

Apple, Nokia settle patent dispute and sign new deal

REUTERS, Helsinki
Nokia has settled its legal battle with Apple with a new patent licence agreement and also signed a business deal with the U.S. giant, surprising investors who had expected the dispute to drag on.

The companies said on Tuesday that Nokia will receive an upfront cash payment and additional revenues from Apple starting from the current quarter, without giving details. Analysts said the revenue was likely to be far higher than a previous deal.

Nokia shares, which fell in December when the patent dispute was announced, jumped as much as 8 percent to their highest since February 2016 and were 6.5 percent higher at 5.88 euros by 0848 GMT.

"We are pleased with this resolution of our dispute and we look forward to expanding our business relationship with Nokia," Apple Chief Operating Officer Jeff Williams said in a joint statement from the companies.

A previous patent licence contract between the companies expired last year, and both sides took legal action in December. Apple complained of being overcharged and Nokia responded by accusing Apple of vio-

lating technology patents.

In the absence of a new deal, Nokia cut its annual run-rate forecast in December for patent and brand licensing sales to 800 million euros (\$900 million) from 950 million euros previously. In its latest quarterly report released in April, Nokia stopped giving an annual run-rate forecast altogether.

"(The agreement) moves our relationship with Apple from being adversarial in court to business partners," Nokia's Chief Legal Officer Maria Varsellona said in a statement.

Analysts were surprised by the relatively quick resolution, as they had feared a protracted legal dispute.

"For Nokia, it's good news they got this out of the way, but we still have to wait for details about the financial impact," said OP Equities analyst Hannu Rauhalu.

"The previous annual rate was 150 million euros, so I assume this to be more, around 500 million euros."

Under the new business agreement, Nokia said it would provide network products and services to Apple while Apple would resume carrying Nokia's digital health products in its retail and online stores. The firms will also look into further collaboration in digital health, Nokia said.

Rauhalu said Apple might have been willing to settle with Nokia as the U.S. company's patent battle with chipmaker Qualcomm Inc has escalated.

Inderes analyst Mikael Rautanen said Nokia's aim to expand its sales of network equipment sales beyond telecom operators to global internet and technology giants may also have played a part in the resolution of the dispute.

Patent royalties represent only a sliver of Nokia's overall revenue, more than 90 percent of which comes from telecoms network equipment. But licensing payments are highly profitable and the network business is suffering an industry-wide slump.

Nokia's patents cover technology that reduces the need for hardware components in a phone, conserves battery life, increases radio reception, helps in recovering lost phones and enables voice recognition, among other features.

Once the world's dominant cellphone maker, Nokia sold its handset business to Microsoft in 2014 to focus on its network business and large portfolio of mobile device patents.

Nokia's total sales in 2016 were about 24 billion euros.



M Anis Ud Dowla, chairman of Pioneer Insurance Company Ltd, presides over the company's 21st annual general meeting at Spectra Convention Centre in Dhaka yesterday. The company approved 15 percent cash dividend for 2016.

Paytm launches niche bank, to offer interest of 4pc a year on savings accounts

REUTERS, Mumbai

Indian digital payments firm Paytm, which is backed by Asian technology giants SoftBank Corp and Alibaba Group Holding, launched a niche bank on Tuesday, part of a plan to more than double its customer base to 500 million in the next three years.

Paytm Payments Bank will help the firm reach tens of millions of Indians who use mobile phones and cheap data services in the world's fastest-growing internet services market but do not have access to the

formal banking sector.

The payments bank will open 31 branches and 3,000 customer points in its first year, the company said in a statement.

A payments bank is an institution that can take deposits and remittances but cannot lend. Paytm became a household name across India after New Delhi's shock move to ban high-value currency notes late last year resulted in a cash crunch and boosted the use of its electronic wallet.

Paytm says more than 220 million clients use its e-wallet.

Its success has attracted deep-pocketed investors such as Japan's SoftBank, which last week invested \$1.4 billion in Paytm parent One97 Communications. The firm's digital wallets will fold into its payment bank.

The bank will offer an interest of 4 percent a year on savings accounts and also provide current account facility to merchants.

It will have no minimum balance requirements and all online transactions will be free, the company said. The bank accounts will initially be available only through an invite.



From left, Rajeev Gopal, chief marketing officer of Birla Cellulose, the pulp and fibre business of Aditya Birla Group of India; Amir Hossain Amu, industries minister; Harsh Vardhan Shringla, Indian high commissioner to Bangladesh; Dilip Gaur, managing director of Birla Cellulose, attend a technical symposium at Le Meridien Dhaka on May 22. Birla Cellulose organised the event.



Selim RF Hussain, managing director of Brac Bank, presents the bank's quarterly earnings at a programme, at its head office in Dhaka yesterday. Story on B1

Nasir A Choudhury, new chairman of DBH

STAR BUSINESS DESK

Nasir A Choudhury has recently been elected as the chairman of Delta Brac Housing Finance Corporation Ltd (DBH). He is the adviser and founding managing director of Green Delta Insurance Company Ltd, the company said in a statement yesterday. Choudhury is the chairman of Green Delta Securities Ltd, Green Delta Capital Ltd and GD Assist Ltd.

He is one of the sponsors of Union Capital Ltd and director of United Hospital (Pvt) Ltd and managing director of Nascom (Pvt) Ltd, according to the statement.

Choudhury was honoured with the "Mother Teresa International Award" by Mother Teresa International Award Committee in Kolkata, India for his contributions as a Social Worker and in 2010 with the DHL-Daily Star "Lifetime Achievement Award" for his contribution towards the development of the insurance industry in Bangladesh.



Sony chief says major turnaround complete

AFP, Tokyo

Sony chief executive Kazuo Hirai on Tuesday hailed a years-long company restructuring as a success, but said struggles in its movie business remain a "pressing issue".

The 56-year-old company veteran was tapped five years ago to lead a major overhaul at the once-iconic company, which was suffering from huge losses largely tied to a hard-hit consumer electronics business.

Delhi moving ahead with Dhaka on trade front: Shringla

FROM PAGE B1
The high commissioner said everybody talks about non-tariff barriers but nobody can say what those non-tariff barriers exactly are.

Shringla, however, said India does not import goods and foodstuff from any country without being tested.

He said they are also cooperating to accept standards of testing certification of BSTI to facilitate easier access for Bangladesh goods.

The high commissioner said time will come when all Bangladeshi products will reach the standards

that India wants. Mentioning that India granted full market access to Bangladesh, Shringla said today nobody talks about it the way it was debated in 2011.

He said some 13 agreements were signed with Indian public and private sector companies during Prime Minister Sheikh Hasina's New Delhi visit. These deals will bring in \$10 billion in new investments to Bangladesh in power, energy, logistics, education and medical sectors, he said.

India has so far pledged \$8 billion in concessional financing to

Bangladesh. During the recent visit, \$5 billion dollars was pledged in concessional financing in addition to the earlier \$3 billion in the first and second lines of credit. "This is the largest amount of credit India has committed to any single country which demonstrates that we value our relationship with Bangladesh."

Diplomatic Correspondents Association, Bangladesh (DCAB) arranged the interaction with its President Rezaul Karim Lotus in the chair. DCAB General Secretary Pantho Rahman also spoke.

Strong bond market needed to finance infrastructure: analysts

FROM PAGE B1
A bond is a fixed income security that provides fixed interest, making it comparatively safer than a stock for risk-averse investors.

Speakers said Bangladesh is unfortunately yet to develop a strong bond market. Neither policy makers nor the corporations have shown any substantial interest in bonds, they said.

As a result, the general investors have little idea about how a bond works.

Swapan Kumar Bala, commissioner of the Bangladesh Securities and Exchange Commission, emphasised the importance of having access to alternative means of financing for investors.

"Proactive regulatory policies are essential for the development of a bond market in our country," he added.

Vinod Kothari, an internationally recognised consultant on specialised financial subjects, and Bidyut Kumar Saha, senior financial sector special-

ist of the Asian Development Bank, presented two papers at the seminar.

They said a strong bond market is necessary for diversification of financing options and long-term investment. It also works as complement to foreign funding.

Arif Khan, CEO of IDLC Finance; Syed Afsor H Uddin, CEO of PPP Authority under the Prime Minister's Office; and Alamgir Morshed, managing director and head of financial markets of Standard Chartered Bangladesh, also spoke.

Apparel exporters gear up to make sportswear

FROM PAGE B1
Bakhtiar Uddin Ahmed, general manager at Fakir Apparels Ltd, a Narayanganj-based garment maker, said his company produces sports t-shirts and trousers on a limited scale.

Mohammad Hatem, former vice-president of Bangladesh Knitwear Manufacturers and Exporters Association, said he supplied eight lakh pieces of jerseys to 10 football playing nations, including Brazil, Germany, France, Portugal and Argentina, during the last football world cup.

Hatem sold the jerseys between \$2 and \$2.50 a piece. Hatem said many factories in Bangladesh supply jerseys to different football clubs in Europe, like Barcelona, Real Madrid, Manchester United and FC Bayern Munich.

Some factories inside the export processing zones export high-end functional sportswear items to renowned retailers and brands like Adidas and Puma.

IDLC launches open-end mutual fund

FROM PAGE B1
AB Mirza Azizul Islam, a former caretaker government adviser, attended the event as the chief guest. "IDLC is launching its first mutual fund for the common people of Bangladesh," said Arif Khan, CEO of IDLC Finance.

"As a result of mass participation presumably with a long-term orientation, our capital market will receive a good, stable flow of fund."

Since individual investors will participate in the capital market through institutionalised products like mutual funds, volatility of the market will be lowered, Khan said.

"IDLC Balanced Fund will give people a tool to better manage their fund and grow it consistently over a longer horizon to materialise their aspirations of life," said Rajib Kumar Dey, managing director of IDLC Asset Management.



Ilias Kanchan, brand ambassador of Walton, opens an exclusive Walton showroom—Imran Electronics—at Bangshal in Dhaka on May 22. Amdadul Haque Sarker, executive director for marketing of the company, was also present.



Maksudur Rahman, senior director of Edison Group, and Nusrat Jerin, senior manager of Jaago Foundation, exchange the signed documents of a deal at a programme in Dhaka on May 22. Under Symphony's new campaign "Eid-er Khushi Share Koro", a portion of the earnings from sales of Symphony mobile during Ramadan will be spent for the underprivileged children.