

# Tech layoffs: San Jose streaming giant Roku plans to cut hundreds of jobs

November 18 2022, by George Avalos

---



Credit: FASTILY, CC BY-SA 4.0 , via Wikimedia Commons

Roku, a San Jose streaming giant, has disclosed plans to jettison

hundreds of employees, in a new disclosure that widens the increasingly painful job cuts that have jolted the Bay Area's tech sector.

The company estimated that the staffing reductions would be complete by the end of March 2023, Roku stated in a regulatory filing on Thursday with the Securities and Exchange Commission.

"Roku approved a plan to reduce the company's headcount expenses by a projected 5% to slow down the Company's 2023 operating expense growth rate due to current economic conditions," Roku revealed in the SEC filing. "This will affect approximately 200 employee positions in the United States."

At the end of 2021, Roku employed about 3,000 workers worldwide. A loss of 200 workers would equate to 6.7% of that global total.

Over the one-year period that ended in September, Roku lost \$237.1 million on revenue of \$3.12 billion. During 2021, Roku posted a profit of \$242.4 million on revenue of \$2.76 billion, according to the Yahoo Finance website.

San Jose-based Roku estimated that it would have to take one-time charges of \$28 million to \$31 million to cover the cost of the employee terminations, the company said.

"Severance payments, notice pay (where applicable), employee benefits contributions and related costs" were listed as the primary factors behind the charges, the company said.

The [company](#) pointed to [tough times](#) ahead for the economy generally during a Nov. 2 conference call with Wall Street analysts to discuss its third-quarter financial results.

"There's a lot of uncertainty about the [economy](#) and when there's uncertainty around it, there's going to be a recession or consumers are pulling back on spending," Anthony Wood, Roku's chief executive officer, said during the call. "This is not a normal holiday season."

2022 MediaNews Group, Inc.

Distributed by Tribune Content Agency, LLC.

Citation: Tech layoffs: San Jose streaming giant Roku plans to cut hundreds of jobs (2022, November 18) retrieved 3 February 2023 from <https://techxplore.com/news/2022-11-tech-layoffs-san-jose-streaming.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.