As part of entertainment industry bloodletting, Disney lays off hundreds in latest round of job cuts—despite increased revenue

Hong Jian
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The Walt Disney Company reportedly began laying off hundreds of employees throughout the conglomerate's global empire June 2, with most of the cuts taking place in the Disney Entertainment division, according to *Deadline*.

Disney Entertainment encompasses a large slice of the film, television, sports and music world, including ABC, ESPN, Disney Channel, Freeform, FX, National Geographic, Marvel Studios, Lucasfilm, 20th Century Studios, Searchlight Pictures, Pixar Animation, Hulu, A&E Networks, Walt Disney Pictures and Walt Disney Animation Studios.

The job-slashing reported Monday is only the most recent round of layoffs at the massive corporation (with US$4.972 billion net revenue in 2024), but sources indicate the cuts will be the largest in the past year. They come on the heels of 200 layoffs at ABC News and other networks in March. In October 2024 Disney laid off 75 employees in the same division. A month earlier, Disney eliminated around 300 employees in a number of US corporate departments, including human resources, finance and legal. In July 2024, the conglomerate terminated 140 employees in its television operations.

Since Robert Iger returned to Walt Disney Company as CEO in 2023, the corporation has carried out thousands of job cuts, with over 8,000 employees let go in his first year back in charge.

The layoffs are being implemented despite increasing and robust profits for the company, prompting Reuters to assert that "Walt Disney quarterly results are looking like the happiest place on earth." If one is not an employee facing the unemployment line. Reuters continued

> The media giant exceeded expectations in its most recent quarter, bolstered by an unexpected boost in its Disney+ streaming business and strong results from its theme parks that suggested consumer resilience despite a turbulent global economic environment.

Disney reported a five percent increase in revenue in the quarter ending in December 2024 over the same three months in 2023 and a seven percent rise in the quarter ending in March of this year over the equivalent quarter in 2024. Gross earnings rose from $22.1 billion in the second quarter of 2024 to $23.6 billion during the same period this year.

Disney Entertainment specifically, the sector hit by the new job cuts, enjoyed an increase in revenue from $0.8 billion to $1.7 billion in the first quarter of 2025. As part of that, Direct-to-Consumer operating income rose by $431 million over the first quarter of 2024 to $293 million in the same period this year and second quarter revenue grew by $289 million over the 2024 figure to $336 million.

The *Hollywood Reporter* noted that

> In fact, after losing 700,000 Disney+ subscribers in the prior quarter, the company added 1.4 million subscribers in its latest quarter, bringing its Disney+ subscriber total to 126 million.

Hulu also reported an increase of 1.1 million subscriptions, bringing its total to 54.7 million.

Disney blamed the latest round of layoffs on the decline of traditional television viewing, even though its television departments, streaming and traditional, saw an increase in revenue. After mildly reporting on “what is expected to be a tough day on the Disney campuses, *Deadline* obediently justified the layoffs as “part of an ongoing cost-cutting process at the traditional media companies as they reshape their business to focus on streaming while facing economic headwinds.”

Disney executives and large shareholders are riding a tailwind, and riding it all the way to the bank. Iger was compensated in 2024 to the tune of $41.1 million, a 30 percent increase from 2023, propelled by higher stock and option awards. Disney Chief Financial Officer Hugh Johnston took home $24.5 million.

Despite the generally rosy picture, the ruthless conglomerate continues to lay off employees. In a recent earnings statement, Iger commented,

> Our outstanding performance this quarter—with adjusted EPS [earnings per share] up 20% from the prior year driven by our Entertainment and Experiences businesses—underscores our continued success building for growth and executing across our strategic priorities. Following an excellent first half of the fiscal year, we have a lot more to look forward to … Overall, we remain optimistic about the direction of the company and our outlook for the remainder of the fiscal year.

In an internal memo, Iger raved about the company’s recent performance. He referred to upcoming mega-projects, including the construction of a new theme park in Abu Dhabi, and the success of the entertainment segment, which, as noted, includes movies, television, news and sports.

Cynically addressing Disney employees, he concluded, “The creativity and determination you bring to work every day made these strong results possible and will be the key to our continued success.”

Disney is hardly alone in its relentless efforts to drive up share value while attacking the living standards and livelihoods of its employees. *Deadline* reported June 4 that although “the new year has almost passed its first full fiscal quarter, media layoffs across the entertainment industry have continued to bleed over from last year’s avalanche of job cuts.”

The video game website Polygon, recently sold by Vox Media, has reported mass layoffs. A statement from the Writers Guild of America East complained, “It is hard to fathom management’s commitment to its workers and its readers when this marks the fifth round of layoffs in just the last six months.”

NBC Universal, owned by Comcast, announced the first round of layoffs in late April due to restructuring. Lionsgate Television laid off 80 employees in early March, about 6 percent of its workforce. Universal International Studios recently cut jobs in London, Australia and Los Angeles. In early June Warner Bros. Discovery implemented a new wave of cuts in its cable television operations, 12 months after its last cuts.

Critical Content, a film and television production company, has furloughed an unspecified number of its television staff. CNN sacked 200 staff in January. Meta announced plans in January to lay off 5 percent of its total workforce in the coming year. The *Los Angeles Times* and *Washington Post* have both reported job losses.

The corporate bloodletting faces absolutely no opposition from the entertainment and media unions, whose individual leaders earn hundreds of thousands and even millions of dollars annually. These organizations act as management’s foot soldiers, “easing” the way for the employers and presiding over the job cuts. SAG-AFTRA, IATSE, the Teamsters and the others consciously sabotage each fight for wages and jobs, keeping the various struggles isolated and weakened, divided along every possible job or jurisdictional line.

The only “solution” that the various guilds and unions in California propose is to line up behind the Democratic Party and sections of big business in a reactionary campaign to “keep jobs in Los Angeles,” an effort that is both utopian and selfish, precluding any effort to unite film and television workers *across the continent* in a united struggle against the conglomerates like Disney. The domination of the Igers and their ilk is a recipe for ongoing economic and cultural disaster.

The movement of the rank-and-file against the union bureaucracies, through the formation of independent action committees, is crucial to the emergence of such a mass, anti-capitalist movement.