

18 December 2008

By: Sorin Surdeanu, Mobile Editor

[Palm's Last Chance to Resurrect Itself](#)

Palm's latest earnings and success are looking quite alarming



Palm's Nova -
probably the last
chance for survival
Palm

This year, [Palm](#) has experienced a big downfall regarding all of its devices and software releases. Actually, it hasn't even had that many to begin with, but analysts were not expecting things to work out so badly for Palm. The launch of the Nova at CES 2009 may be the company's last chance to get back in business.

Today, Palm will release its official [second quarter earnings](#) and executives seem to be really worried. Considering all the problems and changes that occurred in the company this year and mostly in the recent period, their fears seem to be righteous.

In other words, the smartphone manufacturer has postponed its releases many times, some of them being highly intriguing, but not in a good way. Also, the Treo Pro announcement and, most importantly, the new [CFO](#) instated, plus the huge market share losses in stock price did not offer the company the insurance it needed.

After considering all these and the fact that Palm has already announced its supposed earnings of [\\$190 to \\$195 million](#), which everyone must admit is a lot less than expected, the maker fears it will may not be regarded as a powerful company in the future, especially considering that 2009 is said to be a difficult financial year for all enterprises.

Even if the Nova release may not help Palm resurface, people are trying to be very optimistic on the matter, mostly since this might its last chance to reinstate its glory and, more importantly, profit. Topping the Nova is the rumor saying that, at the Consumer Electronic Show in January 2009, the manufacturer will also be unveiling a new [smartphone](#) and redeem itself quite nicely.

Nevertheless, should such an event remain a fantasy, then the company risks losing its main investor, [Elevation Partners](#), which has already been rumored to be considering leaving Palm because of its constantly low profits.

If the worst case scenario for Palm becomes real, then [Apple](#) and RIM, the firms that have reported spectacular growths this year, doubling, tripling, and even quadrupling their sales and profits, will only have more to gain. Nonetheless, this assumption is not viewed as the most accurate by analysts, who still have faith in Palm, some even giving it survival chances should it fail to impress or reach success with these releases.