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BUSINESS

Post Office plans alliance for global mail delivery

The Post Office is expected to announce a joint venture with TNT Post Group, Dutch mail and logistics company, and Singapore Post for the worldwide delivery of business mail. Page 25

Fuel price rises 'threaten airlines'

Continental Airlines chairman and chief executive Gordon Bethune warned that rising fuel prices could wipe out some US airlines unless the industry increased fares. Page 25; Cathay back in profit, Page 31

Softbank plans \$1bn investment

Japanese internet group Softbank plans to become Europe's leading internet investor by setting up two funds worth a combined \$1bn (£600m). Page 25

Horlick firm in sevenfold rise

SG Asset Management, the firm set up by Nicola Horlick, achieved a sevenfold rise in funds under management last year. Page 29

Manchester Utd breaks £1bn barrier

Manchester United became the first football club to be valued at more than £1bn when its shares hit a high of 402p. Page 26

BASF in €2bn shares buy-back

BASF, Europe's biggest chemicals group, began to return €2bn (£1.2bn) to its shareholders. Page 33

Ex-PolyGram chief joins Boxman

Boxman, Europe's largest online retailer of compact discs, is to appoint Alain Levy, former president of PolyGram, as non-executive director. The move is regarded as a step towards flotation. Page 25

Cordiant on acquisition trail

Cordiant Communications plans to use its buoyant share price to make another big acquisition in the healthcare marketing sector. Page 29

Life to end open outcry

BT joins price war over access to internet

New scheme may force online service providers to change how they operate

By Alan Cane and Cathy Newman

British Telecommunications yesterday joined the internet access price war with a scheme that could force internet service providers to make fundamental changes to the way they do business.

The dominant UK telecoms operator announced a new service that, it said, would mean UK customers paid less and had more choice than their US counterparts.

But the SurfTime service – yet to be approved by the regulator – would break away from the arrangement whereby internet service providers such as Freeserve receive a proportion of the telephone revenues generated by calls to them.

This has been important in enabling them to offer "free" internet access rather than

Many of the 200 or so smaller ISPs might fail or be taken over if they cannot generate adequate revenues.

Earlier this week Tony Blair praised BT rivals that have slashed the cost of internet access.

Unfavourable comparisons have also been drawn with the US, the world leader in e-business, where subscribers pay a monthly subscription and calls to the internet are free.

Freeserve and other free access services have grown rapidly, in part because of the BT revenue-sharing arrangement. But last month BT blamed this as a factor in its poor third quarter results.

A member of the government expressed some exasperation with BT, but was broadly supportive of the new offer.

"You basically need to keep BT up to the mark all the time. It's a bit of a struggle. SurfTime doesn't crack everything



Israeli prime minister Ehud Barak (right) greets Palestinian Authority president Yasser Arafat as they meet for the second time in 24 hours in the West Bank yesterday. The two sides will hold talks in Washington this month, in the first tentative signs that the peace process is under way again. Report, Page 14 Picture: Reuters

Brown plans crackdown to tackle black economy

By Brian Green, Political Editor

Banks told to stop 'silence of scams' on ATM fees

By James Mackintosh

The government yesterday threatened banks with legal action to force them to disclose cash machine charges five months earlier than they plan.

It demanded that banks reveal their charges when new fees are introduced next January, condemning the lack of information as "the silence of the scams".

But Stephen Byers, trade and industry secretary, rejected a call from Nationwide Building Society for legal limits on fees. At the same time he accepted the argument of Link, the bank-owned ATM network, that it should not set maximum fees.

In a meeting with Link officials and several banks, Mr Byers welcomed Link's plan, announced in the Financial Times, to stop double charging.

John Hardy, Link chief executive, said the threat of legal action would put pressure on banks to introduce transparent charges voluntarily.

Mr Byers told Link that new legal requirements forcing charges to appear on ATM screens before withdrawals could be in place by August, although the DTI has not yet decided to go ahead.

Big banks say they would be