

Microsoft closes Xbox Entertainment Studios

SAN FRANCISCO, USA: Microsoft, caught-up in a battle to restructure its business, has confirmed that its studio devoted to original television programs for Xbox consoles will be closed.



Xbox Head, Phil Spencer has confirmed the Xbox Entertainment Studios will close down later this year. Image: [Polygon](#)

Projects started by Xbox Entertainment Studios will be completed, but the unit launched as part of a drive to expand the consoles beyond gaming will be shut-down in coming months, Microsoft said.

During a major E3 video game industry gathering in Los Angeles in June Microsoft brought the focus back to games in a shift from stressing how Xbox is evolving into a multi-purpose entertainment centre for films, television, music, and more.

Closing Xbox Entertainment Studios is part of an unprecedented workforce reduction announced by Microsoft Chief Executive Satya Nadella, according to a copy of a memo sent by Xbox Head Phil Spencer to his team.

Leaked copies of Spencer's memo were posted online.

"We will continue to enhance our entertainment offering on consoles by innovating the TV experience through the monthly console updates," Spencer said in the memo.

Partnerships with content providers not affected

"Additionally, our app partnerships with world-class content providers bringing entertainment, sports and TV content to Xbox customers around the world are not affected by this organisational change in any way and remain an important component of our Xbox strategy," he wrote.

Programming already in production include a documentary looking at the rise and fall of video game pioneer Atari and a series spun out of the blockbuster video game "Halo."

Word that Xbox Entertainment Studios is being closed came shortly after Microsoft announced that US sales of its new-generation Xbox One console more than doubled in June.

The jump in sales was credited to the release of a version of the Xbox One priced at \$100 less than the original packaged model because the gesture-sensing Kinect camera accessory was taken out of the bundle.

Microsoft is to cut its workforce by 18,000 people over the next year, the majority from Nokia.

The cuts represent about 14% of Microsoft's global payroll of 127,000.

Source: AFP via I-Net Bridge

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