



RACE RELATIONS

Philippine Racing Club minority shareholders in a David vs Goliath battle

BusinessMirror

A broader look at today's business

VOL. 2 NO. 481 TUESDAY, AUGUST 7, 2007 | www.businessmirror.com.ph

P25.00 IN METRO MANILA | 5 SECTIONS 28 PAGES

BSP EXCHANGE RATES

United States, dollar	45.6350
Japan, yen	0.3869
United Kingdom, pound	93.1456
Hong Kong, dollar	5.2292
Switzerland, franc	38.3487
Canada, dollar	43.1945
Singapore, dollar	30.0804
Australia, dollar	39.0945
Bahrain, dinar	121.0574
Saudi Arabia, rial	12.1687
Bruni, dollar	29.9816
Indonesia, rupiah	0.0049
Thailand, baht	1.5263
United Arab Emirates, dirham	12.4261
European Monetary Union, euro	62.8986
India, rupee	1.1338
Malaysia, ringgit	13.1912
Korea, won	0.0495
Taiwan, dollar	1.3885

August 6, 2007 Source: Bangko Sentral ng Pilipinas

GOLD PRICE



PESO-DOLLAR RATES



PSE COMPOSITE INDEX



OUT STARTING TODAY

WIN! 100,000

Think tank sees interest rates rising in slow-mo

DOMESTIC interest rates, already at a record low of around 3 percent at the moment, are seen to rise in the coming months in an orderly and gradual fashion, a local think tank said.

But even as rates rise, economic activity would not be slowed by it, and bank lending should not decelerate as a result.

Neither should the forecast rise in domestic interest rates create additional cost for government as it enters the debt market for financing, the think-tank Lazaro, Bernardo, Tiu and Associates said in a paper circulated by the Department of Finance (DOF).

Former Finance Undersecretary Romeo Bernardo is a key partner and lead

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ISSN 1908-1189
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Harvard biz school dean: Similarities, not differences, propel top brands among cultures



AL GORE

BY INDAY ESPINA-VARONA
Special to the BUSINESSMIRROR

SINGAPORE—Dove was a tired old name before it hit on a key message that underpins most of the world's top brands: common threads running through the diversity of cultures.

Dove hit the big time when it tapped on the need for self-esteem among women faced with oppressive media standards of

beauty. The new message—celebrating beauty in diversity—tugged at the souls of women of all ages, all colors. Its latest advertisement, unveiled at the Cannes Film Festival, shows a woman being poked and stretched, bleached and permed to cyborg standards, ending with the line, "No wonder our perception of beauty is distorted."

While Dove may remain just one of the eggs in Unilever's basket, thus out of reach of top global-brand status, Harvard Business School senior dean John Quelch says it displays shared traits among the world's leading brands.

Brand Gore
"GLOBAL brands solve important problems," Quelch stressed at the start of the Global Brand Forum here. "And global brands make a positive difference in the world."
They also have ambitious missions. Google, the California-based firm founded

by immigrant students, aimed high: Organizing the world's information and making it universally accessible (free).
It also homed in on individuals' yearning for untrammelled choice, provided the best service for those on the information quest, and ended up owning one word: Search.
Global brands must also display consistency.
Thus, Al Gore, once just a US presidential

SEE "HARVARD," A4

P50-COLA ALSO APPROVED FOR INTEGRATION IN BASIC PAY

Metro wage board OKs P12 hike

BY CHER JIMENEZ
Reporter

METRO Manila's Regional Tripartite Wages and Productivity Board (RTWPB) completed on Monday its deliberations on the P75 wage petition by the Trade Union Congress of the Philippines (TUCP), decreeing a P12 increase in their daily take-home pay. Organized labor quickly denounced the amount as "measly," and accused the government of colluding with employers.

Aside from the wage increase, the board also agreed to integrate the existing P50 cost-of-living allowance (Cola) into workers' basic pay. The integrated Cola would now be included in the computation of workers' overtime pay and bonuses.

The new wage adjustment gives National Capital Region workers a total of P362 in daily pay.

Labor Secretary Arturo Brion confirmed that a wage order had been approved. Later in the day, the board released a copy of Wage Order No. NCR 13.

"I was told there'll be a P12 increase plus the integration of the existing P50 Cola to the basic pay," Brion said in an interview. Wage Order No. 13 takes effect 15 days after its publication in a newspaper of general circulation.

Organized labor, however, is unhappy with the outcome. "Once again, employers and government colluded to railroad a measly amount of a P12 minimum-wage

increase. And like previous wage orders, it would be replete with rules for exemptions that would automatically prevent 90 percent of wage earners from enjoying any wage adjustment," said Joshua Mata, secretary-general of the Alliance of Progressive Labor, when called for a reaction.

Last year, the board approved a P25 wage increase for Metro Manila minimum-wage earners, that took effect on July 10. After a year, another petition for wage adjustment can be filed per labor rules.

The tripartite board is composed of representatives from government, employers and labor.

The TUCP filed the petition on April this year, citing the rising cost of fuel and the need to strengthen consumers' purchasing power in seeking for a wage hike.

As expected, the militant Kilusang Mayo Uno (KMU) called the new salary adjustment "miniscule and deceiving," adding that this will hardly help workers cope with rising prices of commodities.

"It will not make any dent in the poverty-stricken condition of Filipinos. With P12, families are forced to choose with either buying a can of sardine or half a kilo of rice, because that is all it can buy," said Elmer Labog, KMU's national chairman.

Labog called on other labor unions to unite and push for the revival of the P125 legislated across-the-board wage increase that nearly died in the 13th Congress. Full text of W.O. 13 in www.businessmirror.com.ph

Dry spell prompts lower target

BY JENNIFER A. NG
Reporter

THE Department of Agriculture (DA), owing to the near-drought conditions, is tempering its projection of a 4-percent to 5-percent increase for the farm sector this year, but did not give any new specific growth percentages.

Agriculture Secretary Arthur Yap said that achieving its original growth target this year would be "difficult.... Based on what we are seeing right now, it would be much harder for us

to reach the target."

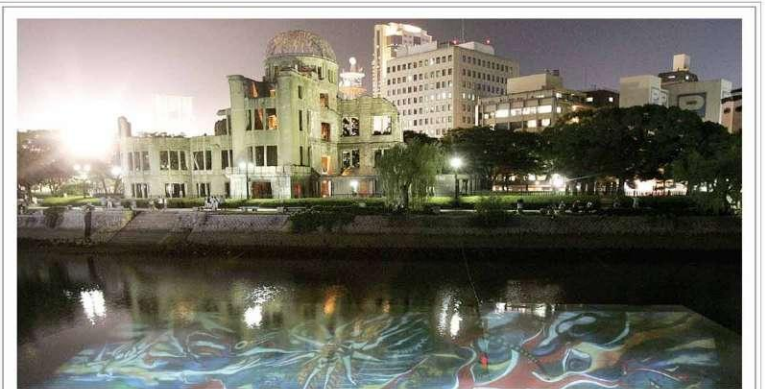
The National Economic and Development Authority (Neda) earlier said its growth target of 3.9 percent for the farm sector this year would hold, given projections that rice and corn production would continue to grow. Whether it has revised its view of the situation was not immediately known.

Yap said a complete assessment on the impact of the drought, especially in Luzon, may be completed by October or November. Preliminary data

SEE "DRY SPELL," A6



Frontier's latest Universal Motors Corp. launched Monday its totally new Nissan Frontier model, the Navara, with which it hopes to reclaim the top spot in the local pickup truck market. Elizabeth Lee, Universal Motors executive vice president for marketing, graced the launch, along with the company's president, Richard Lee. Story on B2. NONIE REYES



AN image of Japanese artist Taro Okamoto's mural depicting the 1945 bombing of Hiroshima is projected on the surface of Motoyama River in front of the Atomic Bomb Dome (left, in background) in Hiroshima, western Japan, Sunday night, August 5, 2007. Hiroshima on Monday marked the 62nd anniversary of the world's first atomic bomb attack, which killed more than 140,000 people in the Japanese city. AP

Letters from a GI in RP show qualms over nuke weapon

BY DAVID SMOLLAR
Special to the Los Angeles Times

THE United States leveled Hiroshima with the atom bomb on August 6, 1945, but the history-making news didn't reach the Philippines until two days later. American troops there, like my father, were waiting apprehensively for plans to invade the Japanese home islands.

"It's almost too good to be true," he wrote my mother on August 8 from Mindanao, where he was an Army field hospital doctor supervising public-health measures for Filipinos malnourished after years of Japanese occupation. "The news we've been given describes a veritable Buck Rogers mechanism of destruction that is capable of erasing any city or nation.... For the first time, I feel that the war may end shortly and we can all go home, and I hope to God it's so."

By the next day, he was far more guarded but remained optimistic, noting further details about the atomic weapon and news that the

Soviet Union had actively entered the war against Japan. "It's damned fortunate that we were first in its military use and it may—and probably will—be the final all-important factor in ending this awful war."

Then he penned a sobering postscript: "There is still something frightening about the new bomb, a weapon that truthfully is not pleasant to contemplate, and that bodes danger for our future if human beings don't quit acting like apes. The world had better come to its senses after this one."

These past months, in reading my father's 300-plus letters written 62 years ago, I realized that this endnote was no accident. More than joy, the cautious relief that framed his response to news of the wonder weapon was his coda to many months of correspondence about the corrosive aspects of war and the contradictions that fighting entails.

Less than three weeks before Hiroshima, he had written: "After almost four years in

the Army, I hate war, not in an objective way, but as a very personal thing. When I hold a bullet in my hand or stare at a mortar, it's a feeling that in this inanimate metal is the degradation of the human race, a precision-made missile containing all of the world's hate."

In his missives, my father had been scathing about "lick news stories" that my mother clipped and included in her daily letters, saying their glorified tales of war bore no resemblance to combat. "The GI letters that I read as a censor are not only more eloquent than all the magazine stories, but are so different as to make the latter ridiculous."

While treating wounded infantrymen on Leyte in early January 1945, he wrote that every Gl asks, "When is this war going to end, and when can I go home?" At home, Americans had been told that Leyte was secured and that soldiers were mopping up Japanese Army remnants. "The words are so misleading. The fighting is often more

SEE "HIROSHIMA," A4

Old media, new media: Credibility is still king

BY INDAY ESPINA-VARONA
Special to the BUSINESSMIRROR

SINGAPORE—Al Jazeera, the upstart global news network, didn't miss the chance to point out a major irony in the jam-packed Global Brand Forum hosted by this city state.

Southeast Asia's richest country has long gone beyond its 1960s goal of survival; it is second only to the United States in the world's competitiveness ranking, riding high on its image as an efficient, corruption-free and environment-friendly nation.

These days, according to Minister of State for Trade and Industry Lee Y Shyan, its brand-building focuses on "intangibles"—social justice between majority and minority, cre-

ativity, tolerance and openness. But a government handout to visitors underscores books, magazines and video as "controlled substances." And Al Jazeera's managing director, Nigel Parsons, the opening day's most applauded speaker, notes wryly that he expects a long monitoring before the host government decides to "unleash" his controversial network on its citizenry.

As Asia's corporations struggle to find their niche in a global economy dominated by "supranationals," media itself have become as much a news subject as a purveyor of information. Companies vying for a greater market share in a booming region want results for their money.

SEE "OLD MEDIA," A9

Ex-PSE head: Investor fatigue a risk

BY HONEY MADRILEJOS-REYES
Reporter

FORMER stock exchange president Ramon T. Garcia wants the bourse to study the possibility of regulating the number and intervals of public offerings and additional sale of shares, to prevent investors' fatigue from these capital-raising activities.

"A similar situation happened in the early 1990s. History has a way of repeating itself," Garcia said in his letter sent to both Philippine Stock Exchange (PSE) chairman Jose Vitug and president Francis Lim.

If records of the PSE are checked, he said the market collapsed in the

SEE "EX-PSE," A6