



# Technology Brief...

December 30, 2007

J.Gold Associates, LLC, 6 Valentine Road, Northborough, MA 01532  
[www.jgoldassociates.com](http://www.jgoldassociates.com) 508-393-5294  
*Research, Analysis, Strategic Consulting*

## INSIDE THIS ISSUE

### 1 RIM: BES Gets Personal

## RIM: BES Gets Personal

Recently, Research In Motion (RIM) announced two new software packages aimed at expanding its BlackBerry Enterprise Server (BES) capabilities beyond its large company focus, to include small firms and even directly to consumers. This expansion of SW assets, together with a growing base of consumer-friendly devices (e.g., Pearl, Curve), are moving RIM into territory beyond its traditional enterprise users. We expect this new focus for BlackBerry to stimulate demand even further for an already attractive product mix, and to add "stickiness" to its installed base of users, especially in the prosumer space where brand loyalty is difficult to maintain. This should aid it in competition with Nokia, Motorola, Palm and Microsoft-powered devices (e.g., HTC, HP) in the rapidly growing smart phone market. As a result, we expect BlackBerry sales to continue to rise and RIM to increase its overall market share over the next 2-3 years to 8%-10% of the smart phone market (we expect the smart phone market to be 200M-250M units in 2010).

BlackBerry Professional (BBP) is aimed at the SMB market with an entry price of \$499 for 5 users or \$899 for 10 users. Since few SMBs have an IT department, ease of set up and management through a wizard-based approach are key requirements. The more extensive capabilities of BES require an experienced professional to set up and maintain, including connection to an internal email server like Exchange or Notes, which few SMBs have in place, and which capability BBP does not include. BBP has also eliminated connection to IM systems and mobile application extensions which BES provides. Unlike BES, BBP does not require a separate server, allowing an existing server or PC to be used. At its core, BBP shares code with BES, so companies who grow beyond this application (its upper limit is 30 users) or who need mobile applications (through MDS) can seamlessly upgrade to BES.

BlackBerry Unite (BBU) is a freely downloadable package focused on prosumers who have more than one BB device in a family or group. It enables up to 5 devices to be centrally managed, including sharing calendars and scheduling information, connecting to Internet email accounts, sharing files, security settings, and managing device

---

*"..RIM has provided an interesting mix of SW capabilities that will make its devices more appealing to a larger segment of the population, and will enhance its ability to sell to SMB and prosumer markets....."."*

---

applications and content (e.g., parental control). The application runs on a PC through a browser-based interface. We expect BBU to be attractive to the increasing number of multi-device families who would like to maintain group scheduling of activities, and who also wish to provide an additional level of protection and monitoring for children. While this application may be suitable for very small businesses, we believe the limited functions available will likely push even small businesses toward BBP. Nevertheless, we expect BBU to provide an attractive incentive for users of "Family Plans" to purchase BB devices, especially since those devices are being offered at an attractive price, and BB devices have reached a "coolness factor" with consumers.

Bottom Line: RIM has provided an interesting mix of SW capabilities that will make its devices more appealing to a larger segment of the population, and will enhance its ability to sell to SMB and prosumer markets. Nokia, Motorola, et al, will have to respond by offering similar capability to remain competitive (e.g., through Motorola's Good and Nokia's Intellisync subsidiaries). This should help the smart phone market overall, and provide a clear growth path from the SMB/prosumer ranks up into the enterprise. Smart phone vendors without SW capabilities (e.g., Palm) will be at a competitive disadvantage. Microsoft will need to respond as well, but we do not expect this to occur in the short term, as Microsoft will be hard pressed to scale its systems down to these levels.



**J. Gold Associates, LLC**

6 Valentine Road  
Northborough, MA 01532

Phone:  
508-393-5294

Web:  
[www.jgoldassociates.com](http://www.jgoldassociates.com)

*Research, Analysis,  
Strategic Consulting*