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## [Sony Cuts Jobs](#)

**SONY**

*Games division under scrutiny*

Cutting corners  
Sony

You know an economic crisis is big when the big players begin to worry and take measures. Sony has just announced that it plans to cut 8,000 full time jobs, which is about 4% of the work force it employs, while 8,000 collaborators will also have their contracts terminated. The move is designated to save the company around 1.1 billion dollars in one year. The layoffs will take place in stages until March 2010.

It seems that the stronger than usual yen reduced [Sony's](#) profitability and also means that the most important part of the company, the electronic division, could be registering loss. The gaming division, called Sony Computer Entertainment, is seen as being separate from the electronic division and the initial press release does not say anything about cuts in games or in other entertainment related projects.

Still, a spokesperson for Sony Computer Entertainment Europe stated for MCV that "In order to stay competitive in the accelerating global network environment, we will always carefully review and make structural changes, if necessary, in order to further expand and strengthen the PlayStation business around the world".

It seems that the gaming division accounts for around 15% of Sony's business and the company has recently said that it expects it to turn a profit by 2009. At the moment, profit estimates have been reduced by 59% by the firm to around 150 million dollars.

The PlayStation 3 is currently having a pretty bad sales period, with both the Xbox 360 and the Nintendo Wii selling better than the Sony made home gaming console. The device is selling better than it did in 2007 and Sony says that upcoming videogames, like Killzone 2, and new concepts, such as the [much delayed Home](#), will make the PlayStation 3 a force on the market. On the short term, the layoffs will probably not affect the videogames division too much.