

Apple 'cuts orders with iPhone 5C assemblers'

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Jesse Green from London poses with his 5C (right) and 5S iPhones after they went on sale in central London on September 20, 2013

Apple has told two companies assembling its new lower-cost iPhone 5C that it is cutting orders for the fourth quarter, raising concerns over weaker-than-expected demand, a report said Wednesday.

Apple told Foxconn and Pegatron Corp. earlier this month that

shipments of the iPhone 5C in the October-December period would be reduced, Dow Jones Newswires reported, citing unnamed sources familiar with the matter.

Pegatron, which assembles two thirds of the iPhone 5Cs according to [analysts](#), was told orders would be cut by less than 20 percent while Foxconn was told that orders would be cut by a third, it said.

One unidentified component supplier was also notified of a 50 percent cut in orders for the iPhone 5C parts, which analysts say could lead to a slowdown in device shipments next year, it added.

In September, Apple launched the iPhone 5S and the lower-cost 5C in the United States, China and a handful of other markets.

It reported nine million sales in the first three days, in the biggest iPhone launch in the company's history.

But the reported reduction in assembly orders for the 5C, which is only marginally cheaper than the high-end 5S, will raise concerns about the pricing strategy.

The new devices are aimed at helping Apple reverse market share losses against smartphones using the Google Android operating system, which hold about three-quarters of the market.

Apple did not give the breakdown of sales figures for the iPhone 5S and 5C but analysts say the 5S appears to be more popular.

The Taiwanese firms declined to comment while Apple officials were not immediately available.

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