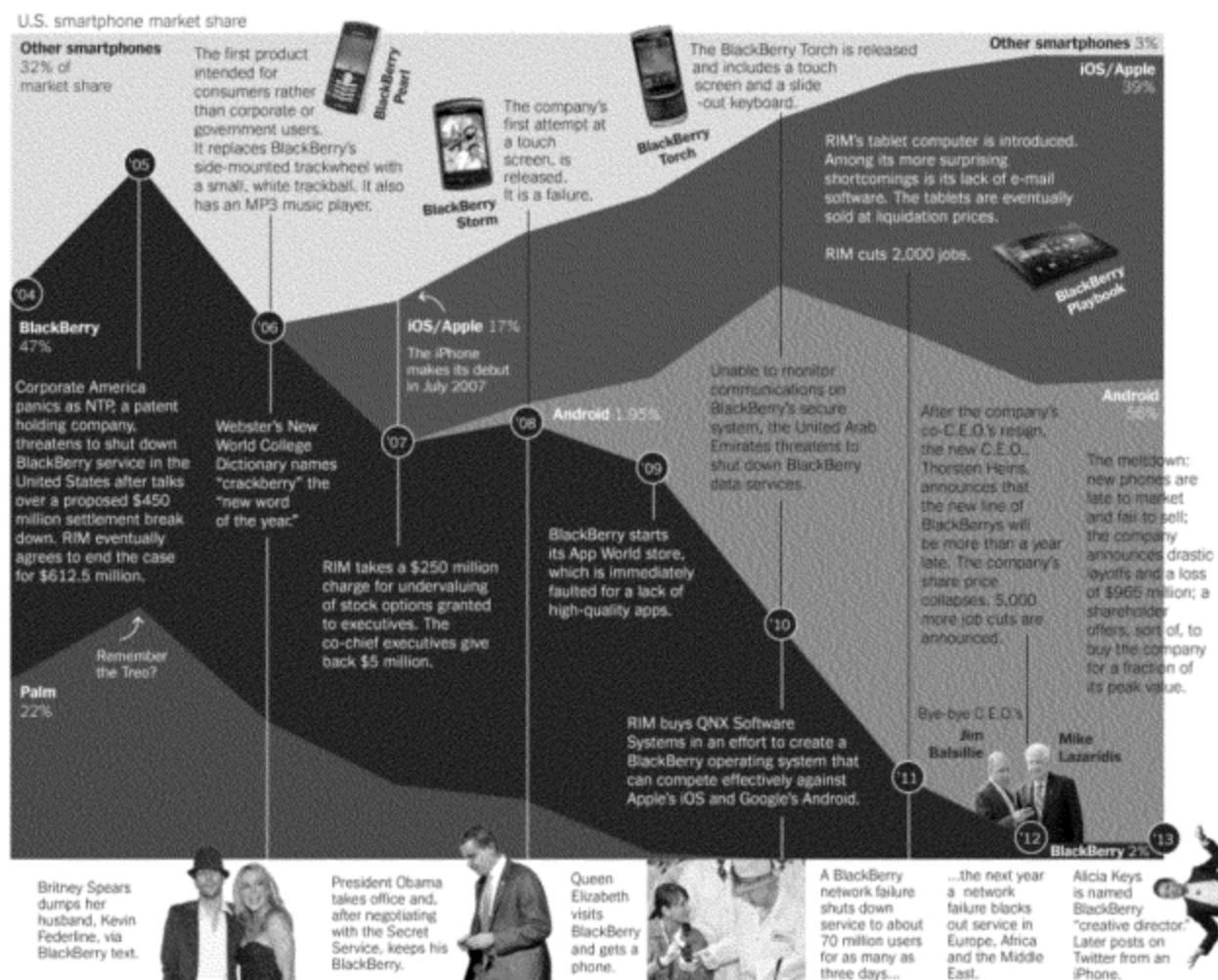


When BlackBerry Reigned (the Queen Got One!), and How It Fell



Coming from a tiny Canadian company, it was an almost absurdly audacious proposition. In 1998, when many corporations were leery of e-mail, Research in Motion began selling the idea of sending it wirelessly through a device that ran on a single AA battery. But thanks to a tiny, yet effective, keyboard that brought the world thumb-typing and a network that ensured security, BlackBerrys became standard equipment on Wall Street and in Washington.

While BlackBerry, as the company is now known, created and dominated what became the smartphone market, competitors, notably Palm, failed. But the company's co-chief executives missed the real threat: they initially dismissed Apple's iPhone as little more than a toy.

After that, all their efforts were too late. On Friday, BlackBerry reported a \$965 million loss, and BlackBerry's future now appears to rest with a bargain-basement, highly conditional offer from its largest shareholder, Fairfax Financial. Whatever happens to the company, many expect that BlackBerry smartphones are now destined to become relics.

By IAN AUSTEN and JENNIFER DANIEL