

# Taiwan's HTC to get Google boost as it posts biggest loss

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HTC is hoping for a boost from Google

Taiwan's struggling smartphone maker HTC posted its worst-ever quarterly loss on Monday, but said it expects a boost from the \$1.1 billion deal with Google sealed earlier this year.

The [deal](#), completed in January, saw Google buy part of HTC's [smartphone business](#) as the US giant looks to take greater control of its hardware business.

HTC has suffered consecutive losses due to stiff competition in the smartphone sector from Apple, Samsung and strong Chinese brands.

Analysts are also sceptical about the earnings potential of HTC's investments in emerging areas such as virtual reality.

Its woes were reflected in the results for the October-December period, which typically would get a lift from the holiday season.

But instead the firm booked a net loss of Tw\$9.8 billion (\$336.8 million) in the fourth quarter, the biggest on record.

Revenue dropped 29 percent to Tw\$15.7 billion.

The firm attributed the quarterly loss to competition, its product mix and pricing and inventory write-downs.

"HTC has... undertaken a strategic review of the business to optimise teams and processes, and bring the regions under common leadership for greater coordination of the smartphone and [virtual reality](#) businesses," it said in a statement.

The next quarterly earnings period for January-March will benefit from the Google deal, which will be booked then.

Under the agreement, Google took on half of HTC's research and development staff—about 2,000 people—many of whom have already been working on the Silicon Valley firm's Pixel handset as well as acquiring intellectual property licensing.

Google wants to emulate the success of Apple iPhones by controlling the hardware as well as the software used in the premium-priced handsets.

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