

Sony Ericsson closes NC, other sites as HQ moves

November 18 2009, By EMERY P. DALESIO , AP Business Writer

(AP) -- Cell phone handset maker Sony Ericsson will move its North American headquarters from North Carolina to Atlanta and close a half-dozen sites worldwide as it retrenches against what it expects will be a tighter market and cuts about 1,600 jobs globally.

The joint venture between Sweden's LM Ericsson and Japan's Sony Corp. will consolidate product development operations by closing sites in Research Triangle Park; Seattle; Miami; San Diego; Kista, Sweden; and Chennai, India, spokeswoman Stacy Doster said.

The closure is part of a plan announced in April to cut worldwide staff of 10,000 by 20 percent at the joint venture between Sweden's LM Ericsson and Japan's Sony Corp., Doster said. About 1,600 jobs remained to be cut to meet that goal by the middle of next year, she said.

The cost-cutting follows the loss of 2,000 jobs last year.

The 8-year-old company has about 425 workers left in Research Triangle Park after shedding hundreds of jobs in the past year. Operations include customer support, customers service, sales, finance and research and development.

Doster said she did not know how many were employed at other locations the company planned to close. She also did not know how many would be added in Atlanta when that site takes over North American headquarters functions.

"There's a project team looking at what makes sense in what areas of the business," Doster said. "We've got to figure all that out across the whole organization."

Atlanta was chosen in part because of its proximity to AT&T Inc., one of the company's largest customers, Doster said. The city also is desirable as a "gateway into Latin America" because of its international connections through Hartsfield-Jackson Atlanta International Airport, she said.

Product development would be consolidated in Sony Ericsson operations in Redwood Shores, Calif.; Lund, Sweden; Tokyo; and Beijing, Doster said.

The company announced last month that its losses worsened to euro164 million (\$245 million) amid falling sales in the third quarter, up from a euro25 million (\$37.25 million) loss in the same period a year ago. Sales during the quarter dropped by more than 40 percent.

[Sony Ericsson](#) said its share of the global handset market came to around 5 percent in the third quarter, compared to 38 percent for market leader Nokia Corp.

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