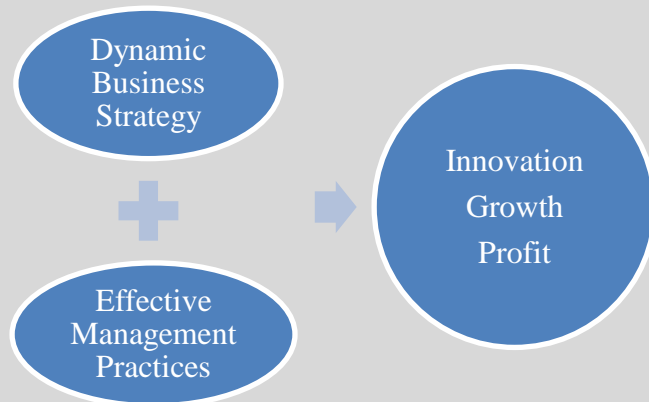


Newsletter for Investors

Corporate
Innovation
Online
Ideas, Self-help and News

A news letter for investment analysts and traders looking at the medium to long term potential of a select few of the world's most exciting companies

We examine and comment upon the longer term innovative capacity of companies and have less interest in the prospect of short-term trading-based gains. We look at a firm's capacity to grow and be profitable over the medium to long term and therefore be the basis of a longer-term investment opportunity. We work with proven criteria developed through extensive experience in consulting and tailored to an assessment of a firm's strategy and its management practices.



This Issue¹: What to watch for in the coming months which would provide confidence that RIM has the innovative capacity for the medium to longer term.

Management practices

- More openness and transparency on the part of the company's senior officers and Board spokesperson regarding significant developments in strategy and management
- RIM makes statements regarding the delivery of products or services and actually meets the target date – and communicates its achievement
- During this and subsequent periods of crises, RIM provides evidence of Board involvement in addressing turnaround issues
- RIM announces an introduction or expansion of a program of continuous improvement, broader in scope than product enhancements
- Some indication that RIM is aware (for example, that RIM employees provided with competitive product to get a first hand idea of the operation of competitive products) that competition is significant and has products which are attractive to the consumer market. Recent indications are that RIM is finally sufficiently aware of the competition is the effort to have to allow running of Android APPs
- The introduction of a broadly-based incentive and reward scheme – monetary and non-monetary rewards and recognition, permeating all parts of the organization

¹ The opinions expressed are based on a 38-page report which is available on line, for a fee, at <http://www.corporateinnovationonline.com>

Organization

- RIM resolves the Co-CEO issue or, at a minimum, indicates that it is addressing the issue
- The appointment of an independent chairman of the Board
- The appointment of an experienced person to handle operations - domestic and international
- The appointment of an experienced person to lead the move towards engaging the consumer market
- Hiring reinstated
- The development of a business model which facilitates the on-going decentralization of the business leading to international growth and product diversification

Strategy

- Favorable comment from enterprise users signifying a continuation of a ‘partnering’ relationship with RIM
- Favorable response from developers signifying an ongoing interest in working with RIM in the development of software applications
- Providing a more robust marketing approach to BBM offerings as a means of solidifying its position with the youth market and stifling competition
- Consolidation of product offerings designed to allow for focusing on the consumer market and removing consumer confusion
- A declaration that RIM is a consumer-driven company with evidence in the form of action and company announcements. What are the actions which would represent this shift of strategy?
 - a move to work through retail stores either corporate or franchises
 - the introduction of consumer oriented services; video, music, camera functionality – some of this is happening as this review is completed
 - A new product offering beyond the smart phone/tablet aimed at either the consumer or enterprise market - to signify effective product development measures
- Market acceptance of the QNX software recognized by the increase in QNX operated devices sold by RIM
- An indication that R&D allocation criteria has shifted to include the consumer market. This could be evidenced by the number of APPs that run on Blackberries

Finance

- Margin retention on major existing product lines
- Retention of leadership in the enterprise market globally
- A turnaround in sales growth numbers
- Increasing importance of software and services revenue at RIM.

For the full detailed analysis leading up to the key points noted, please visit

<http://www.corporateinnovationonline.com>. The full report on RIM’s Innovative Capacity is available for a fee.

September 29, 2011