

Can Tim Cook make Apple his own?

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Tim Cook is no Steve Jobs - and so far, that hasn't been a problem for Apple Inc.

It has become the world's most valuable company, adding about \$265 billion in value since Cook became chief executive 13 months ago. Shares have soared 76 percent, and profits continue to rise. Investors feel valued with Cook lending them an ear and handing them a dividend.

But all that may not be enough.

With Apple expected to announce the long-awaited [iPhone 5](#) on Wednesday and reap heavy sales from it, analysts and [software developers](#) are looking beyond the product launch to whether Cook can set his own course at the company after the death of its co-founder.

"I think we are definitely still riding [Steve Jobs](#)' stewardship," said Matt Brezina, chief executive of mobile startup Sincerely Inc. "Tim needs to define what kind of leader he is externally. As a developer on their platform, I'm not quite sure what kind of leader he is yet."

Much of Apple's success can still be traced back to Jobs. So far, Cook has delivered only incremental product improvements with the [Siri](#)-equipped [iPhone](#) 4S and an [iPad](#) tablet with better screen resolution - not the showstopper that Apple will eventually need in a fast-paced, hits-driven business. Both the iPhone and the iPad are credited to Jobs.

Last quarter the company, usually known for reporting blowout numbers,

released disappointing financial results, missing analysts' earnings-per-share estimates for only the second time in more than 30 quarters.

So the pressure is on Cook to deliver some of that old Apple magic - and it's not likely to be with a new version of a 5-year-old smartphone.

"The \$64,000 question is: Does Tim have the ability to lead the organization to another major breakthrough in a new product category?" said Pete Solvik, managing director of [venture capital firm](#) Sigma and a former Apple employee. "I have little doubt he is going to have continued success with revisions of the current products. Everybody hopes that he has the ability to sustain the business with a new hit too."

An entirely new product, such as a much-rumored iTV television set, would help Cook build his own legacy, said Scott Thompson, an analyst at FBR Capital Markets. He said Cook needs to introduce such a device within the next 12 months.

"It will be the first true opportunity he will have to show he can deliver end-to-end product as well as his predecessor," he said.

"Apple has to find a product that's going to help it sustain its earnings momentum in the long run and continue growing earnings at an annual rate of 15 percent or more," he said. "This year-over-year comparison gets much more difficult as the company continues to drive record earnings."

Cook, 51, joined Cupertino, Calif.-based Apple in 1998, calling the move from Compaq "without a doubt the best decision that I ever made."

After he replaced the ailing Jobs, many worried that innovation would suffer without the company's visionary co-founder. But the transition has

been almost seamless, analysts and industry watchers say, thanks to Jobs' careful grooming of Cook and Cook's experience filling in for Jobs during three medical leaves.

"Apple hasn't missed a beat throughout what must have been an emotional transition across the company," Twitter Inc. CEO Dick Costolo said. "It's a testament to the company's faith in Tim and his tremendous leadership."

When Jobs died last October after a long struggle with pancreatic cancer, it "was absolutely the saddest days of my life," Cook recalled at a conference in Rancho Palos Verdes, Calif., in May.

"But at some point late last year, I sort of - somebody kind of shook me and said, 'It's time to get on,' " he said. "And so that sadness was replaced by this intense determination to continue the journey, and that's where it is today."

Cook has been known to show up in the cafeteria and sit down with employees, and has built a reputation as a workaholic who prefers biking over mingling with Silicon Valley types. An Auburn University graduate with an industrial engineering degree, Cook is a huge Auburn football fan and has a vast collection of Tigers memorabilia.

Cook is more down to earth, hands-off and accessible than Jobs was, and far less confrontational, said analyst Tim Bajarin, president of Creative Strategies Inc. Wall Street sees Cook's management style as "more stable" and appreciates that he has communicated more with the investor community than Jobs did, Bajarin added.

"At the moment, [Tim Cook](#) has proven to be worth his weight in gold," he said.

The notoriously secretive company has also become more transparent about its manufacturing practices, and Cook has made it a priority to help improve working conditions at the facilities that produce Apple's iPhones, iPads and other devices. And it has stepped up its corporate giving - long a sore point among critics who blasted the tech behemoth for being stingy.

"He's not just continuing Steve's legacy. He's an independent thinker who has taken a different road on any number of strategies and approaches to business," Solvik said.

Before becoming CEO, Cook was Apple's chief operating officer and oversaw all of the company's worldwide sales and operations. He previously worked at Compaq, Intelligent Electronics and IBM, and got his MBA from Duke University.

He may not be as creative or have the same kind of showmanship as Jobs, but the company has a deep bench to support Cook, Sterne Agee analyst Shaw Wu said. Analysts said Cook's strengths are as an operational leader with a strong business vision; now the company will rely even more on design chief Jonathan Ive for product innovation and breakthroughs.

Ive has hinted several times that the company is working on a major new product that, as he told the Daily Telegraph recently, "feels like the most important and the best work we've done." What that is, and when it will be released, is anyone's guess.

For now, Cook is focused on Wednesday's event. The newest iPhone is rumored to have a larger screen, high-speed 4G LTE connectivity, a better camera, faster processors and a smaller dock connector.

There is huge pent-up demand for the new iPhone, and Bajarin predicted

that the company would sell 8 million to 10 million of the smartphones in the first 10 days and an additional 15 million to 20 million in the holiday quarter.

Although Cook hasn't done anything groundbreaking yet, investors have been impressed with his ability to stay the course and keep Apple on top, said Kevin Landis, chief investment officer at Firsthand Capital Management, an Apple investor.

"There is not a recipe for creativity; there is not a formula for inspired genius. So people are naturally skeptical that there is another rabbit coming out of that hat," he said. "But that doesn't mean Apple can't be a great company for the next decade even if there is never another 'Oh my God.' "

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