

Oracle CEO: about 1,000 layoffs planned for Sun

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Oracle President Charles Phillips speaks at an Oracle and Sun strategy update event in Redwood City, Wednesday, Jan. 27, 2010. (AP Photo/Jeff Chiu)

(AP) -- Oracle Corp. CEO Larry Ellison cheered the closing of his company's \$7.4 billion acquisition of Sun Microsystems on Wednesday, vowing that Sun will immediately add to Oracle's profits. He said layoffs won't be as severe as some industry analysts were predicting.

Analysts had expected Sun to suffer huge job cuts once Oracle closed

the acquisition. But Ellison said Oracle wants to bulk up Sun's staff to improve its sales - a problem Sun has had trouble cracking since the dot-com meltdown a decade ago.

Oracle is hiring 2,000 people over the next few months for the Sun businesses, while [layoffs](#) from the acquisition will be about half that number, Ellison said.

"We're hiring, not firing. We're not cutting Sun to profitability," Ellison said at a conference with industry analysts at Oracle's headquarters here. "We think Sun's a growing business."

Ellison also confirmed that he's interested in buying the Golden State Warriors basketball team, a prospect that had been rumored.

"I'm trying," he said, in response to a question. "Unfortunately you can't have a hostile takeover of a basketball team." The line got laughs because Oracle is a highly acquisitive company and won a bruising hostile takeover fight for rival PeopleSoft, a \$10.3 billion deal Oracle closed in 2005.

Ellison had previously expressed interest in buying an NBA franchise and could take the Warriors if current top man Chris Cohan eventually decides to sell.

Oracle said Wednesday that it completed the Sun acquisition, one week after the European Union offered its long-awaited approval of the deal. European regulators determined the combined company would not harm competition in the database software markets, where Oracle dominates but a Sun division is a growing rival.

Sun was a dot-com highflyer that advanced the technology used to link computers, making them more useful as a network.

The deal with Oracle was announced last April. The U.S. Department Justice cleared it four months later.

With Sun, Oracle gets ownership of the Java programming language, which runs on more than a billion devices, and the Solaris operating system. Oracle also gets sophisticated server technology that it can bundle with its software. Sun is the world's No. 4 server maker.

One reason job losses may be limited is the fact Sun has already cut deeply because of its sagging finances.

In October, Sun revealed plans to cut up to 3,000 jobs as the antitrust scrutiny dragged on. Sun has already cut about 7,600 workers in three previous rounds of layoffs.

Sun had 27,596 employees at the end of September.

Previous Oracle acquisitions have been followed by deep job cuts.

Oracle fired some 5,000 workers after completing the PeopleSoft deal. Many of the layoffs came from PeopleSoft's 11,000-plus work force. The next year, Oracle cut about 2,000 jobs after absorbing Siebel Systems Inc., a company it bought for \$5.85 billion and had 4,700 workers.

Oracle shares fell 2 cents to close at \$23.86 on Wednesday.

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