

RIM faces make-or-break BlackBerry 10 launch

January 30 2013, by John Biers



Thorsten Heins, Research in Motion (RIM) CEO, is pictured at the BlackBerry Jam conference in California on September 25, 2012. RIM will officially launch the BlackBerry 10 on Wednesday, an effort that some see as the company's last, best chance to remain a player in a smartphone market.

It's the moment of truth for BlackBerry maker Research in Motion.

The Canadian company Wednesday will officially launch the BlackBerry 10, an effort that some see as the company's last, best chance to remain a

player in a smartphone market it once dominated.

RIM burst on the scene with the BlackBerry in 2003. That was long before the [iPhone](#) and other competing technologies emerged to steal control of the market from RIM with their more consumer-friendly smartphones.

The company boomed as the maker of "crackberries," a nickname stemming from the addiction the phones engendered in users.

But now, unless the Blackberry 10 is a hit, RIM faces becoming a footnote in an increasingly [competitive market](#) led by Apple and rivals who use [Google's Android](#) operating system.

"The importance of this launch cannot be overstated," said Ramon Llamas, an analyst at the research firm IDC. "There's going to be a lot of work that needs to be done to earn back respect."

RIM touts the system as a big change in smartphone technology.



A woman walks past an Apple iPhone 5 advertisement in New York City on January 14, 2013. Unless the BlackBerry 10 is a hit, RIM faces becoming a footnote in an increasingly competitive market led by Apple and rivals who use Google's Android operating system.

"This is an entirely new operating system," said company spokesman Nick Manning. "We think it's the first entirely new mobile operating system in about five years."

RIM says the system will break new ground by allowing customers to flip between applications seamlessly and without first passing through a home page, to boost efficiency and multitasking.

Another key asset of BlackBerry 10 is what RIM dubbed the "BlackBerry balance," a system that allows users to separate professional communications and applications from music, photographs and other personal items.

Such an option means that if a user changes job, his or her former company can disable the device's corporate side without affecting [personal data](#).

RIM's recent performance on Wall Street suggests the market is open to the BlackBerry 10. Shares have risen more than 30 percent since the start of the year, although they dropped back over the last two sessions.

Gartner analyst Phillip Redman said RIM still has a strong constituency of business users who prefer its hard keyboard and its reputation for strong network security.

While Redman doesn't think the [BlackBerry](#) 10 will surpass Apple's iPhone or Android products, the device "has great comeback potential," he wrote in a recent blog entry.

But others see only a modest opening for RIM given the cutthroat competition in the smartphone market.

"We don't buy the hype," Citi analyst Jim Suva said in a research note, pointing out that rivals such as China's Huawei are also entering the market.

Sterne, Agee & Leach analyst Shaw Wu noted that many of the high-end customers to which [RIM](#) is marketing have already migrated to other devices.

"We see the company getting a degree of traction in this higher end market, but doubt there is a return to its former glory," Wu said.

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