Apple aims to boost mobile device sales with Cisco's help
31 August 2015, by Michael Liedtke

Apple is leaning on Cisco Systems' Internet networking expertise in its latest attempt to sell more iPhones and iPads to corporate customers.

The alliance announced Monday calls for Cisco to ensure that corporate Internet connections relying on its gear deliver content quickly and securely to iPhones and iPads. Cisco will also help Apple develop ways for iPhones to interact more smoothly with workers' office phones.

Financial terms of the partnership weren't disclosed.

This is the second time in two years that Apple has teamed up with a major technology company that focuses on business customers. Apple joined forces with IBM Corp. 13 months ago to build and sell business applications for the iPhone and iPad.

The aggressive push into the corporate market is part of Apple's strategy to reverse a slump in the iPad. Sales of the pioneering tablet have fallen from the previous year in six consecutive quarters, reflecting competition from less expensive alternatives and consumers' aversion to upgrading to the latest iPads as frequently as they have with new versions of the iPhone.

Apple Inc. is hoping to spur more sales of the iPad by making the tablet more useful for businesses. The Cupertino, California, company also wants to expand the appeal of the iPhone, its biggest moneymaker.

The recent focus on business customers has prodded Apple to befriend former antagonists.

The notion of Apple and IBM helping each other out once would have seemed inconceivable because they were such bitter rivals in the personal computer market. The animosity ran so high that Apple famously skewered IBM as a soulless company devoid of new ideas in a television commercial that evoked images of novelist George Orwell's "Big Brother" figure in "1984."

Although Apple's relationship with Cisco never got that nasty, the two companies locked in a legal skirmish over rights to use the terms "iPhone" and "iOS," the software that powers Apple's mobile devices.

Maintaining that it owned the iPhone trademark, Cisco sued Apple shortly after that device was announced in 2007. The companies reached a confidential settlement that allowed both companies to use the name.

Cisco Systems Inc. also calls its own networking software "IOS." The San Jose, California, company agreed to license that name to Apple for an undisclosed amount.

Apple isn't the only maker of popular consumer products that's trying to court more business customers. Google, the maker of the Android operating system for mobile devices and Chrome operating system for personal computers, also has been trying to muscle into the same market.

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