

## More Cuts at ST-Ericsson

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ST-Ericsson is cutting costs even more as it unveiled a newly proposed plan to improve its financial performance and increase its competitiveness in the market.

The new plan comes as the company, which was formed in January as a 50-50 joint venture between STMicroelectronics and Ericsson, announced a reorganization plan in July. The company competes with the likes of Qualcomm in supplying chips for cell phones.

ST-Ericsson says it is now targeting additional annualized savings of \$115 million. The savings are expected to come from reductions in operating expenses and spending, along with an extensive R&D efficiency program. As part of the effort, the company says it also will conduct a global workforce review, which may affect up to an additional 600 employees worldwide.

Specific country impacts related to the proposed plan and further details will be provided when employee representatives have been involved where required, the company said in a statement.

ST-Ericsson is based in Geneva, Switzerland.

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