

Ericsson Streamlines, Cuts CDMA-based Jobs

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Ericsson expects to hand out a few hundred pink slips over the next several months as it pares down its CDMA business.

Seeing less opportunity in the U.S. CDMA market, Ericsson has announced plans to streamline its organization. The company plans to cut 250 jobs over the next six to nine months as a result.

"As a consequence of streamlining the organization, CDMA operations in San Diego will be significantly reduced and the headquarters operations will eventually be closed," Ericsson said in a prepared statement.

Ericsson plans to transition the responsibilities of its San Diego-based operations to other operations. The company does not plan to pursue new CDMA business contracts in the United States.

Last month, Ericsson posted strong quarterly results, recording a 73 percent increase in first-quarter sales. While Western Europe and Latin America both posted growth of 26 percent and 24 percent, respectively, based on regional results, the company said its North American operations was dragged down 24 percent due to reduced capital spending.

Source URL (retrieved on 01/26/2015 - 11:47am):

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