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GOING INSIDE

Shannon Buggs lists some things to do now to prepare for an involuntary retirement.

Smart accessories for the smart phones

By PURVA PATEL
HOUSTON CHRONICLE

The advent of smart phones set off a gold rush for developers hawking apps.

Now some Houston companies are hoping to ride the swelling popularity of handheld devices like the iPhone. Instead of applications, or software for phones, they're focused on accessories that change how the phones look or charge.

"Device personalization has been around for quite some time, but the growing

INSIDE: Analysts expect the smart phone field to be winnowed down to two to four winners. PAGE D4

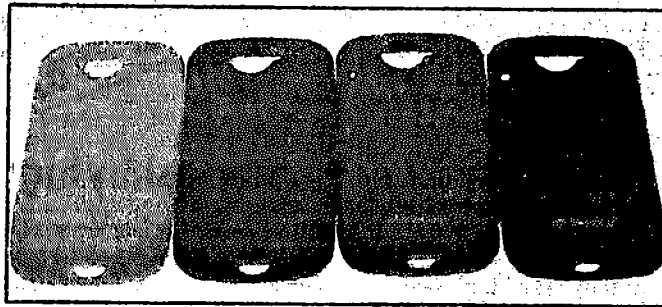
fervor around iPhones and the like has driven this to a new level of frenzy," said Andy Castonguay, director of mobile devices research at Boston-based research firm Yankee Group. "A lot of companies are focused on creating some sort of accessory line to facilitate and extend the capabilities of

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PRODUCTS: Pallavi Dinesh, left, of Fommy.com displays a battery charger. Her husband, Pinakin, shows a cover.

ACCESSORY: These items go beyond software



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SMART PHONE PROTECTION: The Silicone Skin Jelly Case was created by cell phone accessory company Amzer, which is based in Sugar Land.

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those devices."

Smart phones, from iPhones to BlackBerrys, will account for 38 percent of all mobile devices sold by 2012, up from 14 percent in 2009, according to research firm Gartner.

And after market accessories — those that don't come in the box with the phone — are a \$37 billion global market and projected to grow to \$38 billion, according to ABI Research.

More than looks

Many of the newer accessories do more than just change a device's looks. As Apple becomes more open with its developer kits and Android's open operating system becomes more popular, companies are working on intelligent devices that interact with phones.

Houston-based Softeq Development, for example, is working on an accessory for a client that would amplify the speaker on the iPhone and iPod Touch. The accessory will interact with an app that helps mute users speak with a natural tone of voice, said Trey Litel, director of business development at Softeq.

"Folks are really waking up to the fact that the iPod and iPhone are so popular and what they can do beyond software," he said, adding that Apple opened the door for specialized hardware when it released a newer version of its operating system late last year.

Sugar Land-based Amzer makes and sells a dock for Motorola's Droid phone on which the phone can multitask as a clock and play music, display images and other media while charging. It's similar to Motorola's cradle,

though Amzer includes an extra slot to charge additional batteries.

Pinakin Dinesh started Amzer as a manufacturing division of his company, Mofware, in 2005. He and his wife, Pallavi, had already been selling cell phone cases, chargers and other accessories since 2002 through their site Fommy.com.

Until 2005, they only experimented with manufacturing. By that year, a customer asked for a desktop cradle that would sync and charge a BlackBerry as well as charge a spare battery. So he decided to make one, which the company still sells, and build up the manufacturing arm.

Last year, Mofware posted \$3.84 million in revenues, up from \$3.6 million in 2008, the company said. Amzer, which is a growing revenue source for the company, has its products designed in the U.S. and India and manufactured in India and China.

The company, which has 15 employees in Sugar Land, plans to launch a waterproofing chemical for phones and is already looking ahead to accessories for Apple's recently launched tablet, the iPad.

Battery life

"We won't make anything that already exists, unless we can make it better," Dinesh said. "You can keep copying others, but the consumer today is too aware. Anyone can go to Twitter and say, 'This is a copy.'"

Because consumers want so much from their devices, there's also strong demand for batteries that will help extend the life of phones.

"The chemistry of the battery hasn't changed in a

while, so we can't get any more juice out of them," said Michael Morgan, an industry analyst with research firm ABI Research. "Screens are getting bigger and processors are getting more powerful and people are becoming dependent on them, so the biggest pet peeve these days is the lack of battery power."

Ten percent more batteries are sold than phones every year because consumers carry backups or purchase extended batteries, he said.

In September, Amzer launched a second edition of a portable solar charger that connects to phones via a USB cord. The company has sold almost 2,000 chargers far, which sell for about \$70 through Fommy and a bit more on Amazon.com.

Houston-based Seidio, which makes cases carried by Best Buy, also sells a line of Innocell batteries for various phones that it says last three times as long the ones that come with the devices.

The company, founded in 2003 by David Chang, employs about 120 in Houston but declined to disclose sales figures. Aside from batteries, the company has also long manufactured cases as well as holsters and cradles that work with phones in and out of their cases.

'Their personality'

That accessories market is seeing increasing competition, said Jack Yang, a spokesman for the company.

"People want to make sure their phones reflect their personality," he said. "They don't want their phone to stand naked."

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