**Consumer Electronics Show**
**Ron Garriques**
**Executive Vice President, Motorola, Inc.**
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**RON GARRIQUES:** I woke up this morning like many of you, I looked at the *USA Today*, I opened it up and Bill Gates and Conan O'Brien filled this slot yesterday and I was very excited about that because I knew that today it was going to be Ed Zander and Mr. David Letterman and I was expecting to see that in the papers tomorrow.

As you know, Ed called me and told me they had a death in the family, he couldn't be here, so he asked me to fill in. A little after that, David Letterman called me and said, "Ron, will you be doing live demos today?" I said yes. He goes, "They never work. I will not be part of stupid human tricks at CES." So you've got me.

We've got live demos and I am 100 percent committed to doing stupid human tricks if none of them work today. (Laughter.)

I've had the opportunity to be the speaker today and I am absolutely thrilled. I've had the honor to be in this industry for 18 years in the wireless industry. When I got out of college in 1986 and I decided to go into wireless, I was a mechanical engineer and people said, "Ron, why don't you do something useful with your mechanical engineering degree like do car tires or things that are going to be around for a long time; there's not even a million of these devices being sold a year" and now we're at 700 million of these devices every single year and within just a couple of years that's going to be a billion units a year. So I'm thrilled, it's a very small industry, I know many of you and it's a great honor for me to be out here speaking with you today.

Nobody inside of Motorola is more thrilled and excited or can speak for this industry better than Ed Zander. However, over the last 18 years I've had the opportunity to be involved in all of the technologies, traveled to 51 different countries, met with just about every operator and customer and many consumers around the world, so I'm going to take that wealth of information and tie it together and try to give you my vision, Ed's vision and where Motorola is going and where we see things going in this industry.

The first thing I'll start with is just wow. The Razr for us is just the most thrilling product and we're going to talk about all kinds of complicated technologies today, but keep in the back of your mind even though the Razr is made with magnesium tools, super thin, has a quad band internal antenna, has the ability to have Bluetooth, quad band, all of these things, nobody buys it for any of those reasons. People buy it because it fits in top pocket. Once it fits in top pocket and people get excited about it, then they find out all of the other great things it does.

This is a consumer product, it's going to stay a consumer product, it's going to be unbelievably high tech and even more high tech over a period of time but if it doesn't

have that simple proposition, it's beautiful and does something very easy, none of these devices makes sense.

Now, I've got the opportunity to run Motorola's personal devices business a little over 100 days ago. And when I got that, I didn't have many rich friends out in the world. But what you find when you have these really cool, high-end things, how cheap rich people are. Because every phone call I get from a rich person is, "Hey, you're doing great, you've got that great job, you must be so excited; can you get me a free Razr?" "So, yeah, I can and could you not call me again." So it's interesting, right?

So what else you think about the Razr. The coolest thing anybody in the market of wireless has brought out since the Startac. And are we going to wait another six, seven years for something cooler than the Razr again?

Well, here I've got this Sliver, which is unbelievably cool. I think I have something for every single pocket that I have today, which is kind of fun. This is the Oscars this year, the all black Razr version, which is wicked really cool. And I think over here I've got -- what have I got here? I've got the Pebl.

So when we were designing these things we were sitting around the lab and we said let's do something that's square and as cool as we can and we came up with the Razr. And then we said let's do something long and as cool as we can and we came up with the Sliver. Let's do something round and as cool as we can and we came up with the Pebble.

So continuing to drive these thrilling new form factors out in the marketplace is something that we're absolutely thrilled to be part of in this industry and I'm going to put these things over here because I officially am out of pockets right now.

So I think about this industry and I can remember back in 1999 when this thing was just going to the moon and build more factories, more people are going to be buying these and everything is just wonderful, and then we had this absolutely crushing crash in 2000 and nobody is ever going to buy another cell phone again, so let's do kind of a retrospective of what happened out there.

Well, the first thing, okay, is about two and a half years ago, three years ago when I met with a lot of you folks, the question from every analyst, from every reporter, from every friend of any one of those is how fast is this industry going to commoditize, what are you going to do about the commoditization of this industry; all the software is going to be commoditized, the chipset guys are going to own everything, everybody is going to have the same form factor, brand is everything.

It's interesting, I talked to Ed just a little while ago; Ed hasn't got a question on commoditization in one year inside of this job. This industry is about as far away from commoditization as it's ever been and I would tell you this thing is never going to commoditize.

And why is it never going to commoditize? Because it's really complicated stuff and there's no way to go commoditize it.

So how is that true? Well, think about the first thing. These things all work in frequency bands around the world, whether 700 megahertz or 450 or 800 or 1,900 or 2.5 or 3.5 and these frequencies are different in every part of the world. And these are there and entrenched for a reason; there's military there, different people have different licenses. We'll never get the frequency band. So therefore multi-band stuff happening is just going to be really, really complicated to go do in all of this.

And then there's all these different air interfaces. There's CDMA and there's GSM and there's GPRS and there's Edge and there's UMTS and there's Wi-Fi and there's WiMAX and none of that is going to get together and work together either because everybody has different IP and nobody is incented to make any of these things work together.

And then there are all these different operating systems. There's Linux and there's Java and there's Symbian and there's Microsoft and none of this stuff is going to get all together and be commoditized because people have different agendas.

And if you think about the carriers, there's Vodafone Live and there's T-Zones and there's Verizon Get it Now and there's Sprint Vision and none of that stuff is going to come together.

And there are different devices around the world, preferences from a candy bar, from a clam, from a rotator, from a flip, from a QWERTY and none of that stuff is going to commoditize together.

And every single country has different laws on how these things get manufactured, how they get disposed of, how they work from a consumer perspective and none of that is going to come together.

So this is a non-commoditized business that is actually going to go the reverse direction of commoditization and that's what makes it pretty cool. And those discontinuities that are out there and all of these changes are what makes this an exciting business going forward.

So if you think about all the things that we said in 1999 about convergence, all of this was going to converge and everybody had different theories: It's going to converge around the PC, it's going to converge around the cell phone, it's going to converge around the PDA. You know what, it didn't converge around any of those things. It converged around the consumer, around the person, the human being using these devices; that's what all of this stuff converged around. And if you look at the Razr, that's the perfect example of all of those technologies converging around people who want to use it and that's what you're going to see win in this marketplace, simple things with high technology that are easy to use.

So you think about the cellular phones, the wireless device and now you think about all of this spectrum that's out there and all of this broadband and all this high speed data, so you think, well, all of us are in this business to make money. And how do you make money in this? You provide devices out there that consumers are willing to pay for, both to purchase and to use.

The first realization that you come to, okay, when you think about this, there are three things that are part of the experience. The first thing that is part of the experience is mobility, the ability to go places and pay for it. Well, you know what, we're all pretty used to paying for mobility. In order to get here, I went from Chicago through the snowstorm, routed myself through Miami, went from Miami to Las Vegas between two couples who were fighting with each other but didn't want to take the middle seat so they fought over me for that period of time in coach, got here really, really late last night, was relieved to realize that we were sharing this with the adult film industry once again this year, went up to my room, got some sleep, I was panicked about this presentation, woke up this morning and I paid every way for that experience. I'm used to paying for mobility.

In addition to that, when I was there I picked up a newspaper in Miami, I paid $5 for the headset on the plane to watch this so I couldn't hear the people fighting next to me. I'm used to paying for content.

But what I'm not used to paying for is broadband. Broadband to me, bandwidth is free. I plug my PC in at work and it just works and I hit a hotspot and it works and I go to a hotel and I dial a 1-800 number and my wife pays the phone bill at home so I don't know that that costs me any money.

So we're bringing all this bandwidth out there but consumers don't pay for bandwidth, they pay for the ability to take things different places and they pay for the ability to get the content with it.

So that's all about mobility and mobility has been the thing that all of us and all of the consumers have paid for year after year after year. Think about go back ten, seven years, whenever it was, when AT&T came out with the One Rate, the integrated two bands of digital, one band of analog, go anywhere in the U.S., people said, wow, how relieving that is, I can go anywhere and just go ahead and get that done; that was paying for mobility.

When Motorola came out with the first tri-band phone and you had the ability to work in Europe as here, people were willing to pay for that experience.

And how fast is all of this broadband going out there? It's going really, really fast. The industry has probably sold ten million plus UMTS devices in the European market, high bandwidth stuff.

You think about what's going on here in the U.S. with all of the EDGE networks and all of the 1x networks and you look at what's going on, high speed broadband and wireless is coming really, really fast and we're only a short period of time away before the 802.11 network is all high end, all the WiMAX networks, so it's coming and it's coming really, really fast.

But what we're also seeing in the marketplace is the products that win are the ones that are simple. So people used to think, you know, Swiss Army Knife, these devices are all going to converge and they can do almost anything, but you know what, that's not what wins in the marketplace. The Razr wins because it fits in top pocket and it makes phone calls really, really nicely. The iPod wins because it's beautiful and it plays great music. The Blackberry device does e-mail extremely well.

What you're going to see from a convergence point of view is the technology converge, get really, really small in devices, be connected to almost anywhere, take anything with you but it's going to do things that are really, really simple to go do.

Most of us here when we grew up we would risk getting grounded to stay on the phone with our boyfriend or girlfriend past bedtime till 9:00, 10:00 at night, stay up talking on the phone and that desire to have that voice conversation, so shouldn't be a surprise to us that voice is the greatest ARPU generator. And then you went to class and you passed notes from person to person to person at the risk of getting detention or expelled or in some of the cases probably even worse, but that desire to pass all of these notes is no surprise that SMS is as important as it is today.

And you think back and you say, boy, MMS picture messaging hasn't taken off the way all of us had hoped it would from an ARPU generation. Well, I don't know, think about the number of letters that every one of us writes and the numbers of times that we actually put a picture into it; it's pretty low. It shouldn't necessarily be a surprise to us that MMS picture messaging is relatively low because in a wired world we don't do as much as we do writing regular letters.

And then you think about, well, what about all of this personal video piece and how big is that going to be. And I'm not sure yet and I can be shown to be wrong here, but my worst fear in this world is to go to somebody's house and have them show me their personal home videos. I don't know about you.

So now that might change from a cultural perspective where kids are doing it and it's more used but it's not the first no-brainer.

So what are the first no-brainers? Well, music is a no-brainer for me because when you wake up in the morning you turn on the music, when you go to the gym you put on the music, when you go for a run you do, when you sit in a restaurant you enjoy hearing it. So I think people want that and people are willing to pay for that and I think the success of the iPod is a good example of that.

And I think if we start thinking about our day-to-day lives, we'll get a real good feel for what are these things that are going to be ARPU generating. The things that you do wirelessly to generate ARPU are probably things that you already do from a wired network.

So if you think about we talked about this whole thing converging around the person, converging around doing simple things that people do every single day and now you want to talk about seamless mobility. Now, let me tell you a little bit about what I think seamless mobility is and I'll call it seamless mobility 1.0. And the best example I can give you of seamless mobility 1.0 is I just got back from skiing with my wife and two kids in Switzerland and I have a four and a half year old and a one and a half year old. The four and a half year old is a girl, the one and a half year old is a boy and we're in the UK and we're getting ready. And what do we do is we push the video in so she can watch Cinderella and not torture the hell out of our son while we're trying to get him ready and so we do that.

And we get them all ready and we're all getting on the vehicle and now it's time to leave. Well, she flips out because Cinderella is not finished. So now we have the choice, we can have a complete temper tantrum sitting there or I can say to her I have an E1000 PDA device, a Symbian operating system, really cool UMTS phone with removable memory. I say, "Do you want to cry about this or do you want to jump in the vehicle and watch Snow White?" Thrilled.

Now, I wish we were there at 2.0 when I could have just continued the Cinderella thing onto the device and just kept it going, that's 2.0 seamless mobility, but that ability to kind of just take that with you and then jump on an airplane and then jump on the train that takes you for two and a half hours before you get to the ski slope is one great vision of what seamless mobility is and how it affects our lives.

I think that if you think about one of the things that's going on in the U.S. market today, getting a larger and larger influx of population from Latin America, whether it be from Puerto Rico or Cuba or Mexico, and that group of people have very strong ties back to their homeland. The ability to use push to talk over cellular so you don't actually have to make the phone call from here to there but you could actually do just a direct connect over to keep those family ties going is just another example of what seamless mobility is.

I've been over in the UK for two years and left a house over here in Chicago where it's nice and balmy and always wonderful to live there, and so far two things have happened, a pipe broke, flooded the whole house and a halogen light fell down and put the bedroom on fire. And the person that comes and cleans the house every once in a while has set off the alarm six times by not setting it right. So those eight different alarms over the last two years and in the city I live after you get two a year you pay 100 bucks a piece for every false one after that.

But the ability to get that message onto my phone over in the UK, that alarm at your house again, scan through the house real quick and see what's going on and go to the fire

department, hey, you know, it's not a real issue or hey, yeah, it is a real issue is another example of the seamless mobility and things that you have the ability to go do.

So what does Motorola bring to all of that, we enable these devices to do all of that stuff very well, first in multi-band, first in multimode, first in new materials, unbelievable design innovation like the first flip phone; that's what we bring and that's what we're excited about doing out there in the marketplace.

Now, I told you all the really cool things about seamless mobility and I'll tell you one of the things in the future that people are going to be willing to pay for. And I predominantly think the people that are going to be willing to pay this are 10-year old to 16-year old girls. So every 10 to 16-year old girl probably has a diary that one of their younger brothers has opened up at some time and read everything. Well, envision now a wireless device where she puts her fingerprint on it to be able to get into the device and therefore nobody can access who she calls or messages or the diary that she has. She's willing to pay for that because she's so afraid that this diary is going to get in the wrong hands; again, something that we do every single day that I think can be turned into real revenue in the business.

Now, when we get into all of this seamless mobility stuff we have a real obligation to protect the consumer, the people that buy these devices, because here's the flip story for that. That same 16-year old girl comes into the house with her GSM or CDMA phone that also has Wi-Fi hooked into the wireless LAN and as she's walking past her father watching the NFL with everybody with the Motorola headsets on, by the way, she has all of her SMS messages dumped to the screen and scrolled down in front of him. That will be the last seamless mobility device she ever buys. So great opportunities out there in the marketplace, great risks, great things that we want to go do and these are things that I would call kind of seamless mobility 1.0.

Now, if you want to take this to the next level and now I'll take all of these environments, your home, the car, the workplace or almost any other experience that you can get in and now you can talk about your music, talk about your media, talk about personal information that you may be writing or storing or pictures, all of those things and now everywhere you go you want them and you want them with you at all times and accessible and you want to make it unbelievably easy to go do. We would call that seamless mobility 2.0.

And talk about some of the devices that are kind of going on that are I think rudimentary stuff before we get into some more of the high tech stuff, the first thing is just the Bluetooth Car Kit. So how does it work? You've got a Bluetooth phone, you're on a phone call, you jump into the car, it twitches over the speakers inside the car, goes through the radio system and now you're into a whole different environment; get back out of the car, follows you back with your cell phone. Motorola has got that product, it's shown here in front of you and it will be coming more and more to this market. Already in the UK market they've outlawed the ability to talk on the phone without a hands-free

kit and Bluetooth is just taking off in droves. We'll be seeing that happening a significant amount more in this country soon.

Another kind of 1.0 type of device, this is our new 802.11 GSM phone. You're on a GSM phone call, going well, it's a conference call and now you don't have to do that awkward thing that says I'm going to drop off now and I'll call back in when I get in the office. Now you walk into the building and it immediately switches over to the internal network of the company and you're on the call for 45 minutes. If you're in the same kind of big company that I am, these conference calls can go on for six or seven days so you may have to go home and back several times during this call. You now take this back out into the car with you, that's what this device is and again it's a seamless mobility 1.0 type of device and it's pretty exciting.

And next device we call it Ojo and it's personal video at home connected through the network. And quite honestly if there was a ubiquitous ability to have this technology, maybe Ed Zander would be giving this presentation today from New York here to this group through the Ojo.

And then kind of the next device is just media, media and media. I mean, I look at it and I think I've probably gone half a million air miles every year for the last 18 years. My biggest thrill is to fly when the new movies come out on American Airlines for the next month, it's almost like I don't want to travel on the 30th, I've seen everything, can you make the trip on the first.

But the ability to just take a device like this, walk through a store, through Bluetooth or through 802 just download the whole thing, put it on your lap, watch what you want, get off the plane, ditch it, pull other media in, these are all 1.0 devices, they're all shipping today, they're all pretty cool stuff.

Now you say, wow, that's some pretty neat stuff, I get the whole 1.0 but 2.0 is about now the person is doing next level stuff, taking all of these different things and just going everywhere that they have the ability to go.

You'll know that we've hit 2.0 when the Internet is no longer even visible, it just follows you, but you go into a store and you just buy the device, you don't even understand any of the technology, that you realize that the PCs are just peripheral, they're not the devices driving this business. This is when we get to our vision of the device formerly known as a cell phone be able to drive what you want across the whole world.

Now, what's Motorola's play in all of this? I can remember just a couple of years ago every single person was going to own this space. "I'm the chipset company, I will own everything, I will integrate across everything." "I am the software company, I will own everything across all of these devices." "I am the manufacturer of the cheapest products and my brand will go everywhere and I will own everything."

You know what, everybody got it wrong. The consumers own this whole experience and the people that can create great pieces of technology, put them together, make it open and allow lots and lots of people to write on top of that and make these people win are the people that win this business.

And I think what you learn about this business is you can't be ubiquitous about it thinking one thing will work in one market and then it goes and works in the next market just the next day, and it's because we all live very, very different lives. Just think about the different lives between Japan and here, think about the Japanese market, lots of mass transit, lots of people on trains every morning going into work with free time to play with their devices, get information; that's how they connect to the world.

Think about what goes on over in LA, Chicago and New York. Again, you get up in the morning but then you got sit in bumper to bumper traffic for an hour and a half and you spend all of your time talking on the device, not necessarily playing with it, which gives you a completely different driver for what that device does.

The one in the Japanese market is big time driven by multimedia, the one here in the U.S. market is possibly driven for the longest talk, best RF sensitivity so you don't drop these important business calls.

And I can take you through India and Nigeria and all the other markets around the world; every one of these different markets drives something specifically different out there. So our job is to be a catalyst in this industry, to make all of these things available, to put it across all of it and partner with people who do things better than we do.

One of the reasons that we chose to partner with Apple is they get music. One of the reasons that we're going to be talking about partnering with Burton, they get outdoor wear and doing exciting stuff.

So we're a catalyst, we're an enabler, we're a partner to bring wonderful devices out to the consumer market.

So I'm going to take a little bit of an opportunity here to kind of wrap up a little bit and maybe walk you through a couple of different devices. Now, I don't know if any of you guys have seen the Snow Mountain here that Motorola has put up, a pretty cool device. Where is my snowboarder? He should be here soon. Okay, cool, what's going on?

**JC:** This isn't the Motorola mountain, isn't it?

**RON GARRIQUES:** No, it's not.

**JC:** They said to me, "Do you want to wear this gear" and then pointed me in this direction and I'm here.

**RON GARRIQUES:** So what have you got?

**JC:** I've got some really cool stuff. What I'm wearing here is the Motorola Burton jacket, I'll give you that to hold.

**RON GARRIQUES:** I'll hold onto this. I actually could use a helmet.

**JC:** We'll talk about that in a second.

And let me show the camera so everyone can see. On this jacket here it's a Bluetooth Burton jacket. You put your Motorola phone, Bluetooth enabled phone in here, I've got my iPod in here --

**RON GARRIQUES:** Would that be a Motorola Bluetooth phone?

**JC:** Motorola Bluetooth phone.

**RON GARRIQUES:** That's good.

**JC:** I've got my iPod which also sits in here. And here on the arm here I have all of the controls which allow me to see who's calling me. I can see the messages coming in. I can forward and stop tracks from my iPod and it's all done seamlessly.

So I heard you talking before about seamless mobility and all centering around the person; this is an example of that.

**RON GARRIQUES:** That's pretty cool.

**JC:** What you've got in your hand here is the Motorola Bluetooth stereo helmet.

**RON GARRIQUES:** Seamless mobility, great.

**JC:** Seamless mobility. Also, we focus on the third screen.

**RON GARRIQUES:** Help me with this third screen. So the first screen is the big one that you go watch in movie theaters.

**JC:** Exactly, or the television, that was the first screen. And then the second screen was the computer and this is the third screen.

**RON GARRIQUES:** The third screen.

**JC:** And what I've got here is I've got some content that I patched over a UMTS earlier and I've got the content running through here so you can see different headlines. And I can scroll through and if I wanted to I can select and play. (Video/audio segment.) So that's an example. I can also scroll through, so this is taking live content, it's taking stuff which is over the air. You talked about digits, you talked about everything being

broadband is everywhere. It's taking that content and being able to take it with you on go. So this is an example of seamless mobility 2.0 and this will be towards the end of this year this will be available.

**RON GARRIQUES:** Cool, what else do you have?

**JC:** Well, you talked a lot about seamless mobility and how you can embody seamless mobility. We have taken something out of the labs called Liquid Media. We've been developing it for several years now. And the whole idea, the whole concept of Liquid Media is you talked about going through these different environments, so you get up in the morning you're in your home, you then get into your car, you go to work, you might go out and do something at lunch and come back into the car and et cetera. You're going through these different environments but the whole key is taking that content, the stuff that's really important to you, the stuff that people are willing to pay for with you so your content follows you.

What's really clever about the system that we've developed here is that the content morphs itself to the environment that you're in. So when you're in a vehicle, for instance, you don't want to be taking your eyes off the road, but you wouldn't mind listening to your tunes. When you're at home you have a nice 60-inch plasma so you want to be able to enjoy that. When you're in the office you have a small laptop and also when you're out and about you might have a smaller screen for the third screen.

So the whole idea of Liquid Media is that it knows where you are and what I've got in my hand here is an RFID tag, which Motorola also developed. And we're going to go through these different environments and I'm going to show you an example of what Liquid Media really is.

**RON GARRIQUES:** Now, is this a live working demo?

**JC:** This is a live working demo. So this LCD here is representing being in the home and you can see the content. Now, the clever thing, as I said to you, Ron, earlier, is that Liquid Media follows you but it also doesn't skip a beat. So as I'm working my way here from the home out to the auto, what should happen now is the content has morphed itself and now it's playing as an MP3 and it's now playing as if you were in your vehicle. But someone like yourself, you might have forgotten something so you get back into the house and the content still follows you. So you could be listening to a news report, this is anything which is over the air.

So we'll work our way from home, then out in the auto, we can see it playing here, we can see the screens here, which represent each of those environments. We then get to work, I know one of your favorite places. And you can see it hasn't skipped a beat, so the content is still playing from where you left off.

And then finally we get out in the world and here we're showing Motorola MPX phones and you can see the content hasn't missed a beat.

So I'll give you an RFID tag.

**RON GARRIQUES:** Oh no, now it's not going to work.

**JC:** Now it's going to work. Now just work your way to any of those different environments and you'll see. And then walk across to here. So it picks up.

**RON GARRIQUES:** It's pretty cool.

**JC:** So that's Liquid Media and that's seamless mobility 2.0. So that's the whole concept of being able to take your content. Thank you. (Applause.)

**RON GARRIQUES:** So you've got some pretty neat stuff here. I think that the whole streaming video over the E1000, I think the Burton jacket, the helmet, the Liquid Media, all 2.0 stuff, already 1.0 stuff shipping, when do you think 2.0 stuff is all out there?

**JC:** Well, the Burton jacket later this year, the third screen towards the end of the year.

**RON GARRIQUES:** Wow. Absolutely great stuff.

So it would be a good time for me to kind of wrap this up, unless you had something else you kind of wanted to talk about.

**JC:** Well, Ed actually gave me this to give to you before we leave. And I know that we've been talking a lot over the last six months about our relationship with Apple and iTunes and what I have in my hand is a sneak preview of the first Motorola handset which features the iTunes client.

What I'm going to do is I'm going to launch it and show you the whole interface and I know, Ron, you might want to say a couple of words. But you can see here we're now bringing up the main menu and you can see the iTunes logo.

And this is exactly the same as my iPod. So I could connect this to my computer in the same way, it synchs in exactly the same way as my iPod does. And when I choose things on here and I rate them, et cetera, it's all synched back to my desktop and then back to my iPod, so I'm sharing the content.

So what I'm going to do here is I'll show you the interface. I'll go in here into the play list. And I'm going to plug in again. And this is another live demo. And I have the same controls that are on my iPod. So I can turn up the power, the volume. (Music.) I can skip through if I wanted to. I can also rate the tracks by pressing again exactly the same as I do with my iPod. So you can see I'm giving five stars to this track. I can create play lists by going back through the menu. So I'd say it's a pretty impressive innovation there.

**RON GARRIQUES:** Cool. Yeah, wonderful. (Applause.) Are you back to Moto Mountain?

**JC:** I'm going to go back to the mountain. Thanks very much, Ron.

**RON GARRIQUES:** I'll see you over there later today. Thank you.

**JC:** Thank you. (Applause.)

**RON GARRIQUES:** All of us love being here. JC just left a weeks-old baby to come out here and be with us today and to go through this experience, so a big round of applause for somebody leaving his family to be here. (Applause.)

We've showed you that the iTunes client is working on a Motorola device and that device is a pretty special device. It's got removable memory so you can load it up with all kinds of different songs. It's got two stereo speakers that come outside of the device, sound great. It's got stereo headsets, has the ability to download stuff over the air and it's a form factor that we've had out there for a while.

We thought about showing some of the really, really cool IDs up on this screen but when we realized it was Webcast we figured everywhere else in the world there's a bunch of engineers sitting there just pausing it there for just a second and actually start the automatic designing tools to copy that thing before we get it out.

So we've got wickedly cool, compelling devices coming out supporting the iTunes client that will be out this year. I wish I could be showing them to you, they're going to be thrilling and you're going to love them and they're going to be right in that same kind of mode of think Pebl, think Sliver, think Blade, these are the kinds of products that Motorola is going to bring out into the marketplace.

So if I kind of think about kind of what we went through today, it's a pretty neat way that we've gone from 1999 when everything was euphoric up to the year 2000 when everything felt less euphoric to where we are today in an industry that's putting out 700 million devices that's going to a billion and I would argue is going to be a billion devices, every single one of them absolutely tailored to one individual in the world, no two just alike, all of them personal.

I've taken you through a little bit about the person, about the mobility premium that people are willing to pay, the ability to take that seamlessly across all of the things that you want in 1.0 and 2.0 versions.

I look forward to being here in front of you next year talking to you about what seamless mobility 3.0 is. I think it's even more exciting than all of the great stuff that you saw today and I thank you for your attention. Thank you. (Applause.)

END