

# RIM seeks probe into report on BlackBerry returns

April 12 2013, by Rob Gillies



A BlackBerry Z10 is offered for sale at an AT&T store on March 28, 2013 in Chicago, Illinois. BlackBerry on Friday slammed as "false and misleading" a brokerage research note which claimed consumers were returning the new Z10 handsets at a high rate.

The maker of the BlackBerry said Friday that it wants U.S. and Canadian regulators to investigate a "false and misleading" report by a financial analyst that claims the company's new smartphone is being returned in unusually high numbers.

Thorsten Heins, the CEO of Research In Motion Ltd., said returns of the new BlackBerry Z10 are in line with industry norms. In a statement Friday, Heins said Thursday's report from research and investment firm Detwiler Fenton has to be challenged because it is either a complete misreading of the data or a willful manipulation.

"The data we have collected from our retail and carrier partners demonstrates that customers are satisfied with their devices," Heins said.

Anne Buckley, general counsel and chief compliance officer with Detwiler Fenton, said the firm is confident in its research methodology and welcomed any regulatory inquiry.

The BlackBerry, pioneered in 1999, had been the dominant smartphone for on-the-go business people and other consumers before the iPhone debuted in 2007 and showed that phones can handle much more than email and phone calls. After numerous delays, RIM is attempting a comeback with phones running its new BlackBerry 10 system. The Z10 is the first of those devices.

The Detwiler Fenton report says "key retail partners have seen a significant increase in Z10 returns to the point where, in several cases, returns are now exceeding sales, a phenomenon we have never seen before." It says the biggest customer complaints are the "unintuitive nature of the user interface, the maps app, and the lack of apps."

Buckley provided a copy of the report to The Associated Press. The version sent does not contain the name of the analyst who wrote it.

"Detwiler Fenton is not the only research provider publishing similar reports regarding customer reactions, sales, and returns of the Blackberry Z10," Buckley said in a statement. She also said that neither the research analyst nor any officer or director of Detwiler Fenton has

any financial interest in RIM.

RIM's stock fell nearly 8 percent on Thursday, after the report came out. The stock is up 12 cents, or nearly 1 percent, to \$13.67 in midday trading Friday.

Verizon Wireless, the largest wireless carrier in the U.S., also refuted the claim of a large number of returns. Verizon spokeswoman Brenda Raney said in an email that "after the first 14 days, the quality performance of the Z10 has been in line with similar devices we've launched."

RIM, which is based in Waterloo, Canada, wants an investigation by the U.S. Securities and Exchange Commission and the Ontario Securities Commission.

RIM's chief legal officer, Steve Zipperstein, said that while people are entitled to opinions about the merits of various smartphones, that doesn't extend to "false statements of material fact."

Copyright 2013 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: RIM seeks probe into report on BlackBerry returns (2013, April 12) retrieved 20 March 2024 from <https://phys.org/news/2013-04-rim-probe-blackberry.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--