



Layoffs and Terminations

(August 3, 2010) – An Internet Market Research Compilation and Synopsis

The growing number of job cuts this year follows 13 months of mass firings across the nation. About 2.4 million people have filed unemployment claims since the recession started in December 2007 through the end of last year, according to the U.S. Labor Department's Bureau of Labor Statistics. For last year alone, California topped all other states as 446,480 filed initial claims, part of 2.13 million nationwide. Individual company examples are listed below:

GM > 21,000 jobs lost (March 2010) > In a zero-hour bid to stay out of bankruptcy, GM said today it would fold the Pontiac brand, cut 42% of its U.S. dealers and 28% of its plants by the end of 2010, and offer holders of \$27 billion in debt significant equity stakes in the company.

IBM > 5,000 lost jobs > The move reflects IBM's aggressiveness in shifting labor to lower-cost regions like India and keeping its profits aloft at a time when other technology companies' earnings are tumbling.

NATIONAL SEMICONDUCTORS > 1,725 lost jobs > Faced with a steep decline in sales, the chip maker said it will eliminate more than one-quarter of its work force.

LOS ANGELES UNIFIED SCHOOL DISTRICT > 8,800 lost jobs > The district, with 688,000 students, faces a \$718 million budget shortfall.

SCHERING-PLOUGH > 16,000 lost jobs > the company is being bought by Merck & Co. and a large layoff is expected, part of the purchase plan.

U.S. STEEL > 1,500 furloughed > U.S. Steel and other steel producers have faced an industry wide slump in demand as the global economic slowdown and credit crisis have undermined key customers in the automotive, construction and industrial equipment markets. Steel prices plunged from record highs last year, though they have recovered modestly in recent months.

PILGRIM'S PRIDE > 3,000 lost jobs > The closures, which will reduce the company's chicken production by roughly 10 percent, are designed to save the company \$110 million a year as part of an ongoing restructuring. The company filed for Chapter 11 protection in December under a heavy debt load.

Layoffs and Terminations - continued

JP MORGAN > 12,000 lost jobs > The company said the jobs will be eliminated related to its acquisition of Washington Mutual Inc.

AVON > 3,000 lost jobs > Avon, which already rolled out a massive restructuring plan several years ago, announced a new strategy that it hopes will bring \$200 million in annual savings by realigning certain businesses and outsourcing some services.

GOODYEAR TIRE & RUBBER > 5,000 lost jobs. The Akron-based company said demand for new tires is weak as auto sales slump and the market for replacement tires is also down because people are driving less.

SMITHFIELDS FOOD > 1,800 lost jobs > It announced the closures and layoffs as part of a plan to consolidate and streamline its pork business. The company plans to save \$125 million a year by 2011.

GM > 47,000 lost jobs (February 17) > GM said it may need \$30 billion in total government financing to weather the economic downturn and would shutter five more U.S. factories in a massive restructuring plan. The automaker is already surviving on \$13.4 billion in federal loans and said in a plan submitted to the Treasury Department that it would seek an additional \$16.6 billion if economic conditions worsen.

NISSAN – U.S. > 20,000 lost jobs > It is slashing jobs to cope with what Japan's third-largest automaker expects will be its first annual loss in nine years.

CHRYSLER: 3,000 lost jobs > The cut jobs are part of a restructuring plan it submitted to the U.S. government.

TIMES WARNER > 1,250 lost jobs > Media and entertainment giant Time Warner Inc. reported a fourth-quarter loss, hurt by a previously expected \$24.2 billion write down for its cable, publishing and AOL assets. The company predicted flat earnings in the year ahead as it takes on major restructuring charges amid a declining advertising market.

PANASONIC - U.S. > 15,000 lost jobs > The world's largest maker of plasma display TVs also announced a net loss for the October-December quarter and lowered its forecast for the fiscal year through March to a net loss of 380 billion yen (\$4.2 billion), its first annual loss in six years. Panasonic blamed the dismal results on the global slowdown set off by the U.S. financial crisis, the rapid surge of the yen and sudden price drops in a wide range of products, including flat-panel TVs, DVD recorders, microwaves, lamps and semiconductors.

ELECTRONIC ARTS > 1,100 lost jobs > Trimming costs and restructure its business. Chief Executive John Riccitiello said "a significant portion" of the quarter's shortfall, as well as the company's sharply reduced outlook for the rest of the year, has to do with EA's own performance.

PNC FINANCIAL GROUP > 5,800 lost jobs > It plans to cut jobs following its acquisition of National City Corp. last year as the bank suffered loss during the fourth quarter. PNC said it posted a loss of \$248 million, or 77 cents per share, due to increased credit provisions and costs associated with its purchase of National City in December. A year earlier, PNC earned \$178 million, or 52 cents per share.

MACY'S > 7,000 lost jobs > Macy's anticipates the reductions and other actions will lower its selling, general and administrative expenses by about \$400 million annually starting in 2010.

NEC > 20,000 lost jobs worldwide > It is trying to stanch widening losses from semiconductors and other businesses that have been hard hit by competition and the global economic slump.

KODAK > 2,500 to 3,500 lost jobs > It posted a fourth-quarter loss of \$137 million on plunging sales of both digital and film-based photography products. Sales slumped 24 percent to \$2.43 billion from \$3.22 billion a year ago, as a result of the sharp slowdown in demand for digital cameras and inkjet printers, lower royalties from patents and unfavorable foreign exchange rates.

AOL > 700 lost jobs > It will reduce 10 percent of the Internet unit's work force in a bid to cut costs. AOL is being squeezed by the recession and trying to focus on three advertising-centric businesses.

STARBUCKS > 6,000 workers lost their jobs and 700 non-store employees lost their jobs > Starbucks is reporting that its profit dropped 69 percent in its fiscal first quarter. Revenue fell to \$2.62 billion from \$2.77 billion, while analysts had predicted revenue of \$2.70 billion.

BOEING > 10,000 lost jobs > The news comes on top of waning demand for the company's commercial jets. Airlines are cutting spending and air travel has declined amid the global economic slowdown and worsening market conditions.

GMC > 2,000 lost jobs > The company says the cuts are due to slow sales and are part of the Detroit automaker's continuing efforts to "align production with market demand."

SPRINT > 8,000 lost jobs > The Overland Park, Kan.-based company has struggled since acquiring Nextel Communications Inc. in 2005. Technical problems, poor efforts to consolidate the two companies and stiff competition for feature-rich phones have led many subscribers to switch to competing services. After the loss of more than 3 million subscribers in the previous four quarters it now seeks to cut annual costs by \$1.2 billion.

PFIZER > 8,000 lost jobs > It is preparing for an expected revenue crash when its cholesterol drug Lipitor -- the world's top-selling medicine and source of one-quarter of Pfizer's revenue -- loses patent protection in November 2011.

HOME DEPOT > 7,000 LOST JOBS > Home Depot said its Expo business, which sells a range of items that include throw pillows, sconces, bathtubs and vanities, hasn't performed well financially, even during the recent housing boom. It said the chain has weakened significantly in the current economic environment.

CATERPILLAR > 20,000 lost jobs > The world's largest maker of construction and mining machines, which also reported lower-than-expected fourth-quarter earnings, said it was laying off workers to reduce costs in the face of what it predicted would be the weakest year since the end of World War II.

MICROSOFT > 5,000 lost jobs > The company announced the cuts as it reported an 11% drop in second-quarter profit, which fell short of Wall Street's expectations.

HUNTSMAN CORPORATION > 490 full-time contractor positions and 1,175 lost jobs > Demand for chemical products used in consumer electronics, house paint and cars has dropped, which severely cut into companies' margins. To generate annual savings of \$150 million, the company will trim more than 9% of its work force by the end of 2009, close a plant in the United Kingdom and slash capital spending to reduce costs as demand for its products falls amid the recession.

INTEL > 6,000 LOST JOBS > The company struggles with souring personal computer demand that has left its factories operating at less than their full capacity. Underutilized factories are cutting into Intel's margins and were one reason the Santa Clara, Calif.-based company reported a 90% drop in fourth-quarter profit last week.

WILLIAMS-SONOMA > 1,400 lost jobs > It is trying to cope with slowing sales in the tough economy and save an estimated \$75 million.

UNITED AIRLINES > 1,000 to 1,500 lost jobs > UAL Corp. lost \$1.3 billion, hurt by a faulty wager on the direction of oil prices.

HAWKER BEECHCRAFT CORPORATION > It said it would continue to eliminate workers after laying off 500 last year, though it didn't provide details as to how many.> It warned its employees that it planned to reduce its work force further if economic conditions continue to deteriorate. Chief Executive Officer Jim Schuster noted in an October letter sent just before the first layoffs that Hawker Beechcraft is highly leveraged, carrying nearly \$2.4 billion in debt. This year's interest expense will be close to \$190 million, or more than \$500,000 a day.

WARNER BROTHERS > 800 lost jobs > Warner Chairman Barry Meyer and President Alan Horn said in an e-mail memo to employees, "The changing entertainment landscape, shifting consumer demand and the overall state of the economy have affected companies around the world and Warner Bros. is not immune to these factors,". The move is expected to save the movie and television studio more than \$50 million annually.

CLEAR CHANNEL COMMUNICATIONS > 1,850 lost jobs > The nation largest owner of radio stations is grappling with the economic meltdown. In the third quarter, the company lost \$86.1 million before discontinued operations compared with a profit of \$253.4 million, and revenue fell by 4% to \$1.7 billion. The steepest drop was in radio advertising, which was down 7% to \$844 million.

ROHM AND HAAS > 900 lost jobs > It looks to slash costs in a weakening economy and will record \$90 million in pretax charges for the fourth quarter.

CONOCO PHILIPS > 1,300 lost jobs > It is cutting 4% of its overall work force, slashing capital spending by 18% and writing off \$34 billion in non cash assets because of plummeting energy prices.