

Microsoft VP Discusses Alliance With Palm

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Microsoft Senior VP Pieter Knook recently discussed the alliance between Microsoft, Palm and Verizon.

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Microsoft-Palm-Verizon Alliance Signals New Winds in Mobile Computing Industry

When Microsoft and Palm, Inc., along with Verizon Wireless, announced a strategic alliance last week, the two former software rivals unveiled more than a new line of Treo Smartphones for mobile professionals and businesses.

Based on the Microsoft Windows Mobile 5.0 operating system, the first of the new devices – the Windows Mobile based Palm Treo – will be available in the U.S. on the Verizon Wireless national wireless broadband network and marks the first time handheld-computer pioneer Palm will sell a device based on Microsoft software. To learn more about what this historic alliance means to customers, developers and original equipment manufacturers (OEMs), PressPass spoke with Pieter Knook, senior vice president for Microsoft's Mobile & Embedded Devices Division.

PressPass: Palm and Microsoft were longtime rivals in the mobile space. Why have they decided to partner on this?

Knook: Even when we competed, there's a great deal of trust and admiration between Microsoft and Palm. They will be a great partner and a great OEM, and in developing the new Palm Treo, they've been able to do a lot of things because of the power of Windows Mobile and other Microsoft software. It's been a great experience on both sides. For the last couple of years, we have been talking with Palm about how we could bring the two companies together. Palm was an OEM licensing the Palm operating system, and they had said they were open to building different devices on different platforms to meet different customer needs. Their business customers have made it clear to them that they prefer the Microsoft operating system, an integrated software platform across their business that lets them expand the PC, software and applications infrastructure that they have today. Businesses have invested heavily in these systems and they want to enable their employees to access these systems while they are on the go. Palm's customers know that Palm makes a great device, but they are excited about what Windows Mobile will enable, so we're providing that opportunity to reach new customers.

PressPass: What about the timing of the strategic alliance? Why now?

Knook: While we have been discussing this for some time, the time is right to announce this alliance and to announce the development of this new device. A key factor in the timing is that the wireless market has matured to the point where people understand the critical role that software integration plays for mobile devices. Palm, Microsoft and other companies that sell mobile solutions to businesses are hearing the same thing – that companies consider a phone to be like any other device or computer on the network. An IT manager needs to give employees access to information on the network without having to think about what piece of hardware they're using to access that information (laptop, desktop, Smartphone) or how they access that information (via Outlook Web Access on a laptop, virtual private network (VPN), or the Internet).

That has not been the case to date. First-generation mobile solutions from other companies have required a business to add specialized infrastructure – usually servers and a lot of software – just so the business can give an employee a limited-function mobile device. This approach is not scalable as organizations consider widespread deployments. There is a strong demand among businesses to make their employees more productive when they're on the go, and they understand the value of enabling people to access information wherever they are. In order to deploy these solutions to all of their employees in a scalable, cost-effective way, IT managers need to be able to manage Smartphones just like they do other devices. Good solutions such as the Windows Mobile-based Treo integrate seamlessly with Microsoft Exchange Server 2003 and Small Business Server on the back-end and products like Microsoft Office on the desktop. The new Palm Treo with Windows Mobile provides businesses with a really solid, easy-to-use device built on powerful software that integrates seamlessly with the back end that they are familiar with today.

PressPass: What is the broader significance of the partnership?

Knook: The winds are changing in mobile computing. The wireless industry is fairly young. The number of people that access corporate e-mail wirelessly is a drop in the bucket – about 10 million depending on which analyst firm you talk to. We see a huge opportunity here and so does Palm. For example, if you have a Windows Mobile-based device and you have Microsoft Exchange Server in the back end, you can access all the messaging software you have in Exchange – all the data in Microsoft Office Outlook such as your e-mail, calendar and contacts – and you can send it seamlessly to a mobile device without any additional infrastructure cost, just like you would on a PC. Consider that Exchange has about 130 million users, according to a conservative estimate by Gartner, and the significance of the partnership is clear. The same seamless integration opportunity also exists with Small Business Server customers so you can see that the prospect for seeing sizeable growth is there.

PressPass: Since other companies are building Smartphones on Windows Mobile, what is the special significance of the Treo Smartphone?

Knook: It shows continued strong momentum for the Windows Mobile platform in this space. Today, we're working with 68 mobile operators in 48 countries, and Palm becomes our 42nd active device-maker partner. We are seeing operators offer customers a line of Windows-based devices. With the new Palm Treo00, Verizon Wireless will have four Windows Mobile-based devices on the market (the most in the United States). T-Mobile has five different devices available internationally, from data-centric devices with QWERTY keyboards for the mobile Information Worker to phones that with a distinct focus on music.

Also, the collaboration is significant – even industry-changing – for the Palm developer community, which is a thriving developer ecosystem. This represents a huge opportunity for developers to create Windows mobile applications for the Treo Smartphone, with the added advantage that what they build for the Treo will work on all Windows Mobile-based devices with little to no additional development work.

PressPass: Please describe the new Windows Mobile-based Treo . What are some top features?

Knook: The target user is the mobile information worker – people who have to stay in touch with the office. The device will work on Verizon Wireless' broadband wireless network at speeds of 400 – 700 kilobits per second, which is faster than most Wi-Fi networks. The new Treo will be CDMA-only, but GSM versions will be available later in 2006. One of the elements we have worked on for a long time with Windows Mobile is componentizing the platform in a way that allows OEMs or mobile operators to brand their unique experience. Palm had an impact on the development of Windows Mobile 5.0, just like many of our OEMs have. The company is bringing its simple, easy-to-use user experience to this product, taking that customization to a new level while maintaining the underlying platform so that applications will run across all Windows Mobile-based devices.

The new Palm Treo has a full QWERTY thumb keyboard, and since it runs Windows, you get Outlook Mobile, Office Mobile fully integrated on your device, along with Windows Media Player 10 Mobile and Internet Explorer Mobile. Palm really focused on the “one-handed” phone experience so you get that along with all the functionality of a great QWERTY device. As far as top features, the device allows users to contact people quickly from the Today Screen and choose between home, office or mobile numbers, or select e-mail or SMS text-messaging service – and there's no need to pull out a stylus. With only two letters entered, a customer can find a record from among thousands of contacts. New application programming interfaces (APIs) in Windows Mobile 5.0 allow users to reach the people they most often call via photo speed dials visible as a band of images on the Today Screen. A feature that Palm had been unable to implement with Palm OS enables users to decline a call with a friendly SMS, signaling “In a meeting” or “Talking with the boss” instead of simply ignoring the call. And the new Treo allows users to rewind, delete or fast-forward through work or cell phone voicemail with familiar and consistent on-screen icons.

PressPass: What about availability of the Treo?

Knook: The device will be available in early 2006. No pricing information is yet available.

PressPass: Does Microsoft plan similar alliances in the future?

Knook: We're always interested in talking with other companies. We now have 42 device-maker partners that are shipping Windows Mobile-based products, such as Samsung, Motorola, HP and Dell. If any of our OEMs have specific requests, we consider ways that we can make those a reality for them. Our goal continues to be focused on building a great operating system that enables a wide ecosystem of partners to build innovative devices and we are very excited about the future and what our devices makers will continue to bring to market.