

Third Quarter Performance Analysis of Companies Working in IoT

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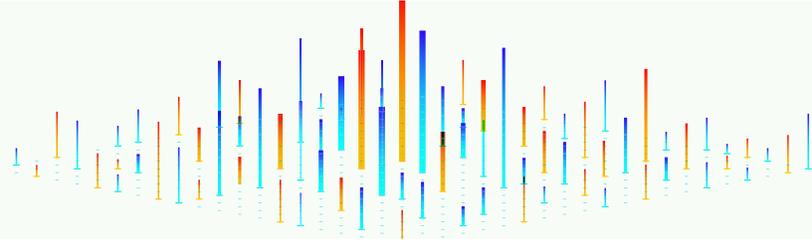
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Q3 Results



The results of Q3 2019 are finally in. What follows is a broad summary of how various companies performed in the third quarter of 2019. James Brehm & Associates has the financials, KPIs, and news to keep you informed on what's happening in the world of IoT.



Verizon closed Q3 2019 with a net addition of 130,000 net connected device made up of mostly wearables. In November, Verizon announced that they and Domo had developed an asset tracking solution with Amazon Web Services (AWS) a partnership with AWS and Domo providing an asset tracking solution. In the partnership Verizon will supply the LTE Sensor, AWS the IoT control and data services in the cloud, and Domo will provide the asset tracking application.



AT&T added 3.9 million net connected devices for Q3 2019, a growth of 6.6%, bring the total to 62.3 million connected devices. In September, AT&T announced they have signed separate reciprocal roaming agreements with Bell, Rogers, and Telus. The agreements allows AT&T to expand their LTE-M footprint into most of Canada, likewise the other companies expand their LTE-M footprint into the US. In October, AT&T announced Defense contractor Marshall Aerospace and Defense Group, has chosen the company to provide IoT connectivity and services into Marshall's overall connected container service model for their end customers.



T-Mobile announced in November, that President, CEO, and Board Director, John Legere will be fullfilling his contract on April 30th, 2020. Mike Sievert will be replacing Legere effective May 1st, 2020, as President and CEO. Legere will remain a Board member.



Sprint posted 13.3 million connected devices for their fiscal 2nd quarter, down slightly from their fiscal 1st quarter's 13.4 million. In October, Sprint announced their Curiosity IoT platform will now be available with NB-IoT connectivity.



Telefonica closed Q3 2019 with 22.4 million M2M connections, a 4.9% sequential growth. In July, Telefonica announced a partnership with ARAD, a leading group in the sector of intelligent water meters, for the commercialisation of a new smart solution for measuring water usage. The solution is based on NB-IoT and CAT-M1 connectivity.

The agreement will allow water supply companies to provide a solution that combines the best electronic water meters with accurate measurements, thanks to metrological capabilities, IoT connectivity and device management platform with advanced data analytic capabilities. This will enable companies to save costs on their current operations and investment in new assets. The solution collects and processes the data generated by the water meters and the advanced analytics provides, among other things predictive maintenance and remote detection of incidents. It also facilitates the treatment of consumption profiles, predicting demand or customization of supply to customers.



Vodafone announced in October, an agreement with AT&T to create a roaming relationship that allows devices to roam between AT&T's nationwide NB-IoT footprint in the US and Vodafone's networks in Spain, Germany, Italy, the U.K., and the Netherlands. The companies say this agreement creates the largest NB-IoT footprint in the world for global devices.



Comcast closed the 3rd quarter with 1.37 million security and home automation customers, remaining relatively flat sequentially. In October, Comcast announced that Geoffrey Sands was appointed as Executive Vice President of Corporate Strategy and will be reporting to Mike Cavanagh, Senior Executive Vice President and CFO of Comcast Corporation.



Intel's IoT Group posted \$1 billion in revenue for Q3, a 1.9% growth sequentially. In September, Intel announced Karen Walker will join the company as Senior Vice President and Chief Marketing Officer, effective October 23rd. Karen Walker brings over 20 years of global technology industry marketing experience to the table. In October, Intel and Brown University began a DARPA-funded Intelligent Spine Interface project, using AI technology to restore movement and bladder control to patients paralyzed by spinal cord injuries.



Sequans posted \$7.5 million in total revenue for the 3rd quarter, a 7.8% sequential decline. In November, Sequans announced that their Monarch GM01Q LTE-M module had been selected by Inseego to provide LTE connectivity for the company's new IoT Tracker, the Telstra Locator Cat M Tag which was recently launched on Telstra network, Australia's largest mobile network.



Sierra Wireless posted total revenues of \$174 million for Q3, a 9% sequential decline. IoT solutions made up \$93.4 million of that revenue, a 5.8% drop sequentially. In October, Sierra Wireless announced they will be working with Allcom Telecom, a leader in the value-added service market, to provide connected IoT solutions in Latin America.



PTC closed their fiscal year with \$1.3 billion in total revenue, a 1.1% growth year over year. The company posted \$335 million in revenue the 4th quarter, a 13.4% increase sequentially. In November, PTC announced the completion of the Onshape acquisition, valued at \$470 million. This acquisition will position PTC to capitalize on the eventual industry transition to SaaS.



Inseego posted \$62.7 million in total revenue the 3rd quarter, growing 12.2% sequentially. The company's IoT & Mobile Solutions segment accounted for \$45.9 million of that revenue, showing a sequential growth of 14.9%. In October, Inseego announced the appointment of Wendy Caceres (former Head of Enterprise Marketing for Amazon Web Services) to the position of Chief Marketing Officer. Caceres and will now report directly to CEO, Dan Mondor.

Cal/Amp

CalAmp closed their fiscal 2nd quarter with \$93.2 million in total revenue, a 4.7% sequential increase. In October, CalAmp's subsidiary, LoJack Mexico, announced an alliance with Volkswagen Group's truck and bus manufacturing division, MAN Truck and Bus Mexico. The alliance will enable MAN truck and bus to deliver advanced telematics and surveillance services across their entire fleet of trucks and buses sold in Mexico.

Trimble

Trimble closed the 3rd quarter with 783.9 million in total revenue, down 8.3% sequentially. In October, Trimble announced it had signed an agreement to acquire Azteca Systems LLC (dba "Cityworks), a provider of enterprise asset management software for utilities and local government. Also in October, Trimble announced their Board of Directors elected Robert G. Painter to succeed Steven W. Berglund as president and CEO effective January 04, 2020.

TELEMATICS

Mix Telematics posted \$35.5 million in total revenue for their fiscal 2nd quarter, a 4.2% decrease sequentially. Mix Telematics announced in September that Grupo Logistics provider, a Mexican logistics provider, will enhance their transportation fleets with Mix's fleet solution. In October, Mix Telematics announced Bpost, Belgium's national postal service, will be deploying the company's solutions to 1670 vehicles. Services will be provided by Mix's channel partner Rauwers.

I.D. Systems

ID Systems' posted \$16.9 million in revenue for the 3rd quarter, a sequential growth of 3.7%. In September, ID Systems was selected by B.A.H. Express to equip their entire fleet of 200 tractors with the company's LV9000 in-cab solution. In October, ID Systems announced it has closed their acquisition of Pointer Telocation Ltd., the company also rebranded themselves as PowerFleet.

ORBCOMM™

Orbcomm closed the 3rd quarter with \$69.2 million in total revenue, a 3.1% sequential growth. In October, Orbcomm announced they were selected by Queen Transportation, an asset-based truckload carrier and logistics provider, to provide its in-cab solution across their entire fleet of trucks. Also in October, Orbcomm was chosen by Vishipel, a provider of telecommunications services and maritime equipment, to provide its Vessel Monitoring System (VMS) for commercial fishing vessels in Vietnam. Orbcomm's VMS delivers complete visibility and control of fishing vessels and maintains vital communications links with home ports utilizing Orbcomm's satellite service offering.

iridium®

Iridium posted \$144.8 million in total revenue, a 1.2% sequential growth. In September, Iridium announced they signed a 7 year, \$738.5 million dollar, fixed-price contract with the US Department of Defense through the U.S. Air Force Space Command. The company will be providing unlimited Satellite services through their Low Earth Orbit constellation. In October, the company announced they were awarded another contract on behalf of the U.S. Air Force Space Command through the Defense Information Systems Agency. The 5 year, indefinite delivery/indefinite quantity contract is worth up to \$76 million. Known as the Gateway Evolution Contract, this contract enables ongoing innovation and critical enhancements for the US Government's dedicated Iridium gateway. It will enable adoption of the latest technology upgrades, both hardware and software, necessary to address emerging warfighter requirements and to ensure continued operations with the latest state-of-the-art sitcom-based capabilities.

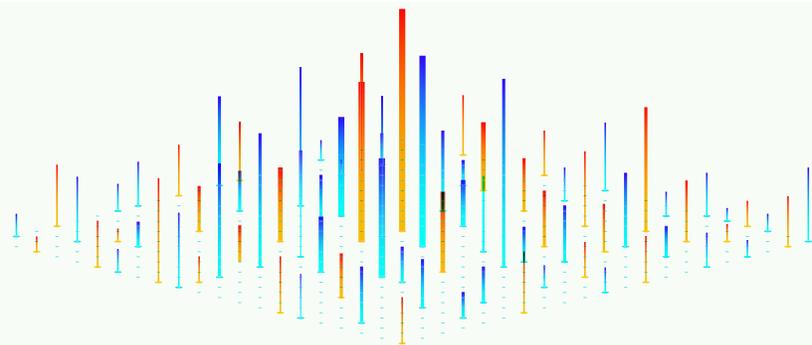
ALARM.COM®

Alarm.com posted \$127.9 million in total revenue, a growth of 5.1% sequentially. In October, Alarm.com announced a majority-stake acquisition of OpenEye, a provider of commercial market cloud-managed video surveillance solutions. Combined with the Alarm.com for Business offering, service providers partnered with Alarm.com now have a best-in-class solution to accommodate commercial accounts of any size.

vivint.

Vivint closed the 3rd quarter with \$290.8 million in total revenue, a 3.5% sequential growth. The company's subscriber base grew to 1,560,063, a sequential net gain of 52,399 subscribers. In October, Vivint announced CFO, Mark Davies will be stepping down from his position. Current Senior VP of finance and treasurer, Dale R. Gerard will serve as interim CFO until the company permanently fills the position.

Final Thoughts...



AT&T continues to lead the market adding more connections and capturing over 50% market share in IoT connections in Q3 2019. Verizon had a relatively strong quarter as well, however, it was not enough to chip away AT&T's lead. T-Mobile USA had another solid quarter as they continue to leverage wholesale channels and MVNOs. others.

Telefonica experienced a strong growth in IoT connections as well as Inseego. CalAmp had another great quarter and experienced solid growth in IoT connections.

Sprint had experienced a slight decline in connections compared to Q2 2019, however there is growth coming from Sprint IoT Factory. nSierra Wireless, Sequans and Trimble number of IoT connections declined significantly in Q3 2019 that offset their strong growth in Q2 2019.

This list is composed of publicly traded companies. If you are a privately held company and are interested in being featured in future issues, please contact us at info@jbrehm.com to discuss metrics, etc., used to provide this information.

Come See Us At...

In the upcoming months, we will be present at:

CES 2020

January 7-10, 2020
Las Vegas Convention Center
Las Vegas, NV

Omnitracs Outlook 2020

February 16-19, 2020
Caesar's Palace Las Vegas Hotel & Casino
Las Vegas, NV

IoT Evolution Expo

February 10-14, 2020
Greater Fort Lauderdale/Broward County
Convention Center
Fort Lauderdale, FL

Mobile World Congress Barcelona

February 24-27, 2020
Fira de Barcelona
Barcelona, Spain

Modex 2020

March 9-12, 2020
Atlanta's Georgia World Congress Center
Atlanta, GA

IoT World 2020

April 6, 2020
San Jose Convention Center & South Hall
San Jose, CA

2020 ENTELEC Conference & Expo

April 7-9, 2020
George R. Brown Convention Center
Houston, TX

Cisco Live US

May 31-June 4, 2020
Mandalay Bay Convention Center
MGM Grand
Las Vegas, NV

LiveWorx 2020

June 8-11, 2020
Boston Convention and Exhibition Center
Boston, MA

Sensors Expo & Conference

June 22-24, 2020
San Jose McEnery Convention Center
San Jose, CA

James Brehm & Associates is a consulting and marketing intelligence firm that provides project-based and retained strategic advisory services to technology companies worldwide. With a firm focus on the Internet of Things (IoT), Machine-to-Machine (M2M) Communications, and Big Data Analytics, James Brehm & Associates provides actionable insight and direction to a wide range of organizations including Communications Service Providers, Hardware Manufacturers, Software Vendors, OEMs, Private Equity, and venture Capital Firms. Through projects on market size and share, competitive intelligence, product development, go-to-market strategy, and client-specific consulting services, we help companies reach their maximum potential. <http://www.jbrehm.com>

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