

Google and Apple Conspire Together To Rig News and Politics

Apple is earning billions per year from Google to remain the default search engine on the iPhone, analyst claims

By [Shawn Knight](#) on Aug 14, 2017, 3:16 PM



If there's one takeaway from the current technology environment, it's that mobile is king and there's no shortage of opportunities to be had (and money to be made). Just ask Apple and Google.

The two technology titans may be arch rivals but both are willing to put aside their differences and work together to advance their respective business interests.

According to Bernstein analyst Toni Sacconaghi, Apple is earning as much as \$3 billion a year from Google in order to remain the default search engine on the iPhone and iPad.

Sacconaghi didn't blindly arrive at that figure. The analyst said the estimate was "triangulated" and based on third-party market research of Google's total mobile revenues, Apple's Services revenues and Google's distribution Traffic Acquisition Costs.

As Business Insider [notes](#), it was revealed in court documents that Google in 2014 paid Apple \$1 billion as part of an agreement to pay the Cupertino-based company a percentage of money it earns from iPhone and iPad users.

If the estimates are accurate, that means Google could account for as much as five percent of Apple's operating profit this year. And as Apple's ecosystem of iDevices grows, the money it earns from Google will only increase.

Bernstein also notes that the money Apple is getting from Google is likely all profit – not exactly a bad position to be sitting in.

Lead image courtesy TNW

Related Reads

- [Chinese regulators say design of Apple's iPhone 6 and iPhone 6 Plus violates patent](#)
- [Apple unveils its first official battery case for the iPhone 6 and iPhone 6s](#)
- [Apple iPhone 6 and iPhone 6 Plus launching in China next month](#)