

Taiwan's HTC postpones flagship smartphone rollout

TAIPEI, TAIWAN: Taiwan's HTC has delayed shipments of its new flagship smartphone due to parts shortages, a report said Wednesday, dealing a blow as it looks to lift sales and compete with the iPhone and Samsung's Galaxy.

The firm said the new HTC One, which was unveiled in February and set for release this month, would be sent out by the end of March. The Wall Street Journal said HTC executives had confirmed the delayed rollout, while some retail distributors such as Vodafone Group PLC had been notified.

An unnamed executive said HTC has been grappling with supply chain problems as the company "has changed its order forecasts drastically and frequently following last year's unexpected slump in shipments", the report said.

HTC said in a brief statement to AFP: "We will start fulfilling pre-orders by end March in certain markets and will roll out to more markets as we approach April." The firm, which has 185 distributors globally, declined to go into details.

"We... are working tirelessly with all of our channel partners to ensure that we can fulfil as many orders as possible," Chief Marketing Officer Benjamin Ho said in a statement, according to the Journal.

The Android-based HTC One was unveiled in London and New York last month sporting a 4.7 inch touchscreen and front-facing speakers. Company president Peter Chou hailed it as a "technological breakthrough" as he seeks to put up a fight against the hugely popular Apple iPhone and Samsung's Galaxy S4, which was released just last week.

However, it has a tough fight, with research firm IDC saying, HTC held a 4.6% share of the global smartphone market in 2012, a sharp decline from 8.8% a year earlier. Samsung held a 30.3%, while Apple had 19.1%.

In addition, in a research paper released early this month, the Taipei-based KGI Securities Investment Advisory Co said it was "conservative on the outlook for HTC One in the next six months". It said the gloomy forecast was based on expected mass production bottlenecks and low shipments of Ultrapixel cameras.

HTC said net profit in the three months to December plunged 91% year on year to Tw\$1.0bn (US\$34.5m) as sales dived 41%. While challenged by major rivals Apple and Samsung in mature markets, HTC has been turning to emerging markets including China, analysts say.

However, it faces competition from China's telecom giants Huawei Technologies and ZTE Corp. The firm in December unveiled Butterfly, its first smartphone featuring a high-resolution five-inch screen.

While HTC sells its own smartphones it also makes handsets for a number of leading US companies, including Google's

Nexus One.

Source: AFP via I-Net Bridge

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