

SKorea's LG to exit loss-making mobile phone business

April 5 2021



In this July 26, 2018, file photo, a visitor walks by an advertisement of LG Electronics' product at an electronic shop area in Seoul, South Korea. South Korean electronics maker LG said Monday, April 5, 2021, it is getting out of its loss-making mobile phone business to focus on electric vehicle components, robotics, artificial intelligence and other products and services. (AP Photo/Lee Jin-man, File)

South Korean electronics maker LG said Monday it is getting out of its loss-making mobile phone business to focus on electric vehicle components, robotics, artificial intelligence and other products and services.

LG's board approved the shift in strategy and the company expects to fully exit the [mobile phone business](#) by the end of July, it said in a statement.

LG was once the third-largest mobile phone maker but has lost market share to Chinese and other competitors.

It was still No. 3 in North America, with a 13% [market share](#) behind Apple's 39% and Samsung's 30% as of the third-quarter of 2020, according to Counterpoint Technology Market Research.

LG earlier said it was assessing its strategy as it reported that its sales rose 5% from a year earlier in the last quarter of 2020 but profitability declined do to sluggish sales of premium products.

The company said it was selling its phone inventory and would continue to provide services and support for various periods of time depending on where they are sold.



A logo of LG Electronics Inc. is seen outside of the company's office building in Seoul, South Korea, Monday, April 5, 2021. South Korean electronics maker LG said Monday it is getting out of its loss-making mobile phone business to focus on electric vehicle components, robotics, artificial intelligence and other products and services. (AP Photo/Ahn Young-joon)



LG Electronics Inc.'s dual-screen smartphone, the Wing, is displayed at a mobile phone shop in Seoul, South Korea, Monday, April 5, 2021. South Korean electronics maker LG said Monday it is getting out of its loss-making mobile phone business to focus on electric vehicle components, robotics, artificial intelligence and other products and services. (AP Photo/Ahn Young-joon)



An image of LG Electronics Inc.'s smartphone Q51 is seen at a mobile phone shop in Seoul, South Korea, Monday, April 5, 2021. South Korean electronics maker LG said Monday it is getting out of its loss-making mobile phone business to focus on electric vehicle components, robotics, artificial intelligence and other products and services. (AP Photo/Ahn Young-joon)

Details related to jobs would be decided "at the local level," it said.

The company's shares fell 2.5% on Monday.

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Citation: SKorea's LG to exit loss-making mobile phone business (2021, April 5) retrieved 20

April 2024 from <https://techxplore.com/news/2021-04-skorea-lg-exit-loss-making-mobile.html>

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