

Etihad wins highest Skytrax 5-star rating

STAR BUSINESS DESK

Etihad Airways has received the Skytrax Certified 5-Star Airline Rating – the most coveted quality standard in the airline industry.

The rating follows an exhaustive three-month audit of the airline's global product and service offering by the London-based research consultancy, the carrier said in a statement yesterday. The announcement was made at a special event held at Etihad Airways' Innovation Academy in Abu Dhabi on October 13.

The Skytrax Certified 5-Star Airline Rating is used to certify airline product and service, and is awarded to airlines achieving the highest overall quality performance, recognising excellence in product and front-line staff service across the customer journey.

Airlines are assessed on criteria across all cabins, including seating, safety procedures, inflight entertainment, cabin cleanliness, comfort amenities, catering, duty free sales, and reading materials.

"This rating marks the culmination of over a decade of hard work and continuous innovation – a milestone on the Etihad Airways journey," said Peter Baumgartner, Etihad Airways' CEO.

CEO.

"We are a company which challenges the norms of air travel by drawing inspiration from the finest hospitality establishments around the world. Today we are recognised as the airline which is reimagining flying, and doing it with style and flair."

"This could not have been achieved without the passion and commitment of our people – from frontline staff at airports, cabin crew in flight, to those who work behind the scenes in Abu Dhabi and around the world – all tirelessly delivering the very best products and service in the industry."

In the comprehensive audit, high praise was reserved for the airline's staff, noting their pride in their company and product. The researchers also noted the level of detail in the Etihad Airways service which few are able to achieve – combining discipline with spontaneity and a genuine interest in customer welfare.

Edward Plaisted, chief executive officer of Skytrax, said: "Etihad Airways continues to be a leading player in commercial aviation."

"Achieving a 5-Star rating is testament to this airline's dedication to innovation, high-quality service and

comfort. Of particular note is Etihad's attention to detail and a meticulous approach to design, which has brought us – amongst other unique products – the airline's revolutionary Airbus A380 and Boeing 787 cabins, which are clearly best in class."

Etihad Airways has won numerous Skytrax awards for its first class and business class products, most recently receiving the coveted accolades for the World's Best First Class Airline, World's Best First Class Onboard Catering, and World's Best First Class Airline Seat for its Airbus A380 First Apartment at the annual Skytrax World Airline Awards announced in July 2016 at the Farnborough Airshow.

Skytrax researchers found the quality of Etihad Airways' inflight dining to be world-leading, commending the airline for its multi-course tasting menu served in first class, the airliner said.

"The Inflight Chef in First Class prepares a tailored dining experience using a specially provided larder of fresh ingredients. First and Business Class guests can dine on demand at a time of their choosing from imaginative, carefully created, à la carte and 'dine anytime' menus."

Paris, the upstart startup capital

AFP, Paris

Could Paris, the City of Light, soon become known as the City of Innovation helping propel young entrepreneurs to push technological and business frontiers?

While efforts by Paris to lure financial companies from London in the wake of Britain's vote to leave the European Union have dominated the headlines, a different sort of rivalry has also been playing out.

With over three dozen startup incubators, including the continent's largest, and soon the world's largest, Paris is vying with London to become Europe's innovation capital.

Although perceptions are that France is not as friendly a place to do business – it ranked 27th compared with 6th for Britain in the World Bank's ease of doing business last year – a recent survey shows that Paris is catching up to London and other top spots among startups.

"There isn't just Silicon Valley to help startups emerge, Paris is today in the top three worldwide," said Loic Dosseur, co-director of Paris and Co, the city's economic development and innovation agency.

The EY consultancy found that France squeaked by Britain for the number of start-up financing operations in the first half of this year.

Part of the reason is an expanding network of incubators to foster the growth of startups.

Incubators often provide startups

with more than just office space, such as advice on different aspects of running a business and make them more visible to potential investors. Some focus on certain sectors to help promote better fertilisation of ideas.

Take, for instance, The Tremplin, or Springboard in English, an incubator dedicated to helping sports-related startups that is located inside Jean Bouin stadium in Paris.

One of The Tremplin's clients is Yppa, which offers a platform to harness the smartphones of spectators for light shows at stadiums and concerts that launched in May.

"You want to transmit, share what you've done, the adventure that you are living," said Yppa's co-founder Francois Decock.

The Tremplin is one of nearly a dozen incubators that has been set up by Paris and Co in a city that now hosts some 250 startups.

Dosseur said The Tremplin's favourable atmosphere was in keen demand by startups, with eight applications for every place.

And Paris is pushing forward to meet that demand.

"We opened the Cargo this year which is the largest incubator in Europe with 15,000 square metres housing 50 startups," said Jean-Louis Missika, the assistant to Paris Mayor Anne Hidalgo for economic attractiveness and development.

Paris will soon get the world's largest incubator with Station F, a 34,000

square-metre (366,000 square-foot) facility bankrolled by Xavier Niel, who shook up the French internet and mobile market with his low-cost Free service.

The report by EY found that in the first half of the year France edged out Britain in the number of financing operations for startups.

France had 27 percent of the total operations, followed by 25 percent for Britain and 22 percent for Germany.

"The trend is good and achieving first place is interesting as it gives us arguments to attract foreign investors that want to invest in Europe, in particular the Chinese and Americans," said Jerome Faul, head of the innovation capital committee at the AFIC association of French private equity firms.

By the amount raised, however, Britain was far in the lead at 34 percent, with France in second place at 16 percent, although that was still over one billion euros.

Martin Mignot, a partner at the Index Ventures, which operates in the United States and across Europe, says it is far easier to raise large amounts of late-stage funding in London due to the depth of the capital markets there.

But for early stage startups "looking for only two, ten or even twenty million, then you can do it in Paris", said Mignot, whose firm has financed startups such as British food delivery service Deliveroo and the Paris-based online advertising firm Criteo, which has gone public.



Exim Bank CEO Mohammed Haider Ali Miah opens the 111th branch of the bank at Narayanpur in Chandpur on Saturday. Deputy Managing Director Md Sirajul Islam and other senior officials were also present.

EXIM BANK

Bangladesh misses out on US duty benefits to travel goods

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"Our observation is that the privilege that you have extended is not enough to make a significant industry difference and China, frankly, will continue its dominance over the travel goods industry," he added.

Helfenbein also urged the US government to extend the number of eligible countries for a realistic and meaningful opportunity to move production out of China.

China owns 85 percent of the US travel goods markets, meaning 8.5 out of 10 items are made there, he said.

Providing GSP travel goods eligibility will facilitate a more diversified supply chain, and will enable all these countries to expand their market share, thus supporting the goal of employment across the developing world, he added.

Competitiveness of the developing coun-

tries is undermined unless they get duty-free access, and productivity in developing countries just cannot match the level in China, he said. Today, only a few GSP eligible countries have the ability to produce travel goods, particularly complex travel goods, he added. Many AGOA countries and LDCs simply lack the capacity to compete with China, he said. Given the choice, if other GSP countries are not allowed on the playing field, production will be slow or more likely, hesitant to move.

Under the programme, 122 beneficiary developing countries (BDCs) export around 3,500 products duty-free to the US. The least-developed BDCs are eligible to export another 1,500 products duty-free. In 2015, exports that entered the US duty-free under the GSP programme from all countries totalled nearly \$17.7 billion.

Reebok starts making shoes in US again

AFP, New York

Sports equipment manufacturer Reebok is bringing some of its shoemaking back to the United States, unveiling plans to open a new manufacturing lab next year using innovative liquid material and 3D drawing.

Some parts of the 300 pairs of shoes planned will come from Asia, but the most technical components will be manufactured in Wixom, Michigan, the company said Saturday.

German chemical giant BASF developed with Reebok a liquid material that is drawn across the outsole of the shoe for a three-dimensional fit with the help of 3D drawing. The material helps absorb shock. "This is the very first use of this process to make athletic footwear. We borrowed and enhanced it from a process we found in the automotive industry," said Bill McInnis, Head of Future at Reebok. "The Liquid Factory concept is proprietary to Reebok."

All of Reebok's shoes were previously made in Asia. "This is ultimately a local for local program. Once we define a manufacturing cell, we can do it anywhere," McInnis said.

In the short term, Reebok will only produce a small series of the shoes at the relatively high price (\$189 for the first version) due to still expensive development costs.

FDI rises 9.27pc

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Last fiscal year, \$450 million flew in from the US as FDI, \$307 million from the UK, \$138 million from South Korea, \$132 million from Singapore, \$126 million from Hong Kong, \$113 million from Norway, \$112 million from Malaysia and \$88 million from India. Textile, telecom, banking, gas and petroleum and power sectors saw 73 percent of the FDI inflows.

Spain worries about tourism future

AFP, Madrid

After basking in its best tourist summer season in 15 years, Spain now sees dark clouds on the horizon as popular destinations reach saturation point and holidaymakers are more thrifty, industry experts say.

The 2016 summer season proved exceptionally good, with an influx of tourists fleeing other popular destinations recently hit by attacks, said Jose Luis Zoreda, vice-president of Exceltur, the sector's employers' association.

A combination of lower interest rates and petrol prices along with unrest in other Mediterranean countries benefited Spain's coastal regions, with their famed "sun and beaches," he said.

But he warned that "it will be difficult to reproduce this one-off scenario."

Exceltur believes that out of the 75 million estimated tourists to Spain this year, close to four million will be holidaymakers who used to go to places like Turkey or Egypt.

But it's "a very uncertain and volatile bubble," Zoreda said.

In 2016, the tourism sector is expected to grow 4.4 percent year-on-year – compared to a forecast 3.2 percent expansion in Spain's overall economy – which is "the highest rise

in the past 15 years," said Exceltur.

In the first eight months of the year, Spain saw a 10 percent increase in the number of tourists from 2015 – or a total of 52.5 million people, with the Brits in the lead.

This compares with more than 68 million foreign visitors for the whole of 2015, when Spain was ranked the third tourism destination in the world after France and the United States.

But dark clouds are gathering.

For one, business tourism has dropped due to political uncertainty in a country that has been without a fully-functioning government for 10 months after two inconclusive elections.

More importantly though, tourists on average have not been spending as much as last year – between two and six percent less depending on the months – as they stay for shorter periods of time.

Generally, the trend is to save money, said Philip Moscoso, professor at Madrid's IESE Business School.

"More people arrive with low-cost airlines and opt for alternative types of rentals", such as Airbnb, he said – a phenomenon that hurts hoteliers.

Over the past two years, the number of regulated tourist accommodation has risen 1.6 percent, while rentals through platforms such as

Airbnb have jumped 75 percent, said Exceltur.

As such, popular destinations such as Barcelona and the Balearic Islands reached saturation point, which in some cases posed environmental problems.

Margalida Ramis of Majorca's GOB environmental group said the island's infrastructure was not able to handle "the effects of the summer", pointing for instance to the treatment of waste water.

This summer, dirty water found its way into the island's northern Albufera natural park as purifiers at a nearby resort's plant stopped working correctly.

The influx of tourists on the country's beaches also threatens a fragile ecosystem made up of dunes and aquatic plants, said Ramis, who called for a limitation on unregulated tourism rentals.

Authorities are trying to "shift the 'sun and beach' model towards a type of tourism that would be less about quantity and more about quality," said Moscoso, as well as highlighting the country's heritage.

Barcelona, for instance, is trying to promote excursions to the nearby rocky range of Montserrat, while for the northern Basque Region and the wine-making Rioja area it's gastronomy.

DSE on the lookout for strategic partners

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As per the demutualisation scheme, which was approved by the BSEC in September 2013, a strategic investor should have the experience of managing exchanges or a business so that the tie-up could form an effective synergy.

Foreign stock exchanges, banks, financial institutions, technology firms and institutional equity investors can be counted as strategic investors and they can purchase shares in Dhaka and Chittagong stock exchanges.

Though there are no specific criteria on the financial condition of a strategic investor, the value proposition needs to be balanced against strategic considerations, according to the rules of the scheme.

"Shareholders have created value for the exchanges over a long time. Hence, it is important to receive the

right financial considerations to offload shares to a strategic investor," according to the scheme.

Cultural compatibility is also important for any partnership, especially in people-oriented businesses, as a lot of alliances have fallen apart due to discord between organisational cultures.

"It brings in efficiency which hinders the overall operations of the company. Hence, the stock exchange needs to ensure that an acceptable degree of cultural compatibility exists."

Strategic investors will help ensure the introduction of new products, migration of best practices, technological advancement and a professional approach toward management.

If a strategic investor acquires any share of a demutualised stock exchange, it can only be resold to other strategic

investors with approval from the BSEC.

The regulator, however, through written orders can exempt a strategic investor from provisions related to share buying, selling, acquisition and takeover.

Although the 13-member board of a bourse includes a director from the strategic investors' category, the post still remains vacant, as the bourses are yet to get any strategic investor.

After the stockmarket debacle in 2011, a probe panel recommended demutualisation of the bourses, a process which transforms the entities owned mainly by stockbrokers into public companies to be owned by shareholders.

The demutualisation law was passed in parliament in April 2013 to separate the bourses' management from ownership for bringing transparency to the market.



Shamim Ahmed Chaudhury, president and managing director of AB Bank, and Mohammed Nasir Uddin Chowdhury, managing director of LankaBangla Finance, attend the signing of a deal at a programme. Master and Visa cardholders of LankaBangla will be able to make their credit payments through the branches of the bank.

AB BANK