



Portelligent, Inc.

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Portelligent Teardowns: Ultra-Low Cost Cell Phones from Motorola and Bird Approach \$25 Bill-of-Material Threshold

Recent teardowns completed at Portelligent of ultra-low cost cell phones -- the Motorola MOTOFOE F3 and Bird S198+ -- reveal new benchmarks in component counts and manufacturing costs.

Austin, USA — March 9, 2007 – Recent Portelligent product teardown analyses indicate that the voice-only GSM Motorola MotoFone F3 and Bird S198+ -- released initially for the emerging cell phone markets of India and China -- have established new benchmarks in manufacturing costs and component counts for ultra-low cost cellular handsets through the use of highly integrated chipsets from Texas Instruments and Infineon, respectively.

In response to the GSMA's Emerging Market Handset (EMH) Initiative launched at 3GSM in February 2005, Motorola launched the C114 and C115 phones at a price below \$40 (ex factory). The Portelligent teardown of the C115 in 2005 revealed an estimated hardware bill-of-material (BOM) of \$34 and a component count of 13 ICs and 284 small actives and passive discrettes.

The second phase of the EMH required a sub-\$30 phone, which Motorola again responded to with the C113 and C113a. A similar phone from Nokia analyzed by Portelligent during this time period revealed an estimated hardware BOM just below \$30 with IC component counts remaining at 14 while small active and passive discrete counts dropped to 200.

The latest generation of ultra-low cost cell phones from Motorola and Bird has set new records with estimated hardware BOMs approaching the \$25 threshold and IC component counts below 10. In some cases, small active and passive discrete counts are approaching 150.

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“The reduction in hardware cost and component counts have been accomplished primarily through the use of highly integrated chipsets from major semiconductor suppliers such as Texas Instruments and Infineon,” said Jeff Brown, Principal Analyst, Portelligent, Inc. “Reductions in die area for both memory and non-memory IC components and reduced RF passive counts are contributing to the lower hardware BOMs realized by both Motorola and Bird,” noted Brown.

For more information about the Motorola MOTOFOE F3 and Bird S198+ teardown reports, contact Jeff Brown at Portelligent (jbrown@teardown.com; Tel 1-512-338-3600).

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Portelligent, Inc., located in Austin, Texas, USA, offers reports and analyses, based on a rigorous “product-teardown” methodology, to the electronics, wireless, semiconductor, and financial sectors.

For additional information about Portelligent’s product teardown analyses and other analytical offerings, in the U.S. contact Don Stroud (dstroud@teardown.com; Tel. 1-512-338-3600 ext. 221). In Europe contact Niels Kellerhoff (niels@teardown.com; Tel. +49-(0)211-467-998).

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