

## This Week's Stories

### Apple Sells 300K iPads on First Day

April 5, 2010

Apple said it sold 300,000 iPad tablets on the gadget's first day of availability, but analysts remain divided on the device's prospects.



[Click here](#) for complete *FierceWireless* iPad coverage.

iPad this weekend; the version with 3G service from AT&T Mobility will go on sale later this month.

Analysts are all over the map with estimates for how many iPads Apple will ship this year, an indication there remains deep uncertainty over whether Apple can maintain demand for the product the way it has with the iPhone. Research firm iSuppli is at the high end of the scale, forecasting 7.1 million iPad sales worldwide this year. Meantime, Piper Jaffray analyst Gene Munster predicts Apple will sell 5.5 million iPads this year, while Forrester Research is predicting just 3 million unit sales.

AT&T has said it expects iPad users to primarily rely on wired WiFi connections and not on the company's cellular network. Apple has gone to great pains to emphasize the flexibility of the 3G pricing for the iPad, which is prepaid and can be activated right on the device--without a trip to an AT&T store.

Apple said apps have so far been a huge hit with iPad users, noting that on average iPad users downloaded more than three apps and one book within hours of getting the device.

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### Time Warner May Launch WiMAX VoIP Offering

April 6, 2010

Time Warner Cable is interested in eventually launching a VoIP service over Clearwire's WiMAX network, a company executive said, giving the strongest indication yet that the MSO will branch off from pure mobile data services.

Mike Roudi, Time Warner's vice president for mobile services, acknowledged the carrier may eventually need a wireless voice offering to be competitive with AT&T and Verizon.

"Our focus has simply been on the launch of our mobile broadband product--don't read into that that we're not thinking about voice," he said in an interview with *Multichannel News*. "One of the great things about the Clearwire WiMAX network is, just like we do voice over our [wireline] broadband, over time we will be able to do voice basically as a VoIP application. That is something we have our eyes on. We just have chosen not to lead with voice, because mobile broadband is a more immediate opportunity for us because it is such a natural extension of the wireline Road Runner product." Time Warner is not testing any handsets, Roudi added.

Roudi also said the company--which has been offering its own Road Runner Mobile-branded WiMAX service in Dallas and in markets in Hawaii and North Carolina--will launch service in Cincinnati, Cleveland, Kansas City, Los Angeles and New York City this year, as Clearwire expands its markets.

Roudi explained that wireless acts as both a retention tool and a new revenue source from customers who want to bundle their services. "Our preliminary numbers are suggesting that 20 percent of the time, when they call to order Road Runner Mobile, they're also adding another RGU [revenue-generating unit]--a digital video upgrade, digital phone or upgrading to a higher-speed data product," he said.

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## Product & Service News

### Microsoft to Announce "Pink" Phone Next Week

April 5, 2010

Microsoft Corp is set to announce its long-awaited "Project Pink" phones early next week, sources familiar with the matter said on Monday, as the world's largest software company attempts to gain traction in the growing market for young smartphone users.

The mobile phones, to be sold by top U.S. mobile operator Verizon Wireless, are being targeted at heavy users of social network sites, according to sources. They will have a different name when the launch is officially announced. In photos leaked to a tech blog last month, the new phones appear to be stylish, updated versions of Microsoft's Sidekick device, which is popular with the youth market.

The new phones, which likely won't be on the market until summer, are to be made by Sidekick manufacturer Sharp Corp, sources said.

Microsoft has sent invitations to media to attend an event in San Francisco next Monday, but declined to comment further. A representative of Verizon Wireless, a joint venture between U.S. phone company Verizon Communications Inc and Vodafone Group plc, also declined comment.

The new phone does not appear to be a central part of Microsoft's main thrust in the mobile phone market, which is centered on the revamp of the Windows software it licenses to handset makers, which will be available later this year.

Microsoft hopes its Windows Phone 7, launched with great fanfare in February, will win back share from BlackBerry maker Research in Motion Ltd and iPhone maker Apple Inc, and beat back newcomer Google Inc, which is making ground with Android-powered phones and its own Nexus One.

Microsoft is losing share fast in the U.S. smartphone market, according to tech research firm comScore, dropping 4 percentage points to 15.1 percent between November and February.

Ahead of it are Apple, with 25.4 percent, and Research in Motion with 42.1 percent. Google is the fastest-growing rival, now holding 9 percent of the market.

<http://www.reuters.com>

## Report: Sprint Adding EV-DO to Next Femtocell

April 7, 2010

Sprint Nextel is poised to release a new femtocell product that sports 3G data speeds, following rival AT&T Mobility into the market, according to recently released FCC documents.

The documents, according to an *IDG News Service* report, show Sprint has tapped Airvana to make the latest version of its Airave device. The new femtocell will support EV-DO data connection speeds, and will also include a port for landline VoIP service. The documents were first unearthed by the blog *Engadget*.

The news comes as little surprise; Airvana won a master purchase agreement contract with Sprint to supply the operator with 3G femtocells, according to a company filing with the Securities and Exchange Commission in July.

The current version of Sprint's Airave device, which is made by Samsung, was released in summer of 2008 and supports only CDMA 1x service. A Sprint spokeswoman,

Stephanie Vinge-Walsh, declined to comment on the femtocell product. "Sprint is constantly working to bring our customers a strong portfolio of products and services," she told *FierceWireless*. "This includes a variety of form factors, operating systems, price points, features and appearance."

AT&T unveiled its femtocell product, which it calls a 3G MicroCell, at the CTIA Wireless 2010 conference last month. The 3G MicroCell was developed with Cisco and will be available for \$149.99. Sprint currently charges \$99.99 for its Airave device, plus an "Enhanced Coverage" fee of \$4.99 per month.

Verizon Wireless also has a femtocell that supports CDMA 1x service, called the Network Extender. "We have not announced a 3G femtocell product yet, although we have said in the past that we expect to offer a product like it in the future," Verizon spokesman Tom Pica told *FierceWireless*.

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## Mergers/Acquisitions/Partnerships

### Verizon CEO Down on Vodafone Merger, But Open to iPhone

April 6, 2010

Verizon Communications CEO Ivan Seidenberg seemed to scotch the idea of a merger with Vodafone, noting he sees little compelling reason for such a move.

Recent reports indicated the two companies were holding informal talks about the future of their joint venture, Verizon Wireless, in which Verizon holds a 55 percent stake and Vodafone has the remaining 45 percent. A *Bloomberg* report, which cited unnamed sources familiar with the matter, said the companies were mulling multiple options including combining the two companies, having one company sell its stake in Verizon Wireless to the other, or paying out a dividend to investors.

"Absent new information, a merger doesn't seem to have a lot of appeal," Seidenberg said today at a conference in New York hosted by the Council on Foreign Relations, according to *Reuters*. He said that the idea of global wireless company, as exemplified by Vodafone, is not an ideal model because of difficulties in reaching economies of scale. However, Seidenberg noted that his position might change, and that no clear decision has been made.

Seidenberg also opined on several other hot-button issues. A recent report in the *Wall Street Journal* said Apple is preparing a CDMA iPhone, which could work on Verizon's network. Seidenberg said Verizon is open to

offering the gadget on its network, but it's "Apple's call" as to whether that will happen. "Eventually, it's our view we'll get to carrying Apple," he said.

The Verizon chief also said Verizon Wireless would be open to throttling the data speed of high-bandwidth users, and possibly make them pay more for faster connections--positioning that aligns with recent comments from AT&T.

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## **Nokia buys MetaCarta for Local Search Services**

April 9, 2010

Nokia Corp., the world's biggest mobile phone maker, said Friday it has bought MetaCarta Inc., whose technology helps users find "anything written about any place."

Financial terms were not disclosed. Privately held MetaCarta, based in Cambridge, Mass., employs about 30 people.

Nokia said it will use MetaCarta's technology for local search services.

U.S.-traded shares of Nokia rose 13 cents to \$15.21 in late morning trading.

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## **Industry Reports**

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### **RIM, Motorola Top comScore Data**

April 6, 2010

Research In Motion (RIM) and Motorola remain on top in the U.S. mobile phone market. Based on data between November and February, comScore found Motorola to be the top handset manufacturer overall with 22.3 percent market share, while RIM led among smartphone platforms with 42.1 percent market share.

comScore found that in the three-month average ending in February, 234 million Americans age 13 and older were mobile subscribers, with device manufacturer Motorola ranking as the top OEM. LG ranked second with 21.7 percent share, followed by Samsung at 21.4 percent share, Nokia at 8.7 percent share and RIM at 8.2 percent share.

According to the report, 45.4 million people in the United States owned smartphones in an average month during

the December to February period, up 21 percent from the three months ending November 2009. RIM rose 1.3 percentage points versus the prior period.

Apple ranked second with 25.4 percent share followed by Microsoft at 15.1 percent, Google at 9 percent, and Palm at 5.4 percent. Google's Android platform continues to see rapid gains in market share as more Android-compatible devices are introduced to the market.

Text messaging continued to grow as a service. In an average month, 64 percent of U.S. mobile subscribers used text messaging on their mobile device. That's up 1.9 percent versus three months prior. Browsers were used by 29.4 percent of U.S. mobile subscribers, while subscribers who used downloaded applications made up 27.5 percent. Accessing social networking sites or blogs continued to grow, increasing 2.9 percentage points to 18.0 percent of mobile subscribers.

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## **Emerging Technology**

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### **Sharp Advances Small 3D Screens**

April 3, 2010

Sharp Corp. will start making by September small, three-dimensional liquid crystal displays that don't require special glasses, betting that most portable digital devices will eventually be 3-D capable, a company executive said Friday

"Just like black and white TVs turned color, all displays will eventually be 3-D [capable]," said Yoshisuke Hasegawa, who oversees LCD operations, at a press conference.

Some electronics makers, including mobile-phone makers, have already approached Sharp about possible supplies of small 3-D displays, Mr. Hasegawa said.

He also said it will be possible to use the technology in large 3-D televisions, although Sharp doesn't have specific plans to release 3-D televisions yet.

In the current fiscal year ending in March, between 10% and 20% of Sharp's displays for mobile devices will be 3-D capable, he said. But in the next fiscal year, 3-D models will account for a half of such displays.

Sharp sees major growth potential in small 3-D displays for cellphones, smart phones and gaming devices. Its newly developed 3-D display measures 3.4 inches and has touch-screen functions.

For the Week Ending April 9, 2010

Sharp isn't the only electronics maker pinning its hopes on a growing market for 3-D-capable products. A number of TV makers are turning to 3-D technology to boost profits as flat-panel TV prices sink, and discount brands erode market share.

Sharp previously produced a 3-D display in 2003, but the product failed to catch on, partly because the picture brightness and resolution were poor. The new model, however, has twice the brightness and a much higher resolution.

Mr. Hasegawa declined to say whether Sharp would supply displays for Nintendo Co.'s new portable 3-D gaming device, tentatively called the Nintendo 3DS.

The Japanese game machine maker announced a plan last week to release the device by the end of March 2011.

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