

BlackBerry launches long-awaited comeback campaign

January 30 2013, by Peter Svensson



Thorsten Heins, CEO of Research in Motion, introduces the BlackBerry 10, Wednesday, Jan. 30, 2013 in New York. The maker of the BlackBerry smartphone is promising a speedy browser, a superb typing experience and the ability to keep work and personal identities separate on the same phone, the fruit of a crucial, long-overdue makeover for the Canadian company. (AP Photo/Mark Lennihan)

A new generation of more versatile BlackBerry smartphones is finally about to hit the market after excruciating delays allowed mobile devices

made by Apple, Samsung and others to build commanding leads in a market that is redefining society.

[BlackBerry](#) maker [Research in Motion](#) Ltd. formally unveiled its [long-awaited line-up of revamped smartphones and software Wednesday](#) at simultaneous events held in New York, Toronto, London, Paris, Dubai, Johannesburg, Jakarta and Delhi.

In a move underscoring the stakes riding on its make-or-break product line-up, the Canadian company used the occasion to announce it is changing its name to BlackBerry—a pioneering brand that has lost its cachet since Apple's 2007 release of the iPhone reset expectations for what a smartphone should do.

The first devices in the new crop of BlackBerrys will be called the Q10, which will feature a [physical keyboard](#) like previous versions of the phone, and the Z10 will have only touch-[screen keyboard](#), like Apple Inc.'s trend-setting iPhone and other handsets running on [Google Inc.](#)'s [Android](#) software, including Samsung's popular Galaxy. They will run on a redesigned operating system called BlackBerry 10, which the company began working on after buying QNX Software Systems in 2010.

The new software and BlackBerrys were supposed to be released a year ago, only to be delayed while Apple and Android device makers won more zealous converts to their products. In the meantime, [Microsoft Corp.](#) also rolled out a new [Windows operating system](#) for smartphones, confronting RIM with another technology powerhouse to battle.

The delays in developing the new BlackBerrys helped wipe out \$70 billion in shareholder wealth and 5,000 jobs.

"It is the most challenging year of my career," said RIM CEO Thorsten Heins, whose anniversary leading the company occurred last week. "It is

also the most exhilarating and exciting one."

The wait for U.S. smartphone users interested in buying the new BlackBerry line still isn't over. The Z10 won't be released in the U.S. until March and the Q10 might not arrive in the country until April, Heins said, to give wireless carriers more time to test the product. All the major U.S. carriers plan to sell the new BlackBerrys. The estimated U.S. prices for the phones weren't announced, though.



Thorsten Heins, CEO of Research in Motion, announces that the company will now be known as BlackBerry, Wednesday, Jan. 30, 2013 in New York. The new BlackBerry smartphone is promising a speedy browser, a superb typing experience and the ability to keep work and personal identities separate on the same phone, the fruit of a crucial, long-overdue makeover for the Canadian company. (AP Photo/Mark Lennihan)

The Z10, which BlackBerry will call the "Zed-10" outside the U.S., will go on sale Thursday in United Kingdom Thursday. The same model will be released in Canada on Feb. 5 and will cost about \$150 there with a three-year wireless contract.

Despite their limited availability until March, the new BlackBerrys will be hailed in a commercial Sunday during CBS's telecast of the Super Bowl. RIM hasn't disclosed how much that will cost, but some 30-second spots during the game have been sold for as much as \$4 million.

BGC Financial analyst Colin Gills said the new phones' tardy arrival to the U.S. threatens to cause even more BlackBerry users to defect to the iPhone or an Android device. By the time, the Z10 goes on sale in the U.S. Gillis suspects many geeks will be waiting to see what [Google](#) plans to unveil in Mid-May at an annual conference that usually includes new gadgets.

Wednesday's event didn't go over well on Wall Street. RIM's stock shed 93 cents, or nearly 6 percent, to \$14.73 in afternoon trading. The shares have still more than doubled from their nine-year low of \$6.22 reached in September, but are still nearly 90 percent below their peak of \$147 reached in 2008 when the iPhone was still a novelty trying to break into the mainstream.



Thorsten Heins, CEO of Research In Motion, which is changing its name to BlackBerry, introduces the BlackBerry 10, Wednesday, Jan. 30, 2013 in New York. The maker of the BlackBerry smartphone is promising a speedy browser, a superb typing experience and the ability to keep work and personal identities separate on the same phone, the fruit of a crucial, long-overdue makeover for the Canadian company. (AP Photo/Mark Lennihan)

Repeated delays and years of blundering have turned the once-iconic BlackBerry into an also ran as the iPhone and Android devices raced ahead with crowd-pleasing innovations. That has led some analysts to question whether the company that helped create the smartphone market will survive, especially as its losses have mounted in the past year.

Yet there was renewed optimism heading into Wednesday's event. Previews of the BlackBerry 10 software have gotten favorable reviews on blogs. Financial analysts are starting to see some room for a

comeback. RIM redesigned the system to embrace the multimedia, apps and touch-screen experience prevalent today. The Q10 is meant to cater to people who still prefer a typing on a physical keyboard instead of a display screen.

Besides promising a better typing experience, the new BlackBerrys are supposed to run faster, pull up multiple applications simultaneously and enable users to separate their professional and personal lives with a feature called "Balance."

"Gone are the days of going back and forth and in and out between applications," said Andrew MacLeod, RIM's managing director for Canada. "It's cumbersome, it's inefficient and it's slow."

Doubts remain about the ability of BlackBerry 10 to rescue RIM.



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smartphone is promising a speedy browser, a superb typing experience and the ability to keep work and personal identities separate on the same phone, the fruit of a crucial, long-overdue makeover for the Canadian company. (AP Photo/Mark Lennihan)

"We'll see if they can reclaim their glory. My sense is that it will be a phone that everyone says good things about but not as many people buy," Gillis said. He thinks the company will need to sell at least 5 million BlackBerrys each quarter to remain viable.

Ovum analyst Adam Leach thinks the new system will appeal to existing BlackBerry users, but that won't be enough to undercut the popularity of the iPhone and Android devices. He predicted that BlackBerry "will struggle to appeal to a wider audience, and in the long-term will become a niche player in the smartphone market."

Avi Greengart of Current Analysis said RIM will need a persuasive marketing campaign to lure back former BlackBerry fans who have switched to iPhones or Android devices. "They need to convince consumers that their approach to mobile computing matches how a subset of people feel about themselves," Greengart said.

Jefferies analyst Peter Misek called the redesigned BlackBerry a "great device" that could lead to a revival that many market observers didn't think was possible at RIM's low point last year.

"Six months ago we talked to developers and carriers, and everybody was just basically saying 'We're just waiting for this to go bust,'" Misek said. "It was bad."

The BlackBerry has been the dominant smartphone for on-the-go

business people and crossed over to consumers. But when the iPhone came out, it proved phones can do much more than email and phone calls. Suddenly, the BlackBerry looked ancient. In the U.S., according to research firm IDC, shipments of BlackBerry phones plummeted from 46 percent of the market in 2008 to 2 percent in 2012.

Regardless of BlackBerry 10's advances, though, the new system will face a key shortcoming: It won't have as many apps written by outside companies and individuals as the iPhone and Android. RIM has said it plans to launch BlackBerry 10 with more than 70,000 apps, including those developed for RIM's PlayBook tablet, first released in 2011. Even so, that's just a tenth of what the [iPhone](#) and Android offer. Popular services such as Instagram and Netflix won't have apps on BlackBerry 10.

More information: global.blackberry.com/blackberry-10.html

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