

Rumour Watch: Nvidia to Lose Google Business but Has Backup

Written by Marco Attard
08. February 2013

According to Pacific Crest Nvidia is about to lose a big client-- the next generation Google Nexus 7 tablet will carry a Qualcomm chip, rather than the next generation of Tegra processors.



"We believe NVIDIA has lost the application processor socket to Qualcomm's Snapdragon APQ8064 chipset (S4 Pro) in the next-generation Google Nexus 7 tablet, which is scheduled to begin shipment in Q2 2013," Pacific Crest analyst Michael McConnell writes.

Apparently Google is going for cost savings, since Qualcomm provides both more competitive pricing while being a single source for both processors and 3G/4G radios, providing a fully pin-compatible platform interface.

As a result the analyst slashes Nvidia fiscal 2013 revenue forecasts from \$750 million to \$520m, since even if Nvidia still has decent workstation business with the Quadro GPU lineup, Tegra is its real best seller.

Of course the above is all just hearsay, but second, non-related rumour suggests Nvidia has a backup plan for 2013 success-- a twist on the making of own smartphones and tablets.

The idea, according to Russian website Mobile-Review, involves white label device makers flooding the market with cheap yet high quality Android-based offerings based on Nvidia

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reference designs. Such smartphones and tablets will not necessarily carry the Nvidia name, but will be sold as own-brand.

And who will make such cheap yet decent Tegra-powered devices? Small regional players previously used to push low-quality Chinese tablets and phones in local markets, such as Russia's Fly and Wexler, or Micromax and Lava in India.

Such an approach is hardly new to Nvidia-- it is how the company made its fortunes in the consumer PC graphics card business.

If Mobile-Review is correct, expect such devices (some carrying the Nvidia/Tegra names, some not) to appear, seemingly out of nowhere like mushrooms, from May-June 2013. And if such a plan succeeds, expect high-quality smartphone and tablet prices to drop much faster than anyone could previously anticipate.

Go [Nvidia Slips: Pacific Crest Cuts Tegra Estimates on Apparent Loss of Nexus 7 Tablet \(Barron's\)](#)

Go [Tablets and Smartphones from Nvidia-- A New Player in the World Market \(Mobile-Review\)](#)