

INDO CANADIAN BUSINESS

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Photo Courtesy : Times Of India

The seventh round of negotiations towards a Canada-India comprehensive partnership agreement (CEPA) took place in February this year in New Delhi. This was announced by the Honourable Ed Fast, Canadian Minister of International Trade and Minister for the Asia-Pacific Gateway. The negotiations that were held on market access and its related areas were focused and proved to be productive.

The minister said that the Canadian government was committed to building further upon already strong ties with India

thereby creating a partnership that would lead to jobs, growth and long-term prosperity for workers in both countries. The coming into force of CEPA would help in deepening the ties even further.

A joint study conducted on India-Canada relations concluded that a trade agreement between the two countries could increase Canada's economy by at least \$6 billion. This would help generate approximately 40,000 new jobs across Canada or an average increase of \$500 to a Canadian family's annual income. The study also helped identify areas of

economic opportunity in India namely energy, agriculture, infrastructure and education.

The coming into force of CEPA would see changes in Indo-Canadian trading ties, wherein, India could be among the top five trading partners according to sources.

Canada's project managers, engineers and construction companies have been rated as some of the best in the world and there is great opportunity for emerging markets like India to gain from it. ■



Blackberry to Consolidate Position in Indian Market



By Sunil Dutt

An aspirational brand, Blackberry is ready to roll out its latest Z10 to bring to its loyalist audience all that can be thought of in a smartphone namely utility and productivity. In an interview with **Tripti Chakravorty, Sunil Dutt, ex-Managing Director, Blackberry India**, discusses their future plans and ideas on various issues of importance to Blackberry. Read on to more...

Over your 27 years of experience in the Indian mobile technology and telecom sector, how have you been able to combine these experiences and make good as the Managing Director of Blackberry India?

When I look back to the day I started my professional career and trace the journey in the Indian mobile technology and telecom sector over the past 27 years, I realize the magnitude of growth that I, as a professional and as a person, have undergone. It has been an eclectic mix of good and bad, right and wrong, accomplishments and debacles throughout all these years which has helped me in one way or the other to become the person that I am today.

The importance of hard work, patience, diligence and discipline is something which I believe is the key to success in the industry and this is what I brought with myself

when I took responsibility as the Managing Director of BlackBerry India. Inculcating and strengthening a sense of faith and confidence among our stakeholders, partners, clients and customers has and will always be our top priority. We listen to them, proactively and reactively, to churn out relevant innovation that caters to their needs and expectations from us. Today, we are one of the market leaders in our domain but we also have our foot firmly rooted to the ground and hence we believe that we still have a long journey in front of us with numerous opportunities and huge potentials to explore.

What are the reasons behind change of the name of the company from Research in Motion to Blackberry?

"We are BlackBerry. One brand. One promise." Globally, we have been identified as the makers of BlackBerry smartphones and thus

we wanted to take full advantage of this iconic brand. Our customers use a BlackBerry, our employees work for BlackBerry, and our shareholders are owners of BlackBerry. Hence, we consolidated the vision, philosophy and aspiration of the company under one umbrella brand as a result of which everyone associated with us, are now the part of a big global BlackBerry family.

With the introduction of BB10, how does Blackberry intend to regain its lost status in India?

To begin with, it will be erroneous to infer that BlackBerry lost any status in India. In the contrary, we have witnessed a healthy year-on-year growth of our sales volume in the country and since the time we started our business here in 2004, we have successfully positioned ourselves as an aspirational brand for our customers. This is the primary reason for India being



one of the top 20 focus countries for BlackBerry.

BlackBerry 10 is our most powerful innovation till date and it will evolve the industry from mobile telecommunication to true mobile computing. We are going to disrupt the smartphone industry by breaking the monotony and the status quo which had crept into the market over the past few years. People have pinned their hopes and expectations on us and we can assert that we have read their pulse correctly. BlackBerry 10 is going to empower our customers to go beyond the purview of a traditional smartphone and bring the whole experience of computing onto their mobile phones.

What are some of the milestones that Blackberry has reached so far in India?

Industry recognition of

BlackBerry as a company

- Brand BlackBerry has been awarded the "Most popular youth brand" (overall) by the CMO Council, CMO Asia chapter at the 4th Global youth marketing awards in Mumbai
- Brand BlackBerry in India is recognized as one of the 'most aspirational brand' and 'most visible brand' in 2011 in a recent Financial Express BrandWagon-Synovate 2011 Survey
 - a. The most aspirational brand from a consumer pull and preference point of view and visible from marketing and advertising standpoint
 - b. In 2011 BlackBerry in India has also been recognized as one of the Buzziest Brand by the annual Afaqs Survey
 - c. Over 90% of Fortune 500 companies have deployed the BlackBerry solution, with approx. 80% of these having an installed base of 500 or more devices
 - d. BlackBerry was ranked 14th in Business Week's 50 Most Innovative Companies 2010
 - e. Over 1 million subscribers in Government in North America
 - f. BlackBerry was ranked 54th on InterBrand's 100 'Best Global Brands' list, up from 63rd last year with brand value growth of 32%
 - g. Blackberry deployed at over 90% of Fortune 500 companies as of end of Q4
 - h. The BlackBerry PlayBook is the first tablet to receive the FIPS 140-2 certification for meeting US Federal Government's computing policy requirements.

Of the 400000 developers at Blackberry 10% come from



India. Are there any special incentives being given to them to increase their efficiency and productivity at the company and also to attract potential newcomers?

For the past two and a half years, the number of BlackBerry developers has been on a burgeoning mode and in India the count is now over 40,000. By 2015, a third of the world's BlackBerry app developer community will be based in India. From a monetary point of view, BlackBerry app developers register the 2nd highest revenues from the smartphone applications industry. In January, 2013, we organized the BlackBerry Port-a-Thon event in India to encourage app and game submissions, which led to the submission of 15,000 apps in 37 hours.

The Port-a-Thon event had 2 parts; One was specifically for Android app developers and the other platforms, such as Appcelerator, Marmalade, Sencha, jQuery, PhoneGap and Qt.

The incentives for the non-Android Portathon were as follows -

- Port one (1) – five (5) approved apps – \$100 per eligible app –to a maximum of 20 paid applications per Vendor
- Port five (5) – ten (10) approved apps – The first two hundred (200) qualified participants receive one (1) BlackBerry Dev Alpha Device plus \$100
- Port ten (10) or more



approved apps - The first ten (10) qualified participants one (1) paid trip to BlackBerry Jam Europe to celebrate the launch of BlackBerry 10 with us plus a Dev Alpha Device as well as \$100.

- Additionally for those that did not receive a BlackBerry Dev Alpha, or Trip to BlackBerry Jam Europe, we conducted a random draw for one hundred (100) BlackBerry 10 Dev Alphas and ten (10) trips to BlackBerry Jam Europe. All those who met the criteria for a Dev Alpha Device or the Trip but were not one of the first 200 or 10, respectively, to qualify, were eligible for the respective draws.

The incentives for the Android Portathon are as follows -

- Port one or more approved apps –and get \$100 per eligible app to a maximum of 20 paid applications per Vendor
- Additionally; submit five (5) or more apps and be eligible for a random draw for one (1) of one hundred (100) BlackBerry 10 Dev Alpha Devices.

Receive one (1) additional entry for every eligible app that you submit over 5.

There were more than just cash rewards up for grabs during the event. We promised BlackBerry hardware to developers who went that extra mile to showcase their innovation and creativity. Developers submitting between two and five applications were eligible for a BlackBerry PlayBook, while those who authored more than five approved apps entered a lucky draw to receive a BlackBerry 10 Dev Alpha device.

Tell us something about the start-up village program in Kerala. Why Kerala? In your view how will BB10 boost the program? Can this be replicated in other states especially the North Indian States?

BlackBerry and Startup Village launched the first BlackBerry 'Innovation Zone' in India at Rubus Labs in Kerala last year. It is the first of its kind in the Asia-Pacific region, and showcases the latest in BlackBerry technologies to inspire and encourage the future entrepreneurs. In about nine months, it has become a rendezvous for engineering college graduates who have a mobile app (application) idea. The special Hangout session conducted by us attracted over 50 students who wanted to try their new and innovative applications idea. We got some 146 apps from the Hangout activity alone out of which 60 of are already put on App World (BlackBerry's app market place). All of them will be available for



the BlackBerry10 operating system.

The response to this initiative has been tremendously encouraging and we are planning to open similar hangouts for aspiring entrepreneurs in Bangalore, Chennai, Delhi, Pune and Hyderabad.

Could you shed some light on the BlackBerry Customer Success Story with the Essar Group? Owing to the success, which are some of the other companies that you are looking at, to doing something similar?

To meet these needs, Essar Group provided its management teams with a BlackBerry® solution comprised of a BlackBerry Enterprise Server and approximately 3,500 BlackBerry smartphones. The company reports that the BlackBerry solution was installed and deployed easily across all parts of the organization.

“The most important criteria to consider when selecting a business service provider is not only whether you get demonstrable business benefits, but how easily what they offer can be integrated within different parts of the business,” said Jayantha Prabhu, Chief Technology Officer, Essar Group. “We zeroed in on Research In Motion® Limited as a provider of mobile solutions because of the BlackBerry solution’s flexibility.” The BlackBerry solution is able to synchronize and push data between BlackBerry

smartphones and Essar Group’s email inbox system managed by Microsoft Exchange. It also allows employees to synch valuable contact information, including contact lists, tasks and calendar appointments.

We have several Enterprise customers across different Industry segments wherein we have successfully deployed our Enterprise Solution suite (Software, Devices, Management tools, and applications). For example, the success of the M-Learning module on BlackBerry devices deployed at Essar, is being replicated across industries like BPO, KPO, Finance, Manufacturing, to name a few.

India being an emerging market, launching an affordable handset to woo lower-end subscribers while restoring the brand name has been all to important for BlackBerry. How has this target being achieved?

BlackBerry has always been an aspirational brand and we plan to continue with this philosophy as the corner stone of all our future propositions. A BlackBerry device is meant for the classes who require much more than a traditional smartphone in terms of utility and productivity. Our customers are intelligent, smart and sophisticated. While we have come out with affordable devices like the Curve series, we are also very clear that our smartphones will not be venturing into the domain of cheap phones.

We launched the Curve 9220 and 9320 last year which have witnessed an overwhelming response from the Indian market. Laden with lots of localized and relevant features like FM Radio,

NFC and a powerful battery back-up, these smartphones quickly became a favorite among the young generation who are our primary target in terms of affordability.

What are some of the first responses about the launch of Z10 slated for 24 February? When is Q10 going to be released in India?

The responses have been highly positive and encouraging from our stakeholders, partners, carriers, enterprise clients and customers. In UK and Canada, Z10 was out of stock in the first day itself and in similar markets in other parts of the world, all the devices were sold out in just a few days from the launch. We have been receiving positive vibes marked with a high degree of anticipation from the markets where we are yet to launch the device. We are very confident that Z10 is going to be a huge success and we will be capturing a major portion of the smartphone market in a very short time. The Q10 release date in India will be announced shortly.

Is there any exchange offer for existing blackberry customers who wish to opt for higher versions? If so how would the smart phones be recycled?

Some of our Distributor/ Reseller Partners offer trade-up schemes for BlackBerry devices to customers who wish to upgrade to a latest model and OS. ■

Note: The views expressed in this interview are solely that of Mr. Sunil Dutt and was taken at the time when he was leaving his service at Blackberry.



Canadian luxury hotel brands keen to play in Indian markets

Robust demand is fueling new hotel chains, but experts warn of cut throat competition and bureaucratic roadblocks.

India has come to be a favorite destination among International hotel developers. Several brands have set shore to grab every opportunity to do so.

Four Seasons Hotels & Resorts is one such Canadian brand which currently operates 91 luxury properties around the world and had entered the Indian market in Mumbai, Maharashtra. It now wants to set up its second property which is a sprawling 5 million sq. ft complex comprising 300 rooms, residences and retail space in Noida on the outskirts of Delhi.

This property is expected to be

one of the largest mixed-land use developments by Four Seasons and one of 23 such projects around the world modeled after similar properties in San Francisco, Moscow, and Toronto. The project is in collaboration with the 3C Company, a real estate developer in the National Capital Region (NCR), which encompasses Delhi and its neighbourhood.

Another Canada based hotelier Fairmont Hotels & Resorts Inc., is now looking to develop a super luxury property which is beyond the 255-room set up it built in Jaipur in 2012. "India's 5 star hospitality sector is growing and

interestingly at a rapid pace...fuelled by hearty inflow of overseas tourists as well as increased tourist volumes within the country," said Atul Lall, General Manager at the Fairmont in Jaipur. Fairmont is optimistic about the long-term growth story of India, adding high priority for international hospitality chains along with other developing countries which are recovering well from the global economic slowdown.

Fairmont plans to open 12 hotels like the one in Jaipur in the next five to ten years. "We have already progressed in terms of finalizing a resort in Goa and a property in Mumbai. Both should start construction in the next few months," says Lall. "In India, we aim to be in key cities such as Delhi, Mumbai, Bangalore as well as in tourist locations like Goa."

Some of the reasons attributed to foreign brands tapping the Indian luxury hotels market are a rising middle class, growing disposable income, an affinity for luxury brands and a huge pent up demand for foreign travel. India is seen as an emerging region and a key destination in global growth plans. The demand for luxury properties in emerging markets is being fuelled by increasing



Fairmont Jaipur, India - (Photo Courtesy : Condé Nast Traveler)



Four Seasons Hotel Mumbai (Photo Courtesy : www.indiantravels.com)

amount of Indians entering ranks of the wealthy, with a penchant for luxury.

However, industry experts say that these companies may face roadblocks on account of slower short-term growth as well as competition from entrenched luxury chains based in the country, such as the Indian Hotels Co. Ltd (IHC), which operates the Taj Group of hotels, and Oberoi Hotels Pvt. Ltd, which is known for its flagship super luxury properties such as the Rajvilas in Jaipur,

the Amarvilas in Agra and the Udaivilas in Udaipur.

“At present, the premium segment has an oversupply. In an economy where demand is low and supply is high, any global chain entering India will find it difficult to settle because of their limited flexibility to lower prices as they need to protect their brand image,” said Pavethra Ponniah, a hospitality analyst at credit rating firm ICRA Ltd.

“If the luxury brands target only the high net worth individuals, the traffic won't be high. They need

corporates and leisure travelers who are now cutting down on travel,” she added. She said luxury companies are entering the market with a 10-15 year time frame, adding, “They sense increasing money with Indian consumers and in the entire system. Over the longer period of time, the market and the demand will pick up, which will then absorb the supply that is coming in.”

The domestic luxury brands, which control more than 50% of the segment, are expanding their footprint to protect their market share. IHC plans to have 200 properties around the world by 2018, the majority of them in the luxury segment.

A spokesperson said the Taj Group commands a 30-32% share of the luxury market. “Taj has a 100-year legacy in India, which the competition can never match. We also commanded a 13-14% premium over our competitive set in the year ended December 2012. Going forward, 15% of our inventory pipeline over the next five years will be in the luxury segment.”

ITC Hotels, which last year inaugurated the 600-room ITC Grand Chola luxury hotel built on more than 1.5 million sq. ft of land in Chennai involving an investment of Rs.1,200 crore. It has three hotels under construction in the super premium luxury segment and another four at the planning stage, according to the company.

However, representatives of foreign chains say Indian consumers have evolved and international hotel brands may have a better chance of success as the market has changed. Besides, hospitality markets overseas have strong categorization in terms of star ratings. In India, a four-star hotel may provide five-star services. ■



Animation film wins Indo-Canada Student Innovation Award 2013



Actress Kareena Kapoor Khan with the guests at the inauguration ceremony of FICCI FRAMES 2013

At the FICCI Frames 2013 event, the third Indo-Canada Student Innovation Award 2013 was given to Anaroop Kerketta for his short animation film 'Inside My Mind,' which was selected by a jury was amongst 15 finalists. The award was presented by the Consul General of Canada in Mumbai Mr. Richard Bale during the Best Animation Film (BAF) Awards ceremony at the FICCI Frames Conference 2013 in Mumbai. The winner was selected based on a combination of technical marks from the jury and votes from the general public at the online poll portal.

The award has been sponsored by

the Government of Canada and Seneca College of Applied Arts & Technology (Seneca) in Toronto, Canada in association with Mumbai's Frameboxx Animation & Visual Effects. Seneca and Frameboxx will provide the winner with a one-week training session in animation and visual effects at Seneca, a return economy class ticket from Mumbai to Toronto, as well as accommodation and living expenses for the week. Each year this competition provides an opportunity to Indian students to showcase their artistic creativity, animation technique and innovation.

The jury consisted of Mark Jones

from Toronto's Seneca College, Steve Kahwati from Toronto's 728 Digital Pictures, Munjal Shroff from Mumbai's Graphiti Multimedia, Kireet Khurana from Mumbai's Climb Media, and Richard Bale Consul General for Canada in Mumbai.

Delegates at the 2013 FICCI Frames in Mumbai try out "Tentacles," a unique application created by Canada's York University that turns mobile devices into game controllers, allowing multiple players to log into a game using their mobiles and controlling their characters. ■

Courtesy : FICCI Frames 2013



Tata Steel ties up with Labrador Mines

Tata Steel through its subsidiary Tata Steel Minerals Canada Limited (TSMC) has entered into an agreement worth CAD 30 million with Canada's Labrador Iron Mines (LIM) which includes a transfer of 51% stake in one of the deposits owned by the later. The two companies have agreed to cooperate with each other in various aspects of their respective iron ore operations in the Labrador Trough.

As part of the alliance, LIM shall transfer 51% interest in Howse deposit, which is established to contain 28 million tones (MT) ore reserves, to TSMC. It added that TSMC also has an option to further increase its ownership of Howse deposit to 70% for a consideration of additional

Canadian dollar 25 million.

The strategic relationship would include multi-part cooperation agreements in areas of logistics and potential off-take arrangements including development of a rail line that would pass through LIM's rail yard facilities and connect TSMC's processing plant with the main rail line. It also included further exploration of Howse deposit. In return, LIM would receive up to Canadian dollar 30 million. TSMC would also transfer its Timmins 4 deposit having resource of 1.7 MT to LIM at a consideration of Canadian dollar 3 million recoverable from sales, according to a statement.

The Labrador Trough is a 1,100 kilometer long, 160 kilometre

wide iron ore bed in the LabradorQuebec region in Canada, which has delivered over 2 billion tones of ore in the last 50 years and has attracted mining investments of USD 15 billion from leading global companies.

Commenting on the development, Tata Steel Managing Director H M Nerurkar said Tata Steel's raw material strategy focuses on adding value accretive assets to its portfolio to increase its raw material security.

The proposed arrangement with LIM is expected to enhance the raw material security for the group and streamline the logistics of the Direct Shipping Ore (DSO) Project which is expected to come on stream in 2013," he added. ■

Pine Cove Mine in Newfoundland & Labrador, Canada (Photo Courtesy : www.anacondamining.com)





Nasscom predicts robust growth for IT exports in FY14



India's top IT companies (Photo Courtesy : www.hosting-companies.in)

encouraged investors to increase spending in the following year.

Nasscom Chairman and CEO of TCS forecasted that increase in IT spending would continue. While many analysts said the forecast was in line with their own estimates, some were cautious. Ankur Rudra an analyst with brokerage Ambit Capital in Mumbai expects export growth to be around 11-12 percent.

Several of the world's leading economies are showing signs of improvement while the euro zone has stabilised, an indicator compiled by Organisation for Economic Cooperation and Development suggested.

Separately, Moody's Investor Services said downside risks for the global economy had receded in the past three months, though a number of dangers still remained.

Nasscom said the \$108 billion sector now had an employee count of 3 million after adding 188,000 people in the current fiscal year. ■

It has been forecasted that the growth from India's IT outsourcing sector is expected to increase this fiscal year, in the hope that the global economy will improve and then in turn help drive it, according to sources. The growth is expected anywhere between 12 and 14 percent to a level of \$87 billion according to the National Association of Software and Services Companies (Nasscom).

In 2012-13 exports were estimated to have grown 10.2 percent to \$75.8 billion, according to Nasscom, slightly

lower than expected as corporations in its biggest markets, the United States and Europe, cut back on IT spending due to global uncertainty.

Nasscom compared in November that exports would reach the lower end of an earlier forecast of 11-14 percent. That compares with growth of about 16.3 percent in the previous year.

Based on the positive results of the October-December quarter results IT companies such as Infosys and Tata Consultancy Services

A Conference with a Difference

The École des Hautes Études commerciales de Montréal, Canada's oldest management school, Canada-India Business Council and the Shastri Indo-Canadian Institute together hosted the first ever "Doing Business in India Global Business Forum" on 1st March, 2013 which was held at the HEC Montréal. Students from across Canada

had an opportunity to engage in an open discussion with academics, entrepreneurs, and parliamentarians in enhancing relations between Canada and India. Federal and provincial stakeholders were present, including representatives from the Parliament of Canada and Québec's Ministry of Bilateral Affairs, International Relations, La Francophonie and External Trade.

The forum brought to the fore the vast range of opportunities for collaboration, gathering notable scholars and business leaders to deliberate on the challenges facing women in Indian business, Québec and India partnerships and development issues related to NGOs in India were also discussed. The global business forum highlighted the Government of Canada's commitment to strengthening Canada-India bilateral relations.

Senator Asha Seth who was



invited to the event had in her opening speech said that the Canadian government had put a priority on increasing cultural and trade relations with India, which would benefit both, the people and its economy.

Canadian Prime Minister Stephen Harper in a greeting presented in Senator Seth's key note address said that the conference would serve as a valuable platform for academics, business leaders and key stakeholders in advancing the development of the strategic partnership.

Some of the other dignitaries included Stéphane Bernard, Assistant Deputy Minister, Bilateral Relations, at the Ministère des Relations internationales, de la Francophonie et du Commerce extérieur (MRIFCE) and Ranbir Singh, President of the Shastri Indo-Canadian Institute. The Assistant Deputy Minister told the audience of students, business representatives and members of

the Indo-Québec community that the Québec government places high priority on developing exports and investments and institutional and inter-university relations with India. He described the highlights of the recent Québec mission to India led by Jean-François Lisée, Minister of International Relations, La Francophonie and

External Trade, and Elaine Zakaïb, Minister for Industrial Policy and the Banque de Développement Économique du Québec. The mission that came to India from January 25 to February 2, 2013, included over a dozen representatives of Québec institutions and businesses. Several of the Québec companies that are most active in India, including Bombardier, Toon Boom Animation and Bioastra Technologies, also took part in theme sessions during the Global Business Forum on India.

It is noteworthy to add that the Government of Québec recently renewed an agreement that exempts Indian university students interested in studying in Québec from additional tuition fees normally charged to foreign students. ■