

BlackBerry Gives Up on Phone Development

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Ailing phone maker BlackBerry announces plans to stop, well, making phones-- instead such a task will be farmed out to hardware partners, as the company wants to focus on software and security products.



As a result, future BlackBerry handsets will be like the recent DTEK 50, a BlackBerry-branded clone of the Alcatel Idol 4. It also makes the Priv, the first Android-powered BlackBerry launched back in November 2015, the last smartphone produced by the company.

"The company plans to end all internal hardware development and will outsource that function to partners," CEO John Chen says. "This allows us to reduce capital requirements and enhance return on invested capital."

Such an announcement is hardly surprising-- after all, according to Gartner BlackBerry holds Q2 2016 market share of just 0.1%, with sales for the quarter reaching all of 400400 units. That said, the company is looking inwards to focus solely on its bread and butter, namely businesses and governments wanting mobile devices with strong security.

The company hopes to see growth of 30% on software and services for fiscal 2017, even as it suffers losses worth \$372 million on revenues of \$334m on fiscal Q2.

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