



## LKN Keeping You Informed

### September 2009 Issue

September 30

#### **7-Eleven Café in Hong Kong.** *Time.com*

7-Eleven opened its Hong Kong's first 7 Café, part of the U.S. convenience-store chain's global foray into fast food. The convenience store already occupies a special place in the heart of Hong Kong. Although most of the stores are no bigger than a New York studio apartment, they're as ubiquitous as Starbucks in Seattle: there are nearly 1,000 7-Elevens in Hong Kong.

[Full article](#)

#### **Kodak CEO to stay through 2013.** *Business Week*

Richard Braddock, presiding director of Kodak's board, said Perez has taken Kodak through a historic transformation "that has created powerful new digital businesses along with a solid balance sheet. He and his team are taking the right actions to guide Kodak through this very challenging economic climate."

[Full article](#)

#### **AT&T to buy Plusmo Inc.** *Business Week*

AT&T Inc. is buying Plusmo Inc., a company that helps develop mobile Web applications, as it looks to tap the growing market for software on smart phones. AT&T Interactive CEO David Krantz said the deal "highlights our commitment to invest in mobile application innovation and search leadership."

[Full article](#)

#### **India government to unveil privatization plan.** *Business Plan*

The government is announcing the blueprint for selling its stake in state-owned companies. Prominent state-owned companies such as National Thermal Power (NTPC), Rural Electrification (REC), National Mineral Development (NMDC), Steel Authority of India (SAIL) and Rashtriya Ispat Nigam (RINL) are among the companies expected to figure in the final list, given their pressing need for capital.

[Full article](#)

#### **EU toughens against China.** *Business Week*

The European Union believes it must toughen its stance when negotiating with China on investment access. Ties between China and the EU are currently set out under a 1985 Trade and Co-operation Agreement but discussions have been ongoing since 2007 to broaden the formal relationship.

[Full article](#)

September 29

**Starbucks comments on Via instant coffee rollout.** *Business Week*

"It took a lot of courage to say that even though instant coffee is the worst cup of coffee you can have, we are going to reinvent it," CEO Schultz said. "We've taken a lot of time with it because we know it could undermine the company if we don't do it right."

[Full article](#)

**The third Americas Competitiveness Forum.** *Colombiareports.com*

One of the topics covered in the forum was the threat of protectionism and how it can affect open economies. Many economies in Latin America are heavily dependent on their exports, which can be damaged by protectionism.

[Full article](#)

**The EU's future in Irish hands.** *Time.com*

On Oct. 2, Irish voters will go to the polls for a second time to vote on the Lisbon Treaty, an agreement already ratified by most of the other 26 members of the European Union that aims to reform and streamline the newly expanded organization. In the latest national poll, conducted by the *Irish Times* last week, 48% of respondents said they supported the agreement, compared with 33% who said they were against it.

[Full article](#)

**BASF invests in Asia.** *Business Week*

BASF SE on Tuesday announced plans to invest a total of \$2.9 billion in Asia through 2013 as it targets faster demand growth in the region. "The Asian growth markets will continue to provide attractive opportunities, and our strategy will help us to realize them," BASF board member Martin Brudermueller said.

[Full article](#)

**GM to purchase Delphi.** *Business Week*

GM is purchasing Delphi's global steering business and four of the parts supplier's plants it used to own in New York and Indiana. Delphi is GM's former parts division that still makes 10% of the parts that go into GM models. It was spun off in 1999 and sought protection from creditors in 2005.

[Full article](#)

**Russia decreases government stake in businesses.** *Business Week*

Russian PM Vladimir Putin says that the government will reduce its role in the economy and ownership of companies over the coming years to allow for better growth. Economic troubles have not led to significant unrest among Russians and have done little visible damage to support ratings for Vladimir Putin.

[Full article](#)

**Starbucks introduces Via instant coffee to U.S.** *Business Week*

"Based on the success we've had, we feel strongly that we're sitting on a very big opportunity," said Starbucks CEO Howard Schultz. While instant coffee is pervasive throughout Europe accounting for as much as 80% of coffee sales in the U.K. the insta-brews haven't won over American taste buds, in large part because of their image as an inferior knock-off of drip-brewed beverages.

[Full article](#)

**US, China relations seek improvement.** *Business Week*

President Barack Obama's upcoming visit to China marks an "important milestone" in improving trust and respect between Beijing and Washington, a top U.S. diplomat said. "In our discussion today, we focused on how we can address some of the key challenges facing the international community, from economic growth to climate change, global public health, nonproliferation, including North Korea and Iran, and combating terrorism," U.S. Deputy Secretary of State James Steinberg said

[Full article](#)

September 28

**BBVA expands into China.** *Business Week*

Spain's big banks, typically most aggressive in Latin America, increasingly are looking to expand in Asia. On Sept. 6, Telefónica, Spain's largest telecommunications operator, confirmed that it will increase its stake in telecom operator China Unicom from 5.38% to 8.06%.

[Full article](#)

**Johnson & Johnson gets stake in Crucell.** *Business Week*

Johnson & Johnson Inc. has bought an 18% stake in Crucell NV for \$440 million in hopes of developing a universal flu vaccine. New Brunswick, New Jersey-based Johnson & Johnson is one of the world's largest medical companies but is not one of the top 5 vaccine makers.

[Full article](#)

**Evalon buys Diner Club.** *Business Week*

U.S. Bancorp subsidiary Elavon purchased Citibank's Diners Club Card merchant-location portfolio. They also entered a deal with Discover Financial Services division Diners Club International Ltd. Merchants will be able to consolidate services by using Elavon their single-source provider for other credit and debit card transactions.

[Full article](#)

**BP shows interest in China Petroleum & Chemical Corp.** *Business Week*  
Oil giant BP PLC is interested in teaming up with Kuwait in a planned \$9 billion joint venture refinery project in southern China. KPI, a subsidiary of the state-run Kuwait Petroleum Corp., will co-own the plant with China Petroleum & Chemical Corp. Kuwait will retain a 30% stake while the Chinese refinery, also known as Sinopec, will hold a 50% interest.

[Full article](#)

**Abbott purchases Solvay.** *Business Week*

Abbott Laboratories is buying Solvay for \$6.6 billion in a move to further expand internationally and add to its product portfolio. Miles D. White, chairman and chief executive of Abbott, said the deal could add up to \$3 billion in additional annual sales, while giving the company more diverse portfolios in cardiology and neuroscience treatment areas.

[Full article](#)

September 27

**Intel, Microsoft buying Multicore Developers.** *Business Week*

With Cilk Arts and Rapid Minds, Intel has purchased two companies that allow programmers to work in the popular C++ language and then turn their programs over to a compiler to make them run faster on multicore chips. Microsoft's interest is in an overall improvement to its high-performance computing software for computing clusters and desktops.

[Full article](#)

**Gap Inc. co-founder died.** *Business Week*

Donald G. Fisher, who co-founded clothing retailer Gap Inc., has died at age 81. After struggling to find jeans that fit, Fisher and his wife opened their first store in 1969 in San Francisco, selling jeans and music under a name based on the idea of "The Generation Gap." The simple style that became the namesake brand's trademark resonated with shoppers and took off quickly.

[Full article](#)

**Iran, Russia, Venezuela, and Uranium.** *Business Week*

Mining Minister Rodolfo Sanz said Iran is helping Venezuela to detect uranium deposits and that initial evaluations suggest reserves are significant. Chavez had expressed interest in developing nuclear energy as early as 2005, and mentioned Venezuela could discuss it with Iran.

[Full article](#)

**Merkel: Germany's new leader.** *NPR*

Angela Merkel, whose party received 33.7% of the vote in unofficial election returns, is now poised to form a new coalition with the pro-business Free Democrats, which received a record 15% of the vote. Merkel can leave her

partnership with the center-left Social Democrats, or SPD, ending the "grand coalition" that has ruled Germany for the past four years.

[Full article](#)

September 26

**Is there an end to Russia?** *Time.com*

The country is so big and so unwieldy that it seems always on the verge of implosion, Russians fear that Russia will fall apart. The Kremlin and its clients held an Anti-Crisis Economic Forum earlier this month in the city of Khabarovsk.

[Full article](#)

September 25

**Venezuela to invest \$25 billion in oil.** *Business Week*

Venezuela's state oil company says France's Total SA will invest \$25 billion in the nation's Orinoco Oil Belt. Oil Minister Rafael Ramirez says Total will help Venezuela's state-run Petroleos de Venezuela SA, or PDVSA, develop its reserves.

[Full article](#)

**Chavez speaks highly of U.S.** *CNN.com/world*

In an exclusive interview with CNN's Larry King, Chavez spoke at length about a host of issues: relations between Venezuela and the United States and his hopes for improved ties with President Barack Obama; Iran, Israel and those who deny that the Holocaust existed; efforts to overthrow him and have him assassinated; criticism that he is power hungry and trying to silence critics.

[Full article](#)

**Offsourcing: increased in market value.** *Business Week*

A report by XMG Global, says India and China were singled out as the market's top revenue generators India will account for 44.8% of the global market, while China will hold at 25.9%. While the global market's overall growth will slide there are indications that offshoring and outsourcing is "part of a natural ongoing economic revolution notwithstanding a financial crisis".

[Full article](#)

**Wipro to sell French unit.** *Business Week*

Wipro plans to explore options to sell its development centre at Sophia Antipolis, France, because of extensive employee protests against shutting it down. "As part of the ongoing process, we will continue to look favorably on any proposal that we may get from interested parties willing to continue part of totality of the activities in the Sophia Antipolis centre," Pramod Idiculla, general manager Wipro Technologies.

[Full article](#)

September 24

**Apple proves its "Greenness."** *Business Week*

Apple is set to launch its most aggressive effort yet to counter green critics. The company will release more of the details environmental groups have been requesting, on its Web site and elsewhere. It will reveal its annual corporate carbon emissions for the first time. Apple's real goal is to change the terms of the debate.

[Full article](#)

**A lesson in investing in Russia.** *Business Week*

The Russian economy is heavily dependent on energy and mining, so when oil plunges, the Russian stock market does, too. Almost half of the Market Vectors Russia ETF is composed of energy companies, including four of the top five. Among that group, however, the lone financial company is the top performer.

[Full article](#)

**Kuwait pushes for Vietnam oil deal.** *Business Week*

Kuwait's oil minister expects the country's state-run foreign oil exploration company to win another offshore license in Vietnam, which would mark the energy rich Gulf state's latest push into Asia. Kuwait, which is an OPEC member, has already teamed up with Petrovietnam and two Japanese firms.

[Full article](#)

**Russia encourages foreign investment.** *Business Week*

Prime Minister Vladimir Putin invited foreign investors to develop a huge untapped gas region in Siberia and indicated that the state could provide tax breaks for projects there. Gazprom's CEO Alexei Miller voiced hope that Yamal will become a new hub of liquefied natural gas production, an industry the company considers key for its development.

[Full article](#)

**G-20 meets to improve world economy.** *CNN.com/US*

The G-20 will meet to focus on the worldwide financial crisis, and plot how to avoid a repeat in the future. "As the leaders of the world's largest economies, we have a responsibility to work together on behalf of sustained growth, while putting in place the rules of the road that can prevent this kind of crisis from happening again," President Obama said.

[Full article](#)

**JAL to be government owned.** *CNN.com/world business*

Japan Airlines has asked the Japanese government to buy a stake in it as part of a proposed \$2.5billion capital rising designed to fund the struggling carrier's operations and pay for a drastic restructuring. If agreed, JAL would come under partial government ownership for the first time since it was privatized in the mid-1980s.

[Full article](#)

**Gates Foundation promotes US Global spending.** *Business Week*

The Bill and Melinda Gates Foundation is launching a campaign to highlight the U.S. government's efforts to improve global health. "We want to show Americans that their investments in global health are working," Gates said in a statement announcing the campaign.

[Full article](#)

September 23

**Mexicans view U.S. more favorably.** *CNN.com*

Some 33% of Mexicans said they would move to the United States if they could; 18% would go even if it meant entering the country illegally. "Facing a variety of national problems crime, drugs, corruption, a troubled economy Mexicans overwhelmingly are dissatisfied with the direction of their country," a survey report concluded.

[Full article](#)

**Female friendly schools in Indonesia.** *Time.com*

When Nyai Yu Masriyah Amva was widowed she was expected to marry again. It was assumed the traditional Indonesian Islamic boarding school, would close with the death of her husband, its head Islamic scholar. However, Amva did not remarry and decided that she would run the school. "If men can do it, then why can't I?" Together with Indonesia's most prominent male feminist cleric, Kyai Husein Muhammad, Marcoes-Natsir has developed a course for teaching gender equality in Islam.

[Full article](#)

**Apple to sell iPhone in South Korea.** *Business Week*

The introduction of the iPhone has been keenly awaited in South Korea, where the handset market is dominated by Samsung Electronics Co., LG Electronics Inc. and other domestic manufacturers.

[Full article](#)

**Look forward to FDI in India.** *Business Week*

According to investment experts stationed abroad, India is regaining popularity among foreign investors. The tag of being 'one of the best risk-adjusted return markets' had eluded India, after offshore funds shed 60-80% in value at the height of bear market.

[Full article](#)

**India opposes protectionism in trade, investment.** *Business Week*

India urged the G-20 summit to come out strongly against protectionism in trade while continuing reform of international financial institutions to give greater voice to developing countries. The summit should also support an increase in the capital of multilateral development banks to finance the massive infrastructure needs of emerging economies, said Prime Minister Manmohan Singh.



[Full article](#)

September 22

**U.S. embassy closes in South Africa.** *CNN.com/world*

The United States temporarily closed its government facilities in South Africa on Tuesday after a "possible threat" to its embassy, the U.S. State Department said. The U.S. Embassy in Pretoria and other government offices in South Africa will remain closed as the security threat is being monitored, embassy spokeswoman Sharon Hudson-Dean said.

[Full article](#)

**Skype founders' efforts to buy back Skype.** *Business Week*

Skype founders Niklas Zennström and Janus Friis submitted an 11th-hour bid for the Internet-calling business. They sold Skype to eBay in 2005 and have offered to buy it back for \$2.1 billion. Having lost the bidding tussle to a group of investors led by Silver Lake, Skype's founders redoubled their fight in courts.

[Full article](#)

**Soon to see hydrogen autos on the roads.** *Business Week*

The German government, along with Daimler and a group of energy companies including Royal Dutch Shell announced plans to build 1,000 hydrogen filling stations in Germany by 2015. Automakers including Toyota, Ford, General Motors, and Hyundai called on energy companies to build an international network of hydrogen filling stations.

[Full article](#)

**Probable violence with Zelaya's return to Honduras.** *Time.com*

Exiled President Manuel Zelaya got in underground on Sept. 21, popping up at the Brazilian embassy in Tegucigalpa after a clandestine trek over the border. If Honduras can't come to an agreement now, Latin America watchers worry that worse violence could erupt in one of the hemisphere's poorest countries.

[Full article](#)

**Should GDP still have the same meaning?** *Business Week*

There are now plenty of skeptics who seriously question the value of constantly rising economic output. These critics are not simply cranks who are opposed to change in general. They are respected individuals who have the courage to reflect on whether growth is always synonymous with progress and whether stagnation automatically implies regression.

[Full article](#)

**Saudi Arabia new science and technology university.** *Business Week*

The King Abdullah Science and Technology University will have state-of-the-art labs, the world's 14th fastest supercomputer, and one of the biggest endowments worldwide. Saudi officials have envisaged the postgraduate



institution as a key part of the kingdom's plans to transform itself into a global scientific hub.

[Full article](#)

**Natural gas business is booming.** *NPR*

In the energy world, Big Oil has long been the key player with one notable exception: The natural gas business in the United States is dominated by small, independent companies. Business is booming and new production techniques in recent years have enabled companies to extract natural gas from shale rock formations deep underground.

[Full article](#)

September 21

**Dell to buy Perot Systems.** *Business Week*

Dell Inc. plans to buy the technology services company Perot Systems Corp. for about \$3.9 billion as it tries to expand beyond the PC business and compete more aggressively with Hewlett-Packard Co. Following the acquisition, which is expected to close by the end of January, Perot Systems would become Dell's service unit.

[Full article](#)

**Korea wins FTSE Developed World Status.** *Business Week*

The FTSE upgraded the Korean stock market to developed market status from emerging market on Sept. 21, but the move is expected to do little in boosting the Seoul bourse's Korea Composite Stock Price Index, or Kospi.

[Full article](#)

**India to use digital passport.** *ZDNet Asia*

The Indian government next year will launch its e-passport initiative, as well as the Passport Seva Project, which entails digitization of the entire passport services. "The unique feature of Passport Seva is that citizens will be able to get a passport in three working days," Neel Ratan said executive director at PricewaterhouseCoopers.

[Full article](#)

**Santander sells shares in Brazilian unit.** *Business Week*

Spain's Banco Santander hopes to raise nearly euro5 billion in capital by selling shares in its Brazilian unit as part of a plan to expand that affiliate. The transaction would give the Brazilian unit a market capitalization of between \$45.6 billion and 51.5 billion, placing it among the world's 30 largest banks as measured by that yardstick.

[Full article](#)

**The inside of Intel's sales tactics.** *Business Week*

The EU published e-mail excerpts from computer makers and Intel Corp. to show that Intel pressured chip buyers into choosing Intel over rival Advanced

Micro Devices Inc. Intel was hit by an EU antitrust fine of \$1.45 billion for using strong-arm sales tactics

[Full article](#)

**The FCC proposes Open Internet Rules.** *NPR*

The Federal Communications Commission should adopt standards that mandate an Internet that is accessible to everyone on the same terms with no legal content blocked, Chairman Julius Genachowski said. In 2004, then-Chairman Michael Powell laid out four principles for Internet access, saying consumers should be free to access legal content, use the legal applications of their choice, attach personal devices to the Internet as long as they are not harmful, and access the services of their choice.

[Full article](#)

September 18

**Fees are the lifeline of airlines.** *Business Week*

The airlines' goal these days is to have the fare be just one piece of the travel experience and to segment every other aspect, from drinks to baggage, HBO to legroom. "As airlines emerge from just transportation businesses into retail businesses, they need to think more like retail businesses," says Henry Harteveltdt, a travel analyst at Forrester Research.

[Full article](#)

**Argentina media bill.** *CNN.com/world*

The lower house of Argentina's Congress has approved a controversial media law that spells out media ownership rules and calls for the creation of a regulatory agency. The goal of the so-called Audio-Visual Communication law is to regulate television and radio broadcasters and increase competition in the media industry.

[Full article](#)

**Google launches DoubleClick Ad Exchange.** *Business Week*

DoubleClick advertising exchange, a sort of stock exchange for online ads it has been developing since early last year. This exchange lets Web sites offer space that ad agencies and online brokers called ad networks can bid for in an automated auction system.

[Full article](#)

**Honda profits in auto industry.** *Business Week*

For the fiscal year that ended in March, Honda made a profit of \$1.5 billion. That compares favorably with Toyota and Nissan, which both fell into the red, losing a combined \$7 billion. Honda, with its lineup of gas sippers, was positioned to benefit from the downsizing trend, and its sales initially fared well.

[Full article](#)

**World Bank loans \$400 million to Ukraine.** *Business Week*

"We hope that our loan will help to bolster confidence in the banking system in Ukraine, and thus lay the foundation for recovery and economic restructuring post-crisis," Martin Raiser, World Bank Country Director for Ukraine, Belarus and Moldova said. Ukraine's financial crisis has been one of the worst in Europe. The economy is expected to shrink by 15 percent this year.

[Full article](#)

**Protectionism rises despite G-20 agreement.** *Business Week*

Leaders of the world's 20 top economies vowed to resist protectionism last November and again in April as they charted a joint strategy for confronting the worst global downturn in generations. Nearly all 20 nations have violated the no-protectionism pledges made.

[Full article](#)

September 17

**Pepsi #1 in China.** *Business Week*

Worldwide, of course, Pepsi remains far behind Coca-Cola. However, Pepsi is beating its archrival in China. It's the No. 1 cola, with 23% of the soda market, vs. Coke's 22%, according to researcher Euromonitor International. China "represents our single biggest opportunity today outside the U.S.," says CEO Indra K. Nooyi, who spent 12 days in China this summer.

[Full article](#)

**BYD aims to buy Toyota.** *Business Week*

Chinese battery and automaker BYD Co. aims to overtake Toyota Motor Co. to become the global auto leader in under two decades. "It's our company's long-term target, to be China's No. 1 automaker by 2015 and to be the world's leading car maker by 2025," Jasmine Huang, a senior marketing representative for BYD.

[Full article](#)

**VC backed startups growing.** *Business Week*

The National Venture Capital Association published its fifth overview of the impact of companies backed by venture capital investment in the U.S. economy. It shows that high-growth startups are playing an increasingly important role in American business. In the software industry, 81% of the industry's 1 million jobs originate from venture-backed startups.

[Full article](#)

**Twitter phone calls.** *CNN.com/technology*

A new third-party offering from Jajah known as Jajah@call is expected to go into beta that will allow Twitter users to initiate a two-way voice chat with other users by typing "@call @username, "where "username" is someone's Twitter ID into any Twitter client.

[Full article](#)

**Union returns to AFL-CIO.** *Business Week*

UNITE HERE and several other unions departed in 2005 after claiming there was too much emphasis on politics and not enough on organizing new members. They formed the rival Change to Win federation.

[Full article](#)

**Ebay to change luxury brand sales rules.** *Business Week*

EBay Inc. called Thursday on the European Union to change antitrust rules that allow luxury manufacturers to choose who can sell their branded goods online. EBay has separately run into legal trouble with luxury goods and cosmetics manufacturers over the sale of bogus products on the site with mixed results in different courts.

[Full article](#)

**Avon president resigns.** *Business Week*

Avon Products Inc. says that its president, Elizabeth Smith, is leaving at the end of October to seek out a CEO position elsewhere. Avon said it has no immediate plans to name a replacement.

[Full article](#)

**Toyota spends \$1 billion in 4<sup>th</sup> quarter marketing.** *Business Week*

Toyota Motor Corp. is pouring \$1 billion into a U.S. marketing effort in the fourth quarter as the Japanese automaker bets on a recovery in the ailing auto market. Spokesman Irv Miller says the sum is "more than we've spent before" in the period.

[Full article](#)

September 16

**Facebook population equal to U.S. population.** *CNN.com/technology*

300 million Facebook's user base is nearly as large as the U.S. population and, for the first time, the site has turned a profit. About 70% of Facebook's users are outside the U.S., according to statistics posted by the company. Facebook says its fastest-growing demographic is people older than 35

[Full article](#)

**U.S. ranked #1 in IT competitiveness.** *Business Week*

Business Software Alliance analyzes data on 66 countries around the world to determine which have the most competitive information technology sectors. Home to some of the world's most recognizable tech companies, such as IBM, Oracle, Intel, Apple, Hewlett-Packard, and Google, the U.S. has topped the survey every year. Finland ranked 2<sup>nd</sup> place.

[Full article](#)

**Walkman v. iPod.** *Business Week*

Sony added two new models to its Walkman lineup yesterday, as it attempts to lure consumers away from Apple's iPod. This fiscal year through March 2010, Sony expects to sell 6.7 million Walkmans. During the week through

Aug. 30, the Walkman outsold the iPod in Japan, for the first time in four years. Still, in other markets Sony badly trails Apple.

[Full article](#)

**Parsons to advise Providence Equity.** *Business Week*

Citigroup Chairman Richard Parsons will serve as senior advisor to Providence Equity Partners Inc. He will provide input on new investment opportunities as well as on some of its existing investments. The move comes at a time when some of Providence's companies are struggling, such as Hollywood studio Metro-Goldwyn-Mayer Inc.,

[Full article](#)

**Lack of raw material creates Vitamin C shortage in China.** *Business Week*

Due to curbs on raw material imports from China, drug manufacturers are finding it unviable to produce the medicine whose retail price is controlled by the government. "The industry cannot manufacture it at the current price, as it is not profitable," Piramal Healthcare director corporate affairs Harinder Sikka told ET.

[Full article](#)

September 15

**Ford improving with lack of federal aid.** *Time.com*

Ford appears to be well along on the road to recovery and in many ways is in a stronger position than its longtime rival GM. While Ford's senior executives say the company won't reach sustained profitability until 2011, the company surprised analysts by posting net income of \$2.3 billion in the second quarter.

[Full article](#)

**U.S. accused of blocking Russia in WTO.** *CNN.com/europe*

"Had it not been for the extremely cautious U.S. policy on Russia's accession to the WTO or, to be frank, had it not been for blocking on the part of the U.S. we would have been there a long time ago," Medvedev said. Russia has been negotiating its accession into the WTO since 1993 but various issues including enforcement of copyright laws and meat exports have halted the country's acceptance in the past.

[Full article](#)

**GM pushes for an upgrade.** *Business Week*

To shine its image, General Motors has launched a new ad campaign to show its cars are as good as imports, and it put in place 60-day money-back guarantees. Starting on Oct. 1, GM will begin a program called Essential Brand Elements, aimed at pumping money into dealers that bring their stores up to snuff.

[Full article](#)

September 14

**Russia to fund Venezuela missiles.** *CNN.com*

The Russian government has approved \$2.2 billion in credit to Venezuela to finance arms purchases. "Venezuela doesn't have plans to invade anybody, nor to be harassing anybody. This armament is necessary for national defense," Chavez said in the release. The new weapons will improve moral among Venezuela's troops, he said.

[Full article](#)

**Ecuador, Colombia restore ties.** *CNN.com*

The government of Ecuador is willing to re-open diplomatic relations with neighboring Colombia, 18 months after a cross-border raid soured ties. Ecuador cut diplomatic relations in March 2008, following a Colombian raid against FARC guerrillas that led them across the border into Ecuador.

[Full article](#)

**Doing Business in Iraq: 10 rules.** *Business Week*

In July, Iraqi Prime Minister Nouri al-Maliki visited the U.S., and part of his mission was to convince American companies to invest in his country. Although Iraq is not yet completely stable, a window of opportunity has opened there for companies willing to take a risk in one of the ultimate emerging markets.

[Full article](#)

**Should Deutsche Telekom buy Sprint Nextel?** *Business Week*

Shares of Sprint Nextel rallied after the British newspaper said Deutsche Telekom may submit an offer "within the next few weeks." If a bid comes in and the merger goes through, the combined company would have as many as 82.3 million subscribers, and may become the No. 2 player in the U.S. wireless market, behind Verizon Wireless and ahead of AT&T

[Full article](#)

**Will politics interrupt GM Europe deal?** *Business Week*

Magna and Sberbank plans to purchase a 55% stake in Opel, with GM retaining 35% and the remaining 10% going to workers. However, there is strong international reaction. Germany is being accused of trying to push GM into selling its Opel and Vauxhall concerns to Magna with a sweetener of around \$6.5 billion worth of state aid.

[Full article](#)

**Head of Intel joins EMC Corp.** *Business Week*

Intel Corp. announced a reorganization of its management structure Monday as the head of its largest business unit leaves the company to become a top manager at data storage company EMC Corp.

[Full article](#)

**Reasons the U.S.-China dispute will not escalate.** *Business Week*

The likelihood that President Barack Obama's decision on Sept. 11 to slap a 35% anti-dumping tariff on Chinese tire exports will lead to a protectionist trade war looks small. China waited two days before announcing on its Ministry of Commerce Web site probes into dumping and subsidies of chicken and auto parts from the U.S.

[Full article](#)

**Changes in Argentine beef.** *NPR*

Argentina is increasingly fattening its herd in American-style feedlots. Promoters say it's efficient, but some Argentines wonder if quality isn't being lost for the sake of quantity. "The truth is that we produce beef (with) grass, also we produce beef with grain. We are known (for grass-fed beef) historically. We have to show the world that we can do all kinds of beef," Rodrigo Troncoso says.

[Full article](#)

September 13

**Israel, Egypt peace talk process.** *CNN.com/world*

Israeli Prime Minister Benjamin Netanyahu said he will fly to Egypt Sunday to discuss the Israeli-Palestinian peace process with President Hosni Mubarak. PM Netanyahu said, "I hope that we will succeed in reducing the gaps. Maybe we will bridge them, so that we can move the process forward."

[Full article](#)

September 12

**US revokes Honduran President Visa.** *CNN.com/world*

Increasing pressure on Honduras' interim government, the United States has revoked the visa of the beleaguered country's leader along with other leaders' visas. The board of the Millennium Challenge Corporation, a U.S. government agency, voted to cut \$11 million in aid to the government in Honduras, senior State Department officials told CNN.

[Full article](#)

September 8

**50 years and waiting, Turkey wants in EU.** *Time.com*

This summer, Turkey celebrated a dubious anniversary: it was 50 years ago that the country first asked to join the European Union or, as it was then known, the European Economic Community. Half a century on, Turkey is still waiting to be let in.

[Full article](#)

**China to begin bond sales in Hong Kong.** *Business Week*

The yuan, also known as the renminbi, or people's money, does not trade on global markets despite China's huge foreign trade, but Beijing is gradually expanding its use abroad. Chinese officials are concerned about the stability



of the dominant U.S. dollar and have called for the creation of a new global reserve currency.

[Full article](#)

**Ford begins new production in Romania.** *Business Week*

Romania is mired in recession and needed a \$17.1 billion bailout from the International Monetary Fund. Two years ago, Ford took over the country's state automaker. Ford Motor Co. launched the production of its new compact van at a factory in southern Romania, a rare piece of good news for Romania's struggling automobile industry and its moribund economy.

[Full article](#)

**EU welcomes Japan's plan to reduce emissions 25%.** *Business Week*

The European Union is welcoming plans by Japan's incoming prime minister to reduce greenhouse gas emissions 25% by 2020. The EU has promised to cut its emissions 20% by 2020, but is willing to cut up to 30 percent if rich countries follow suit.

[Full article](#)

**US ranked 2<sup>nd</sup> in competitiveness survey.** *Business Week*

"Given that the financial crisis originated in large part in the United States, it is hardly surprising that there has been a weakening of the assessment of its financial market sophistication. The country's greatest weakness continues to be related to its macroeconomic stability," survey said. Switzerland is ranked number one due to economic statistics and government regulations.

[Full article](#)

September 7

**Cadbury rejects Kraft merger offer.** *CNN.com/europe*

"The Board is confident in Cadbury's standalone strategy and growth prospects as a result of its strong brands, unique category and geographic scope," Cadbury said in a statement that didn't shut the door on merger talks. "The Board believes that the proposal fundamentally undervalues the group and its prospects."

[Full article](#)

**Mexico reshuffles government cabinet.** *CNN.com*

President Calderon announced changes to three of the most important cabinet positions in his government, including the overseer of Mexico's battle against the drug cartels. "There was a need to make some changes because there has been increasing criticism" that drug-related violence in Mexico remains unabated, said Ana Maria Salazar.

[Full article](#)

**Abu Dhabi to buy Singapore chipmaker for \$1.8 billion.** *Business Week*

Advanced Technology Investment Co. to buy Chartered Semiconductor Manufacturing Ltd. Chartered, which makes chips for Microsoft Corp.'s Xbox

360 game console, will be combined with Globalfoundries, which ATIC started last year with Advanced Micro Devices Inc.

[Full article](#)

September 6

**Iran and Venezuela pledge closer ties to each other.** *CNN.com/world*

"Expansion of Tehran-Caracas relations is necessary given their common interests, friends and foes," Ahmadinejad said after a meeting with his Venezuelan counterpart President Hugo Chavez, according to Iran's semiofficial FARS news agency.

[Full article](#)

**China Unicom and Telefonica expand alliance.** *Business Week*

Telefonica SA and China Unicom Ltd. will expand a strategic alliance and buy \$1 billion worth of each other's shares. They will cooperate in development of technology for mobile phones, providing services to multinational customers and other areas under the agreement

[Full article](#)

**Kuwait Fund has no plans to sell.** *Business Week*

"The authority has no intention of selling its holdings in Merrill Lynch or Citigroup in the near term, since the authority's investment policies are based on a long-term vision," the Kuwait Investment Authority said. The KIA pumped \$5 billion into the two banking giants in January 2008 just as the financial crisis was gathering steam.

[Full article](#)

September 5

**G-20 to maintain economic stimulus measures.** *Business Week*

Top finance officials from rich and developing countries pledged to maintain stimulus measures to boost the global economy, warning that the fledging recovery that provided the backdrop to their meeting is by no means assured.

[Full article](#)

**Delay in Iraq-Shell deal.** *Business Week*

A preliminary deal was signed last September to establish a long-term and multibillion-dollar joint venture within a year to gather, process and market associated natural gas in oil-rich Basra province. 51% of the joint venture would go to Iraq, 44% to Shell and 5% to Japan's Mitsubishi Corp.

[Full article](#)

**Good beer in a can to boost sales?** *NPR*

Putting good beer in a can used to be considered something close to blasphemy, but that's how several brave craft breweries across the country

have recently started offering their beer. Burket thought cans would be easier than bottles to take camping, fishing or hiking.

[Full article](#)

**Internet addiction centers open.** *NPR*

ReSTART opened in July and for \$14,000 offers a 45-day program intended to help people wean them from pathological computer use, which can include obsessive use of video games, texting, Facebook, eBay, Twitter and any other time-killers brought courtesy of technology.

[Full article](#)

September 4

**Cuba eases US restrictions.** *CNNPolitics.com*

The change was made to "reach out to the Cuban people in support of their desire to freely determine their country's future, promote greater contact between separated family members in the United States and Cuba, and increase the flow of remittances and information to the Cuban people," a statement from The U.S. Treasury said.

[Full article](#)

**The future of libraries.** *CNN.com/technology*

Authors, publishing houses, librarians and Web sites continue to fight Google's efforts to digitize the world's books and create the world's largest library online. Meanwhile, many real-world libraries are moving forward with the assumption that physical books will play a much-diminished or potentially nonexistent role in their efforts to educate the public.

[Full article](#)

**Growth in Japan's online shopping.** *Business Week*

Using data from the Japan Direct Marketing Assn. and Nomura Research Institute (NRI), the *Nikkei* daily estimates online shopping sales in Japan rose 22% to \$67.2 billion. This is despite Japan's deepest recession in the postwar era savaging consumer confidence following the collapse of Lehman Brothers last fall.

[Full article](#)

**Coca-Cola invests in Vietnam.** *Business Week*

Coca-Cola Co. says it plans to invest an additional \$200 million in Vietnam in the next three years. The world's biggest soft drink maker says Kent met with Prime Minister Nguyen Tan Dung and said afterward that Vietnam is an important growth market for the Atlanta-based company.

[Full article](#)

**Rio Tinto suspends iron ore talks with China.** *Business Week*

China, the world's biggest steelmaker, is pressing for price cuts of up to 40% following two years of increases totaling more than 100 percent. Major suppliers agreed to a 33% cut with Japanese and Korean steel mills this

year. Iron ore suppliers and China have broken off price talks and it is unclear when they will resume.

[Full article](#)

**Google China loses its boss.** *Business Week*

Google has certainly had its share of difficulties in China, where it has lagged behind local favorite Baidu. Google says that Lee's departure, just four years after he joined the company, is an amicable parting. The sudden departure has prompted some speculation that Google may have pushed out its China boss as a gesture to censors in Beijing.

[Full article](#)

September 3

**Netflix changes to instantly gratify.** *NPR*

Netflix have been ubiquitous in America's mailboxes. However, when you think about it, that movies-by-mail business sounds almost old-fashioned: In a digital age, it's movie rentals at the speed of a telegram.

[Full article](#)

**Will Microsoft Windows 7 revive PC sales?** *Business Week*

Hopes are building among investors that the industry will see a revival in growth as Microsoft unveils its new operating system, Windows 7, on Oct. 22 to replace its troubled Windows Vista. Given the weak economy, PC unit sales are expected to rise 6.9% worldwide in the fourth quarter, according to research firm IDC.

[Full article](#)

**WTO begins Global Free Trade Alliance.** *Business Week*

A round of negotiations began Sept 3 in New Delhi, hoping to make some movement towards a global free trade pact that could get signed in 2010, with trade ministers from 35 countries expected to spend the weekend hammering out texts of the agreement. The talks are a continuation of the so-called Doha round that started off in 2001 and have had six follow-up meetings.

[Full article](#)

**Will the EU approve to stop Oracle's purchase of Sun?** *Business Week*

European Union regulators launched an antitrust probe into Oracle's tentative deal of Sun Microsystems, saying they wanted to make sure Oracle was committed to developing Sun's rival open-source database software, MySQL. EU approval is now the main stumbling block for the \$7.4 billion deal, which has already been cleared in the U.S. by the Justice Dept.

[Full article](#)

September 2

**The future of cordless electricity.** *CNN.com/technology*

Electronics such as phones and laptops may start shedding their power cords within a year. WiTricity's version of wireless electricity, which converts power into a magnetic field and sends it sailing through the air at a particular frequency should be available soon.

[Full article](#)

**Pay to board first on Southwest flights.** *Business Week*

The airline lost \$37 million in the first six months of this year, and analysts expect that 2009 will be its first unprofitable year since the early 1970s. Many believe Southwest is passing up hundreds of millions of dollars a year by not charging passengers for all checked bags. Now customers can pay extra to reserve a spot in the boarding line right behind elite regular fliers and ahead of families with young children and other travelers.

[Full article](#)

September 1

**Starbucks to control its French operations.** *Business Week*

Starbucks and its subsidiaries, Starbucks Coffee EMEA and Starbucks Coffee International Inc., signed a deal with joint venture partner Sigla SA (Grupo Vips) of Spain that gives them full operating control of the French business and allows Grupo Vips to concentrate on Spain and Portugal.

[Full article](#)

**eBay sells Skype with satisfaction.** *Business Week*

eBay will sell a controlling share of the Internet-calling service to a group of investors led by private equity firm Silver Lake. eBay will retain a 35% stake in a high-growth business that could fare even better under private ownership.

[Full article](#)

**BP's significant recent oil strike.** *Business Week*

BP's chief of exploration, Michael Daly, terms the Tiber, the exploratory well, find "very significant" and says it is even "better" than the Kaskida field, which is another huge BP property in the Gulf of Mexico, with an estimated 4 billion to 6 billion barrels of oil in place.

[Full article](#)

**Fiji suspended from Commonwealth.** *CNN.com/asia*

Fiji has been suspended from the Commonwealth after its military rulers failed to respond to a demand to restore democracy in the Pacific island nation. The Commonwealth is made up of 53 former British colonies that cooperate within a framework of common values and goals.

[Full article](#)

**iPhone to be sold in China.** *Time.com*

China Unicom, the country's second largest mobile service provider, will make the phone available to hundreds of millions of mainland consumers,

opening a huge new market to Apple. China now has nearly 700 million mobile phones in use, which is almost as many as India and the U.S. combined.

[Full article](#)

**Sony to sell Mexican TV plant to Taiwan firm.** *Business Week*

Sony Corp. has agreed to sell its main television factory in North America to Hon Hai Precision Industry, a Taiwanese company. It will sell 90% of its stake in Sony Baja California, which is located in Tijuana, Mexico.

[Full article](#)

**Payless Shoes expands in Russia.** *Business Week*

Topeka-based Collective Brands and its partner M.H. Alshaya Co. will open five franchised Payless ShoeSource stores in Russia late next year. It says they hope to open at least 90 stores there in about five years and more than 300 stores total longer-term.

[Full article](#)

