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## **No More Mitsubishi Mobile Phones**

*Mitsubishi Electric will no longer produce mobile devices*

Mitsubishi is a brand not quite known in the mobile phone industry, at least not globally, and it's probably best associated with the automobiles made by Mitsubishi Motors. However, Mitsubishi Group has many subsidiaries, including Mitsubishi Electric, a company that produces electric equipment and mobile phones, mainly distributed in [Japan](#), via NTT DoCoMo, the largest mobile carrier in the country. Although in the last year about 2 million Mitsubishi handsets were produced, as of today, March the 3rd 2008, Mitsubishi Electric has decided to quit the mobile phone business in order to transfer resources to the communication-related business as well as other businesses the company intends to strengthen. The decision has been made with the purpose to stimulate the company's growth strategy in the future, under the policy of "making strong businesses stronger." Mitsubishi Electric started making cell phones in the 1980's and, according to the press release made public today, the company finds it difficult to expect growth in demands for its handsets, as the modern mobile phone market is a mature one and the increasingly diverse preferences of users lead to severe business condition. Mitsubishi mobile phones have lately been affected by shipment decreases and the company says it is extremely hard to expect improvements from this point of view. Under the given circumstances, Mitsubishi Electric decided to no longer manufacture mobile phones and will stop launching new models after the current phones supplied to NTT DoCoMo. The decision to quit the handset manufacturing business will cause a temporary loss of about 17 billion Japanese Yen (\$162 million) in income before income taxes for the 2008 fiscal year. However, the company expects to absorb the loss with improvements in other fields. Today's announcement from Mitsubishi comes after another company less known for its mobile phones, [Lenovo](#), announced a month ago that it would sell its mobile division. It's a tough industry after all.