

Smartphone penetration to reach 20pc by this year

Ericsson's senior official says data consumption will get a boost

MUHAMMAD ZAHIDUL ISLAM

ABOUT 20 percent of mobile phone users will start using smartphones by the end of this year, which will boost data consumption, said a top regional official of Ericsson.

As of June, smartphone penetration in Bangladesh hovered between 12 percent and 15 percent, said Tristram Gray, vice president and head of human resources of Ericsson for Southeast Asia and Oceania.

Ericsson expects increased smartphone affordability in the days to come, according to Gray.

The ongoing efforts of the mobile operators in Bangladesh to improve network capacity and quality will help boost smartphone penetration manifold in the next five years, he told The Daily Star during his recent visit to Dhaka.

About 70 percent of the world population will use smartphones by 2020, according to Ericsson estimates.

Smartphone subscriptions will grow three times to almost 800 million in this region by 2020.

Gray said there is enormous growth potential of the industry in Bangladesh; industry fundamentals like mobile subscription, smartphone use and mobile data growth are sound and there has been consistent positive economic growth.

According to the Ericsson mobility report published in June, there was a net addition of two million mobile subscriptions in the first quarter of this year.

Bangladesh became one of the



Tristram Gray

top 10 countries in the world for the good subscriber growth, said Gray, who is an award-winning team leader at Ericsson.

Dhaka also did very well in the city index on ICT use patterns published by Ericsson recently.

"We can see clear signs that ICT has already started transforming Dhaka. The index shows promising improvement rates in Dhaka."

"The city is progressing in all ICT dimensions of the index: infrastructure, affordability and usage," the official said.

Gray said ICT is the single most important sector to solve global issues because it enables people to innovate, collaborate and commu-

nicate in other industries.

"We believe that with a multi-stakeholder approach, ICT can be the enabler of a sustainable, prosperous and truly globalised society."

It can be used to efficiently manage resources, it can help in designing and redesigning smarter energy and production systems and it can replace many products with services, he said.

Bangladesh has the potential to take benefit from the global transformation of ICT that is taking place now, he said.

The country can also take advantage of the economic growth, productivity, educational and health benefits of the trans-

formation, which will not only benefit Ericsson's customers in Bangladesh, but also the nation as a whole, Gray said.

Ericsson is committed to partnering with their customers and the government of Bangladesh to leverage these opportunities over the coming years, he said.

Bangladesh is an important market for Ericsson in the region and it has been partnering with operators on technology, solutions and services as part of its commitment to build a networked society, he said.

Ericsson has a strong and growing business in Bangladesh, he said, adding that the company always looks forward to further opportunities to grow, Gray said.

The company has always been a pioneer in the global telecom industry with more than 37,000 patents in their portfolio.

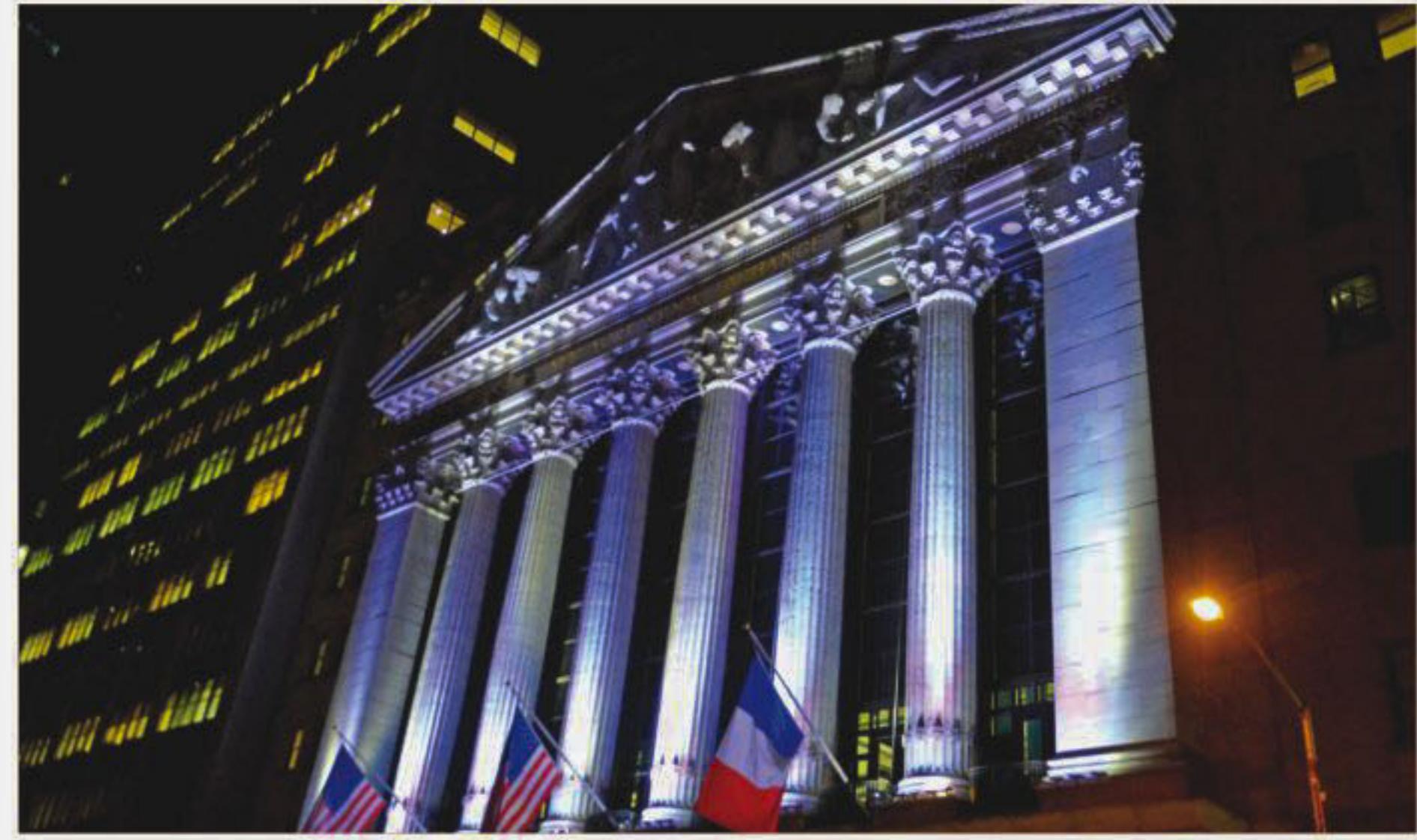
Ericsson can use the combination of expertise in technology and services in establishing a leading position in the evolving ICT industry and, most importantly, to create value for its customers, he said.

To maintain leadership, Ericsson invests \$5 billion a year on research and development to build capacity of its people.

Ericsson invests in individual growth and development at the company, Gray said.

Ericsson's employees have access to world-class technical and leadership development programmes. The company provides its employees with local, regional and global career paths and opportunities in all disciplines, Gray said.

Paris attacks weigh on airline, travel stocks but impact seen short-lived



The New York Stock Exchange flies a French flag, in New York on Saturday, following the deadly attacks in Paris.

AFP, Singapore

AIRLINE and travel-related stocks tumbled in Asia Monday following the deadly terror attacks in Paris, but analysts and industry players said they expect the impact to be short-lived.

Travellers from the region cancelled trips as France grappled with the aftermath of the carnage that left at least 129 people dead and more than 350 wounded.

The horrific events come just a little over two weeks after a Russian passenger plane came down in Egypt's Sinai peninsula, killing all 224 people on board,

which Islamic State militants have claimed responsibility for.

"Whenever there's terrorism, businesses are affected. Worst hit are commerce and tourism, and as a consequence, airlines," said Shukor Yusof, an analyst with aviation research firm Endau Analytics.

Most stock markets fell across Asia, with airlines and travel-related firms among the most hurt.

In Shanghai, Air China, China Eastern Airlines and China Southern Airlines each lost more than two percent, while tourism firms also retreated -- China CYTS Tours Holding lost 1.28 percent and China International Travel Service fell 1.05 percent.

Hong Kong flag carrier Cathay Pacific was down 2.7 percent.

"The airlines and tourism companies are affected by the Paris attack," Haitong Securities analyst Zhang Qi told AFP. "But it's more of a psychological impact on the stock market," he said.

But Hong Kong-based financial analyst Kevin Tam said "the actual impact won't be that much because of the geographical concentration. There will be more material impact on European and American travel-related companies".

Singapore Airlines was down 0.92 percent in late afternoon trade in the city-state and South Korean flag carrier Korean Air closed 3.33 lower while rival Asiana Airlines finished down 3.32 percent in Seoul.

Apple to power Singapore operations with renewable energy



A customer speaks with an Apple employee at the Apple Store in Palo Alto, California.

REUTERS

APPLE announced on Sunday that it has struck a deal to power all of its Singapore operations with renewable energy, the latest in a series of steps from the company to turn its operations worldwide green.

Starting in January, solar energy developer Sunseap Group will provide Apple with 100 percent renewable electricity from its portfolio of solar energy systems built atop more than 800 buildings in Singapore.

The deal will make Apple the first company in Singapore to run exclusively on renewable energy and marks a significant step in its bid to power 100 percent of its facilities and operations worldwide with clean fuel.

The Apple partnership will also give Sunseap financing to complete the solar project, said Lisa Jackson, Apple's vice president of Environment, Policy and Social Initiatives.

Jackson said in an interview with Reuters that the project was a model in "urban greening" and said it would allow Singaporeans "to get access to energy while we meet our own renewable energy goals."

Apple also announced that it will open its first store in Singapore, which will be powered by the program.

Apple has spearheaded a variety of projects to clean up its operations at home

and overseas, announcing plans in October to build 200 megawatts of solar energy projects in China and work with suppliers there to source more renewable energy.

The iPhone maker has also committed to buy power from a California solar farm to supply electricity for its new Silicon Valley campus and other facilities.

Singapore, the site of one of Apple's largest overseas campuses, is small and densely populated, leaving little room for large, ground-mounted solar arrays. That prompted Sunseap to use rooftops to harness power from the sun.

The rooftop solar panels will be placed on both public-owned buildings and Apple's own facilities, generating 50 MW of solar energy, enough to power the equivalent of 9,000 homes, according to Apple.

Apple will receive 33 MW of the project's capacity. The project won the backing of Singapore's development board because it will also provide electricity for public-owned housing, said Jackson.

Sunseap Managing Director Frank Phuan said the Apple partnership may inspire companies to demand more renewable energy.

"We expect a ripple effect for organizations in Singapore to incorporate sustainability practices in their businesses, especially for listed companies," he said in a statement.

As Boeing booms, robots rise and job growth lags

REUTERS, New York

FOR most of its 100-year history, when Boeing turned out more planes, employment soared and the Seattle-area economy prospered. When the rate of production fell, layoffs followed and the local economy crashed.

The cycle was so predictable that Boeing workers had a phrase for it: "Headcount goes by rate."

Now that longstanding cycle has broken down.

The world's largest plane maker is in the midst of its biggest peace-time boom, churning out 20 percent more planes than when the last big cycle peaked in the 1990s.

But it is doing so with one-third fewer workers. In their place, Boeing is turning to robots and outsourcing.

In the past year, Boeing installed four banks of two-story riveting machines at the factory that makes its 737 aircraft in Renton, Washington. When it switched them on in May, the age-old clatter of hand-held rivet guns gave way to the whispery hiss of the 60-ton robots, which Boeing says can work twice as fast as people, with two-thirds fewer defects.

At its sprawling plant in Everett, Washington, Boeing has installed robotic arms to drill and rivet together fuselages for the 777 jetliner.

The machines are "taking what is in the neighborhood of 50,000 to 70,000 fasteners in the 777 fuselage that are today applied by hand and automating them," Boeing Chief Executive Dennis Muilenburg said in a speech at an aerospace trade fair in Seattle in September.

It's a "huge transformation in how we build airplanes."

Boeing says automation is essential to improve quality and worker safety, lower costs and keep up with its European rival Airbus, which also is automating and churning out more planes to meet world-wide growth in air travel.

But while Boeing says the robots have not caused any layoffs, the company is not predicting significant job growth either.



A refurbished Boeing 737-800 arrives at an event in a Qantas hangar at Sydney International Airport yesterday.

"Increased automation means we can go higher in rates with a stable workforce," Barry Lewis, head of wing manufacturing operations at Boeing's 737 plant, said during a recent factory tour.

Manufacturing job loss is well documented at auto plants, textile mills and other US factories. More than 6 million such jobs disappeared between 2000 and 2009 as companies automated and sent work overseas, according to the Bureau of Labour Statistics.

Now the shift is coming to Boeing. The company's airplane unit has hired about 33,000 people since employment bottomed out at about 50,000 in 2006, a bust spurred by the 9/11 attacks.

But that 66 percent increase in labour has allowed Boeing to make almost twice as many planes, meaning the ratio of workers to planes has plummeted.

The plane maker's current backlog of 5,600 plane orders worth \$426 billion dwarfs the \$94 billion tally during its last boom in the late 1990s. But today's workforce is about one-third smaller - 83,000 compared with 122,300 when Boeing's employment last peaked in 1998. Back then, Boeing made 564 planes a year, about 217 workers per plane.

This year it aims to make 760 planes, using about 109 workers per plane, and the figure is falling.

Amid the biggest commercial aircraft boom in its history, Boeing's airplane division employs fewer workers per plane than during all other booms since World War II.

"Boeing and Airbus are catching up with the rest of manufacturing," said Robert Reich, a professor of public policy at the University of California at Berkeley and former labour secretary in the Clinton Administration. "There will be no let up in the loss of manufacturing jobs."

Boeing's employment growth stopped in 2013, the year Washington state approved \$8.7 billion in tax credits for the industry. In return for the incentives, companies were supposed to "maintain and grow" aerospace jobs in the state.

Since then Boeing has shed nearly 3,000 jobs in Washington, fueling tensions with its unions and state officials.

Machinist and engineering unions, which represent about 51,000 Boeing workers, have joined with state legislators sponsoring measures that would tie the tax credits to job and wage targets.

"The frustration level in the community is high," said state Rep. Mike Sells, a Washington Democrat whose district includes Boeing's largest factory, which makes the 747, 767, 777 and 787. "We need to be able to show real hard numbers to the public if we're going to be granting these exemptions."

As recently as 2012, teams of workers drilled and riveted 777 fuselages. That year, as Boeing increased output of 777s by 18 percent, it began using machines to drill the holes. Now, robot arms are drilling and installing the rivets. Similar robot arms covered with protective cloth are now painting 777 wings, applying a more precise coat than people can.

European rival Airbus also is automating, and industry experts say it is doing so at a faster pace than Boeing, partly driven by rigid labour laws in Europe that made it difficult to lay off workers in a downturn. The European giant is working on technology to more easily configure robots and run them with common software.

It also is testing a system that uses hand tools laden with sensors and Google Glass-type headsets to validate that workers install parts correctly.