

Cisco cutting workforce by nine percent

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US networking giant Cisco on Monday said it will eliminate 6,500 jobs, cutting its global workforce by nine percent as part of a move to slash its annual operating costs.

The California-based company also announced a deal to sell its television set-top box facility in Juarez, Mexico to Foxconn Technology Group. The 5,000 workers at the company will become Foxconn employees, Cisco said.

Foxconn was expected to take over the facility in Mexico in the early months of next year.

Cisco said the moves were part of an action plan to "simplify the

organization, refine operations, and reduce annual operating expenses" by a billion dollars.

Cisco in April pulled the plug on its Flip video camera business, which it bought about two years ago for \$590 million, and cut 550 [jobs](#).

Cisco's decision to shut down the Flip unit was part of what the company said was a move to exit aspects of its consumer businesses and focus on other priority areas.

Cisco explained at the time that it was realigning its remaining consumer businesses "to support company priorities -- core routing, switching and services; collaboration; architectures; and video."

Cisco chairman and [chief executive](#) John Chambers said the [company](#) was devoted to a "network-centric platform strategy."

[Cisco](#) shares rose slightly to \$15.45 in after-hours trading on Wall Street.

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