitment. Facilities include office and meeting space, business lounges, high-speed WiFi and professional support staff.

Sohail said Regus's entry in Bangladesh will help local and foreign companies invest in this fast-developing economy and support efforts to attract foreign direct investment.

"Bangladesh is a potential market for Regus as the economy has continued a healthy growth. As a result, a lot of business opportunities will be created in the years to come," he told The Daily Star in an interview.

The requirements for the type of facilities that Regus offers will only grow in the coming years in Bangladesh.

"We are providing an opening to the new entrepreneurs from both home and abroad. We are also providing a platform to local companies to use our facilities abroad in order to expand their business footprint," Sohail said.

Regus sees its centres in Bangladesh as gateways to an economy with ambitions to become a middle-income country by 2021.

Company officials said flexible office option is more favourable for start-ups and business travellers, as the facilities allow them not to be locked into long-term contracts that do not suit their needs.

This is in sharp contrast to the normal practices in Dhaka, where occupants have to shell out a huge sum and enter into a long-term contract.



Rejaul Amin Sohail, head of Regus Bangladesh

All the meeting rooms at Regus centres are served by a dedicated support team and include free internet, telephone with speakerphone functions, flipcharts, whiteboards and markers, water, tea and coffee, note pads and catering services.

Customers can also use LCD projectors and screens.

Regus's approach has been favourably received by the business community. For instance, ETC Associates, a trader of leather products, started its business at the Regus centre in UTC Building from last month at a monthly rent of Tk 50,000.

A dozen of its staff members work there to sell leather products, bags, wallets and belts in foreign markets.

Jinia Preity, administrative officer of the company, said: "The most important thing is that you always feel that you are working in your own office. You can come and work whenever you want."

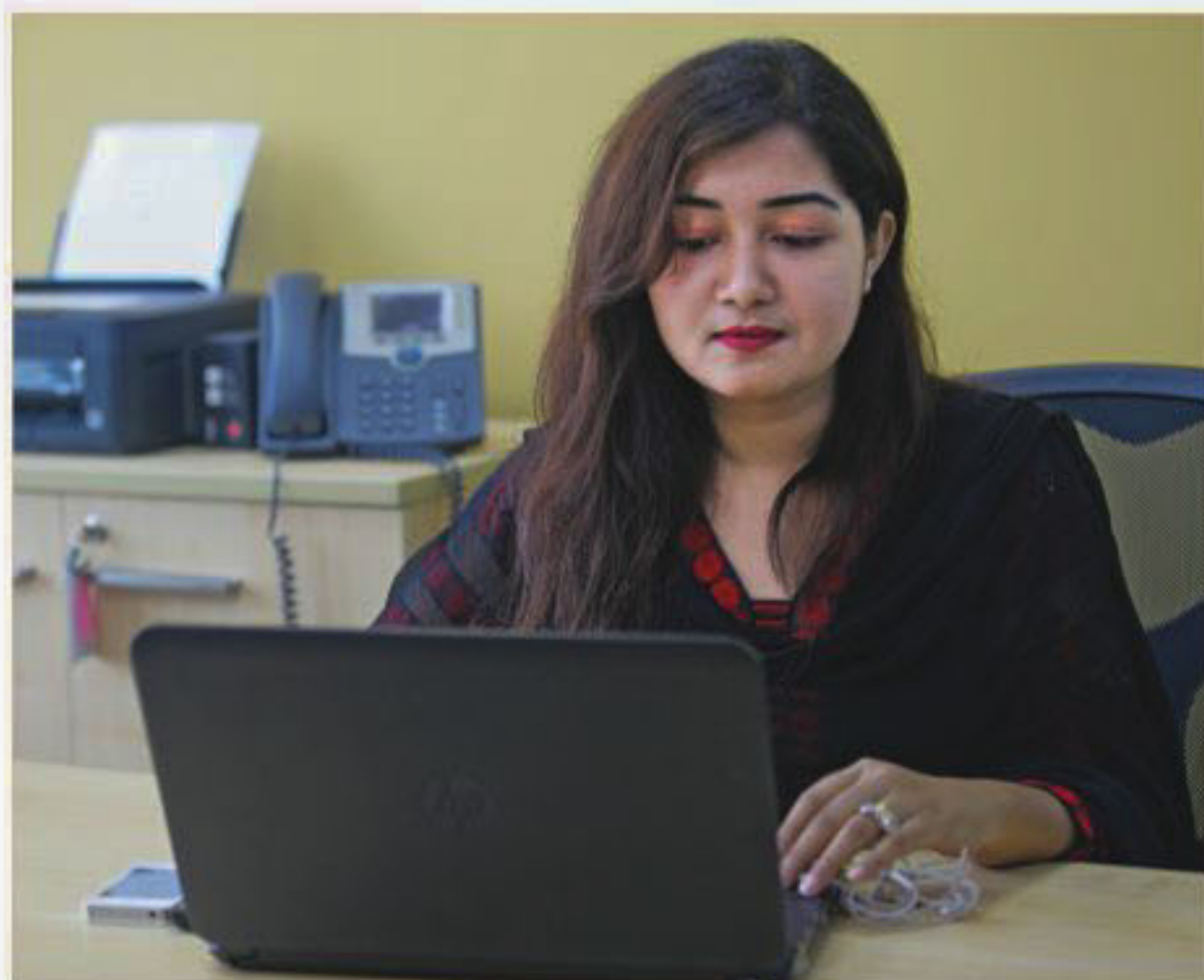
ETC Associates is not alone.

Several other well-established companies and start-ups share the same building and the same is true for the Gulshan centre.

Many multinational companies operating in Bangladesh such as Intel, Western Union, Dow Chemical, Subcontinental Media Group of India and Vivarte Group of France are taking services of Regus. The number of its clients is about 20.

Shahed Osman Joher, president of Shahed Borwnoor International Ltd, has rented three offices at the Regus centre at the UTC Building for six months at Tk 135,000 to look for business opportunities in Bangladesh in the manufacturing sector.

"The facilities are wonderful and the place is secure," said Joher, whose company uses Regus Centre in Malaysia



STAR

Jinia Preity, an administrative officer of ETC Associates, works at the rented office room at a Regus centre in UTC Building on Panthapath.

and Saudi Arabia as well.

Hussains Business Consultants, an accountancy firm, also has a one-room office at the UTC centre.

"What makes Regus facilities special is that people feel that they are working in their own office," said Rezwanaul Hoque, general manager of Regus Bangladesh.

He said local clients, many of whom were unaware of Regus in the past, have started to see the value of its facilities.

"They don't need to worry about office, furniture, AC, reception, phones, internet, cleaning or any other facilities needed to run an office. Our services help them keep the business start-up costs at a minimum level."

"We are providing them all these services at an affordable price. As a result, the start-ups are jumping on to take the service."

Regus allows customers to run own virtual office complete with business address and local contact phone number. Its professional teams will manage calls and handle mails.

Sohail, a former head of corporate affairs of Airtel Bangladesh, said the company plans to open two more centres in Dhaka and one in Chittagong.

Founded in Brussels in 1989, Regus is headquartered in Luxembourg and listed on the London Stock Exchange. More than 1.5 million customers benefit from its facilities everyday.

fazlur.rahman@thedailystar.net

Facebook wins EU approval for \$19b WhatsApp bid

REUTERS, Brussels

FACEBOOK, the world's most popular social network, gained European Union clearance on Friday for its proposed \$19 billion takeover of mobile messaging startup WhatsApp in a deal setting it against the telecoms industry.

The landmark deal is the largest in Facebook's 10-year history and will give it a strong foothold in the fast-growing mobile messaging market.

WhatsApp is poised to become a potentially powerful rival to companies such as Deutsche Telekom, Orange and Telecom Italia with its plan to add free voice-call services for its 450 million customers later this year.

The European Commission said the Facebook-WhatsApp deal would not hurt competition.

"We have carefully reviewed this proposed acquisition and come to the conclusion that it would not hamper competition in this dynamic and growing market. Consumers will continue to have a wide choice of consumer communications apps," European Competition Commissioner Joaquin Almunia said.

Reuters was the first to report on Sept. 25 that the deal would be cleared unconditionally. US regulators nodded through the deal in April.

US giant Alcoa opens world's biggest aluminum-lithium plant

AFP, Washington

US aluminum giant Alcoa, betting on strong growth in aircraft demand, on Thursday opened the world's largest plant producing aluminum-lithium alloys for the aerospace industry.

Based in Lafayette, Indiana, the plant will produce advanced aluminum-lithium alloys, which are lighter, stronger and less expensive than titanium and composites used in aircraft production, providing better fuel efficiency and lower maintenance costs, the company said.

"The future of aviation is being built with aluminum-lithium, and Alcoa is making big moves to capture that demand," Klaus Kleinfeld, Alcoa chairman and chief executive, said in a statement.

"This state-of-the-art facility positions Alcoa as the world's premier aluminum-lithium supplier, offering the broadest portfolio of aluminum-lithium components for next-generation aircraft."

The company said it had aluminum-lithium contracts worth \$100 million for 2017. The new plant is capable of producing more than 20,000 tonnes (44 million pounds) of aluminum-lithium annually.

It will be able to make the world's largest aluminum-lithium ingots -- about 50 percent larger than the nearest rival and "big enough to make any single-piece component on today's aircraft."



Pedestrians pass by a banner announcing the upcoming 2014 annual meetings outside the International Monetary Fund headquarters building in Washington DC on Thursday. The 2014 IMF-World Bank meetings take place from October 10-12.

Boeing to boost production of 737 aircraft

AFP, Washington

US aerospace giant Boeing on Thursday said it would step up production of its best-selling 737 commercial jetliners to meet robust demand from customers worldwide.

Boeing said it would increase production of the 737 family to 52 airplanes per month in 2018, building more than 620 airplanes per year, a record-high rate.

The company currently builds 42 of the short-to-medium-haul 737s per month and previously announced it would raise the production rate to 47 per month in 2017.

"For over a decade we have seen resilient demand for the 737 and a rate increase to 52 per month reflects the appetite for airplanes like the 737 MAX and Next-Generation 737," Randy Tinseth, vice president of marketing for Boeing Commercial Airplanes, said in a statement.

"Our thorough analysis tells us the single-aisle market continues to expand and is the fastest-growing, most dynamic segment of the market."

Boeing's latest global demand forecast projects that more than 25,000 single-aisle airplanes will be needed over the next 20 years, with an estimated market value of \$2.56 trillion.

Google to launch own mobile chat app

REUTERS

Software giant Google Inc plans to launch a mobile messaging app it is likely to test in India and other emerging markets, the Economic Times newspaper reported on Friday, citing sources.

The daily said Google was in the early stages of development of the app, which will not make it mandatory to use a Google login.

If launched, the mobile app will compete in the mobile chat space with the likes of WhatsApp, Line and Hike.

The Mountain View, California-based company is also looking at localisation, by adding Indian language support and voice-to-text messaging, the newspaper said.

A Google spokeswoman said the company did not comment on speculation.

Premium carmakers push standardised cars to boost profit

REUTERS, Paris

PREMIUM carmakers Mercedes-Benz, Volvo and BMW are aiming to sell more standardised cars and services to boost profit margins and simplify the complex list of options for buyers -- while also giving them the choice of a bespoke car if they want.

The move is partly aimed at attracting customers who might struggle with the ever growing list of model variants, multimedia features and safety technology available in new cars, the companies said at the Paris auto show.

Volvo Cars chief executive Hakan Samuelsson said the trend to offer more and more choice in equipping cars was over-rated.

"There is no customer desire for all these options. The iPhone has demonstrated that you can compete by selling a good well thought out product," he told Reuters in an interview. "They out-competed rivals who offered many more model variants."

Samuelsson said Volvo had spent the past two years reducing the complexity of its vehicles in a bid to make life easier for buyers, arguing this did not run counter to customer tastes.

"You eat better in a good restaurant where the chef has made a clever combination, than one where you have to ask for what you want," he said, adding that cutting down the options list also helped profitability in manufacturing.

The approach to bring some order into the multitude of options for buyers is also being pursued at rival BMW.

Ian Robertson, BMW board member responsible for sales and marketing, said the new 4-series coupe was being offered with four different trims, and the i8 hybrid sports car was being offered in only three packages of options.

"We have packaged a number of trim levels to help the customer and ourselves, because the complexity was very high. A clearly understandable package was the M sport pack-



REUTERS

People look at a Volvo XC90 displayed on media day at the Paris Mondial de l'Automobile. The Paris auto show opens its doors to the public from October 4 to October 19.

age," Robertson said, referring to cars equipped with the performance luxury trim which comes with more ornate bumpers and spoilers and top of the line engines.

Standardising equipment also helped the market to gauge the second-hand value of a car.

"It helps customers with understanding what is available, that also helps with the residual values of the car and therefore the leasing rates," Robertson explained.

Standardisation is also a response to the polarisation of customer tastes in various countries.

BMW has, for example, stopped proactively offering manual transmission versions of its sports cars in markets such as the United States, and tends to push four-wheel drive versions in markets such as Austria, Robertson said.

Customers nonetheless have the option to order a bespoke,

tailored vehicle if they want to, Robertson said, adding that was still a key part of the premium buying experience.

Mercedes-Benz is also looking at ways to strike a balance between standardisation and custom building.

"There are two approaches, you build to order, or you build to stock," Ola Kaellenius, head of sales for Mercedes-Benz said in an interview on Thursday.

"In Germany the classic approach is to build to order, but in the United States the dealer orders the cars and waits for the customer to drive it out of the showroom. We offer both."

The growing number of model variants and the expanding range of trim, safety and multimedia options have, however, led Mercedes to simplify some of its offerings into brand packages.

Mercedes digital connectivity

and some customer interactions with servicing and dealership personnel are now being bundled under the "MercedesMe" brand.

Because some clients like going through the detailed specification lists before ordering their new cars, Mercedes is making it easier for them to make decisions with the help of dedicated staff.

"We now have a product concierge, comparable to a product genius in an Apple computer store. Their only job is to help customers understand the car before buying it, to take care of them during delivery, and to be available for customers after the sale," Kaellenius said.

"Mercedes has a breathtaking pace of offering new innovations. We want to ensure that customers can understand it all," he explained. "Despite all the digital tools for specifying cars, you still need the human touch."