

Fortnite maker Epic Games tightens belt with layoffs

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Epic is laying off about 16 percent of its employees, roughly 830 workers, citing struggling revenue.

Epic Games, maker of the highly popular Fortnite video game, said Thursday it is cutting its workforce to save money but will continue

spending on its legal battle over Apple and Google app stores.

Epic is laying off about 16 percent of its employees, roughly 830 workers, according to a copy of an email sent to staff by [chief executive](#) Tim Sweeney.

"For a while now, we've been spending way more [money](#) than we earn, investing in the next evolution of Epic and growing Fortnite as a metaverse-inspired ecosystem for creators," Sweeney told employees.

"I had long been optimistic that we could power through this transition without layoffs, but in retrospect I see that this was unrealistic."

Fortnite growth has reignited, but driven by creator content that involves significant revenue sharing by the company, according to Sweeney.

"Success with the creator ecosystem is a great achievement, but it means a major structural change to our economics," said Sweeney, who founded the company in the 1990s.

According to the chief executive, layoffs are the only way for the company to stabilize its finances and may result in some development delays.

"Some of our products and initiatives will land on schedule, and some may not ship when planned because they are under-resourced for the time being," Sweeney said.

While Epic has been taking steps to reduce legal expenses, it is "continuing the fight against Apple and Google distribution monopolies and taxes," he told workers.

Epic has been fighting Apple and Google in US courts over rules and

fees at their respective app stores, where users download [digital content](#) like Fortnite for [mobile devices](#).

US-based Epic is also selling off Bandcamp, the online music shop and community which it acquired early last year, and spinning off the ad business of another unit devoted to technology for keeping children safe online, the email explained.

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