

# ESPN is cutting about 300 jobs, or 4 percent of staff

October 21 2015, byTali Arbel

---



This Sept. 16, 2013 file photo shows the ESPN logo prior to an NFL football game between the Cincinnati Bengals and the Pittsburgh Steelers, in Cincinnati. ESPN. Disney's ESPN on Wednesday, Oct. 21, 2015 confirmed it is cutting about 300 jobs, or 4 percent of its staff, amid signs that the traditional cable bundle is less far-reaching than it once was. (AP Photo/David Kohl, File)

Disney's ESPN is cutting about 300 jobs, or 4 percent of its staff, amid signs that the traditional cable bundle is less far-reaching than it once

was.

ESPN spokeswoman Amy Phillips confirmed the number of job losses Wednesday.

The sports channel is one of the linchpins of the traditional cable bundle of hundreds of channels, which is under pressure from viewers migrating online. A few are choosing to bypass paying for a cable subscription entirely, opting instead for a growing number of choices of online TV alternatives.

The job cuts are a "necessary part of our continued strategic evolution to ensure ESPN remains the leader in sports as well as the premier sports destination on any platform," said ESPN CEO John Skipper in a memo to employees that was posted online.

Disney in August trimmed its TV profit outlook because of a loss of ESPN subscribers. ESPN gets money from cable and satellite companies that carry its channels, and it's the most expensive of the basic pay TV channels. Data provider SNL Kagan has estimated that ESPN costs cable and satellite TV companies \$6.61 per monthly subscriber.

So ESPN comes under pressure as people skip the cable bundle or choose cheaper TV packages with fewer channels.

The company has said that it doesn't expect big declines in traditional TV subscribers over the next few years. But CEO Bob Iger said in August that if the business declines, Disney would consider selling ESPN straight to viewers.

There are already big media brands doing that, like HBO, CBS and Showtime.



In this Oct. 6, 2014, file photo, ESPN President John Skipper smiles during a news conference in New York. Disney's ESPN on Wednesday, Oct. 21, 2015 confirmed it is cutting about 300 jobs, or 4 percent of its staff, amid signs that the traditional cable bundle is less far-reaching than it once was. Skipper says, in a memo to employees that was posted online, these cuts are part of changes being made to keep ESPN as the "premier sports destination on any platform." (AP Photo/Mark Lennihan, File)

For affected ESPN employees: Skipper said they would get a minimum of 60 days' notice, severance packages and job search assistance.

Shares of Burbank, California-based The Walt Disney Co. rose \$1.50, or 1.4 percent, to \$111.34 in midday trading Wednesday.

**More information:** ESPN's memo: [espnmediazone.com/us/174517-2/](http://espnmediazone.com/us/174517-2/)

© 2015 The Associated Press. All rights reserved.

Citation: ESPN is cutting about 300 jobs, or 4 percent of staff (2015, October 21) retrieved 9 April 2024 from <https://phys.org/news/2015-10-espn-jobs-percent-staff.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.