

Ericsson closes down cable production, cuts jobs

May 21 2013

Wireless equipment maker Ericsson AB says it will close down its telecom cable manufacturing operation and cut around 350 jobs in Sweden.

Ericsson said Tuesday it has given notice to 318 workers in the city of Hudiksvall in Sweden and has started negotiations with unions to cut another 36 positions in Stockholm.

Tomas Qvist, head of Special Products in [business unit](#) Networks, said the decision was based on the fact that Ericsson's production of telecom cables has a small [market share](#), has "not been operating at full capacity for a long time and has struggled with profitability."

The telecom cables operation had [net sales](#) in 2012 of about 1 billion kronor (\$150 million) and Ericsson said it expects the closure to cost around 500 million kronor (\$75 million).

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