

Report: Google steps onto Amazon's turf with Apple cloud deal

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Google appears to have won some of Apple's massive spending on cloud services as the search engine giant steps up its game in a lucrative market hitherto dominated by Amazon.com.

Seattle-based Amazon, whose Amazon Web Services unit remains the biggest player in the rental of storage and computing capacity, saw its shares drop 2.6 percent in the wake of the report by tech publication CRN citing unnamed sources. It closed at \$559.44, down \$14.83.

Google and Apple didn't reply to requests for comment. Amazon downplayed the idea of its Apple [business](#) being taken away by a competitor.

"It's kind of a puzzler to us because vendors who understand doing business with enterprises respect (non-disclosure agreements) with their customers and don't imply competitive defection where it doesn't exist," an Amazon spokesperson said.

The news underscores how the huge potential of the cloud as a business is luring aggressive competition.

Amazon helped jumpstart the field 10 years ago, and became the dominant player, but now Microsoft, Google and others are becoming important players, all seeking to capitalize on the recent trend of businesses migrating a big chunk of their data from their own data centers into the cloud.

Apple, a big consumer tech company with lots riding on the cloud, is a huge prize for any provider. CRN cites sources saying that Apple is spending between \$400 million and \$600 million on the Google Cloud Platform.

A Barclays research note says that if the report is true, "signing Apple as a client would be another banner case study" for Google, which recently scored the business of Spotify, a high-profile music streaming service much touted by AWS as a client.

Netflix, which last month announced it had completed its migration to the AWS cloud, will have a panelist at Google's first-ever cloud conference, to be held next week.

Analysts with Morgan Stanley said in a research note Thursday that "any endorsement" or adoption from Netflix of Google's platform would help buttress its credibility as an AWS competitor.

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