

## NEWS RELEASE

### iPhone scramble may be the last

**Sydney, Australia 9.00am – June 30, 2008** The scramble by telecommunications companies to secure rights to Apple's iPhone will soon be a relic of the past, according to S2 Intelligence, an analyst firm specialising in technology and business innovation.

"In every market around the world we have seen headlines on feverish bidding by communications carriers to secure the rights to the iPhone," said Dr Bruce McCabe, the Managing Director of S2 Intelligence. "Within 3 years, however, the notion of telecommunications companies trying to secure an advantage through exclusive rights to a handset will be dead."

The conclusions come from an analysis of emerging developments affecting handset innovation. In a statement released today, S2 Intelligence noted that we are now entering an era where all software runs on all handsets, and pointed to three factors:

- Google and others will open up the handset programming world to millions of developers, which will see the pace of innovation accelerate sharply later this year.
- Handsets will soon exploit 'virtualisation' technology, which allows software designed for one model to work on other models too.
- Most software won't sit on handsets at all, but will be online and accessed over networks. Once again, this will make it hard to lock new capabilities into any one handset.

"These developments will impact business models across the mobile telecommunications industry," said McCabe. "Telco's need to get ready for a world where they don't control the bundling of handsets, software, online services and phone plans, but their customers do. It is coming faster than they think."

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#### **About S2 Intelligence:**

S2 Intelligence Pty Ltd has been helping organisations innovate since 2002. It undertakes continuous research and analysis of emerging technologies and their application in business. For more information call +612 9984 7744, email [info@s2intelligence.com.au](mailto:info@s2intelligence.com.au) or visit [www.s2intelligence.com.au](http://www.s2intelligence.com.au).

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