

RIM cutting 2,000 jobs, COO retiring

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An official from Research in Motion (RIM) Indonesia displays a BlackBerry PlayBook in Jakarta in April 2011. Blackberry maker RIM announced it was cutting 2,000 jobs and that its ailing chief operating officer planned to retire.

BlackBerry maker Research In Motion (RIM) announced Monday it was cutting 2,000 jobs and that its ailing chief operating officer planned to retire.

RIM, which is facing increased competition from Apple's iPhone and mobile phones running Google's <u>Android</u> software, revealed plans last month to slash jobs this quarter in a bid to "streamline operations."

The job cuts announced Monday amount to just over 10 percent of the global workforce of the Waterloo, Ontario-based company.

RIM said in a statement that it would have around 17,000 employees



when the layoffs are complete.

"The workforce reduction is believed to be a prudent and necessary step for the long-term success of the company," RIM said. "It follows an extended period of rapid growth within the company whereby the workforce had nearly quadrupled in the last five years alone."

RIM said the <u>financial impact</u> of the job cuts will be disclosed when the company announces its second quarter results on September 15.

RIM also said that chief operating officer Don Morrison, who is on temporary medical leave, planned to retire after more than 10 years with the company.

Morrison will be replaced by Thorsten Heins and Jim Rowan, who will split the COO duties.

"Don's presence at RIM will be missed, but our senior management and sales teams had already stepped up to manage Don's responsibilities since the commencement of his medical leave," RIM co-chief executives Jim Balsillie and Mike Lazaridis said.

"We're confident in the ability of those teams to continue Don's tradition of success going forward," they said.

RIM said Heins will be COO for product and sales and would be in charge of the company's hardware and software teams.

As COO for operations, Rowan will be responsible for RIM's manufacturing, global supply chain, repair services, organizational development and facilities management.

RIM's most famous product, the BlackBerry, is a favorite of businesses



around the world but the company has struggled against the <u>iPhone</u> and Android devices in the consumer space.

A touchscreen tablet computer, the BlackBerry PlayBook, released in April to compete with Apple's popular iPad, received desultory initial reviews.

RIM shares were down 2.01 percent at \$27.35 in early trading on Wall Street.

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