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OSS Newswatch

by Alana Greylak

This month's OSS News Watch column shows plenty of new products as well as updates on lawsuits, mergers, and stocks. Here's your OSS NewsWatch for May, 2007!

Cisco Systems has been chosen by the U.S. military to provide IP routing software for a satellite-based router system project. The three-year project will be managed by Intelsat and is expected to launch in the first quarter of 2009. Intelsat expects the technology to be eventually used for commercial purposes, although its first priority is for military use.

Broadcom Corp., which designs and sells semiconductors, has filed a lawsuit against Qualcomm for an alleged violation of industry standards. The complaint claims that Qualcomm has improperly concealed its patents, exerted dominance through hidden affiliations, and reneged on licensing obligations. Broadcom is seeking damages and a permanent injunction against Qualcomm, among other things, which would bar the company from trying to enforce patents against Broadcom or its customers.

Vonage CEO, Michael Snyder, has resigned from his position. Jeffrey Citron, Chairman and founder of the company, will be taking over the Chief Executive position until a replacement is found.

Also in Vonage news, the company has appealed the patent injunction set against it that would prevent Vonage from signing up new customers for its voice over IP telephone service. A jury ruled that Vonage had infringed on patents that are owned by Verizon and, although Verizon was awarded \$58 million in damages, the company sought a further court injunction to stop Vonage from growing its services. A hearing is set for April 24 and may be Vonage's last change to reverse the decision.

Syniverse, a wireless-technology service provider, is acquiring the clearing and financial settlement business of BSG (Billing Services Group), a provider of financial risk management solutions, for \$290 million, which includes debt. Syniverse intends to maintain its European headquarters as well as to continue operating out of BSG's European headquarters.

Motorola has completed its \$39 million deal to buy Tut Systems, a company that provides digital video-related products. The deal was announced in December. Tut's technology, which supports MPEG-2 and MPEG-4 video, may increase the appeal of Motorola's gear to telephone companies.

Eschelon Telecom is being purchased by Integra Telecom for \$710 million. The combined annual revenue of the merger is expected to be in excess of \$700 million. The deal should close in the third quarter of 2007.

NextWave Wireless is acquiring IPWireless for \$100 million in cash and stock. IPWireless is a TD-CDMA vendor, and NextWave plans to use IPWireless' portfolio to try to meet the demand for mobile broadband. NextWave's chairman and CEO, Allen Salmasi, commented that "IPWireless and NextWave will work together to expand IPWireless' product portfolio to incorporate WiMAX and/or Wi-Fi technologies for those service providers and equipment vendors that require such solutions."

Alcatel-Lucent is set to buy the assets of Tropic Networks, a Canadian startup company. Tropic was forced to let go of many employees prior to its acquisition by Alcatel-Lucent.

Best Buy has shelled out \$97 million in cash to purchase Speakeasy, which provides broadband and voice services to small businesses. The purchase was made in an effort to build Best Buy's small business strategy and will be wholly owned by Best Buy for Business, Best Buy's small business division. Speakeasy will retain its name and 300 employees.

BENQ, which reported a bigger than expected fourth-quarter loss, has turned down Chairman K.Y. Lee's offer to resign and take full responsibility for the acquisition of Siemens' mobile-phone unit. The loss was reported at \$238.4 million.

Openwave Systems welcomes Robert Vrij as the new chief and CEO, who plans to focus on "growing and expanding Openwave's global market share." Vrij was formerly the president and CEO of Lucent Technologies' Europe, Middle East, and Africa operation.

Telecom Italia has hired Merrill Lynch and Societe Generale to help them look into proposed changes to its ownership structure. The company seems to want to take a more active role in who maintains ownership in the company, reports the Financial Times.

ETI Software Solutions, Inc. welcomes Leonard Ray as Vice President of New Business Development. Ray will be responsible for "cultivating relationships with ETI's many technology partners," states the press release. Ray was formerly the Vice President of Business Development with Braselton, a Georgia-based Atlantic Engineering Group.

Products

Skype is planning to launch Send Money, a new service that will enable Skype

customers to send money to other Skype users via PayPal accounts. Skype is hoping to have the service available as early as this month.

Twitter, a new service that allows users to broadcast their lives to the world, may become the next big Web idea, similar to YouTube. Twitter's catch phrase is "What are you doing?" and will show snippets of the lives of real people.

Verizon Communications is set to carry "Prom Queen" on its V CAST and FiOS TV services. "Prom Queen" is the first production from Vuguru, the new media studio headed up by former Disney CEO Michael Eisner.

Google Inc. has launched a toll-free directory assistance service that allows callers to search Google Local over the phone. The new service is called "Google Voice Local Search," and is fully controlled by voice commands and is, so far, ad-free. The database only provides data for businesses in the U.S. Users calling in from a cell phone can get contact info sent to them in the form of an SMS message.

Phillips has a new cell phone that is set to run on a standard AAA battery in an effort to avoid the possibility of battery death. The phone will have its own battery but will have a special compartment for a AAA battery that will take over if the phone's battery runs out. The phone can run for three hours from the AAA battery.

The much-awaited and rather pricey Apple iPhone is set to hit the stores on June 11, 2007. This is the first solid launch date the company has announced.

CBS TV shows will be available to Sprint cell phone users. Entire episodes of Jericho and the CBS evening news with Katie Couric will be made available, along with clips of other CBS programs, including CIS, NCIS, Survivor, and more. CBS will sell advertising over Sprint's network. CBS has also signed mobile content partnerships with Verizon, Cingular, and Qualcomm's MediaFLO division.

Motorola has cut its first-quarter forecast, citing weaker than anticipated revenue from its cell-phone unit. The announcement led to Motorola's stock falling and analysts predict that the division probably won't see a profit until the fourth quarter.

If you have news you'd like to share with Pipeline, contact us at editor@pipelinepub.com.