

Apple's magic enthralls Main Street., Wall Street

August 25 2011, By MICHAEL LIEDTKE , AP Technology Writer



In this Monday, June 6, 2011, Apple CEO Steve Jobs talks about iTunes and iCloud during a keynote address to the Apple Worldwide Developers Conference in San Francisco. Apple Inc. on Wednesday, Aug. 24, 2011 said Jobs is resigning as CEO, effective immediately. He will be replaced by Tim Cook, who was the company's chief operating officer. It said Jobs has been elected as Apple's chairman. (AP Photo/Paul Sakuma, File)

(AP) -- It's easy to forget now, but Apple's magnetism was once confined to a cult-like following of geeks seduced by the elegance and simplicity of the company's computers.

Over the past decade, though, Apple has emerged as a trendsetter and a wealth-making machine - the rare company that appeals to the cool cats

hanging out in hip cafes and the fat cats looking to make another killing on Wall Street.

In the process, Apple has left an indelible mark that extends far beyond that first personal computer [Steve Jobs](#) and [Steve Wozniak](#) introduced 35 years ago. Since then, Apple has transformed the music, retailing, marketing and cellphone industries. Now, it's engineering yet another evolution in computing with the increasingly popular iPad tablet.

Those achievements have endeared Apple to the masses, turning its product announcements into the technology industry's latter-day version of a Beatles concert and turning its familiar logo into a sign of exquisite taste.

Part visionary, showman and uncompromising taskmaster, Jobs assembled a team that had an incredible knack for anticipating consumer trends and popularizing them by designing devices that were easy - and delightful - to use. It seemed as if the second coming of Walt Disney and the rest of the "imagineers" who built Disneyland during the mid-1950s had come to [Silicon Valley](#) to lead the way into the 21st century.

In the past decade, the iPod, iPhone and iPad have transformed society, enabling people to bring along their favorite music, books, videos and websites almost everywhere they go. In the process they inspired countless imitators and ensured that Jobs, who resigned Wednesday, will be remembered as one of the most successful CEOs in American history.

None of it would have happened if Jobs hadn't returned to Apple in 1996 after being pushed out of the company in the mid-1980s by John Sculley, a CEO that Jobs had lured away from PepsiCo Inc. by asking, "Do you want to spend the rest of your life selling sugared water or do you want a chance to change the world?"

Jobs' wizardry rescued a company on the precipice of bankruptcy and elevated it into the second most valuable business in America. It now has a market value of nearly \$350 billion, behind only Exxon Mobil Corp. - a company whose fortunes are tied to wildly fluctuating oil prices rather than the beauty of a good idea.

Anyone who had the foresight to dip into their retirement accounts to buy \$100,000 worth of Apple stock on the day Jobs became the company's CEO in September 1997 would be set for life: that investment would be worth more than \$6.8 million now.

Just as many love affairs can be fleeting, so can the aura of seemingly invincible companies. It happened to IBM Corp., the computer monolith that Jobs likened to an Orwellian "Big Brother" in a 1984 TV commercial. More recently, auto maker General Motors Corp. needed a bailout from U.S. taxpayers - a far cry from its heyday as the biggest company in the world.

The last test of Jobs' genius may come as he tries to pass on his magical touch to his successor. He believes he has found the right guy in Tim Cook, with whom he has worked closely since 1998. The collaboration doesn't necessarily have to stop because Jobs will still hold an influential role as Apple's chairman.

By all accounts, Cook is a top-notch executive who has proven that he knows how to pull the levers of Apple's mystique. He has run the company during Jobs' three leaves of absence since 2004.

Still, it's hard not to shake the feeling that this may be the beginning of the end of an era - both for technological zealots trying to figure out when the [iPhone 5](#) is coming out and nervous investors wondering whether to buy or sell the company's stock.

"Oh my goodness, I was terribly shocked!" said Chris Perez, 32, as he stood outside an Apple store in north Phoenix on Wednesday night. "He was the man that came up with everything `i.'"

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