

Apple to ease dependence on Foxconn: report

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This picture taken on February 22, 2013 shows a young man walking past a Foxconn recruitment point in Shenzhen, south China's Guangdong province. Apple is easing its dependence on contract electronics colossus Foxconn by enlisting Pegatron to assemble a low-cost iPhone it is planning, the Wall Street Journal reported Wednesday.

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Taiwan-based Foxconn had the enviable position of cranking out nearly all of the California company's iPhones and <u>iPad</u> tablet computers but Apple chief Tim Cook is moving to diversify the supply chain, according to the Journal.

Pegatron, headquartered in Taipei, became a minor producer of iPhones in 2011 and began making iPad Mini tablets last year, the Journal reported.

The newspaper cited unnamed sources as saying reasons for the move included being less dependent on a single supplier and a willingness by Pegatron to accept a smaller profit in return for Apple's business.

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