An email to Intel employees by CEO Brian Krzanich describes plans to merge Intel's loss-making mobile unit with the profitable PC business, the Wall Street Journal reports--creating a single Client Computing Group.



"The market continues to evolve rapidly, and we must change even faster to stay ahead," Krzanich writes.

Reportedly the merger takes place on Q1 2015, with current PC business head Kirk Skaugen taking the lead. Mobile unit boss Herman Eul will stay on to help the transition until Chipzilla finds him a new position. The WSJ also says the Client Computing Group consist of developers from both Core and Atom teams.

The decision probably comes due to a need to offset the losses of one division with the profits from another (mobile unit operating losses total $1 billion for Q3 2014 alone), but it also reflects a changing CE market. After all, how can one classify the two-in-one devices Intel regularly shows off at trade events? Are they tablets, PCs, or both?

“The lines are blurring between PCs, tablets, phablets and phones,” Intel spokesman Chuck Mulloy adds. “The idea is to accelerate the implementation and create some efficiency so that we can move even faster.”

Go Intel to Combine PC, Mobile Chip Groups (WSJ.com, subscription required)

Go Intel to Merge Loss-Making Mobile Business With PC Division (Bloomberg)