



Tech Talk

Samsung's Batterygate ©

by John McCarthy



Hi and welcome once again to Tech Talk. The tech industry seems to have a disposition for creating companies that capture the public imagination and rise quickly only to crash and burn spectacularly. In the effort to obtain the competitive edge in this cutthroat sector of the economy, companies inevitably have to take risks to undermine their rivals sometimes with unexpected consequences. If I may slightly misquote the Bard, even the greatest and richest are not immune to the heartache and the thousand natural shocks that common flesh is heir to. Ghosts and corpses are strewn across recent history: Napster, 3DFX Interactive, Wang, Compaq and Kodak to name but a few. Even the mighty Apple's iPhone 6 suffered a potentially serious setback shortly after release, which subsequently became known as "Bendgate", because many owners revealed that their devices bent after being placed in the pocket of tight trousers.

In August, tech giant Samsung launched its latest flagship phone — the Galaxy Note 7 — early, in a bid to capitalise on the momentum gained by the launch of the very successful S7 models, an early— and with hindsight perhaps untimely— release that unfortunately hasn't worked to their advantage, as to date there have been disconcerting reports of over a hundred flagship Samsung Galaxy Note 7s bursting into flames in cars, hotel rooms, homes, and restaurants, as a result of faulty batteries. The South Korean multinational conglomerate has very wisely made the unprecedented decision to recall every single one of the units sold. The company says it has stopped all sales and shipments of the Note 7 and is working with cellular carriers around the globe to provide refunds and exchanges for the handset. In reality, this is no minor setback and represents a veritable kick in the teeth to Samsung, considerably exacerbated by the fact their tragedy is being enacted just as their arch-rival releases its spanking new iPhone 7 and 7 Plus.

Samsung is fully aware of the gravity of the situation and knows that the success of this recall campaign is crucial if they're to retain brand trust and loyalty and prevent customers from defecting to Apple or cheaper Chinese-made models. Initial

investigations reveal that batteries combusted due to a “very rare manufacturing process error”. The Note 7's manufacturing defect affects less than 0.01 percent of all Note 7 handsets sold. So, put into context we're potentially looking at fewer than 1,000 defective phones. But it's the damage these phones can do that makes the Note 7 dangerous.

To be fair, the Note 7 isn't the first phone to explode. A few years ago, Nokia recalled 46 million batteries that were putting their owners potentially at risk and even some unfortunate iPhone owners allegedly suffered some nasty burns from exploding phones in 2015 and earlier this year. It's been known for years that lithium-ion batteries pose a risk, but since their introduction they've become the standard for consumer electronic devices, including smartphones, laptops and cameras, and yet the electronics industry continues using them because these batteries are so much smaller and lighter than less-destructive alternatives.

There have been plenty of other high-profile cases. In 2006 Dell was forced to recall over 4 million laptop battery packs over combustion problems. More recently, in 2013, the Boeing 787 Dreamliner was grounded by the FAA following a series of fires related to the lithium-ion batteries used in these planes. I'm sure many of you will remember that in the US half a million hoverboards were recalled this summer for similar reasons. What's important for Samsung is that they've reacted with celerity and transparency, so this will probably limit any serious damage in the mid-to-long term. Here in France, in a very recent press statement Samsung has promised to exchange any potentially faulty models, only it wasn't quite clear whether this would mean a straight swap for another Note 7 or a Galaxy S7. The Galaxy Note 7, fitted with a fault-free battery, will supposedly be available as from September the 20th.