



Jobs' Health and Apple's Stock

Jobs' health has been under scrutiny much of this year, as he has appeared increasingly gaunt in public appearances. According to Bloomberg News, this concern over Jobs' health had touched off rumors that he may be stepping down as Apple's top officer. A 47 percent loss in the company's stock over the past 12 months seemed to confirm investors' uneasiness over Jobs' position and Apple's ability to continue as a worldwide leader of the consumer electronics industry without him at the helm.

Fears that Jobs may be on the way out were further exacerbated when Apple announced last month that he would not be making the keynote address at the next annual Macworld show, to be held this week in San Francisco, as he has always done. However, Apple did not elaborate on the reason for this change, so it may be totally unrelated to Jobs' health or position within the company. Other reasons posited include the fact that this is Apple's last year with the Macworld show (which is run by International Data Group, not Apple), or simply that Jobs wished to spend more time with his family this Christmas, rather than preparing for the show.

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In response to the concern over his health and its impact on the company, Jobs published a public letter to allay the fears. He stated, "A hormone imbalance ... has been 'robbing' me of the proteins my body needs to be healthy," adding, "Sophisticated blood tests have confirmed this diagnosis." The imbalance may be a residual of the bout with pancreatic cancer Jobs suffered in 2004. "The remedy for this nutritional problem is relatively simple and straightforward, and I've already begun treatment," he said.

Some analysts are not satisfied with this explanation, considering it too vague and implausible, and still remain skeptical about Jobs remaining at the head of the company. American Technology Research analyst Brian Marshall told the Associated Press that the announcement "isn't likely to end the speculation, unless Apple offers more details on Jobs' condition." AP relates that Marshall still expects Jobs to step down as CEO in 2009, and to remain as an adviser. In his letter, though, Jobs is adamant that "I will be the first one to step up and tell our board of directors if I can no longer continue to fulfill my duties as Apple's CEO."

Mac news blogger Philip Elmer-DeWitt believes that the Macworld conference this week is the key to discerning the CEO's future. He points to Apple's fourth quarter earnings call in October, when Jobs made a surprise telephone appearance that caused Apple's stock to jump more than 12 percent in after-hours trading, to show the possibility that Steve Jobs just might make a surprise cameo appearance at the conference. In that case, DeWitt expects Apple's stock to soar.