

Taiwan's Quanta to cut 1,000 workers

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Taiwan's Quanta Computer, a leading notebook computer maker, said Wednesday it will lay off 1,000 workers at a local factory that was reopened just months ago due to poor sales of non-iPad tablets.

Workers at the company's plant in Linkou, northern Taiwan, were informed of the decision, which will cut the staff at the facility in half, at a company briefing Tuesday.

"They were offered a better-than-required [compensation package](#) if they agreed to quit voluntarily," said a spokeswoman for the company, which employs a total of 65,000 people, most of them in China.

The local [assembly line](#) reopened in early 2011 after closing down for several years when the company moved production to China, enticed by the cheaper labour there, she said.

The partial move back to Taiwan was motivated by a wish to better protect the intellectual property of one of its top clients, [Research In Motion](#) (RIM), the Ontario-based BlackBerry maker.

Local media said the decision to lay off workers was forced by worse-than-expected sale of PlayBook, a rival of iPad launched by RIM.

"The manpower adjustment is due to the need for business tightening," the Quanta official said, declining to be more specific.

RIM, which is facing stiff competition from Apple's [iPhone](#) and

handsets running Google's Android software, has said it shipped 200,000 PlayBooks during the second quarter, compared with analysts expectations of 700,000.

Overall contract tablet manufacturing accounted for four percent of Quanta's revenue which was dominated by server and personal computer manufacturing, said Lisa Chen of Grand Cathay Securities.

Quanta's sales in 2010 totalled Tw\$1.09 trillion (\$36.5 billion).

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