

Apple fans are prepared for a part-time Jobs

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FILE - In this Sept. 9, 2008 file photo, Apple CEO Steve Jobs gestures during a product announcement in San Francisco. The prospect of Jobs returning only part-time to Apple following his liver transplant is much less daunting to investors than when Jobs began his medical leave five months ago. (AP Photo/Paul Sakuma, file)

(AP) -- Five and a half months ago, word that Steve Jobs would only work part-time as he recovered from a liver transplant would have sent investors into a selling frenzy, so closely linked was Apple's charismatic co-founder and CEO to the company's success.

But now, with Jobs' return to [Apple](#) just days away that prospect is a lot less daunting.

Wall Street has grappled with the implications of Jobs' illness since August 2004, when investors learned the CEO had kept a cancer diagnosis secret until after he underwent surgery. Investors feared a half-year absence would leave one of the oldest computer makers adrift, because Jobs had become the essence of the company he co-founded in 1976. But in the last few months, the company released must-have gadgets and software improvements with nary a public hiccup. Its shares have almost doubled, raising the question of how central Jobs is to Apple today?

The company's past silence on matters of Jobs' health made shareholders jittery when Jobs appeared increasingly, even alarmingly, thin last year. Easily spooked, investors sent the stock tumbling 5 percent to its lowest point in a year on a rumor last October that Jobs had suffered a heart attack.

Then shares slipped 2 percent in December when Apple said that Jobs would not speak as usual the next month at the annual Macworld conference, then bounced up 4 percent on Jan. 5 when Jobs explained his weight loss as a treatable [hormone imbalance](#). They sank 7 percent a week later after Apple said he would be taking six months off because his medical problems were more complex than he initially thought.

Since then, Wall Street's whiplash has had time to heal, especially because Apple's stock has weathered the [recession](#) better than those of most of its competitors. Shares have improved 76 percent since the dark day in January when Jobs announced his leave, closing Friday at \$139.48.

It is not yet clear how investors will take the latest word, that Jobs had a [liver transplant](#) two months ago in Tennessee, according to The [Wall Street](#) Journal, and that he will likely work part-time, at least at first.

Apple has not confirmed the report, and has said only that Jobs is looking forward to returning to Apple at the end of the month. Spokesman Steve Dowling had no further comment Sunday.

Cupertino, Calif.-based Apple put its chief operating officer at the helm during Jobs' absence. Tim Cook had been tested in the role during Jobs' first bout with cancer and shared the stage with the CEO during key product announcements last fall. He brimmed with confidence in the early days of Jobs' medical leave, assuring analysts that the show would go on even without its frontman.

"The values of our company are extremely well entrenched," Cook said in the company's fiscal first-quarter earnings call in January. "We believe that we're on the face of the Earth to make great products, and that's not changing."

Indeed, Apple has produced in the last six months: updated laptops with lower entry-level prices, updated Mac software and a faster iPhone with many requested features. Apple's cult-like followers remain avid, some camping overnight at Apple stores last week to be one of the first to snatch up the new iPhone 3G S, despite a pre-order option offered for the first time by Apple and wireless carriers.

Tim Bajarin, an analyst for Creative Strategies who has been following Apple for more than 25 years, said things ran smoothly in Jobs' absence because he had already relinquished much of his control over the company.

"Jobs hasn't been running day to day operations for almost two years, well before he got sick," Bajarin said. Cook was de facto in charge, and the people in charge of each of Apple's gadgets and programs were, for the most part, working without a net.

"They only went to Jobs on big issues and questions and making sure their programs were in line with Jobs' overall vision," he said, which the CEO scopes out in 10-year increments.

While Jobs has taken much of the credit for Apple's turnaround in the last decade, Cook has played an important role behind the scenes, says Roger Kay, an industry analyst and president of Endpoint Technologies Associates.

"If you want to look at Apple's history and see where they made execution errors and when those ceased, you can time it almost exactly to the arrival of Tim Cook," Kay said, pointing to several product launches around the late 1990s where Apple would create demand for a new product, and then have problems delivering enough of it. "He, as the operations guy, has really made the trains run on time."

While Jobs has reportedly recovered well from his transplant and Apple has said repeatedly that the CEO will be back at the end of June, the company will eventually have to confront the fact of its leader's mortality. And no matter how many accolades Cook and the Apple product teams garner, it will be near-impossible to find someone like Jobs to replace him.

Kay is skeptical Apple will be able to continue its success simply by asking itself, "What would Steve do?" After all, the message that Apple's bench is deep and capable is coming from Apple itself.

"You can always do product extensions, it doesn't take a genius," Kay said. "Who's going to come up with a new product category that's going to do what the iPhone and the iPod have done?"

Jobs' health problems could push him to groom a successor, a task Kay said the CEO has not likely undertaken.

"You don't have a little Steve somewhere waiting in the wings," Kay said. "An autocrat like Steve would not allow somebody like Steve anywhere near himself."

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