

Robi simplifies roaming rates

STAR BUSINESS REPORT

Robi, the country's third largest mobile operator after Grameenphone and Banglalink, yesterday introduced simplified roaming rates for 100 countries, with a single rate for each country.

The operator also announced daily data roaming packs for 72 countries at a press briefing at the Westin Hotel in Dhaka.

International roaming service allows people to use the same mobile number both at home and abroad.

With the growing economy, a large number of Bangladeshis are travelling abroad for business, tourism and medical purposes, said Mahtab Uddin Ahmed, chief operating officer of Robi.

"We have simplified our roaming service by allowing the clients to choose any operator in any of the 100 countries with a single rate for each country."

"We are confident that our subscribers will find our unique service offering the best solution for their increasingly mobile lifestyle," he said.

"It is true that such emerging services like Viber, WhatsApp and Skype are a threat to the telecom industry, but these are yet to become significant for the local market," Ahmed said, replying to a query on the use of these apps.

Viber, WhatsApp or Skype can be used for regular voice communication anywhere through the internet.

Samsung Electronics earmarking cash for growth, including M&A

REUTERS, Seoul

Samsung Electronics Co Ltd aims to use its \$56 billion cash pile to fund growth including acquisitions, the tech giant's investor relations chief said, even as more shareholders clamour for bigger dividends.

While the South Korean company's profit declined in 2014 for the first time in three years as its lead in smartphones was challenged by Apple Inc, investors were cheered by a 40 percent dividend boost and its first share buyback since 2007.

But Robert Yi, Samsung's head of investor relations, signalled that shareholders should not expect the same in 2015 as the company keeps its focus on growth.

"Dividends and other forms of shareholder returns are responsibilities that the company has for shareholders, so we will make efforts to meet them. But our primary objective is growth and that is what we are communicating to our shareholders," Yi told Reuters in an interview.

Samsung has become an increasingly active shopper, striking 10 deals in two years. Even so, its purchases have been small, prompting calls from some investors for bigger deals to revive growth momentum.

"We are primarily focused on M&A deals for companies that would be good fits to Samsung's current businesses, and we believe that know-how and experience accrued from

such transactions will make bigger M&A deals possible going forward," Yi said.

Samsung Electronics held cash of 61.8 trillion won (\$56.14 billion) at the end of 2014.

Yi said more value fund managers had bought Samsung shares over the past year as its share price and earnings declined.

"Their main interest is to increase long-term value through shareholder returns policies, so they have been calling for more dividends and share buybacks," he said.

Yi declined to comment specifically on plans for buybacks or dividends. A person familiar with the matter told Reuters on Feb. 10 that Samsung would probably pay out less this year than in 2014.

South Korean companies are notoriously parsimonious when it comes to dividends. Seoul-listed shares tend to trade at discounts to peers.

Yi said Samsung planned to strengthen shareholder outreach, making top management more available to institutional investors and holding more public events.

It also wanted to boost investment by foreign retail investors to help build consumer loyalty. Samsung, which does not have American Depository Receipts, in 2013 arranged a programme with Bank of America Merrill Lynch that allows U.S. retail investors to invest directly in its shares. Samsung declined to comment on how many investors acquired its stock through the programme.



Winners of Opera Mini Fun Contest and Facebook Share and Win Contest, organised by Grameenphone, pose during a prize giving ceremony at GP House in Dhaka recently. Opera Software sponsored the prizes.

Blockade costs railway Tk 4cr

SHAHADAT HOSSAIN, Chittagong

The ongoing blockade has damaged Tk 4 crore worth of properties of the east zone of Bangladesh Railway since the beginning of political strife on January 6, said Md Mozammel Haque, general manager for the zone.

The zone, which comprises Dhaka, Chittagong and Sylhet divisions, has witnessed 58 attacks on its properties, he said.

The attacks ranged from throwing stones, crude bombs and firebombs on running

trains to removing fishplates, cutting railway tracks and setting train compartments on fire, he said.

Nearly 60 people, including train drivers, were injured in the attacks, officials said.

On February 15, two coaches of a train were set on fire allegedly by hartal and blockade supporters at Narayanganj Central Railway Station. None was reported hurt as the passengers left the train prior to the incident.

"Trains were considered to be a safe transport. Not anymore," said Sakhawat Hossain, a private jobholder in Chittagong.



Benoit-Pierre Laramee, Canadian high commissioner, speaks at the launch of a new IP PBX solution of AK Khan Telecom Ltd, an authorised partner of Mitel, at a programme at Sonargaon Hotel in Dhaka recently. Anurag Kumar, head of Mitel in India and Bangladesh, was also present.



Mizanur Rahman, managing director of Naz Auto Bricks, and Selim RF Hussain, chief executive of IDLC Finance, exchange documents of a deal at a programme recently. IDLC will raise Tk 40 crore in syndicated fund for Naz Auto Bricks.

Prime Bank's new deputy managing director

STAR BUSINESS DESK

Rahel Ahmed has recently been appointed as deputy managing director of Prime Bank, the bank said in a statement yesterday.

Ahmed has previously worked with Standard Chartered Bank in Bangladesh and was also involved with the First Gulf Bank's debt market and syndication team, according to the statement.

He completed his MBA from Maastricht School of Business and has been a professional banker for over two decades with experience in regional and multinational banks.



Japanese move to counter shifts in key US market

AFP, Chicago

With car sale booming and the spring sales season about to get underway, Japanese and Korean carmakers are feeling the pressure from their resurgent American competitors.

But the Japanese carmakers, counting on the American market for profits, insist they welcome the competition and that opportunities abound.

But the Americans are also benefiting from the recalls and quality problems of Japanese manufacturers, which are confronting the relatively weak lineup of trucks and sport utility vehicles.

Industry sales figures have shown that truck and utility vehicles account for more than half, 54 percent in January alone, of all vehicles sold in the US. Toyota is replacing its new mid-sized truck for the first time in 10 years. "It's a new truck and it's a much better truck," said Jack Hollis, Toyota Motor Sales group vice president for marketing.

But that hasn't stopped Japanese carmakers from changing their tactics to counter the challenge from American brands such as Ford, Chevrolet and Jeep.

Toyota, which has long depended on sales of its popular Camry and Corolla models, which are often described as plain appliance cars, also showed off limited special editions that it hopes will spark renewed interest in the vehicles, which are sales leaders in the respective segments.

"We want to offer something extra. Vanilla is still the most popular flavor in the world but it doesn't hurt to sprinkle in some chocolate chips or cookie dough," Hollis told AFP during the previews of the Chicago Auto Show, which opened

Saturday and runs through February 22.

"I like all the competition (from the Americans) because it brings out the best in everybody." A new Toyota Prius is in the works but low fuel prices have undercut demand for hybrid vehicle.

Honda, which is facing its own quality issues after recalling thousands of vehicles with faulty airbags made by key supplier Takata, also used its press conference in Chicago to outline a strategy that will depend more heavily on trucks and utility vehicles.

Over the next year, Honda will introduce a brand new version of the Pilot, one of its most popular utility vehicles, as well as a new small utility vehicle, dubbed the HR-V, and a new version of the Ridgeline.

Honda senior vice president Jeff Conrad said the company was pressing ahead with an overhaul of its product line that included a greater focus on utility vehicles and truck to satisfy the demands of its American customers.

"Our vehicles are also going to have Honda's traditional quality and reliability," which has been critical to Honda's success in the US over the years, Conrad said. "They'll also have the latest (electronic) technology."

The emphasis on trucks and utility vehicles by Honda, which has anchored its position in the US market with its successful sales of passenger cars such as the Accord and Civic, wasn't exactly an accident.

Sales of utility vehicles and trucks in the US have steadily grown over the past three years and sales of compact and mid-sized utility vehicles now run neck and neck with those of mid-sized passenger cars, traditionally the largest segment in the US market, according to IHS Automotive.

Mend business climate urgently: new US envoy

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The US envoy said Bangladesh has achieved a very impressive sustained economic growth of around 6 percent annually over the past twenty years.

"We are proud to be Bangladesh's largest single export market, a leading source of investment, and its third largest source of remittances."

US companies -- particularly the blue chip ones, such as GE, Chevron, ConocoPhillips, Coke, and Pepsi -- have large footprints here, she said, adding that there are plans to boost such economic relationships further.

"It has a rapidly growing economy. It is an important player in South Asia's future regional connectivity and a leader among developing countries on environmental issues."

Lauding Bangladesh's success in various sectors, the US ambassador said the country has made unprecedented strides in health, food security and poverty reduction in its short history as an independent country.

"For all of these reasons, the United States has a strategic interest in partnering with Bangladesh."

On major challenges in the Bangladesh-US bilateral relations, the US envoy said: "I truly and honestly believe the biggest challenge in our bilateral relation is how to keep everything moving forward."

She said the Bangladesh-US bilateral agenda is very broad and covers many different areas.

"It's our responsibility to engage with all individuals here in Bangladesh, meeting with all parties, civil society, business community -- I want to listen as much as I can."

"Looking ahead, we want to promote a middle-income Bangladesh that is secure and prosperous, prepared to adapt to climate change and handle natural disasters, with a population that enjoys good health and ample educational opportunities."

Xiaomi was China smartphone market leader in 2014: IDC

AFP, Shanghai

Upstart Xiaomi was the top smartphone company in China last year with a 12.5 percent market share, narrowly outpacing South Korea's Samsung, market intelligence firm International Data Corporation (IDC) said Tuesday.

Xiaomi was just behind with 12.1 percent market share based on shipments by vendor in 2014, slipping from 18.7 percent in 2013, IDC said in a statement.

Xiaomi, founded in 2010, has excelled in China's cut-throat smartphone market by delivering high-performance products at cheap prices -- and more than doubling its market share from just 5.3 percent in 2013, according to IDC.

"Xiaomi's focus on selling low-cost phones with decent specifications, as well as the hype that it created through its flash sales, helped it to obtain the top position," IDC said.

But critics say the firm has simply copied the look of Apple's iPhones.

Xiaomi claims sales of more than 61 million smartphones last year, up 227 percent from 2013.

Xiaomi could not be reached for comment on Tuesday, the day before a week-long public holiday in China.

US technology giant Apple did not even place in the top five for market share in China for all of 2014, according to IDC.

However, it took second with a 12.3 percent share in the fourth quarter of last year -- behind Xiaomi's 13.7 percent -- helped by the launch of its large-screen iPhone 6 and iPhone 6 Plus.

"Apple had a jump to the second position in 2014 Q4 (the fourth quarter) as its iPhone 6 and 6 Plus models were only launched in China in the last quarter of the year," IDC said.

Smartphone shipments for China by all vendors reached 420.7 million units in 2014, IDC figures showed.

Apple said in January that its previous quarterly profit rocketed to \$18 billion on booming global sales of iPhone models, especially in China.

Meghna Group teams up with Thai firm to form joint venture

PM Group's proposal has already been sent to the Board of Investment (BoI) for its approval.

"PM Group is ready to make the investment anytime, but they want to be sure about tax holiday and bond facility," Kamal said. Besides, there are issues of gas and electricity connections, he added.

According to BoI, 100 percent tax exemption

is given in the first two years to factories in Dhaka and Chittagong divisions, 50 percent in the third and fourth year and 25 percent in the fifth year.

"There is no reason, why the joint venture will not get tax break. They will get it as per rules," a BoI official told The Daily Star yesterday, requesting not to be named.



Shamsul Huda Khan, managing director of National Bank, poses with the participants of a day-long workshop on Basel III reporting, in Dhaka recently. The bank's training institute and risk management division organised the event.



Farman R Chowdhury, managing director of Shahjalal Islami Bank, and Golam Hafiz Ahmed, managing director of NCC Bank, pose at the signing ceremony of an agreement for IME remittance service, in Dhaka on Monday.



Syed Md Ihsanul Karim, managing director of SME Foundation, and Anis A Khan, managing director of Mutual Trust Bank, pose at the signing ceremony of an agreement recently. The SME Foundation will provide Tk 5 crore to MTB to lend to women entrepreneurs working in manufacturing and services sectors.