

Wireless World: PDA makers eye small firms

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Christopher Bennett started two small businesses this year and recently made the executive decision to drop the BlackBerry wireless device he had been using to communicate with his clients and his partner. The entrepreneur switched to another wireless data carrier and now uses the Motorola Q smart gadget.

"It's been amazing for business," Bennett, founder of www.doodyduty.biz (a pet waste removal company), told United Press International's Wireless World. "I've never used a PDA (personal digital assistant) so effectively to grow, control, and manage a business."

This is not good for Research in Motion, the famous maker of the BlackBerry, based in Waterloo, Ontario, Canada. After settling a longtime patent dispute with NTP for \$612.5 million earlier this year, RIM is refocusing its strategy, this time on the small and medium business market.

"Mobilizing applications for users is the most significant IT catalyst for boosting productivity in the enterprise today," said Jim Balsillie, chairman and co-chief executive officer at RIM.

The challenge for the Canadian developer of one of the best-known PDAs, however, is that there are plenty of other companies already targeting the same market. By no means do they have the niche to themselves.

"The wireless e-mail market continues to evolve and flourish," Terry

Austin, president of worldwide marketing and sales at Good Technology, a rival of RIM, told Wireless World. "Whether BlackBerry exists, or not, will be a footnote in the face of diversifying handheld alternatives from Nokia, Motorola, HP, Palm and others, and powerful enterprise software and service alternatives."

BlackBerry is ignoring the critics, however, and moving ahead with a new, hosted service for firms that don't have the IT resources to deploy wireless service software across their entire network. The new service supports an array of software applications, including Microsoft Exchange, IBM's Lotus Domino and Novell's GroupWise software, for collaboration. Some partners seem to believe in the strategy too -- IBM, EDS and even the United Kingdom's Vodafone are helping to market and distribute the new BlackBerry service.

The services the company is planning to offer -- according to a spokesman -- include desktop software that pushes e-mail messages from servers to PDAs, hosted Internet and a hosted enterprise server. This may seem like a bold move for the firm, but, in reality, it is just catching up with what Palm and Nokia are already doing, experts said. RIM has the resources to pursue its strategy, however. The company's sales last quarter were a surprising \$613 million, an increase of 9 percent from the previous quarter. The company has nearly 6 million customers and added another 680,000 last quarter. So it does appear to have some momentum.

Some IT experts do see the advantages of their strategy. "Right now, BlackBerry is the only vendor that offers a complete, secure push e-mail solution; they control the hardware and the software," David Hoff, a spokesman for Optimus Solutions, an IT solutions and services provider based in Norcross, Ga., told Wireless World. "While it is a proprietary system, it does not interface with all three leading corporate e-mail systems -- Microsoft, Lotus and Novell."

Hoff said that BlackBerry's fame gives it an advantage over other competitors, like Good Technology and Nokia, even though they may already be selling in the small and medium business (SMB) market.

"In the long run, RIM/BlackBerry has a very significant lead, and for the SMB market, most people will tell you the solution just plain works," said Hoff. "In SMBs, where IT skills can be in short supply, Nokia, via Intellisync, and Microsoft might have an advantage by being able to provide multiple parts of the solution. But they have both got a lot of ground to cover."

Yet, there are still some in the small-business world -- accountants and other financial folks -- who are reluctant to use wireless for their business, due to security concerns. "As tempting as it might be, my business will never go wireless. Period," Eva Rosenberg, who practices a form of tax law as an enrolled agent before the Internal Revenue Service and who is publisher of Taxmama.com, told Wireless World. "The potential security risks are too high. Anyone who maintains records containing other people's financial data would be well-advised to take the same precaution. This includes tax professionals, financial advisers, stock brokers, and investment advisors, bookkeepers, medical offices, just to name a few."

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