Ericsson and Red Hat form strategic initiative in Home Communications

Ericsson and Red Hat Inc., the leading provider of open source Internet infrastructure solutions, today announced a strategic initiative to develop a new range of consumer products and services for home communications.

International Data Corporation (IDC) research predicts that by 2002, there will be more than 55 million handheld and notebook-style information appliance devices and by 2005 shipments of these appliances will exceed shipments of PCs. To capitalize on this opportunity, Ericsson and Red Hat will develop consumer products combining existing industry standards, such as Java, and the latest open source technologies, such as Embedded Red Hat Linux. The products will also support existing and evolving standards such as broadband networking and Bluetooth™, where Ericsson is a world leader.

The first product from this partnership is the Ericsson Cordless Screen Phone, unveiled at CeBIT 2000, which will be commercially available at the end of this year. Additional Internet services are being jointly designed by both companies, specifically targeting operators (telecommunications, Internet and Application Service Providers) that are increasingly looking to offer consumers new, easy-to-use and innovative levels of service. An example is the upgrading of Ericsson's installed base of products, which will enable consumers to use the latest applications and content without having to worry about technical complexities.

"This extensive initiative will bring to life the exciting new market for mobile Internet devices in the home and is a natural extension of our vision of anywhere, anytime communication," said Björn Krylander, Vice President and General Manager, Ericsson Home Communications. "Red Hat delivers unique software and expertise in all the areas critical to launch this initiative: the embedded Linux software powering affordable and reliable devices for home communications, the Internet servers powering the back end infrastructure and the networking and communications that ties together thousands of loosely connected mobile devices. We are also excited about the development with Red Hat of new services for these operators. These services will support Ericsson's Vizion program, which will link many wireless and wired devices in an integrated home network."

"Pairing Ericsson's world leadership in communications and Red Hat's unmatched open source expertise can accelerate the adoption of open source solutions in the growing home communications market space," said Matthew Szulik, President and CEO of Red Hat, Inc. "The agreement, between Ericsson and Red Hat, is one of the first of this kind in the industry to provide a comprehensive range of post-PC products and services designed specifically for home communications. Ericsson sees the value in bringing to market innovative products and services that are increasingly based on open platforms and open standards."

As part of this initiative Ericsson will also work with Red Hat to establish open technologies, such as the latest Embedded Red Hat GNU development tools, that will be made freely available to developers through RedHat.com. Both companies believe there is huge market of open source and third party developers, that are waiting to design, port and develop new applications, for innovative Linux based products such as those being developed by Ericsson Home Communications. Ericsson and Red Hat are also jointly establishing new mechanisms, for the creation of web content and certification of applications for these Internet appliances. For operators, this will mean new Linux-based infrastructure technologies and services, which will provide easy to manage upgrades across the Internet. For consumers, this will mean a range of easy to use and fun Home Communications appliances, such as the Cordless Screen Phone designed by Ericsson.

Ericsson is the leading communications supplier, combining innovation in mobility and Internet in creating the new era of Mobile Internet. Ericsson provides total solutions covering everything from systems and applications to mobile phones and other communications tools. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for customers all over the world.

Read more at http://www.ericsson.com/pressroom

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About Red Hat, Inc.
Founded in 1994, Red Hat (Nasdaq:RHAT), is the leading provider of open source Internet infrastructure solutions, ranging from small embedded devices to high availability clusters and Web serving. Red Hat applies its technological leadership to create open source solutions for Internet infrastructure and post-PC environments, offers services backed by the best understanding of open source and the most comprehensive resources, delivers the brand of a widely trusted open source leader and corporate partner, and persists in an indelible commitment to the virtues of open source to lead a revolution in the computing industry.

Red Hat Inc. is based in Research Triangle Park, N.C. and has offices worldwide. Visit Red Hat on the Web at http://www.redhat.com.

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Red Hat Europe was established in July 1999 with its European headquarters based in Surrey, United Kingdom and offices throughout Europe.