

IBM's Communication Sales Slump in 4Q

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IBM posted slightly improved fourth-quarter results on an uptick in new service contracts, but sales to the communications industry fell slightly.

Sales of the company's Lotus software, which extends messaging, communication and collaboration tools to wireless devices, fell 5 percent in the fourth quarter. IBM's overall software segment posted revenue of \$6.6 million, a decrease of 4 percent over last year's fourth quarter.

Overall, the company made \$4.8 billion, or \$3.59 per share, in the fourth quarter.

Over the course of 2009, IBM invested heavily in several technologies including what it calls "Smarter Planet" solutions, cloud computing and advanced analytics. Company CEO Sam Palmisano says the company's investments will "position IBM to grow as the economy recovers."

For the full year 2009, IBM made \$13.4 billion, or \$10.01 per share, an increase of 9 percent over 2008. The company expects to make \$11 per share in 2010.

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