Tablets a fad? What Stan Shih Really Means

Written by Bob Snyder
 08 August 2011

"The fads for ultrabooks and tablets PCs are both short-term phenomena," said Stan Shih.

Having met and interviewed Stan Shih several times in the the past, it's easy to see why some of the journalists may misinterpret his recent quote...a quote that can be dangerous if taken out of context.

"The fads for ultrabooks and tablet PCs are both short-term phenomena ..."

Stan Shih, ACER founder

Stan Shih is not the "Acer boss" as some of these press accounts suggest. He certainly is the co-Founder of Acer (with his wife and 5 others) and still Chairman Emeritus. The Acer boss would be **J.T.Wang**, Chairman & CEO. If you'll remember, president and CEO Gianfranco Lanci resigned March 31, 2011 following a disagreement with the board of directors over the direction of the company.

Lanci's resignation came after a meeting with the directors, in which the two sides could not agree on several aspects of Acer's future, from growth to customer relations to brand management, the company said in a statement. The resignation was immediate, and J.T. Wang took over as acting CEO until a permanent replacement is found. (I am not sure they are looking hard and my guess is they will promote from within after Wang is satisfied with upcoming talent.)

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When contacted at that time by the press, Stan Shih fully agreed with Wang and the directors. Lanci, one of the very few Europeans ever to run a Taiwan company at the executive level, was-- in effect-- condemned for being out-of-touch with the market and missing both the tablet and mobile bandwagons.

So for Shih now to condemn tablets and ultrabooks as a "fad" would be a shocking reversal. **It's not.**

If you read the original *DigiTimes* article, the Shih quote hangs there with little context. A couple hundred words-- and from that little all the news services pick up "the fad quote" because as a sound bite it runs counter to what most IT pundits are saying.

Here's the proper context: Stan served as the Chairman and Chief Executive Officer of the Acer Group from 1976 to 2004. Now he is Chairman Emeritus of the Acer Group as well as an independent director of Acer, Taiwan Semiconductor Manufacturing, BenQ, Wistron and Nan Shan Life Insurance Company Ltd.

When Stan retired from Acer Computer in early 2005, he founded **iD SoftCapital Group** (iDSC), a venture capital company with investments in lots of IT, cleantech and consumer good companies in China. He is up to his neck in leading many young high tech companies to success...

More than anyone, Stan Shih is the man that all the Taiwan IT business looks up to. He is the man that created the rush to brands for Taiwanese and he is not just responsible for Acer...but you can also credit him for **AOpen, ALi, BenQ** and other Acer spin-offs. You can also credit his influence on companies like **Asus** (founded by former Acer execvutives) and other Taiwan companies.

Stan is the Godfather of Taiwan high tech and when he speaks, then all of Taiwan technology listens. And he knows this is the role he has graduated to...**an elder spokesman of great influence whose unpaid job it is to help his countrymen understand the world of IT.**

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His point about ultrabooks and tablet PCs was just a part of an inspirational discussion-- in his role as the industry Godfather-- **designed to encourage Taiwan's notebook industry to rebound from the impact of iPad.**   Stop complaining and start fighting back...

What Shih is telling these Taiwan OEMs and Taiwan brands is that Apple deserves credit for thinking outside-the-box. Shih urges the Taiwan industry now to do the same. He reminds them that this is one battle in a long war, and that the tablet is not the final chapter in the life of the PC. Shih believes very much in the PC and probably-- like Bill Gates-- would insist that any emerging form factor with computing power is still a PC...it's just a question of what the PC morphs into that creates its new identities.

Yes, Shih used the word "fad." And a fad to us might be *Pet Rocks* and *WackyWall Crawlers*. But Shih, in his role that now has lasted for more than 40-years in this industry...he has seen so many products and companies come and go. Would you call
Palm Pilot
a real product or just a "fad?" Will
Blackberry
disappear and will that make it a fad instead of the vital "Crackberry" role it played in building up mobile usage?

The word "fad" can refer to a few years (or most of a decade) and not only the few months that Western critics read into this quote. My bet is that Stan was using "fad" as another way to saying to his audience: "This too shall pass. Work smarter now to be sure you will be part of the next PC-based wonder product."

The Taiwan Godfather probably wanted to say Taiwan makers will get another shot at the tablet business that Apple now has locked up...if they strive for innovation for the next round.

Go [the original](#) [*DigiTimes*](#) [story for the quote that is now being taken even further out of context](#)