

By: Felipe Bryant Apple News Editor

[Apple's 10 Million iPhone Landmark: Too Optimistic](#)

iPhone demand is slightly on the decrease, experts say

Leaving out the [iPhone](#), Apple's entire product line generates a 30% to 33% (gross margin) profit. The iPhone alone generates as much as 55% to 60% of the company's current profits and while [Apple](#) hopes to sell some 10 million iPhone units this year, analysts say it's a forecast a bit too optimistic. Sources on the Internet point out to a market research firm called Marketwatch and to Bernstein Research analyst Toni Sacconaghi that have predicted the upper-mentioned figures. Indeed Apple is counting on the iPhone quite a bit this year, but demand is slightly on the decrease, according to experts: "While we believe the iPhone has the potential to drive material earnings growth for Apple, recent data points suggest the business is facing two significant challenges: 1. overall demand for the handset appears to be falling short of expectations; and 2. the incidence of 'unlocking' has been much higher than expected," writes Sacconaghi in his report. The same analyst points out to 2007's iPhone sales, when Apple saw 180,000 units a week sold on average. Those figures logically indicated that Apple was going to sell a lot of iPhones. 7.9 million (2008) to be precise, according to the same man. Now, although 8 million iPhones is close enough to Apple's estimated 10 million sold units in 2008, the fact that demand for the device is slightly dropping makes the 10 million forecast a bit too optimistic, Sacconaghi believes: "Apple's goal of selling 10 million iPhones this year is optimistic, particularly if Apple insists on carrier revenue sharing without significant price cuts or new model introductions," says Bernstein's man. Whether Apple's [upcoming SDK](#) will bring nifty apps to the iPhone, prompting more handset fans to grab it, it remains to be seen, but for now, the 10 million landmark seems improbable to say the least.