

BlackBerry: The Z10 Already A Success

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To deny the noise that BlackBerry's (NASDAQ:[BBRY](#)) new OS is generating would be foolish. It has been one of the most polarizing product releases in recent memory. While the original plan was to have products released before the end of 2012, RIM announced that the product would be delayed until 2013 which set off speculation that it was over for one of the most prominent players in the smartphone industry.

In a release from [NBC news](#):

"It's like watching a puppy die. It's terrible," said Matthew Thornton, an analyst at Avian Securities in Boston.

"Wow, what a disaster," said Edward Snyder, managing director of Charter Equity Research in San Francisco, who said RIM was now in "a handset death spiral."

"From a numbers point of view it could hardly be worse and it's going to deteriorate from here," he said.

RIM, which virtually invented mobile email, has fallen from a leadership position to an also-ran in smartphones over a few short years filled with delayed and uninspiring products, service outages and other embarrassments.

While some speculated that RIM didn't have what it took to make any type of comeback, others within the company knew that they had something special with the QNX built BB10. After all, they didn't go out and purchase QNX in April of 2010 to not use the most respected OS available as their base. They didn't purchase TAT (The Astonishing Tribe) in December of 2010 to not let them do their creative magic on the interface.

If we look at RIM's acquisitions, Dash Navigation, Torch Mobile, Cellmania, Documents To Go, Gist, Tungle.me, Jaycut, we find a company that went out to purchase all the necessary pieces to not just upgrade the current BBOS, but to remake their mobile computing future.

On January 30th, 2013, BlackBerry (RIM is no more) announced to the world that they would be releasing their first BB10 product, the all touch Z10, starting in Great Britain the next day.

[Launch Article](#)

Canada would follow 5 short days later, rolling out of all the major carriers on February 5th. This author was one of those who had the new product in hand on the Canadian launch day.

During this time period, Apple (NASDAQ:[AAPL](#)) was sliding from their high of \$700 into the mid \$400s, speculation of warehouses full of unsold iPhone 5s and carriers committed to stocking levels that no longer had any demand. Google (NASDAQ:[GOOG](#)) ruled the smart phone market with Android devices built by partners such as Samsung, HTC, and Motorola. The once unflappable iPhone seemed to be losing its luster and could even be looking dated...stale. This was the smartphone that the seniors chose due to its ease of use, what the teen demographic desired. That didn't seem to carry through though in the young adult arena as Android and the wide variety of devices and manufacturers gave consumers choice.

Business was forced to adopt Apple product due to pressure from employees who used the device personally and ease of use trumped security. Apps trumped ease of communication and synchronization. There had been a major shift and BlackBerry had missed out, seeing its market share drop into single digits.

To date, Thornsten Heins, the CEO of BlackBerry, has not released any firm numbers. That has allowed some media and stock speculators to think that sold out locations are due to small amounts of stock available at launch. No matter how many times others from Seeking Alpha have hit the streets, phones and websites to check on numbers and report high sales, media ignores it. Reports are on opposite ends of the spectrum.

Anyone I have spoken to with the all touch device loves it. I personally know over 10 people that have switched from

existing BlackBerry's, but also from Android and iPhone platforms. I have yet to encounter one regret.

I would even go as far as to say that this device has almost created a brotherhood. Anytime I see someone else with the device, I will walk up to them and start up a conversation. This consists of showing each other something new, as much as declaring that we would never be able to go back to a device that didn't have the Hub (BlackBerry's patented communication manager that has to be used to appreciate).

The Great Britain release tripled BlackBerry's best ever performance. In Canada the first day was the best day ever for the first day of a launch of a new BlackBerry smartphone. February 10th saw the UAE receive Z10s and had some carriers announcing that Z10's were 60% of all smartphone sales. India received the product in early March and sold out in 2 days.

Launch information from [CIO](#).

Other European companies received product and on March 4th there was an announcement from the German Government.

Chalk up another potentially impressive customer win for [BlackBerry \(BBRY\)](#). [German site AreaMobile](#) claims that German chancellor Angela Merkel and "other secret sources in ministries and federal agencies" will use the Z10 due to its impressive security features that put it a cut above rival devices from [Apple](#) and [Samsung](#).

This stamp of approval was for a minimum order of 5,000 devices and could help pave the way for other agencies to take a more serious look at the security offered by this latest product.

There is a [buzz about this device](#).

Websites that were based on the BlackBerry platform such as N4BB, CrackBerry, and BlackBerryEmpires have seen a renewed readership and excitement. This has coincided directly with the release of the Z10 and forum activity is both brisk and positive.

There is a market of buyers that are waiting patiently in the one market that means the most. The United States. All four of the major carriers will be bringing on BB10-based products with the Z10 expected to launch on March 22nd at AT&T (NYSE:[T](#)). There has been no date confirmed yet from Verizon (NYSE:[VZ](#)), and Sprint (NYSE:[S](#)) will skip the Z10 and instead launch with the Q10 estimated in 2nd quarter of this year.

After the 10.0.10.85 update that was released last week, all issues that were being reported as negative have been addressed.

Battery life, low light camera pictures, GPS, and calendar importing have all been fixed. On top of that, there have been optimizations in the browser, and performance has been improved for 3rd party apps. Apps are being released daily with all the major ones either out already or will be in BlackBerry World soon. The ability of the OS to run Android apps has made the transition for programmers a lot easier. Those who don't want to start from scratch can work with BlackBerry to port over their existing apps and the experience is close to native apps in almost all cases.

WhatsApp is slated for a native app release next week. Skype and Instagram should be soon after. All stars seem to be in alignment for BBRY to have nothing to distract buyers in the short term.

On the Android front, the Galaxy S4 is being talked about, but problems with the 8 core processor abound. It is this writer's opinion that Samsung/HTC/Motorola are dependent on Google to make any major changes and they are forced to improve through hardware upgrades more than software. Who needs an 8 core processor? There is going to be increased power demands made with each step up in software which will require more memory, more cores, or a faster speed. This will ultimately lead to less battery life and at some point an overhaul of Android in order to keep pace.

Apple seems to be stuck. Ever since the passing of Steve Jobs, Apple has seemed to me to be unguided. When you think about it, what has Apple done lately? Retina is superficial, as are increases in camera resolution. More speed, more memory, different resolution, and new materials. That just doesn't seem to be innovation to me. That seems to be closer to evolution. Is it just me or does iOS just feel stale? It is such a controlled structure that has a bloated app environment. It has been reported by Adevin that more than 60% of the apps, or over 400,000, have never been downloaded. How many flashlights? 1899 at last count. Maybe some people will rate something on volume, but I tend to prefer clarity and accuracy over volume.

Outside of that, where does Apple lead? Surely not on interface as I find Android and BB10 to be significantly better. In my opinion, BB10 is head and shoulders above Android and if you take a day to learn how Flow works, you will

never go back. Apple needs to get into new products, and my faith in them doing something major with their OS without causing a catastrophe is nonexistent. The latest upgrade caused havoc and they still show they know nothing about security in both home and business environments. I haven't heard of a major overhaul in the works so I doubt that a return to the \$700 a share days are in the near future. Apple will now ride volume and marketing but the slide is coming in my eyes.

Those of us who have had some time with the Z10 are excited about US customers gaining access to the latest OS and seeing for themselves that BlackBerry has set a new bar that now transfers expectations to their competition. With nothing but faster/bigger/more memory on the horizon from the competition, I do think that BlackBerry has done the impossible and made themselves worthy of being respected. They have not only won me over, but my company, and gradually my customers. There is no better stamp of approval I can give.

What remains is whether BlackBerry can get penetration. If the carriers have properly trained staff and their training insists on putting the product in the customers hands and teaching them a few things, then the Z10 and subsequently BlackBerry, will sell out in quantities a lot larger than anyone has speculated.

Whether I am right or wrong will be answered sooner than later. By the end of 2013 the trend will be obvious. If the US is as savvy a customer as I think they are, then they will jump onto this platform quickly and that makes BlackBerry a solid 3rd, and 2nd could be closer than we think.

Additional disclosure: I am a business owner in Canada that specializes in VoIP systems, managed services, and SIP trunk utilization.