

Motorola mobile division expects first quarter loss

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The new Motorola i1 smartphone is displayed at the International CTIA Wireless 2010 convention at the Las Vegas Convention Center in March 2010. US handset maker Motorola said it expects to ring up another loss in its mobile phone division next quarter.

US handset maker Motorola said Wednesday it expects to ring up another loss in its mobile phone division next quarter.

"We expect a loss in [mobile devices](#) in Q1," Motorola co-chief executive Sanjay Jha told financial analysts, although he said he expected it would be "significantly improved from a year ago."

As for the current quarter, Jha said it is "proceeding quite well."

Motorola's mobile phone division reported a 20-percent increase in revenue to two billion dollars last quarter and an operating loss of 43 million dollars compared with an operating loss of 216 million dollars a year ago.

Motorola Mobility, the mobile phone division, is to be spun off from the rest of the company on January 4.

Motorola Mobility will focus on the media, mobility, Internet and computing markets while Motorola Solutions will target next-generation communications solutions to government, public safety and enterprise customers.

Jha said tablet computers such as Apple's popular [iPad](#) will present "a very important growth opportunity for us."

"There's a race to the bottom for some players," he said. "You will not see us participate in this race to the bottom."

Jha said investment in building the Motorola brand in Europe was not a priority right now. "I'm slowly building my base in Europe," he said. "I need to get to a much better position financially before I contemplate that."

Motorola enjoyed success with its popular Razr phone launched in 2005 but has been losing ground since to Apple, Canada's [Research in Motion](#), maker of the Blackberry, and other major cell phone manufacturers.

Jha has been counting on smartphones running [Android](#) to help turn around the company's flagging fortunes and Motorola has launched around two dozen Android-based devices this year.

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