

Apple, Samsung earn all smartphone profits, and more

November 14 2013



An iPhone 5C on display at the Apple store on September 20, 2013 in New York City

Apple and Samsung are grabbing virtually all the profits in the red-hot smartphone market while most other makers are losing money, an analyst said Thursday.

"We estimate Apple and Samsung combined to capture a remarkable

109 percent of third quarter handset industry profits," said Canaccord Genuity analyst Mike Walkley in a research note.

Walkley pointed out that other manufacturers such as BlackBerry, Nokia, LG, HTC and Motorola are operating at a loss, based on his latest global handset survey.

Walkley estimated that Samsung shipped 84.8 million smartphones in the quarter and "captured an impressive 53 percent of handset industry profits."

Apple meanwhile, which launched two new iPhones late in the quarter, "increased its share of [industry](#) profits from 53 percent in the second quarter to 56 percent in the third quarter due to slightly higher sequential iPhone unit sales but also primarily due to more pronounced struggles from other" manufacturers.

He said Apple is likely to perform even better in the fourth quarter with "improved supply for the iPhone 5s and steady iPhone 5c sales."

Walkley said his analysis excludes some new Chinese smartphone makers "due to the lack of available profit metrics."



A Samsung Galaxy Nexus phone is seen on display at a Sprint store on April 27, 2012 in San Francisco, California

A Gartner survey released Thursday showed Samsung had 32 percent of the global smartphone market in the past quarter, to Apple's 12.1 percent.

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Citation: Apple, Samsung earn all smartphone profits, and more (2013, November 14) retrieved 25 April 2024 from <https://phys.org/news/2013-11-apple-samsung-smartphone-profits.html>

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