

# Google dumps 200 jobs in company's largest layoffs

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(AP) -- Google Inc. is jettisoning nearly 200 workers in its largest round of layoffs yet, demonstrating that even highly profitable companies are feeling the recession's pinch.

The job cuts announced Thursday affected less than 1 percent of the 20,200 workers employed by the Internet's search leader.

That's modest compared with the massive shake-ups in the newspaper, retailing, automobile and financial services industries during the past year.

Google's housecleaning nevertheless is a sobering sign of the hard times around the globe.

Coming off a year in which earned \$4.2 billion on revenue of \$22 billion, [Google](#) still is trimming its expenses in attempt to protect its profit margins and prevent its slumping stock price from falling even further.

Google's fortunes are tied to ad spending that's dwindling as both marketers and consumers squirrel away more cash. Although Google's revenue has continued to rise during 15-month-old [recession](#), some analysts say they believe the Mountain View-based company may finally be suffering its first quarter-to-quarter decline since it went public in 2004.

It's a guessing game because Google steadfastly refuses to offer financial guidance. But Google's recent actions have left little doubt that management is bracing for a possible [downturn](#).

Once renowned for its free-spending ways, Google already has curtailed some employee perquisites, dumped outside contractors and closed services that aren't paying off. Pulling the plug on a radio advertising division in February eliminated as many as 40 jobs.

Management also has clamped down on hiring after adding more than 17,000 workers in Google's first 4 1/2 years as public company. That decision prompted Google to dump 100 employee recruiters in January.

The latest [layoffs](#) are concentrated in the division that sells Google's advertising.

In a blog posting, Google said it had hired too many employees doing the same jobs during its rapid expansion.

"Making changes of this kind is never easy - and we recognize that the recession makes the timing even more difficult for the Googlers

concerned," wrote Omid Kordestani, the company's senior vice president of global sales and business development.

Google shares gained \$9.22, or 2.7 percent, Thursday to close at \$353.29.

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