

Chapter 5

The State

Behind the

Iphone

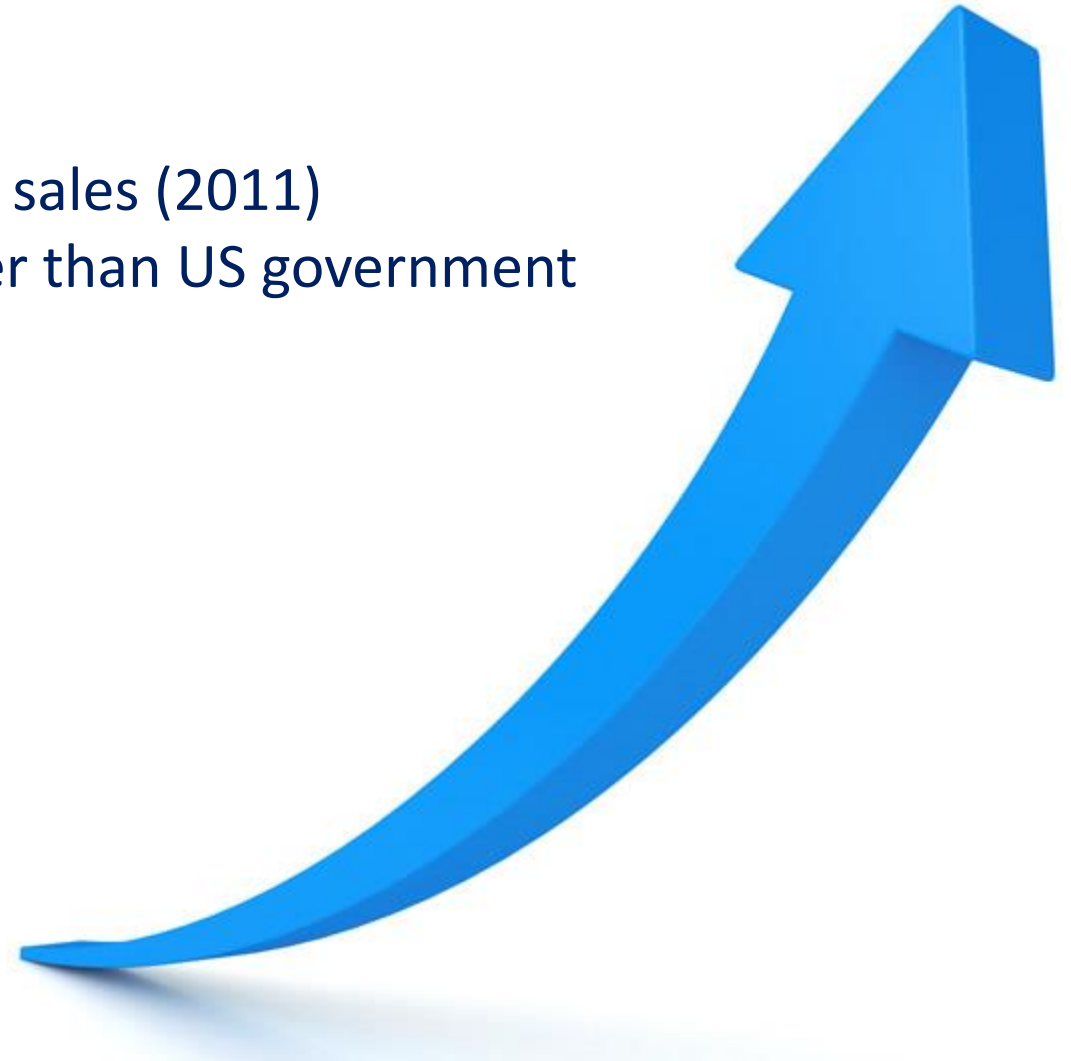
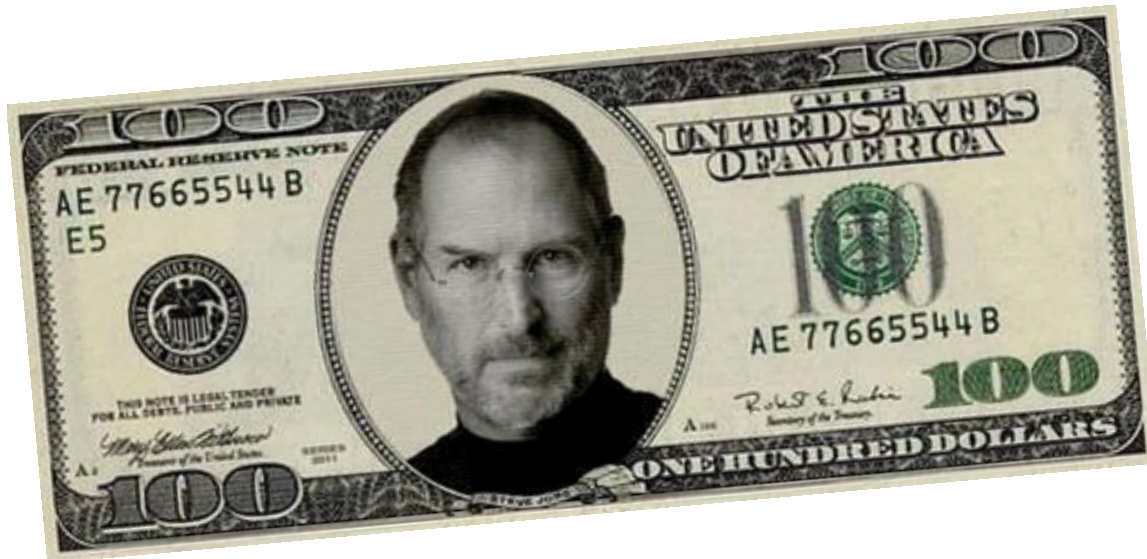




Main technologies launched by Apple in Ipod, Iphone and Ipad resulted from research and efforts financed by american government



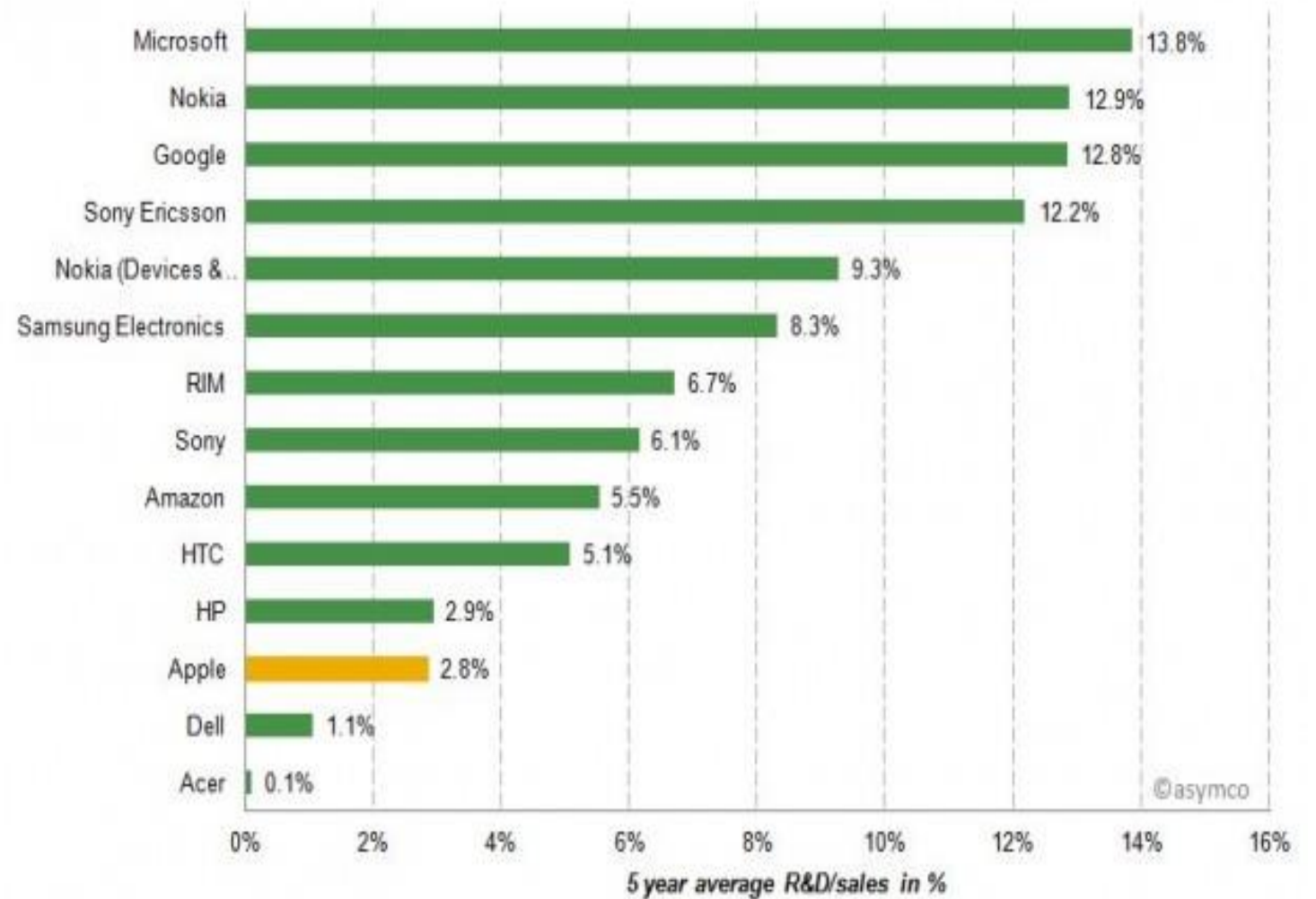
Apple 5 years after 2007:
Global net sales rose 460%
Ipod, Iphone and Ipad represented 70% of total sales (2011)
Apple's revenue in 2011 (US\$ 76,4 bi) was bigger than US government operating cash balance



Efficiency in R&D?

Or

focus on integration of
outside technology?



Dediu & Schmidt, 2012

What Makes the iPhone so Smart?

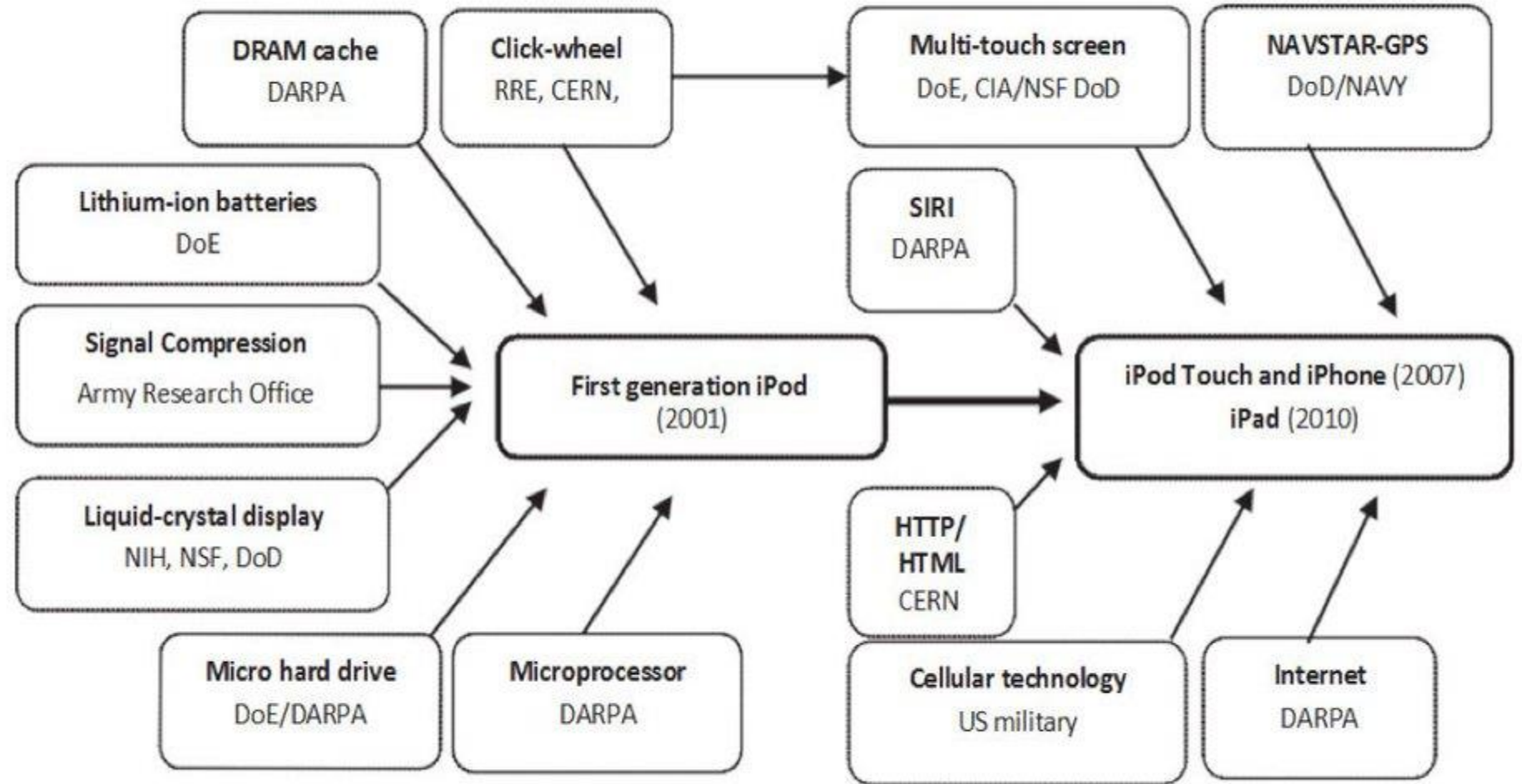


Figure 13 from *The Entrepreneurial State: debunking public vs. private sector myths* (2015, p. 116)

Apple's biggest capabilities:

- Recognize emerging technologies
- Apply complex engineering to integrate them
- Maintain a clear corporate vision prioritizing UX



Apple's government support:

- Direct equity investment during the early stages
- Access to technologies that resulted from major government research
- Creation of tax, trade or technological policies to support US companies



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- In the 1980s US government helped Apple to enter in Japanese market
- After globalization US government acted to protect intellectual property all over the world
- US Government gives billions on tax credits to R&E (experiment) – from 1996 to 2012 Apple claimed US\$ 412 million
- US Government buys Apple's products since 1990s



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Thank you!