

Title: i-mate boss speaks out over company's problems

Subtitle: Ultimates News

Author: ajipta

Date: 2009/10/4

URL: <http://www.ultimates.biz/modules/article/view.article.php/c6/25>

Summary: The CEO of smart phone maker i-mate has spoken out over the company's recent troubles in Dubai and insisted that the business and brand will continue to live on.

Employees at i-mate's Dubai operation were made aware of the company's financial plight earlier this month. They were initially told to take compulsory unpaid leave, but last week i-mate's office in Dubai Internet City was closed and phones went unanswered.

Jim Morrison, who founded the device maker eight years ago, said the company had run into difficulties after uncovering a "major fraud" committed by a senior employee within the organisation.

Morrison said the fraud was discovered at the end of August and the case is now with the police.

"This all happened just before we were launching [a new device range]. We produced all the paperwork, we have the devices and so we have to sort this problem first," explained Morrison.

He said the company was still committed to launching its new range of smart phone products and would offer new contracts to retailers if required.

Morrison said the situation had made it difficult for i-mate to pay staff on time and led to around 30 of its 40-strong workforce being laid off.

It is understood that some former employees are considering raising their dispute with local authorities, which Morrison admits would make it difficult for the company to do anything with its Dubai operation for now.

However, he insists that "everything about i-mate will continue".

He said: "We are keeping the brand, we are putting out products, and we will be looking for more funding of course. There is a lot of good stuff happening."

Morrison, who is currently in the UAE but is normally based in the US, said that it was still too early to say if the office in Dubai would eventually re-open. However, he said the company still continues to operate in other markets around the world and would seek to maintain customer relationships in the region even if it meant serving the market from elsewhere.

i-mate is preparing to release a statement with further details this afternoon.