

Stranger Than Fiction: The Launch of a New PC Brand

Written by Bob Snyder
13 June 2012

In 2000, **William Wang** sold MAG monitors from Taiwan (a well-known brand at that time) to US clients like Gateway. He boarded Singapore Airlines Flight 006 (a Boeing 747-400) in Taipei and, distracted by an incoming typhoon, the plane attempted take-off on a closed runway. It hit some construction equipment and crashed... killing 83 out of 179 people on board.

Wang walked away from that plane crash. That experience probably best prepares Wang for what he is just about to do.

But before we go there, let's just say that **what Wang has already done is even more incredible than his walked-away-from-a-plane-crash history**

.



Ted Waitt [then Gateway's famed chairman] had been one of Wang's customers at MAG. In 2001, Gateway asked Wang to help put together a TV strategy and Wang's team put together Gateway's 42" plasma TV system, priced at an impressive \$2999. At the time, comparable systems were selling for as much as \$6000.

Stranger Than Fiction: The Launch of a New PC Brand

Written by Bob Snyder
13 June 2012

Despite the fact that Gateway's TV didn't unseat Sony, Sharp, Toshiba and other traditional TV makers in USA...in 2003, at age 43, Wang took partners and \$600,000 and decided to start a TV company.

Now there were (and still there are) many low end, volume TV non-name brands floating around the USA market. Like comedian Rodney Dangerfield, they "get no respect." Big brands who could buy national advertising and distribution channels roamed the USA markets like untouchable giants.

Wang's idea was to bring low prices and high quality to the TV market, and to build a real brand. To make this approach profitable, he needed an extremely lean operation, great design, and a powerful sales force. And still odds were against him...**the idea that such a OEM brand could outsell Sony (and Sony ad budgets in a massive USA market) was-- well, it was really a longer shot than walking away from a plane crash.**

Many experts would have sworn: This was impossible.

Yet today, his company **Vizio company ranks as one of the largest sellers of LCD HDTVs in No. America with more than \$2.5 billion in revenue** -- and it often outsells all the other more-famous brands in the quarterly reports. A headline in 2009 announced for the first time in a quarter Vizio outsold both Sony and Samsung in TVs in USA. Now that's a miracle.

After all, walking away from a plane crash is just plain luck. Big luck, but luck nonetheless. Nobody sitting in the center section of that plane walked away.

But walking all over the big Asian TV makers in USA takes more than luck. It takes big *cojones* and great business skill.

Clearly two miracles in his life aren't enough for Wang. He's going for a third: **Wang wants**

Stranger Than Fiction: The Launch of a New PC Brand

Written by Bob Snyder
13 June 2012

Vizio to disrupt the PC business...

As if PC makers aren't doing a good enough job themselves of ruining the PC business. Number One maker HP recently announced its own exit from the PC business-- and then later recanted. Acer nosedived and blamed the *Gwai Lo* at the top. Only Apple is prospering and you could see that as a halo effect (or more like the black hole of Apple brand attraction which pulls its fanboys into a universe where if you own an Apple phone, an iPad and iPod, it's crazy not to buy a Mac.)



If Wang didn't have the MAG experience (and Princeton Graphics) under his belt, you would call his newest move to computers "more than crazy."

At least the man should already know how the computer industry thinks.

Vizio owns a well-known consumer brand in USA, that's true. But owning a CE brand has never guaranteed PC sales. Never. Ask Sharp, Panasonic, Samsung, LG and others who have tried.

Here's the plan according to Vizio...see what you think might distinguish their PC brand.

Stranger Than Fiction: The Launch of a New PC Brand

Written by Bob Snyder
13 June 2012

- Vizio will sell two ultra-thin notebooks, a laptop and two all-in-one desktop computers that feature "high-style design."
- Leveraging its household name, Vizio computers will be designed to be easy to set up and get going-- right out of the box.
- Vizio's stylish computers will be made with carefully machined aluminum bodies carved by robots.
- Vizio aims to give consumers computers a Macintosh-quality design... but running on **Windows**

- And as it did with its flat-screen TVs, it will do so at competitive prices. (Walmart has ordered a 27" All-In-One PC for \$1100 and a 14-inch "T L Notebook" for \$900.)
- Vizio gets input from suppliers in the process: the computers are optimized with suggestions from Microsoft and Intel. Both companies have publicly stated that "Vizio is doing a good job listening."
- Vizio says it is "forsaking the industry's long practice of loading new computers with crapware."
- If US consumers call, they will talk to Vizio's consumer service center in South Dakota-- not a call center in India or Philippines.

Does any of that sound like it will distinguish Vizio from other known PC brands? Does any of that sound like more than many system builders are already doing?

"PCs have become a sea of black plastic," Vizio Chief Technology Officer Matt McRae told press. "We're building a product people want."

Hang on...that was the speech we used to give in 1999. Today from Dell to Lenovo to Acer, you can see it's a colorful range of product. Yes, black plastic is still there but only because customers still buy it. **The PC business today recognizes it is in the fashion and lifestyle business.**

Vizio has been masterful in the TV business. No doubt that earns them WalMart and other big box retailers who will offer Vizio PCs to the public. But can Vizio become a PC brand?

Vizio believes it will be one of the biggest disruptions to the computer business in years. It may

Stranger Than Fiction: The Launch of a New PC Brand

Written by Bob Snyder
13 June 2012

prove the opposite: the computer business will disrupt Vizio's business. Just as pilots took Flight 006 down the wrong path, this may be Vizio's corporate plane crash.

While all eyes now look to see if a PC company (Apple) can enter the TV business and play "disruptor," few expect Vizio the TV maker to have much impact on the PC business.

That, after all, would indeed be Wang's third miracle.

Go [Vizio's Move Into PCs](#)