

Sprint abandons plans to sell 4G BlackBerry PlayBook tablet after weak demand

By [Josh Ong](#)

Friday, August 12, 2011, 08:30 PM EST (05:30 PM PST)

Sprint Nextel announced on Friday that it has scrapped plans to sell a 4G WiMax version of Research in Motion's BlackBerry PlayBook tablet after the device failed to generate sufficient interest.

The third-largest wireless carrier in the U.S. revealed that the cancellation was a "mutual decision" with RIM, *Reuters* [reports](#). The two companies had announced [in January](#) that a 4G version of the PlayBook would arrive on Sprint this summer.

After rumors emerged [last month](#) that RIM was set to cease production of the Wi-Fi PlayBook, the company denied the report calling the rumors "pure fiction." It appears now that the true story is that the WiMax version of the PlayBook was the one getting the ax. Sprint will continue to sell the Wi-Fi PlayBook.

Waterloo, Ont.-based RIM has indicated that it will instead focus its efforts on a Long Term Evolution version of the tablet that should go into testing this fall. Verizon Wireless, which operates an LTE network, had said prior to the launch that it would sell the PlayBook, but the carrier is currently reconsidering the decision. AT&T declined to comment on whether it plans to sell an LTE PlayBook.

"Right now the majority of tablets are Wi-Fi only," Page Alves, Sprint's head of business services, said. "People use tablets in fixed locations."

The Wi-Fi version of the 7-inch PlayBook arrived [in April](#) to reviews that criticized the device as having been "rushed to market," noting the lack of native email and calendar functionality. The tablet's launch was [disappointing](#), with most stores reportedly unable to sell through their initial stock of five units on the first day.



Charter Equity Research analyst Ed Snyder attributed the cancellation to RIM's inability to compete with Apple's iPad. "There's two groups with tablets: Apple and everybody else. RIM's in the second group, definitely," he said.

RIM has struggled to keep up with rapid changes to the mobile industry effected by Apple's iPhone and iPad. The beleaguered company announced [last month](#) that it will cut 2,000 jobs, or about 10.5 percent of its workforce.

The BlackBerry maker isn't the only one struggling in the smaller form factor tablet market. Dell announced [earlier this week](#) that it had killed off its Streak 5 hybrid tablet/smartphone. Apple CEO Steve Jobs predicted [last October](#) that tablets 7 inches and

smaller would be "dead on arrival" and be abandoned this year as manufacturers realize that they are too small.