

After consumer dismay, Magic Leap's new AR headset targets enterprises instead

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- Magic Leap raised US\$500 million off a US\$2 billion valuation and unveiled its Magic Leap 2 AR headset that is set for release in 2022
- Chief executive Peggy Johnson said the headset would be the industry's "smallest and lightest device built for enterprise adoption"
- Much like Microsoft's HoloLens, the goal for this headset is to help remote workers connect and train away from physical office

When Magic Leap was founded 11 years ago, the company set out to be a pioneer in **augmented reality** and **mixed reality technologies**. It even received almost US\$3 billion to fund its first consumer-friendly AR headset, the Magic Leap One, which was launched in 2018 after a long delay. The US\$2,300-priced headset eventually flopped, having sold only 6,000 units — a figure far removed from the one-million sales goal set initially.

The startup eventually narrowed its focus to professional applications, tried unsuccessfully to sell the company, and fired more than half of its workforce during the challenging economic climate of 2020. Plans to make mixed reality glasses mainstream were pushed back.

Amidst this whirlwind of shifting expectations, co-founder and CEO Rony Abovitz decided to leave the company in July 2020. Replaced by Peggy Johnson, the company then unveiled the Magic Leap 2, dubbing it as the industry's smallest and lightest device built for enterprise, "designed to

increase business adoption of AR.”

Johnson, formerly with Microsoft, revealed the new headset during a CNBC interview and in a blog post this past week. In a sign of investor confidence in the burgeoning enterprise AR space, Magic Leap further announced that it has raised US\$500 million in funding at a post-money valuation of roughly US\$2 billion. “The new capital will further Magic Leap’s focus on delivering best-in-class AR solutions including the roll-out of its second-generation product, Magic Leap 2, in 2022.”

Additionally, as claimed by Johnson, “this more advanced headset boasts critical updates that make it more immersive and even more comfortable, with leading optics, the largest field of view in the industry, and dimming – a first-to-market innovation that enables the headset to be used in brightly lit settings, in addition to a significantly smaller and lighter form factor.”