

Nokia bets on software

September 10, 2010 4:24pm [by Richard Waters](#) |



To the extent that the mobile phone business is turning into a battle of rival software platforms, then having Stephen Elop at the top of the world's biggest handset maker makes a lot of sense. But there's much more to it than that, of course, which is why Nokia's choice for its next CEO is a risk.

Short of finding a magic wand with which to conjure up another Steve Jobs, it's hard to see what Nokia could have done to solve all of its problems.

Elop's background in mobile software is a plus, though he has been out of the business since the iPhone arrived. Under his watch while CEO of Macromedia, Flash spread fast to become a standard for developers of mobile applications. It had already become ubiquitous on PCs thanks to Macromedia's strategy of giving it away, but on mobiles Elop found he was actually able to charge for the software.

When it bought Macromedia, mobile Flash was very much in Adobe's sights, even though mobile computing was still in its infancy. Mr Jobs' resistance to Flash on the iPhone has turned into the biggest threat it faces, though Adobe scored at least a partial victory earlier this week when Apple relented and agreed to let developers use Flash and other development tools for their apps.

Elop has also shown he can handle a much bigger software ecosystem - the one that has grown up around Microsoft's Office. The suit of software applications has become a platform in its own right, and alongside the fast-growing Sharepoint it now extends across both client and server.

Being in charge of the Microsoft Business Division has also given Elop experience of running a big and complex development organisation at a challenging time. With Google and other online app developers biting at its heels, Microsoft has had to show that it is ready to move to the cloud - but not at such a speed that it wrecks its existing business in traditional software. With the Office product cycle now moving into high gear and customers starting to buy again after the recession, Elop's execution looks to have been solid.

That said, Elop has not shown himself to be two things that Nokia really needs right now - a change agent, and a whizz at consumer product development and marketing. As Jeff Raikes, Elop's predecessor at Microsoft, was fond of pointing out, Office is one of the world's biggest-selling products. But Elop's brief spell maintaining an established brand hardly shows he can breathe life back into Nokia's handsets.

To the extent that mobile touch-screens are becoming generic and the real battle is moving over to software, then having Elop around looks like a big plus. But he will need to surround with a bit of product and marketing pizzazz.

September 10, 2010 4:24pm in [Tech](#) | [Comment](#)

Heikki Ketola Use different pseudonym this time or [update your profile](#)

Enter your comment here

By submitting this comment I confirm that I have read and agreed to the [FT terms and conditions](#). Please also see our [commenting guidelines](#).

[Submit Comment](#)

Comments

No comments yet

 [RSS feed](#)

[Help](#) • [About us](#) • [Sitemap](#) • [Advertise with the FT](#) • [Terms & Conditions](#) • [Privacy Policy](#) • [Copyright](#)

© THE FINANCIAL TIMES LTD 2009 FT and 'Financial Times' are trademarks of The Financial Times Ltd.