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TrueContext shifts focus in Q1



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Krystle Chow
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TrueContext Mobile Solutions Corp. (TSX-V:TMN) saw revenues rise and losses narrow in its first quarter, due in part to its stronger relationship with AT&T.

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The company, which is headquartered in Ottawa and makes the Pronto Forms paperless mobile forms solution, said its revenues rose 72.4 per cent year-over-year to \$178,437, while net loss shrank to \$423,050, from \$1.11 million.

TrueContext noted that its first-quarter revenues from software licensing consisted of \$85,100 in direct subscription revenue and \$26,400 in perpetual licence revenue, with subscription revenue declining somewhat from the fourth quarter due to the cancellation of subscriptions in legacy programs with higher rates.

The company said the decrease could be attributed in part to its transition process from a direct sales model to selling through operator channels, including its resale relationship with AT&T Services Inc.

However, it pointed out that its average number of subscribers during the first quarter edged up to 1,967, from 1,925 in the fourth quarter, and services revenue jumped 32 per cent to \$66,900.

“We have been working with the AT&T sales and technical teams to drive demand and we have recently been involved in many regional launches and blitzes which have already led to customer activations,” said TrueContext CEO Alvaro Pombo in a statement, adding that the company has made “significant progress” in scoring new reseller pacts in North America and Europe.

“We continue to focus on growing subscriptions by using our leverage with partners like AT&T.”



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