Google, Samsung to sell Chrome laptop for $249

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Google is dangling a low-priced laptop computer in front of consumers as rivals Microsoft and Apple prepare to release their latest gadgets.

The lightweight computer unveiled Thursday will sell for $249 and is being made in a partnership with Samsung Electronics Co. Ltd., which also makes smartphones and tablet computers that run on Google's Android software.

The laptop will run on an operating system revolving around Google's Chrome Web browser.

Like other so-called Chromebooks, this laptop doesn't have a hard drive. It functions like a terminal dependent on an Internet connection to get to information and applications stored in large data centers run by Google Inc. or other technology providers.

It's the least expensive Chromebook that Google has released in the two years that it has been working on the product line. Google and Samsung released a slightly more sophisticated Chromebook priced at $449 in the late spring.

The lower-priced model will go on sale early next week in more than 500 Best Buy stores in the U.S., as well as on various websites. Google hopes to begin accepting online orders at its Play store by this weekend.

Google Inc. appears to be trying to beat Microsoft and Apple to the punch with the discount Chromebook.

Microsoft Corp. is poised to release Windows 8, a dramatic makeover of its famous operating system, on Oct. 26. The long-awaited makeover is designed to run on touch-based tablets, as well as laptop and desktop computers. A variety of manufacturers will be selling a hodgepodge of Windows 8-powered personal computers and tablets. The prices of most of those machines, including a tablet made by Microsoft, will range from $500 to $1,000.

Apple Inc. says it plans to show off a new product Tuesday. The event is widely expected to be the coming-out party for a slightly smaller version of its hot-selling iPad.

The mini iPad is expected to feature a 7.85-inch (19.94-centimeter) screen compared to the nearly 10-inch (25.4-centimeter) screen of the pioneering iPad. Industry analysts expect Apple to price a smaller iPad in the $249 to $299 range in an effort to siphon sales away from other scaled-down tablets, such as Google's Nexus 7 and Amazon.com Inc.'s Kindle Fire.

Now, Google has a laptop vying for a piece of the same market.

"This is a big step in the journey for us," said Sundar Pichai, Google's senior vice president of Chrome and apps. "I think it's generally an exciting time in the computing industry."

Like tablets, the discount Chromebook will rely on a computer chip design known as ARM, instead of Intel Corp. microprocessors. The ARM architecture is more energy efficient, extending the duration of batteries between charges.

With an 11.6-inch (29.46-centimeter) screen, the new Chromebooks also will have a larger display than tablets selling in the same price range.

The laptops will be set up to automatically use all of Google's services, including its search engine, Gmail and YouTube video site. Because the laptop lacks a hard drive, Google also is offering 100 gigabytes of free storage on computers kept in its eight data centers. Those remote computers provide the backbone for Google's online storage service, Drive.

Despite the low price, the new Chromebook will face a tough time winning over consumers because it isn't set up like a traditional PC with a hard drive, said Gartner Inc. analyst Carolina Milanesi.

"A lot of people are going to see it and think, 'Once I have it, what exactly do I do with it?'" Milanesi predicted.

Google, which is based in Mountain View, California, will try to educate and woo prospective buyers by setting up Chromebook kiosks in Best Buy stores where staff will be on hand to field questions. The company also will promote the new Chromebook in television ads.

The attempt to grab a few early headlines Thursday backfired, though, when Google prematurely released its third-quarter earnings while the company was providing a preview of the low-priced Chromebook to a group of reporters. Once the earnings slipped out, some reporters bolted from the laptop presentation to focus on numbers that disappointed investors.

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