

RESEARCH IN MOTION BEGIN JOB CUTS



For those of you who don't pay attention to the world of technology, or those of you who just did not catch our [coverage](#) of job cuts to noted mobile device maker Research in Motion, here is a look at the rumors of layoffs that were circulating about the, "Research in Motion, the company that makes the Blackberry smartphones popular with business and political types around the world, is getting ready to make some truly massive layoffs in order to set the company to right... At that time the details were sketchy and experts were throwing around numbers that ranged from 6,000 to 10,000 depending on who you asked. That was a lot of wiggle room. Today, as the layoffs were made official, it looks more like the company is going to be cutting back on 5,000 workers in order to make things right." Well, it looks like the company has begun its mass layoff actions, as they have started to notify workers in several locations that they are soon to be out of a job. For those of you who are not familiar with the idea of a mass layoff action here is a look at how the federal government [defines](#) the term, "The **Mass Layoff Statistics (MLS)** program collects reports on mass layoff actions that result in workers being separated from their jobs. Monthly mass layoff numbers are from establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period. Extended mass layoff numbers (issued quarterly) are from a subset of such establishments—where private sector nonfarm employers indicate that 50 or more workers were separated from their jobs for at least 31 days." While a mass layoff action does require workers to be given a fair amount of advance notice that notice, known as a WARN notification, may not always be enough to spur employees into action. If all goes according to plan the workers will be put out of a job on the 13th of August. The company recently released its [first quarter results](#) and the explain, at least in part, why the company is turning to layoffs to put its books back to a stable place, "Revenue for the first quarter of fiscal 2013 was \$2.8 billion, down 33% from \$4.2 billion in the previous quarter and down 43% from \$4.9 billion in the same quarter of fiscal 2012. The revenue breakdown for the quarter was approximately 59% for hardware, 36% for service and 5% for software and other revenue. During the quarter, RIM shipped 7.8 million BlackBerry smartphones and approximately 260,000 BlackBerry PlayBook tablets. GAAP net loss for the quarter was \$518 million, or \$0.99 per share diluted, compared with a GAAP net loss of \$125 million, or \$0.24 per share diluted, in the prior quarter and GAAP net income of \$695 million, or \$1.33 per share diluted, in the same quarter last year." For now the company has not made any kind of a statement about what kind of severance they are offering the soon to be displaced workers.