

Is the new Apple ruthless at its core?

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Apple's success in the digital music and mobile phone markets has transformed the company from an underdog with a cult following to a leader in the mass market. Investors recently made this change in status official, pushing the total value of Apple's shares higher than any other technology company's.

That success is driven in large part by good technology and relentless innovation, but also by the lingering notion that Apple is, well, different from the soulless corporate behemoths it competes with. Yet the bare-knuckled competitiveness that helped Apple get to this point may prove to be a liability now that it's no longer a little tech company making beautiful but underappreciated devices.

The company's sharp elbows were on display again last week when Apple issued new rules for developers making applications for iPhones and iPads. Many developers have given their applications away, seeking profits instead by selling space within the programs to advertisers. The rules essentially bar developers from using advertising networks linked to [Google](#), Microsoft, Nokia or any of Apple's other rivals in the [mobile phone market](#). Instead, developers who want to sell ads in their applications will have to use Apple's iAd network or one of its smaller competitors. The restriction recalls the company's move in April to require applications to be written with its software tools _ a devastating blow to Adobe's efforts to get its popular [Flash software](#) onto the iPhone and [iPad](#).

Apple contends that its efforts to control its software platforms are vital to delivering a better experience for consumers. But it's one thing to preempt offensive or clunky applications; it's another to require developers to use Apple's software or ad network to gain access to its customers.

Apple has also been embarrassed lately by accusations of worker exploitation after a spate of suicides at factories operated by Foxconn, its main Chinese manufacturer. Apple Chief Executive Steve Jobs responded, characteristically, by claiming that his company is exceptionally rigorous when it comes to overseeing its suppliers. Yet worker activists say Apple bears some of the blame for Foxconn's subsistence-pay wages and long work shifts because it persuaded Foxconn to build devices for such a low price.

Although federal antitrust officials are reportedly looking into Apple's effort to bar rival advertising networks, it's hard to see how the company's tactics violate the law. Simply put, the [iPhone](#) doesn't dominate the smartphone market. The more important question is how consumers will react to the emerging picture of [Apple](#). They may shrug off all these developments because they don't change how Apple's

products perform. Or they may decide that the company revered for thinking different has become just another corporate bully.

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