

CDMA iPhone may be coming soon

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(PhysOrg.com) -- The largest wireless carrier in the US, Verizon Wireless, is thought to be in negotiations with Apple to release a CDMA network version of the iPhone later this year, if a price can be agreed upon.

The [iPhone](#) is available from multiple carriers in many countries, but in the US a deal with AT&T meant they had exclusive rights to market the smartphone. That deal is expected to expire in the summer of 2010, leaving the way open for other carriers. [Apple](#) originally approached Verizon before AT&T (then Cingular) but at the time Verizon thought the phone was priced too high.

Verizon has expressed interest in carrying Apple's iPhone, and the two companies are believed to be in negotiations, according to Maynard J. Um, an analyst with UBS Investment Research. Um wrote to investors recently saying that he believed a CDMA-iPhone may be released, but that Verizon and Apple disagreed on the price structure. Current estimates are that Apple gets an average selling price of around \$700 per iPhone, which is subsidized by AT&T, while the average selling price of the Motorola Droid, which is exclusive to Verizon, is about \$450.

The exclusivity deal between Apple and AT&T has

led to some potential iPhone users not buying the phone until there is a choice of carrier, while others who have the phone have dropped it through frustration with AT&T. This has given Apple an incentive to find an alternative carrier, since it is widely believed the deal with AT&T will not be renewed.

Chip maker Qualcomm is believed to be planning to release dual-carrier chips in the second half of this year. The hybrid chipsets would enable phones to work on CDMA/EVDO carriers such as Sprint and Verizon as well as on the UMTS/HSPA carriers such as T-Mobile and AT&T. The timing suggests Apple could not release a dual-mode phone this year, and the first phones containing the dual-carrier chip would probably not appear until 2011.

Apple is also likely to launch its iPhone via carriers operating CDMA networks in Japan or China later this year.

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