Blippar's boss: The real life slumdog multi-millionaire

BBC NEWS, London

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Ambarish describes his co-founder Omar Tayeb, *right*, as the "smart, educated one".

Ambarish Mitra ran away from home at the age of 15 to live in New Delhi's slums.

By the age of 17 he had 55 people working for him.

Now, nearly 20 years later, he is the founder and boss of Blippar, a mobile phone app business valued at $1.5 billion (£1.2 billion).

It is perhaps no surprise that Ambarish describes his life as "an adventure".

Launched in 2011, Blippar is an augmented reality app. Using your mobile phone's camera, it superimposes animation or graphics onto the world around you.

For example, focus on a limited edition can of Coca-Cola - a company which has a tie-up with Blippar - and it becomes an animated jukebox that enables you to play music.

Or point the camera at something like a humble apple, and a picture of the fruit will appear on the screen, plus a detailed guide to its history. The app also suggests related things to find out more about, such as cider or how to grow an orchard.

With the continuing popularity of the Pokemon Go game bringing augmented reality firmly into the mainstream, Blippar's launch five years ago seems particularly prescient.

And Blippar is also proving rather popular. The company claims that the app has amassed more than 65 million users across 170 countries since 2011.

Raised in a middle class family in a mining town called Dhanbad, in the east Indian state of Jharkhand, Ambarish decided to run away from home after he started to fail classes at school. He was also unhappy that his dad wanted him to go into engineering, while he wanted to work in computers.

One day, after weeks of planning, he wrote a letter to his parents announcing his departure, packed a bag, and left.

"I wrote 'I'm going to Mumbai', which was something people always said in the films. It was very naive," says Ambarish, now 37.

Instead of Mumbai, Mitra went to New Delhi and shared a "classic Indian shed, made of clay", in a slum in the south west part of the Indian capital.

The house had no sanitation, and he slept on a floor with six other people.

When he was working in one of two jobs, selling magazines and working in a restaurant, he leafed through a newspaper and saw an advert offering $10,000 for a winning business idea.

The then 16-year-old's idea, to provide free internet to women earning below a certain wage, won.

Mitra was motivated by the disparity he felt between the strong women in his family and the culture in wider Indian society.

So using the prize money, he launched Women Infoline. The firm's business model was that the funds it would make from advertising would enable it to provide internet access for free.

At its peak, Mitra had 125 people working for him, but he says that at the time he "wasn't a very good leader".

He adds that the company, which he eventually floated and then resigned from in 2000, was "very, very unprofitable".

After pocketing some money from Women Infoline, and making up with his family, Ambarish moved to the UK.

He wanted to start a UK-based technology company, but success proved rather elusive.

"Almost nine years went by from 2001 and 2010, and everything I did was a disaster," he says.

"All the ideas were very cool - but I couldn't pull it off. I was not left with any money."

A stint working for an insurance company followed, where the entrepreneur says he joined at the "lowest level", and could do his entire week's work in six hours.

Ambarish says he become frustrated, and started drinking "quite heavily". But then, one afternoon in a pub in Surrey, south of London, everything changed.

He says: "I was my local pub… drinking with Omar [Tayeb, his Blippar co-founder].

"The last round of drinks was £15 - I put the money on the bar and made a joke, saying 'imagine if Queen Elizabeth came out of the bank note?'. It was just a silly joke."

Omar, who Ambarish describes as "the smart, educated one", made an app prototype of his friend's face superimposed over the Queen's.

Ambarish says it remained a trick that they would show people in bars, until he dawned on him that they should build an app that "looks at everything in the world, and give you content on top of it".

And so Blippar was born.

Growing quickly, Blippar now has offices in 12 locations around the world, including London, New York, San Francisco, Delhi and Singapore.

"We are big for a young company," says Ambarish.

While he says that the fast rate of growth has often been challenging, particularly in regard to hiring staff, Blippar has had no difficulty in raising funds.

The firm and its 300-strong workforce has to date secured $99 million of investment, including $54 million earlier this year from the Malaysian government's investment arm.

Blippar makes its money by doing tie-ups with brands, including publisher Conde Nast, carmaker Jaguar, consumer goods giant Unilever, and confectionary business Nestle to add more feature-rich content than the app simply telling you what the item in question is.

The app is also used by about 67,000 schools around the world - including in the UK, US, India and Canada.

Chris Green, technology analyst, says that part of the reason for Blippar's rising popularity is the fact that it doesn't require any specialist hardware - you simply use your smart phone.

"Its timing and ability to run over the top of existing technology is key, rather than requiring adoption of specialist hardware on par with Google Glass eyewear.

Oil takes breather from losses but oversupply concerns remain

REUTERS, London

Oil edged higher on Tuesday after falling by up to 10 percent in just one week, but investors remained concerned about oversupply weighing on prices.

Global benchmark Brent crude LCOc1 was trading up 49 cents at $42.63 a barrel at 1031 GMT. US West Texas Intermediate (WTI) crude CLc1 was up 38 cents at $40.44 a barrel, after briefly dipping below $40.

"There is much talk about the product glut replacing the oil glut, and this is a worrisome indicator for crude demand," said Frank Klumpp, oil analyst at Stuttgart-based Landesbank Baden-Wuerttemberg.

Global fuel inventories are brimming as refineries have churned out huge volumes of diesel, gasoline and jet fuel but the supply glut has diminished profit margins and demand has been unable to keep up with supply.

Analysts said high crude and product production levels would continue to weigh on markets and that as a result, refiners were likely to reduce orders for new crude feedstocks, affecting demand for oil.

"Weaker crude throughput at refineries will lower crude demand," BMI Research said. Financial oil traders have taken note of the glut, with speculators taking on large volumes of bets that would profit from lower prices, known as shorts.

"I see a strong build in shorts. They are starting to reach excessive levels," said Hans van Cleef, ABN AMRO senior energy economist.

US commercial crude inventories are expected to show a weekly fall after last week's unexpected rise in stocks broke a nine-week drawdown, according to a Reuters poll.

Gasoline and distillate inventories are also expected to have fallen, the poll indicated.

India to impose anti-dumping duty on steel products

REUTERS

An Indian government body has recommended provisional anti-dumping duty on imports of hot-rolled steel products, a government statement said on Tuesday, to reduce overseas purchases of the alloy and shield local mills.

The anti-dumping duty will come into effect after New Delhi formally notifies the tax.

The Directorate General of Anti Dumping recommended the duties on steel products from China, Japan, South Korea, Russia, Brazil and Indonesia, the statement said.

Indian steelmakers such as the Steel Authority of India, JSW Steel and Tata Steel had lobbied for protectionist measures to prevent cheap overseas purchases that were undercutting local mills and squeezing margins.

Nestle to invest $43m for plant in Philippines

AFP, Manila

Swiss food giant Nestle said Tuesday it would spend two billion pesos ($43 million) in the Philippines on a plant to produce a key ingredient for its Milo beverage.

Nestle Philippines chairman Jacques Reber said the plant, due to be completed in October 2017, would produce a malt extract currently imported from Singapore.

Eventually the new plant will provide the local supply, possibly using Philippine-grown cassava which in turn will help Filipino farmers, Nestle said in a statement.

Nestle already has five plants in the Philippines and has invested almost 14 billion pesos in the country over the last five years, the company said.

Sri Lanka withdraws freehold land offer to China

AFP, Colombo

Sri Lanka said Tuesday it was withdrawing permission for a Chinese company to buy the freehold to 20 hectares of land being reclaimed under a $1.4 billion port project after India objected.

Instead it will grant the state-owned construction company a 99-year lease on the land next to the port in Colombo, under a new agreement.

"India had a big concern about giving freehold land to China near the Colombo harbour," government spokesman Rajitha Senaratne told reporters.

"We have amended the agreement. There will be no freehold land but it will be on a 99-year lease."

The government had put the project on hold pending a review of all the big-ticket agreements signed under the previous administration of Mahinda Rajapakse.

The former president relied heavily on Chinese investment to rebuild the country's infrastructure after the end of the island's decades-long ethnic war in May 2009, a move which some say alienated India.

The Chinese-funded port was also controversial among environmentalists. Senaratne said the developers had agreed to drop a proposed Formula One track and increase public park space, and environmental safeguards would be put in place.

The project is being funded by China Communications Construction Company and was launched by Chinese President Xi Jinping in September 2014 during a visit to Colombo.

Beijing has been accused of seeking to develop facilities around the Indian Ocean in a "string of pearls" strategy to counter the rise of rival India and secure its own economic interests.

But Senaratne said the government had decided to go ahead with the project under new terms.

Japan approves $130b fiscal steps as BOJ denies curbing stimulus

REUTERS, Tokyo

AFP

Japanese Prime Minister Shinzo Abe, *centre*, sits with Finance Minister Taro Aso, *right*, and Economic Revitalisation Minister Nobuteru Ishihara, as they pose for photographers prior to a cabinet meeting at Abe's official residence in Tokyo yesterday.

Japanese Prime Minister Shinzo Abe's cabinet approved 13.5 trillion yen ($132 billion) in fiscal measures on Tuesday even as the central bank fought market speculation that it is preparing to put the brakes on monetary stimulus for the world's third-biggest economy.

The government's package includes 7.5 trillion yen in spending by the national and local governments, and earmarks 6 trillion yen from the Fiscal Investment and Loan Program, which is not included in the government's general budget.

But even before the announcement, Japanese government bonds saw their worst sell-off in more than three years as investors feared the Bank of Japan may ratchet back the pace of its aggressive government bond buying.

The BOJ disappointed markets on Friday by keeping bond purchases steady, defying expectations it would hoover up more, and made traders even more nervous after announcing it would re-evaluate policies in September.

Governor Haruhiko Kuroda declined to comment on the spike in JGB yields but said the planned review will not lead the BOJ to weaken its stimulus.

"I don't think that would happen," Kuroda told reporters, when asked whether the promised "comprehensive review" might lead to reduced BOJ stimulus.

He spoke after meeting Finance Minister Taro Aso to discuss Abe's stimulus package. Kuroda and Aso stressed the importance of concerted government and BOJ efforts to defeat deflation.

On Tuesday morning, Abe said "We compiled today a strong economic package draft aimed at carrying out investment for the future."

"With this package, we'll proceed to not just stimulate demand but also achieve sustainable economic growth led by private demand."

The package's headline figure is 28.1 trillion yen, but it includes public-private partnerships and other amounts that are not direct government outlays and thus might not give an immediate boost to growth.

Abe last month ordered his government to craft a stimulus plan to revive an economy dogged by weak consumption, despite three years of his "Abenomics" mix of extremely accommodative monetary policy, flexible spending and structural reform promises.

The BOJ's review has spooked investors, who are unsure how BOJ policy might change. The price of 10-year JGB futures 2JGBv1 closed down 0.91 point on Tuesday to 151.33, and has dropped 2.47 points in the last three sessions - the biggest three-day fall since May 2013.

The expected appointment of Toshihiro Nikai, an advocate of big public works spending, to the No. 2 post of Abe's ruling party in tandem with a cabinet reshuffle on Wednesday underscores Abe's shift toward his "second arrow" of fiscal policy amid concerns monetary easing is reaching its limits.

Precisely how the spending will be financed is unclear, although the government is considering issuing construction bonds when compiling a supplementary budget later this year. The stress on fiscal steps is raising doubts about Japan's ability to fix its already massive debt.