

Taiwan's Acer posts third full-year net loss in a row

January 17 2014



Acer displays its Aspire S7 Ultrabook at the Computex trade fair in Taipei on June 3, 2013

Taiwan's struggling personal computer maker Acer on Friday reported its third consecutive full-year net loss due to falling sales and a write-off of raw materials inventory.

Acer posted a [net loss](#) of Tw\$20.58 billion (\$687.11 billion) last year,

widening from a net loss of Tw\$2.91 billion in 2012, while consolidated revenues fell 16.2 percent to Tw\$360.19 billion from a year ago.

Its net loss for the fourth quarter last year was Tw\$7.63 billion, compared with a net loss of Tw\$3.37 billion in the same period in 2012. Revenue fell 14.6 percent to Tw\$86.7 billion year-on-year.

In November last year the company reported \$150 million for personnel and business restructuring costs in the fourth quarter and Tw\$1.3 billion for [raw materials](#) inventory and other costs in a bid to speed up its restructuring process.

"Acer acknowledges missteps in the past on [resource allocation](#), and the over expectation of ultrabooks and notebooks with touch panel. Although the products were leading in design they did not accurately fulfil market needs," Acer said in a statement.

It vowed to formulate product strategy, production planning and inventory control with more caution.

Senior executives have taken voluntary salary cuts of 30 percent from January to share responsibility, according to the statement.

Acer named Jason Chen as its new chief executive in December, following the resignations of two top executives after the company posted a worse-than-expected net loss of Tw\$13.1 billion in the third quarter.

It has set up a business restructuring group led by founder Stan Shih, who also returned as chairman and interim president late last year and aims to revive the company by targeting cloud-computing services.

Shih founded Acer in 1976 and built it into the world's second largest

PC maker in its heyday, and one of the best known Taiwanese brands internationally, before he retired in 2004.

But Acer's fortunes have worsened in recent years as sales have been hit by competition from Apple's iPad and other rivals.

© 2014 AFP

Citation: Taiwan's Acer posts third full-year net loss in a row (2014, January 17) retrieved 19 April 2024 from <https://phys.org/news/2014-01-taiwan-acer-full-year-net-loss.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.