

Taiwan's HTC launches new phone to challenge Apple

TAIPEI, TAIWAN: Taiwan's smartphone maker HTC Corp unveiled a new flagship model on Wednesday -- taking on Apple's latest iPhones -- but analysts say it's unlikely to boost the struggling company's market share.



The HTC One A9 has a 13-megapixel camera, and is the first non-Nexus phone to use Google's newest operating system.

The homegrown Taiwanese brand, once a star of the smartphone sector, is suffering losses as it grapples with intense competition from Samsung, Apple and rising Chinese brands.

The company is taking action to turn its business around, which involves job cuts and streamlining its product offerings to focus on high-end phones.

The A9 -- which will go on sale next month -- will lift revenue in the fourth quarter as vendors start stocking the product, but consumers will not necessarily follow, said analyst Calvin Huang of Sinopac Financial Holdings Co.

"It may attract those who can't afford the iPhone but there are a lot of better phones as well on the market at cheaper prices," he told AFP. "The smartphone market is getting increasingly crowded. I don't see any hope for a turnaround."

Observers have taken to social media to note how similar A9's appearance is to Apple's iPhone 6s, some calling it a "clone."

"(We're) unveiling a phone that stands apart in a market increasingly dominated by a company which controls every aspect of your phone," HTC's CEO Cher Wang said in a statement.

HTC is directly challenging Apple's dominance, marketing the A9 as a bridge between the iPhone and other Android devices that are not user-friendly. HTC shares dropped 6.41 percent to close at Tw\$75.90 in Taipei Wednesday.

"The product and price is pretty good, but the market is crowded with tons of product," said Richard Ko, an analyst for KGI Securities. "Are the phone's differences going to get people to choose it? That's uncertain."

Source: AFP

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