Google cutting 1,200 more Motorola jobs

The Associated Press

NEW YORK (AP) — Google is cutting an additional 1,200 jobs in its Motorola division as the unprofitable cellphone maker struggles to compete.

Last year, Google Inc. announced 4,000 Motorola job cuts. The latest reductions are in addition to those and will be in countries including the U.S., China and India.

"These cuts are a continuation of the reductions we announced last summer," Google spokeswoman Niki Fenwick said in an email.

When U.S.-based Google bought Motorola last year for $12.4 billion, it had about 20,000 employees.

The online search leader also expects to pare jobs at the division with a planned $2.35 billion sale of the Motorola set-top business, which has about 7,000 employees. Google had about 53,000 employees as of late September.

Google bought Motorola primarily for its 17,000 patents, bolstering the company in the mobile device arms race with other technology companies. The cellphone business has lost market share to Apple and Samsung, however, and posted operating losses of $1.1 billion since Google completed the Motorola deal in May.

Analysts have been concerned that adding a phone manufacturing business could hurt Google's profitability and potentially alienate the other device makers that use Google's Android mobile operating system. Samsung, HTC and other phone makers run Android. Apple and BlackBerry have their own systems.

The Wall Street Journal reported the Motorola job cuts in Friday's editions.

Google shares rose $3.39 to $835.99 in premarket trading.

Source URL (retrieved on *03/11/2014 - 4:18pm*):
http://www.ecnmag.com/news/2013/03/google-cutting-1200-more-motorola-jobs