

## RIM to focus more on consumer market: new CEO

MONTREAL, CANADA: Research In Motion's new chief executive Thorsten Heins said Monday, 23 January, he plans to focus more on the consumer market but that a "drastic change" is not necessary at the struggling BlackBerry maker.

Heins, who took over Sunday from co-CEOs Mike Lazaridis and Jim Balsillie, also said he had no plans to split up the company, which has been losing market share to Apple's iPhone and handsets powered by Google's Android platform.

"We have fantastic devices and a fantastic ecosystem that we're building," Heins said in a conference call with financial analysts. "I want to build on that.

"I will not in any way split this up or separate this into different businesses," said the 54-year-old Heins, who joined RIM in December 2007 from German industrial giant Siemens, where he was chief technology officer.

Heins said he wants RIM to "focus more on consumer, on consumer marketing" and he has received "the support from the board in going down that path.

"But this is not a seismic change," he said. "This is scaling the company further and we will continue to scale this company up.

"I don't think that there is some drastic change needed," he said. "We are evolving. We're evolving our strategy."

RIM has enjoyed most of its success with business customers but has lagged behind Apple and Android when it comes to developing handsets for consumers.

"(In) the US we were very, very successful coming from the core enterprise business and in the public opinion this is still where we're skewed to," Heins said.

"We need to be more marketing-driven," he said. "We need to be more consumer oriented because this is where a lot of our growth is coming from. That is essential in the US."

Heins said he would make recruiting a new chief marketing officer a priority. "I want this ASAP, that's for sure," he said.

The new CEO also said he would be prepared to license the new BlackBerry 10 operating system.

"I will entertain those discussions," he said. "I will assess the business opportunity for RIM and if it makes sense strategically and tactically to go down that path, then I will make the decision together with the board."

Co-CEOs Lazaridis and Balsillie resigned Sunday, 22 January, following months of investor pressure for a change at the helm of RIM.

RIM shares have lost nearly three-quarters of their value over the past year and the company has been the subject of persistent takeover speculation.

The management changes follow a series of setbacks including product delays, the commercial failure of the PlayBook tablet computer and an embarrassing email outage.

The shakeup did not provide a jolt of confidence to investors, however, and RIM shares tumbled 8.47% to close at \$15.56 on Wall Street on Monday.

Analysts were also unconvinced.

"Change at the top finally here, but is it too late?" asked Tal Liani of Bank of America. Jeff Kvall of Barclays Capital said the move was "necessary but not sufficient."

"We view this as a good first step in the right direction," said Morgan Stanley. "However we do not believe this move is enough, especially as Heins is an internal hire and not an independent fresh voice."

Shaw Wu of Sterne Agee said a new CEO "with a strong consumer electronics and supply chain background would have been ideal."

While Lazaridis and Balsillie are handing over day-to-day control they are not stepping away entirely.

Lazaridis, 50, was named vice chairman of its board and chairman of a new innovation committee, offering "strategic counsel" and promoting the BlackBerry brand worldwide.

Balsillie, also 50, will remain a member of the board of directors.

Source: AFP

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