

## Google Android

Concepts	Actions	Implications
<b>Developing the Platform</b>	<p><b>2007</b></p> <ul style="list-style-type: none"> <li>■ 2007 - Formed Open Handset Alliance, requiring members to sign a non-fragmentation agreement to protect core Android code; alliance includes T-Mobile, Samsung, Motorola and Sprint. Absent are AT&amp;T, Verizon, Nokia, Vodafone, Apple and Microsoft.</li> <li>■ Nov 5, 2007 – Launched the Android mobile platform based on Apache and open-source code in a joint press release with the Open Handset Alliance (33 partners), with clear vision and incentives for participation</li> <li>■ Nov 12, 2007 – Announced \$10M Android Developer Challenge</li> <li>■ Nov 12, 2007 – Made software development kit (SDK) available for free</li> <li>■ <i>Competitor Action: Nov 27, 2007 – Verizon Wireless announces that they will introduce “Any Apps, Any Device” option for customers in 2008</i></li> <li>■ 2008 (expected) – First devices based on Android will be made available</li> </ul>	<p><b>2007</b></p> <ul style="list-style-type: none"> <li>■ Focus on risk-tolerant participants who are non-dominant or struggling, though still major players</li> <li>■ T-Mobile “said it will release a phone next year...wagering that it has more to gain than to fear from a partnership with the Web giant...” “Certainly Google is a name consumers trust,” said Cole Brodman, T-Mobile's chief development officer. “There are some things they do that are best-in-class.” (WSJ, Nov 2007)</li> <li>■ Use of open-source and Apache licenses, reducing risk that IP owners will demand royalties at a later date</li> <li>■ Apache license lets developers modify code into proprietary format, potentially allowing them to capture more value</li> <li>■ Non-fragmentation agreement guarantees compatibility &amp; integrity of platform, the main issue with open-source</li> <li>■ Joint launch establishes credibility with participants and external audience, especially with Google as the lead</li> <li>■ Vision is promoted during launch, as well as incentives for participation</li> <li>■ Incentives are created for early participation with Developer Challenge, before development by other players has begun – helps solve chicken-and-egg problem of any new platform</li> <li>■ Contest format used to increase “returns” for investment</li> <li>■ Barriers to entry (cost of tools) are low with free SDK provided early</li> </ul>
<b>Current Challenges</b>	<ul style="list-style-type: none"> <li>■ Will Apple open the iPhone platform in response to the openness of the Android?</li> <li>■ Can a consortium of 34 companies really execute on the promise of open-source mobile applications and hardware?</li> <li>■ Does announcing the initiative this early in the development process promote rumors of vaporware?</li> <li>■ Should Google combat the disappointment in “just a software package” by articulating its vision more strongly?</li> <li>■ Does Verizon’s announcement increase risk of potential Android adopters? Are aspiring shapers vulnerable to an announcement of a competing platform until lock-in takes place?</li> </ul>	

## Google Android

### Google Android’s Shaping Strategy

Vision	Platform	Company Assets & Attributes
<p>“Through deep partnerships with carriers, device manufacturers, developers, and others, we hope to enable an open ecosystem for the mobile world by creating a standard, open mobile software platform.</p> <p>Through Android, developers, wireless operators and handset manufacturers will be better positioned to bring to market innovative new products faster and at a much lower cost...”</p>	<p>Open source mobile development platform</p> <ul style="list-style-type: none"> <li>■ Standard development kit made available for free that programmers can use to create applications for the Android platform</li> <li>■ Value proposition increases with additional participants</li> <li>■ If they gain critical mass, platform will be constantly evolving as applications from developers are added</li> </ul>	<p>Declared commitment to open-source platform: “The Android platform will be made available under one of the most progressive, developer-friendly open-source licenses, which gives mobile operators and device manufacturers significant freedom and flexibility to design products.”</p> <ul style="list-style-type: none"> <li>■ Participation in a broad industry alliance of 34 leading tech companies, which together announced the Android launch</li> <li>■ Creation of a \$10M prize, the Android Developer Challenge, to provide awards to applications developers; clear access to and willingness to invest resources</li> <li>■ Implicit roadmap towards an advertising-based business model</li> </ul>

### Results

Though early, Google has already gathered around it a formidable set of 34 international partners across industries:

- Aplix, Ascender Corporation, Audience, Broadcom, China Mobile, eBay, Esmertec, Google, HTC, Intel, KDDI, LivingImage, LG, Marvell, Motorola (#2 handset maker), NMS Communications, Noser, NTT DoCoMo, Inc., Nuance, Nvidia, PacketVideo, Qualcomm, Samsung (#3 handset maker), SiRF, SkyPop, SONiVOX, Sprint Nextel, Synaptics, TAT - The Astonishing Tribe, Telecom Italia, Telefónica, Texas Instruments, T-Mobile, Wind River