

Cisco narrows focus with new business structure

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(AP) -- Cisco will undergo a number of structural changes following several challenging quarters as the networking behemoth attempts to become more efficient in bringing products to market.

Cisco Systems Inc., which last month killed off its Flip Video camcorder business, has tried to narrow its focus as competition intensifies. It said Thursday that it now wants to focus on five priorities: core routing, switching and services; collaboration; data center virtualization; architectures and video.

Last month, CEO John Chambers acknowledged criticism that the [company](#) has attempted to compete in too many areas. He sent employees a memo vowing to take "bold steps" to narrow the company's focus.

Chambers warned of "tough decisions" ahead for the company.

Spokeswoman Kristin Carvell declined to comment Thursday on whether there would be [layoffs](#) or executive departures.

[Cisco](#) said it will organize worldwide field operations according to three geographic regions. Its services business will organize around key customer segments and delivery models.

The company is also streamlining its engineering organization and will now have three "councils," which at Cisco have traditionally formed

around each of the company's top priorities. Those councils will focus on enterprise, service provider and emerging countries.

The changes will take place over the next 120 days, the company said.

Shares of San Jose, Calif., company rose 12 cents to \$17.59.

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