The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Smartphone Maker Yota Denies Move to Canada, Reaffirms Russian Roots

By The Moscow Times

August 11, 2014

Yota hopes to sell 30 percent of its new phones in the U.S.

The maker of Russia's first homegrown smartphone, the YotaPhone, has denied reports that it is relocating its headquarters to Canada to further its global expansion as Russia's conflict with the West over Ukraine increasingly decouples the country from the global economy.

A spokesperson for Yota Devices, which makes the phone, told Gazeta.ru on Monday: "We are not moving to Canada, we are not changing the legal address, we remain registered in Russia and continue to pay taxes in Russia."

The spokesperson emphasized that the YotaPhone, a double-sided smartphone launched last year featuring a traditional LCD screen on one side and an e-ink screen on the other, is a wholly Russian product.

Yota, the consumer electronics arm of Russia's largest LTE mobile network operator, said it

was opening a branch office in Canada from which it hopes to facilitate the expansion of its second-generation YotaPhone into the North and South American markets.

Yota hopes to sell 30 percent of its new phones in the U.S., which has about 170 million smartphone users.

Yota's operations have expanded significantly since its humble beginnings as a mobile Internet provider in 2009. Besides developing the YotaPhone, the company in April became Russia's fourth mobile phone operator when it began providing voice communication services. Yota has offices in Russia, Finland, Germany and Singapore.

News that Yota Devices was moving to Canada emerged last week, when Canada's Financial Post reported that Yota's CEO, Vlad Martynov, was looking to relocate the company to Toronto or Waterloo by the end of 2014 to take advantage of the local talent pool. Many smartphone engineers in Canada were left unemployed by the recent restructuring of struggling smartphone manufacturer BlackBerry.

Yota now claims, however, that Martynov's comments were "loosely interpreted," pointing out that the CEO was not directly quoted as saying that the company planned on moving its headquarters out of Russia.

See also:

MegaFon to Pay Majority of Yota Acquisition Price Ahead of Schedule

Original url:
https://www.themoscowtimes.com/2014/08/11/smartphone-maker-yota-denies-move-to-canada-reaffirms-russian-roots-a38204