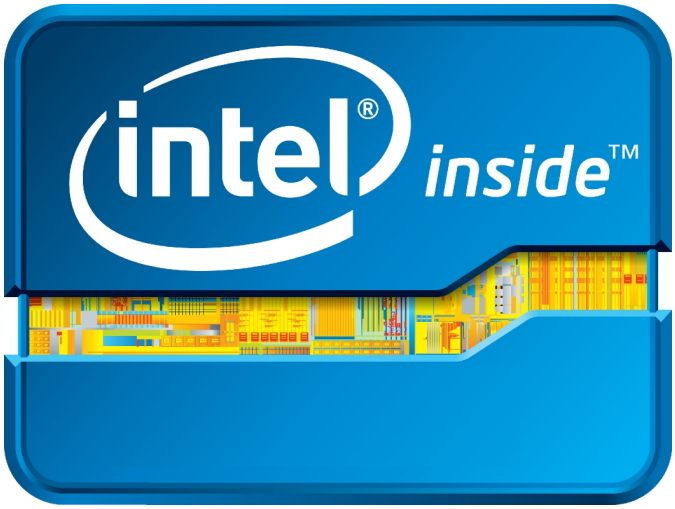
According to CRN Intel plans to slash the "Intel Inside" program by 40-60%-- cuts that will "reverberate through the industry," bringing about anything from PC prices increases to marketing cutbacks.



An anonymous source described as a "top executive for a major Intel partner" says funds making the program are being shifted towards driving datacentre business, "giving more to the data side of the house instead of compute." This means Chipzilla is moving dollars in other areas or keeping them in house, all in the name of improving profit and margins.

Meanwhile, an unidentified "CEO of a major solution provider" adds the funding cut will bring a "ripple effect" across the Intel ecosystem, before saying it is "disappointing, but it's not surprising," considering the cost challenges the company currently faces. Another CRN source simply says that he has "moved on" and partnered with other CPU makers, such as AMD.

In turn, Intel confirms the changes to "Intel Inside," but does not specify how, never mind why. A statement from the company to CRN reads "the changes we are making are intended to help customers more efficiently and effectively market with Intel, while helping us market with more precision in alignment with Intel's business priorities."

"Intel Inside" debuted back in 1991, and was a huge success-- according to AdAge, 1500 OEMs participated in the program by 1997. It offers channel partners and OEMs funding to market and sell products carrying Atom, Core and Xeon processors, be it PCs, servers, tablets, workstations and connected devices. Funds are tied to volume, meaning if a system builder

sells 10000 PCs a year it gets a percentage of funding, and are tied for specific uses, primarily marketing.

While the story is so far only sourced by CRN, it does make sense. After all, Intel has been slowly but surely moving away from client compute to more lucrative markets for the past few years now, not to mention any number of reogranisation efforts. However "Intel Inside" was critical to a large number of system builders, who sold a lot of machines with, well, Intel inside.

Go Intel Planning Steep Cuts To Landmark 'Intel Inside' Program That Will Ripple Across PC Industry (CRN)