

RIM shares pounded on subscriber worries

December 21 2012



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RIM's [stock price](#) lost more than a fifth of its value after the opening bell in New York, plummeting to \$11.15 a share by late afternoon.

The decline came a day after the Canadian company reported its first-ever decline in smartphone service subscribers, with the number slipping by a million to 79 million in the [fiscal quarter](#) that ended December 1st.

Analysts and investors are worried that RIM might lose even more subscribers after it rolls out a new BB 10 platform and touch-screen smartphones to stop Apple iOS and [Google Android](#) from devouring the mobile gadget market.

The success of the long-awaited BB 10 platform set to launch in January is seen as key to preventing RIM smartphones and tablets from becoming footnotes in the age of tapping into the Internet on the move.

While touch-screen smartphones might be more in tune with people's tastes than the trademark BlackBerry keyboards, the BB 10 platform makes subscribing to the company's profitable service optional.

Companies using the current BlackBerry platform pay monthly fees for [handsets](#) to be part of a RIM network known for security so high that some governments have complained of being unable to pry into [email messages](#).

Service fees reportedly made up more than a third of the revenue taken in by RIM in the recently-ended quarter.

In an earnings call with analysts on Thursday, RIM executives said that BlackBerry service fees would be "under pressure" with the new platform and declined to speculate how it would play out.

National Bank [Financial analyst](#) Kris Thompson expected investors to "punish" RIM shares until the company provided better guidance regarding how the new platform would affect profits.

RIM on Thursday reported a small profit after three consecutive quarterly losses, offering some optimism for the struggling smartphone maker.

The firm posted a net profit of \$9 million in the quarter.

That profit compared with a loss of \$235 million in the second quarter and a gain a year ago of \$265 million.

Revenue for the quarter was \$2.7 billion, down five percent from \$2.9 billion in the previous quarter and a slump of 47 percent from \$5.2 billion in the same quarter of fiscal 2012.

The results were better than most analyst predictions.

The new BB 10 platform is to be launched January 30, and is seen as the last hope for Ontario-based RIM to regain some of its former luster.

A report by IHS iSuppli this week said BlackBerry will see its market share fall to five percent in 2012, from 11 percent in 2011.

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Citation: RIM shares pounded on subscriber worries (2012, December 21) retrieved 26 June 2024 from <https://phys.org/news/2012-12-rim-pounded-subscriber.html>

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