

Nokia launches China smartphone, hopes for rebound

March 28 2012, By JOE McDONALD , AP Business Writer

(AP) -- Struggling cellphone maker Nokia launched its first smartphone design for China on Wednesday, looking to the world's biggest mobile market to help drive a turnaround.

Nokia said its new Lumia 800C is designed to run on China's CDMA networks and will be supported by China Telecom, one of the country's three major state-owned carriers.

Finland-based Nokia launched a corporate turnaround effort one year ago after falling far behind Apple Inc. and other competitors in tapping into the new popularity of smartphones.

China is the world's biggest mobile phone market with about 900 million accounts, and is Nokia's biggest market.

"China is critically important for Nokia," CEO Stephen Elop told a news conference.

The Lumia 800C will go on sale in early April for 3,599 yuan (\$570), according to Elop.

He said Nokia and China Telecom plan to release a lower-priced model, the 610C, aimed at students and other budget users. The Lumia 900c and the 710C sold in other markets would also be brought to China over time.

Nokia has formed partnerships with leading [China](#) web portals and application designers, such as search engine [Baidu](#), and portals Sina, Sohu and Tencent, to create the services that form a large part of the appeal of smartphones, Elop said.

"We're collaborating with local partners to meet global needs," he said.

Elop was joined at the launch event with [China Telecom](#) Chairman Wang Xiaochu and executives of other partner companies.

Once the bellwether of the industry, Nokia has lost its [dominant position](#) in the global [mobile phone market](#), with Android phones and iPhones overtaking it in smartphones. Asian manufacturers are also squeezing it at the low-end. Its market share plummeted to below 30 percent last year from 40 percent in 2008.

The company announced earlier this year that it would stop assembling cell phones in Europe by year-end as it shifts production to Asia and will cut another 4,000 jobs, its latest attempts to cushion itself from stiff competition.

The cuts come on top of nearly 10,000 layoffs announced last year.

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Citation: Nokia launches China smartphone, hopes for rebound (2012, March 28) retrieved 11 July 2024 from <https://phys.org/news/2012-03-nokia-china-smartphone-rebound.html>

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