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Rob Gillies, Associated Press

TORONTO (AP) — BlackBerry-maker Research In Motion has hired a team of bankers to help it weigh its options as its business erodes in the face of an exodus to the iPhone and Android smartphones.

RIM issued a dire warning about its business Tuesday, saying it is losing money for the second-consecutive quarter and will have to lay off a "significant" number of employees.

The company based in Waterloo, Ontario said it has hired J.P. Morgan and RBC Capital Markets to help it evaluate its options. Those including partnering with other companies, licensing software and overhauling its business, it said.

RIM made no mention of selling of the company. But new Chief Executive Thorsten Heins did not rule that out after RIM's last earnings report in late March.

Colin Gillis, an analyst with BGC Financial, said the company is in a downward slide that's not slowing. He said he doesn't see any buyers for RIM coming forward soon.

"Unfortunately, it falls into the too little, too late category," Gillis said. "It doesn't mean somebody won't try it. It doesn't mean it's going to be a savior for the company either."

The statement from RIM did not detail the coming layoffs, other than to say the company expects "significant spending reductions and headcount reductions in some areas throughout the remainder of the year."

Jefferies analyst Peter Misek said he expects RIM to announce as many as 5,000 layoffs soon. The company has about 16,500 employees now after cutting 2,000 jobs in July.

RIM said the company looks to save \$1 billion — even as it transitions to its much-delayed "BlackBerry 10" software platform expected out later this year.

RIM's stock fell 7 percent, or 80 cents, to \$10.43 in extended trading following the release of the company's statement. Before Tuesday's announcement, the stock had lost almost 75 percent in the last year.

The company that pioneered the smartphone market with its BlackBerry phones is facing the most difficult period in its history. RIM's U.S. share of smartphones dropped from 44 percent in 2009 to 10 percent in 2011, according to market researcher NPD Group.

It still has 78 million active subscribers across the globe, but Apple Inc.'s iPhone and

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smartphones from companies including Samsung and HTC that use Google Inc.'s Android software are gobbling up market share.

"The on-going competitive environment is impacting our business in the form of lower volumes and highly competitive pricing dynamics in the marketplace," Heins said in Tuesday's statement. He said the company will likely post an operating loss when it reports its fiscal first quarter results on June 28.

Heins, formerly a little known chief operating officer at RIM, took over in January after RIM founder Mike Lazaridis and longtime executive Jim Balsillie stepped down as co-CEOs after the company lost tens of billions in market value.

RIM has tried to make phones with touchscreens that resemble the iPhone, but those offerings have largely flopped. And so has RIM's tablet, the PlayBook, which uses the very software that will be in the new BlackBerry 10 smartphones.

The company is following the same trajectory as struggling Finnish handset maker Nokia and California-based Palm, both of which attracted consumers with trend-setting phones and technologies in their heyday, only to be outmaneuvered by competitors. In Canada, there is fear that the nation's biggest technology company could go the way of former Canadian tech giant Nortel, which declared bankruptcy in 2009 and was picked over for its patents.

RIM was "the leader and this is what happens in the technology cycle of creation and destruction," Gillis said. "They rode the first wave of the smartphone revolution and Apple is riding the next one."

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