The Enthusiast System Opportunity For Solution Providers

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June 29, 2016

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WHAT IS AN ENTHUSIAST SYSTEM?

- ✓ Aimed at gamers and others needing very high power systems

- ✓ Typically feature overclocked CPUs for maximum speed, massive memory, custom motherboards

- ✓ As a result, may use unusual cooling systems, including liquid

- ✓ Market will bear higher prices, often above $4K for a full system

- ✓ Form factor: mostly desktops, though notebooks are increasingly available

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WHY IT MATTERS: THE PC BUSINESS IS SLOWING DOWN…

- ✓ PC shipments worldwide dropped 11.5% in Q1:16 compared with the year-earlier period, according to IDC. In the U.S. alone, Q1 PC shipments dropped 5.8%. "Demand for PCs in the U.S. remains sluggish," said Linn Huang, IDC's research director for devices and displays.

- ✓ All major regions showed year-on-year declines in Q1, says Gartner. Latin America was worst: PC sales there dropped 32%.

- ✓ Windows 10 not delivering the hoped-for boost, at least not yet. Win10 upgrades "largely remained in pilot phase while consumer demand remains weak," says IDC.

…YET THE ENTHUSIAST MARKET IS GROWING

- ✓ Global gaming hardware sales **will exceed $140 billion by 2019**, predicted Jon Peddie Research in March. PCs currently represent about 22 percent of the market. Assuming that holds, gaming PC sales in 2019 will hit $30.8 billion.

- ✓ More than **1.3 billion people** currently in the worldwide gaming community, according to Intel

- ✓ Gaming is more than just gaming! Also live-streaming, posting results, extending fan bases, etc.

- ✓ **Gaming PC sales growing at *double-digit* rates over last year,** according to Brian Krzanich, CEO of Intel

INTEL CORE i7 EXTREME EDITION PROCESSORS

- ✓ Announced by Intel at Computex on May 30, 2016

- ✓ Up to 10 cores (each of which can be overclocked individually), 40 PCIe lanes, 128 GB memory, 25 MB cache.

- ✓ 4 GHz max turbo frequency

- ✓ Optimized for virtual reality, including Oculus Rift & HTC Vive

- ✓ Supports Intel Turbo Boost Max Technology 3.0, meaning applications are steered to the highest-performing core

- ✓ For high-end desktops; Core i7 -6950X list price is $1,723

EXAMPLES OF SYSTEMS USING INTEL EXTREME EDITION PROCESSORS

✓ Alienware Area-51 (shown at right): retail price starts at about $5K

✓ ASUS X99 motherboards

✓ Cyberpower Fang III Black Mamba : retail starts at about $5,700

✓ Velocity Micro Raptor Z95 gaming system: retail starts at about $3,800

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THE CHANNEL OPPORTUNITY: ENTHUSIAST SYSTEMS

"Customers are getting…astonishing productivity or gaming increases."
– Randy Copeland, CEO, Velocity Micro
(provider of custom enthusiast systems, desktop, notebooks, etc.)

"Intel has single-handedly set computer performance standards for decades, and the new Intel Core i7 processor Extreme Edition will raise that bar even higher."
– Wallace Santos, CEO and founder, Maingear (gaming systems)

"The Intel Core i7 processor Extreme Editions are so fast, it will make any PC enthusiast drool."
– Kevin Wasielewski, CEO, Origin PC (custom gaming systems)

Q&A: The Enthusiast System Opportunity For Solution Providers

Have questions or comments?

Submit them now using the on-screen comment box.

FOR MORE INFO:

Intel Core i7 Extreme Edition specs:
http://ark.intel.com/products/94456/Intel-Core-i7-6950X-Processor-Extreme-Edition-25M-Cache-up-to-3_50-GHz

Intel Extreme Edition fact sheet:
https://newsroom.intel.com/newsroom/wp-content/uploads/sites/11/2016/05/Core-i7-extreme-edition.pdf

IDC on Q1:16 PC shipments:
http://www.idc.com/getdoc.jsp?containerId=prUS41176916

Gartner on Q1:16 PC shipments:
http://www.gartner.com/newsroom/id/3280626

Jon Peddie Research on gaming hardware market:
http://jonpeddie.com/press-releases/details/global-gaming-hardware-market-forecasted-to-reach-140-billion-by-2019

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