What is Going on at Acer?

Written by Marco Attard 15 February 2012



Acer is looking for a makeover-- doubling European marketing budgets in the hopes to "change perceptions of the Acer brand," the Financial Times reports.

While the still the 2nd top PC vendor in W. Europe (following HP) Acer faces severe declines. The latest Gartner totals show European Q4 2011 Acer shipments are down by -46.1% Y-o-Y, with market share reaching 13.4% (down from 20.8 in Q4 2010).

Acer's general earnings are also down, with Q4 2011 earnings declining by 14.4% Y-o-Y and global 2011 revenues declining by 24.4% Y-o-Y to reach \$15.7BN.

The solution to such troubles? The FT says the company is hiring Mother, a London-based advertising agency with a client list including Coca-Cola, Boots and Ikea. "Our new campaign will be more modern, we want to do something different and something with a twinkle in the eye," EMEA President Oliver Ahrens says.

The company will also start selling higher-end products-- such as the S5 ultrabook and the iF Award-winning CloudMobile smartphone.

In other Acer-related news, FT.com reports the company is suing former CEO Gianfranco Lanci, accusing him of breaking the 12-month non-compete clause in the contract signed when leaving Acer back in February 2011. Lanci joined Lenovo as a consultant on September 2011, and is set to head Lenovo EMEA from April 2012.

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Once instrumental for leading Acer to success (presiding over the Packard Bell and Gateway purchases of 2007), Lanci was slow to adjust to a market shifting away from lower-end PCs--causing excess inventory costing the company a \$150M one-time sales allowance to EMEA channels.

Go Acer 2011 Preliminary Results

Go Acer Seeks Makeover in Europe (FT.com)

Go Acer Sues Former CE Lanci (FT.com)

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