

SONY MOBILE COMMUNICATIONS TO CUT JOBS



Most of us know the name Sony. You may not have heard of one of its subsidiaries, Sony Mobile Communications. You may also not know that the company is getting ready to cut back on about 1,000 jobs in that division. Those cuts, which will represent about 15 percent of this subsidiary, are set to impact workers in multiple nations, with the bulk of the cuts coming from Sweden. For those of you who missed out on our [earlier coverage](#) here is a look at the cuts they made in April, "When most of you think about problems for Sony you probably think about the recent trouble that they had with the security of the personal data of people with a Playstation Network Account. You might even think about the last time you had to call the Sony customer support line for a product. You probably do not think much about the possibility that this electronics company is going to let go of about 10,000 workers, but that is exactly what the company is getting ready to do. Those 10,000 workers are going to be let go sometime between now and the end of the year, though they will most likely be cut incrementally to make managing this number of layoffs a less monumental task. The layoffs are going to impact workers from all areas of the globe, instead of only one specific country. The announcement of these jobs cuts, which was made early this morning by the company, is only going to impact about six percent of the workers the company employs overall." Interestingly enough the status of the Sony Mobile Communications group played a major role in the most recent fiscal numbers put out by the company. For those of you who did not see the report first hand here is a look at an excerpt from the company's [most recent quarter report](#). "Sales were 1,515.2 billion yen (19,180 million U.S. dollars), an increase of 1.4% compared to the same quarter of the previous fiscal year ("year-on-year"). This increase was primarily due to a significant increase in sales in the MP&C segment, while sales in the HE&S segment decreased significantly. On a constant currency basis, sales increased 5% year-on-year. For further details about sales on a constant currency basis, see Note on page 9. The increase in sales in the MP&C segment was primarily due to the impact of the consolidation of Sony Mobile Communications AB ("Sony Mobile," formerly known as Sony Ericsson Mobile Communications AB) as a wholly-owned subsidiary. During the same quarter of the previous fiscal year, Sony Mobile was an affiliated company accounted for under the equity method. On a pro forma basis, had Sony Mobile been fully consolidated in the same quarter of the previous fiscal year, consolidated sales would have decreased by approximately 7%. This decrease in pro forma consolidated sales was primarily due to significantly lower sales in the HE&S segment." For now the company has not said anything about the date of the layoffs or the kind of severance benefits that they expect to give to the soon to be displaced workers.