

Apple on track to launch tablet device next year, analysts say

December 9 2009, By Rex Crum

Apple Inc. is on track to launch a much-anticipated, tablet-sized computing device early next year, according to brokerage reports Wednesday.

The end-of-the year business period has become known as the "iPod quarter" for Apple, due to the historically strong sales of the company's digital-media players -- often exceeding 20 million units sold during the [holiday season](#).

But with sales of iPods showing signs of leveling off, Apple is believed to be working on a new, tablet-style device that incorporates some of the touch-screen features of the [iPod touch](#) and will help the company continue with its multiyear streak of hit products.

Analysts who follow Apple say that there is evidence that Apple could launch its anticipated tablet Mac as early as next spring.

The move could be fortuitous for Apple, as a spring launch would come around the time of the company's slower business periods and ahead of any new advances in the [iPhone](#), revamps of which have been released during the summer.

Apple shares climbed \$7.93, or more than 4 percent, to close at \$197.80 Wednesday. The stock has more than doubled so far this year.

Oppenheimer analyst Yair Reiner wrote in a research note Wednesday

that checks with computer supply-chain manufacturers suggest that Apple "will begin ramping production in earnest in February, implying that the tablet could launch in late March or April," as long as there aren't any delays in the production process.

Reiner believes that the tablet Mac will be similar in size to many so-called netbook PCs, with a display that measures about 10 inches diagonally. The analyst also said that to stoke demand for the new device, Apple is holding discussions with [book publishers](#) about distributing their titles on a new e-book platform.

In a separate note, Vijay Rakesh of ThinkEquity said his checks with manufacturers indicate Apple is on track to ship between 1 million and 3 million tablets during the March quarter. Rakesh estimates that the initial tablet will come with as much as 64 gigabytes of storage.

One company potentially threatened by an Apple tablet is Amazon.com Inc., which is enjoying strong sales of its Kindle e-reader.

While a tablet device would likely have more functions than simply reading, Apple is reportedly in talks with book publishers regarding the new device. Oppenheimer's Reiner said the company has been "actively reaching out to book publishers with a very attractive proposal for distributing their books on a forthcoming e-book platform," which he presumes would be the tablet.

[Apple](#) will likely split revenue on a 30 percent to 70 percent basis between the company and publishers, according to the analyst, and not request exclusivity on titles carried through any possible e-book store.

Amazon shares gave up \$2.80 to close at \$131.31.

(c) 2009, MarketWatch.com Inc.

Visit MarketWatch on the Web at www.marketwatch.com

Distributed by McClatchy-Tribune Information Services.

Citation: Apple on track to launch tablet device next year, analysts say (2009, December 9)
retrieved 26 April 2024 from <https://phys.org/news/2009-12-apple-track-tablet-device-year.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.