

# Interview: Alienware's gaming challenge

**Childhood friends and Alienware co-founders Nelson Gonzalez and Alex Aguila never thought their love for computer games would lead to a place out of this world. Together, they have nurtured Alienware to become a major manufacturer of customized, high-performance computer gaming systems. With its vibrant colors, Alienware machines may appear extraterrestrial to novice computer users but are well-recognized by the computer industry and fellow gaming enthusiasts.**

United Press International talked to the company's vice president of marketing, Mark Vena, about Alienware's philosophy and future prospects.

Q. What do you think the Alienware brand means to people?

A. When Alienware is mentioned in a conversation, it generally evokes words and phrases like "high-performance, cool, different, powerful, fast, innovative and reliable" -- this is what you typically hear. We don't disagree. We really believe that these attributes accurately describe the essence of the Alienware brand and what it has come to mean to people over the years.

Q. So far Alienware seems to be happy with the niche that's been built for itself, why is it, you have never gone mass market?

A. Alienware began servicing the niche market of gamers and that market will always be our core audience. Alienware's success in the game space has created a powerful long-term association with our brand, among gamers and other users who require high performance systems. As we have grown to become a familiar name among PC enthusiasts, Alienware's next logical step was to reach out to the home/home office user, government/business and creative professionals -- all of which are customer segments that Alienware currently offers products in. As you know, these markets are much larger and many of our competitors have significant market share in them. But we believe the Alienware brand will appeal to many of these mainstream customers as the desire for high performance systems with aggressive designs grows -- just as it has in the automobile industry.

Q. How do you respond to complaints from consumers that Alienware products are too expensive for the average consumer?

A. This is simply a misconception. Alienware products are more affordable than people realize. In fact, our systems are competitively priced across the board, with a broad product offering, beginning around \$900. When you consider the value proposition that Alienware offers across its product line, regardless of price point, we believe we are second to none in offering customers the best systems for their high-performance computing needs. In the end, if you want the thrill of driving a Ferrari, you have to pay for the performance and quality of a Ferrari.

Q. Alienware recently announced its first retail kiosk in Miami, what was the motivation for this move, and does this mean we'll see more Alienware kiosks and eventually full blown retail stores?

A. The initial results of the kiosk at the Dadeland Mall have been promising, but we're still in evaluation mode before we expand the program. The core goal of the kiosk is to give customers a glimpse of the Alienware product experience in a "hands on" manner that allows the customer to experience the Alienware difference before they purchase. We are still in the research and planning stages on the kiosks front ... stay tuned!

Q. What's new about the m5500 laptop series?

A. The Alienware Area-51 m5500 is one of our newer notebooks, just recently launched. The Area-51 m5500 features a 15.4" wide screen LCD, available with NVIDIA GeForce Go 6600 graphics, graphics control technology (allowing users to easily switch between cutting-edge graphics when they need high-performance and integrated graphics when battery life is most important), Intel Centrino mobile technology and the latest DDR 2 Alienware -- qualified memory.

The Area-51 m5500 is a versatile notebook, great for gamers who require outstanding graphics performance while still being mobile, home and office users looking for a laptop to deliver superb multimedia functionality, professionals/enthusiasts looking for a system with plenty of power, storage and flexibility and, lastly, individuals that utilize wireless home networks or connect to WiFi spots.

Q. What do you think of Intel's new Viiv technology platform?

A. We are excited about Intel's Viiv announcement because it is consistent with Alienware's vision of offering technology and solutions that create a great and easy to use way to view and enjoy digital content -- music, videos, and photos -- throughout the home.

Q. How involved was Alienware in helping Intel develop Viiv?

A. Alienware recently teamed with Intel to develop the Area-51 5400, our first all-in-one platform that is Viiv-based. Intel also works closely with Alienware on a variety of technologies and solutions that appeal to high-performance users, both in the business and consumer areas.

Q. Do you think this new attempt at standardization will help consumers select media center PCs and have a positive impact on your bottom line?

A. Alienware believes the standardization that Intel Viiv technology brings will have a positive impact on delivering on the promise of digital media convergence between traditional consumer electronics products and the PC. Anytime multiple standards and interfaces exist it creates consumer confusion and frustration. Viiv will bring all the home entertainment devices in the home together with Viiv-enabled PCs and laptops with simple connectivity so that consumers can share entertainment seamlessly. Alienware expects the Viiv technology to drive PC, mobile and device sales.

Q. Based on your records what has been more popular the AMD or Intel based machines?

A. As a computer manufacturer that offers technologies from both Intel and AMD, Alienware tends to see spikes in sales with either at any given point in time. Having said that, there are customers who are drawn to the Intel brand for specific reasons and there are customers who are drawn to the AMD brand for other reasons. At the end of the day, Alienware is agnostic when it comes to its technology portfolio. We are simply committed to offering the highest performance systems.

Q. There's been a recent controversy with the recent announcement that digital rights management protections in the upcoming HD-DVD/Blu-Ray wars will prevent the format from working on current generation PCs, even the newer high-end models that are being released over the next few months, what is Alienware's stance on this issue?

A. Alienware prefers that a single standard emerge to mitigate customer confusion and avoid the format wars that plagued the writeable DVD category a few years ago; having said that, if a single standard does not emerge in the short term, we will offer both optical technologies and let customers make a choice.

Q. Which next-gen DVD format will you support, and why?

A. Alienware will offer both DVD formats initially. The most popular of the two will eventually become

the standard, at which point we will shift to offer that one exclusively. Similar to what happened when DVD-R and DVD(plus)R standards came out -- history will repeat itself.

Q. You recently announced a branded MP3 player. Is this built by Alienware, or is it a branded machine?

A. Our new CE-IV portable digital audio player was co-developed with our manufacturing partner. The CE-IV is available with your choice 512MB or 1GB of built-in memory, plays MP3/WMA files and is audible ready. CE-IV comes with an SD/MMC memory expansion slot allowing the user to add extra memory. What really sets the CE-IV apart from competing products is that it is one of the only digital audio players in the United States to feature SRS WOW HD technology, which delivers a treble control allowing listeners to experience cleaner and crisper high-frequency sounds. The sound is fantastic. CE-IV comes equipped with a multi-preset EQ and a digital tune FM stereo radio with station presets and direct recording, as well as a built-in voice recorder. And the CE-IV has a great design. Our alien head logo and glowing eyes predominately placed on the case. The graphic LCD display with ID3 compatibility is very easy to read. It's also very light and compact, measuring just 3.1 x 2 x 0.7 inches and weighing in at only 1.3 ounces.

Q. Does this mean that Alienware will eventually get into the music business, and create an iTunes like service to go with the player?

A. Alienware is known for manufacturing high quality, cutting-edge products. We are not a content service provider. We will most likely rely on partners that have trusted brands in the digital music content space and work with them to bring their services to our consumers.

Q. Where do you see the computer industry in the next few years?

A. The future of the computer industry is always a hard one to predict simply because of the sheer nature of the business. Technology is always moving fast, so you really never know what to expect. One prediction of the computer industry in the next few years that will certainly happen is heightened convergence of the analog and digital worlds, especially as the consumer electronics and PC product categories begin to merge. There is no substitute for PC-based technologies which can provide the easiest way to manage and share digital content in the home. The PC has the potential to become a central focus in the home. One day the PC will be used in conjunction with other products to control your lights, air conditioner, sprinkler system, alarm, etc. Alienware will continue to participate in these exciting industry trends.

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