More Jobs Cut at IBM and Google: Pink Slips Continue

What Good News? The New York Times, IBM, and Google Layoff Workers, Despite Positive Economic News This Week

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Recent bright spots in the economy haven't stopped the cascade of pinks slips coming from some of the country's best-known employers.

IBM is reportedly slashing 5,000 jobs, Google has said it will trim nearly 200 positions and the New York Times will cut 100 employees and institute 5 percent pay cuts for most of its staff in exchange for 10 days of leave.

News of the layoffs comes in the wake of some encouraging signals for the U.S. economy: Sales of new and existing homes rose unexpectedly last month while Wall Street has seen triple-digit stock rallies this week.

"There have been some positive signs but, at the same time, the last year has been really uncertain and I think [companies] are feeling the uncertainty," said Jenny Schade, the president of JRS Consulting, a management and marketing consulting firm in Chicago. "They're continuing to buckle down and brace themselves for more difficulties and that means continuing to shed workers."

New York Times publisher Arthur Sulzberger and chief executive Janet Robinson noted "the global economic crisis" in a memo to employees on the layoffs and pay cuts.

"This was a very difficult decision to make," they said. "The environment we are in is the toughest we have seen in our years in business."

In a message posted to his blog, Google senior vice president Omid Kordestani partly blamed his company's job cuts on "overlapping organizations" that make Google's teams "less effective and efficient."

"Google has grown very quickly in a very short period of time," he said. "When companies grow that quickly, it's almost impossible to get everything right, and we certainly didn't."

IBM did not return a call for comment. The Wall Street Journal reported Thursday that the company planned to lay off 5,000 U.S. employees and transfer many of their jobs to India.

News of the layoffs came the same day as the U.S. Labor Department announced the total number of people collecting unemployment benefits rose to 5.56 million, a record high.

The nation lost 650,000 jobs last month while the unemployment rate jumped to 8.1 percent as companies continued to slash payrolls.

In the past four months alone, employers shed 2.6 million jobs. Last month's job declines were "widespread across nearly all major industry sectors," according to the U.S. Bureau of Labor Statistics.

Below, a look at some of the major companies cutting jobs as they struggle against economic headwinds.

Ailing Autos

As the recession continues to pound the U.S. auto industry, workers at General Motors and Chrysler are seeing their numbers shrink. The country's No. 1 and No. 3 automakers told the federal government last month that they planned to cut thousands of jobs to help keep their businesses viable.

GM announced 47,000 in job cuts worldwide, including reducing U.S. hourly jobs by 20,000. Chrysler said it would cut 3,000 jobs. Since January 2007, the company has cut 32,000 positions, or 37 percent of its workforce. These latest cuts will bring that number to 35,000.

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The cuts come despite the billions of dollars in government loans extended to the two companies.

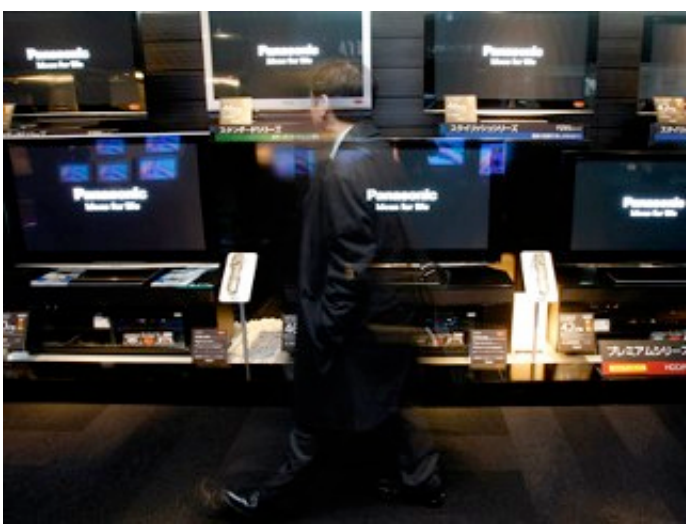
Like its U.S. counterparts, French car company Peugeot also received billions in government aid but still recently slashed thousands of jobs. Peugeot, which received $4 billion in aid from the French government, plans to cut its workforce by up to 12,000 jobs.

Electronics Layoffs

A cheap night at home in front of the television may have new appeal for cost-conscious consumers these days, but that hasn't made television manufacturers and their employees immune to the recession.

Pioneer, known for making plasma televisions as well as other products, will shutter its TV business in favor of focusing on car electronics. The Tokyo-based company, which has projected a record loss for 2009, will cut 10,000 jobs around the world, including 4,000 temporary employees.

Fellow Japanese company Panasonic Corp., the electronics giant known for flat-screen TVs as well as digital cameras, announced in early February that it would slash 15,000 jobs and close 27 plants worldwide.



Panasonic, which saw its third-quarter sales drop by 20 percent, announced its first annual loss in six years.

"The current financial crisis originated in the United States has spread across the world and the company's outlook of the business environment has been extremely uncertain," the company said in its financial forecast.

In December, consumer electronics titan Sony kicked off the recent spate of electronics manufacturer layoffs with 16,000 job cuts, including 8,000 part-time and seasonal workers.

The electronics slump has extended to at least one electronics retailer: In November, Circuit City filed for Chapter 11 bankruptcy protection. The move came a week after the retailer announced it was closing about 155 Circuit City stores. As part of the store closings, 7,305 jobs were cut.

Computers and Communications

Microsoft said in January it would slash 5,000 jobs in the next 18 months. It seems that even the once-mighty tech sector can't escape the recession.

"While we are not immune to the effects of the economy, I am confident in the strength of our product portfolio and soundness of our approach," Microsoft CEO Steve Ballmer said in a statement.

In late January, AOL Inc. chief executive Randy Falco sent an internal memo to employees about plans to cut about 700 jobs, 10 percent of its work force, and freeze salary increases. AOL, a division of Time Warner Inc., is an Internet services and media company. Falco explained that the company's been hurt as online marketers tighten advertising budgets.

People talking on cell phones remains a ubiquitous sight around the world, but that doesn't mean that telecommunications companies are sailing through the global economic slump.

The country's largest telecommunications company, AT&T, said in December that it was eliminating 12,000 jobs because of tough market conditions. Sprint Nextel, the nation's third-largest wireless carrier, announced 4,000 job cuts in January.

"Labor reductions are always the most difficult action to take, but many companies are finding it necessary in this environment," Sprint Nextel CEO Dan Hesse said in a statement.

Bank Layoffs

As financial firms have seen billions of dollars evaporate during the worldwide financial crisis, they've cut tens of thousands of employees.

Among the most notable were the layoffs caused by the September collapse of the brokerage firm Lehman Brothers. Shock waves spread throughout the financial world when Lehman filed for bankruptcy Sept. 15, the largest bankruptcy in U.S. history.

British bank Barclays purchased Lehman's North American investment-banking and trading divisions, saving some jobs. But an estimated 16,000 people still lost their jobs.

Of the country's five former brokerage giants, only Morgan Stanley and Goldman Sachs have survived the recession. But both did so by converting themselves into bank holding companies -- a move that qualified them for the federal government's bank bailout -- and laying off thousands of employees.

Morgan, which cut 7,000 jobs last year, may now cut 1,800 more, the Wall Street Journal reports. Goldman, which announced 3,200 in job cuts in November, is also reportedly considering more reductions.

The retail banking sector has seen its own share of job losses, including those caused by the largest bank failure of the year. When too many bad loans finally caught up with Washington Mutual, the nation's largest thrift, JPMorgan Chase, purchased the bank for $1.9 billion.

In December, JPMorgan announced the elimination of 9,200 jobs related to the WaMu acquisition. Another 9,160 jobs were cut in May by JP Morgan in connection with its acquisition of failed investment bank Bear Stearns.

Banking giant Citigroup had more layoffs than any other company in 2008, according to the outplacement firm

Challenger, Gray & Christmas. Citigroup announced a 9,000-job reduction in April, but the brunt of its layoffs came right before Thanksgiving: another 50,000 jobs eliminated.

Food and Drink

As Americans look for cheaper java, upscale coffee seller Starbucks is suffering. The company, facing competition from lower-cost companies such as Dunkin' Donuts and McDonald's, announced in July it was closing 600 under-performing, company-owned stores and cutting U.S. expansion plans amid concerns about America's slowing economy. As part of those store closings, 12,000 jobs were lost.

Americans struggling with rising mortgages and high gas prices are also cutting back on the number of meals eaten out. One of the early casualties of the restaurant slump was Bennigan's. The franchise filed for bankruptcy in July, closing all the company-owned restaurants. About 9,300 people lost their jobs.

Retailers

As shoppers stay home, stores ranging from toy sellers to even low-cost retailer Wal-Mart -- once considered to be relatively safe from recession woes -- are cutting back on staff.

Wal-Mart announced Feb. 10 that it would cut 800 jobs. Most of the Wal-Mart and Sam's Club job losses will come from the company's Arkansas headquarters. Despite the round of layoffs, Wal-Mart Inc. spokesman David Tovar said the company planned to add employees at retail stores across the country, according to the Associated Press.

Target Corp., the popular discount retailer, announced major layoffs in January. Target planned to reduce staff at its Minnesota headquarters, including about 600 employees and 400 open positions, primarily in the Twin Cities area. Later in the year, the company plans to close its Little Rock, Ark., distribution center, which staffs 500 employees.

In a statement to Reuters, the company cited the economy as the main reason for cutting jobs.

The crumbling economy has also taken its toll on one of the largest department store chains. Macy's announced Feb. 2 that it will cut 7,000 jobs, about 4 percent of its work force.

The company's cost-cutting measures include restructuring its retail divisions and reducing planned expenses. Macy's Inc. operates more than 840 department stores -- under Macy's and Bloomingdale's -- across the nation, with corporate offices located in New York and Cincinnati.

While belt-tightening consumers may embark on more do-it-yourself projects instead of hiring contractors, that hasn't stopped do-it-yourself mecca Home Depot from scaling back its operations. The home improvement retailer is closing its high-end EXPO stores, a move that will affect 7,000 employees, or 2 percent of the company's work force. In addition, Home Depot said it would also institute a salary freeze for company officers.

The grim shopping environment may have been the fatal blow to KB Toys. The toy retailer, with 275 stores in malls and nearly 200 more temporary and outlet stores, filed for bankruptcy protection. It was the second filing in four years for the company. As the toy store company goes out of business, 15,000 workers will lose their jobs.

From FedEx to Pharma

Sectors ranging from shipping to pharmaceuticals to construction equipment are also feeling the pinch. A few recent examples:

- FedEx plans to let go 900 jobs across 130 facilities. The company layoffs come after a decline in customer demand since December. Other cost-cutting measures include halting contribution to employees' retirement plans for at least a year.

- Pfizer, which is buying rival pharmaceutical giant Wyeth for $68 billion, is planning to cut 8,000 jobs by the end of March, about 13 percent of its work force.

Construction equipment manufacturer Caterpillar said it would cut 20,000 jobs -- nearly 20 percent of its work force -- after reporting that its profits had fallen 32 percent. The company said the job cuts were designed to help "deliver our 'trough' profit target" of $40 billion in sales and revenues.

With reports by ABC News' Sarah Netter, Scott Mayerowitz and Eleanor Hong.