

## Jobs go at Oracle after takeover

Oracle has announced it is cutting about 5,000 jobs following the completion of its \$10.3bn takeover of its smaller rival Peoplesoft last week.

The company said it would retain more than 90% of Peoplesoft product development and product support staff. The cuts will affect about 9% of the 55,000 staff of the combined companies. Oracle's 18-month fight to acquire Peoplesoft was one of the most drawn-out and hard-fought US takeover battles of recent times. The merged companies are set to be a major force in the enterprise software market, second only in size to Germany's SAP.

In a statement, Oracle said it began notifying staff of redundancies on Friday and the process would continue over the next 10 days. "By retaining the vast majority of Peoplesoft technical staff, Oracle will have the resources to deliver on the development and support commitments we have made to Peoplesoft customers over the last 18 months," Oracle's chief executive Larry Ellison said in a statement.

Correspondents say 6,000 job losses had been expected - and some suggest more cuts may be announced in future. They say Mr Ellison may be trying to placate Peoplesoft customers riled by Oracle's determined takeover strategy. Hours before Friday's announcement, there was a funereal air at Peoplesoft's headquarters, reported AP news agency. A Peoplesoft sign had been turned into shrine to the company, with flowers, candles and company memorabilia. "We're mourning the passing of a great company," the agency quoted Peoplesoft worker David Ogden as saying. Other employees said they would rather be sacked than work for Oracle. "The new company is going to be totally different," said Anil Aggarwal, Peoplesoft's director of database markets. "Peoplesoft had an easygoing, relaxed atmosphere. Oracle has an edgy, aggressive atmosphere that's not conducive to

innovative production." On the news, Oracle shares rose 15 cents - 1.1% - on Nasdaq. In after-hours trading the shares did not move.