

# LG says mobile market holding up, launching Android phones

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LG Electronics Inc. said Tuesday that the mobile phone market was holding up despite the global slump and announced plans to launch three models powered by Google's Android operating system this year.

"The market is actually holding up versus last year... I think the recession impact is less than what we expected last year," said Chang Ma, the Korean giant's vice president of marketing strategy for mobile communications.

In an interview with Dow Jones Newswires, Ma said LG, the world's

third largest [mobile phone](#) maker in shipment terms, was eyeing 10 percent market share this year.

"If you figure the market is about 1.1 billion, then our sales volume is supposed to be 110 million," he said.

In 2008, it shipped 100.7 million handsets worldwide and its operating profit margin from the business was 11 percent.

According to market research firm Strategy Analytics, LG's market share in the first quarter was 9.2 percent, up from 8.6 percent a year earlier.

The company trails [Nokia](#) Corp. of Finland and Samsung Electronics Co., also based in South Korea.

LG is planning to launch three different Android-powered devices in the third or fourth quarter this year, with more due out in 2010.

[Android](#) is Google's open-source operating software for mobile phones with Internet capabilities. US telecom operator T-Mobile began selling the first Android-based [Google](#) phone known as the G1 last year.

The global mobile phone market has been hit hard by the broad economic downturn.

ABI Research said in a report that worldwide handset shipments fell 11.9 percent during the first quarter from a year earlier to 255.6 million units.

LG's Ma said the company was expecting a gradual improvement in demand during the second half of this year.

Global handset sales this year will likely remain flat or fall slightly compared with 2008, instead of analysts' forecasts of an eight to 15 percent decline, the executive said.

LG will not cut prices for the sake of expanding its market share in handsets, he said.

His comments came after rival Samsung said Monday that it expected the global handset market to remain weak for the rest of 2009 but expressed confidence of hitting its shipment goal of 200 million units this year.

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