

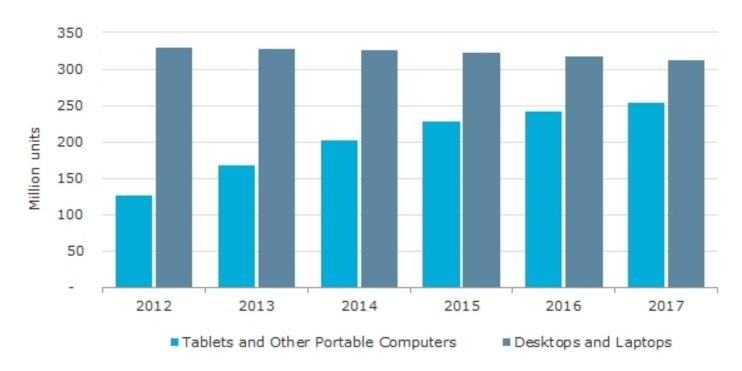
Insight by Wee Teck Loo, Head of Consumer Electronics, Euromonitor International.

Acer Inc's Chairman and CEO, JT Wang, tendered his resignation on 5 November 2013 after the company reported a net loss of US\$446 million for the third quarter of the year and announced plans to reduce its number of staff globally by 7%. Just a week earlier, Dell Inc had announced the completion of its acquisition by Michael Dell (founder and CEO) to take the embattled company private. With the exception of Lenovo Group, all other PC manufacturers are struggling financially or are reporting declining sales every quarter. Retail sales of tablets are forecast to exceed 140 million units by the end of 2013, overtaking laptops as the most popular computer for consumers. The naysayers have started to declare the death of personal computers (PCs) – desktops and laptops - running on the Windows operating system.

Half of the Story

While there is no denying the rise of tablets, it is still too early to start writing the obituary for PCs. A significant portion of sales are driven by business and the PC market remains an attractive and significant one for manufacturers and retailers, with sales projected to exceed 300 million units even in 2017. Companies looking for cost-effective solutions can rely on desktops. And, more critically, the vast majority of legacy software that companies rely on was developed for PCs running on Windows, not tablets running on Android and iOS.

Global Sales of Computers (Business and Retail)



Source: Euromonitor International



