

Ericsson to Exit Russia, Cut Staff – Kommersant

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Andre M. Chang/ZUMA Press Wire/TASS

Swedish telecom equipment maker Ericsson will finalize its Russia exit and cut staff this year, signaling further problems for Russian network coverage upkeep, the Kommersant business daily [reported](#) Monday.

Ericsson's headquarters in Stockholm had informed its Russian unit last week that it will shut down and employees will be fired by the end of 2022, Kommersant reported, citing unnamed telecom industry sources.

Ericsson employs 565 people in Russia, according to corporate data.

The company vowed financial and social support to outgoing staff, Kommersant reported, and said it will complete the phaseout in the coming months "as it fulfills its obligations to customers."

At least two top Russian mobile operators, MTS and Tele2, had major contracts with Ericsson

prior to Russia's invasion of Ukraine. Ericsson's share of the Russian telecom equipment market is estimated at about 20%.

Russian mobile operators now face shortages of equipment for Ericsson's base stations, which are no longer available under warranty, and the discontinuation of tech support for Ericsson software, Kommersant said, citing Russia's state-owned defense and technology conglomerate Rostec.

Experts told the publication that Ericsson could either create a separate legal entity for tech support, or Russian mobile operators could hire its outgoing staff to maintain equipment.

Ericsson [suspended](#) Russian business and put employees on paid leave in April over Russia's invasion of Ukraine. Its Finnish rival Nokia [pulled out](#) of the Russian market the same month, while Chinese telecom giant Huawei [temporarily suspended](#) new orders and furloughed Russian staff in fear of secondary sanctions.

The three companies account for [nearly three-quarters](#) of the global base station market.

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