# Pfizer to lay off 6,000 workers

**Hiram Lee**
**19 May 2010**

Pharmaceutical giant Pfizer, Inc. has announced it will cut 6,000 manufacturing jobs worldwide as part of a continuing program to reduce costs following the 2009 takeover of a rival company.

Pfizer says at least eight of its manufacturing plants will also be shut down by 2015, while six others will have their operations reduced. Slated for closure are US pharmaceutical plants in Rouses Point and Pearl River in New York; Caguas and Carolina, Puerto Rico; and Richmond, Virginia. In Ireland, plants in Dublin, Loughbeg and Shanbally are to end operations.

In addition, operations are to be reduced at plants in Newbridge, Ireland; Havant, Britain; Illertissen, Germany; Guayama, Puerto Rico; Andover, Massachusetts; and Sanford, North Carolina. Pfizer operates 78 plants globally, employing 33,000 workers in all.

The cuts are the latest in a series of layoffs that began following the company's 2009 takeover of rival pharmaceutical company Wyeth, whose products included over-the-counter medicines Advil and Robitussin. Since October 2009, when the $68 billion deal to purchase Wyeth was finalized, Pfizer has already slashed 6,900 jobs. The company says it will ultimately cut 20,000 jobs in all as it continues the process of integrating Wyeth into its operations.

In a statement on the cuts, Pfizer's global manufacturing president Nat Ricciardi said, "The restructuring of our global plant network is critical to our efforts to remain competitive so that we can continue to meet patient needs and expand the access and affordability of our medicines." The company has also expressed concerns over the impact on profits caused by the loss of patent protection rights for a number of its drugs by 2012, including Lipitor, Viagra, Detrol and Aricept.

But while the company insists it must strip production costs and force workers out of their jobs in order to remain competitive, there has been more than enough money to go around for the executives at the top of the corporation. Pfizer CEO Jeffrey Kindler ranks 137th on the Forbes list of Executive Pay in 2010, up from the 270th spot in 2009. The CEO was given a 12.5 percent salary raise in February, bringing his salary up to $1.8 million annually. Pfizer Vice President Ian Read was also given a 10 percent raise, bringing his salary to $1,166,000. In 2009, Jeffrey Kindler received a total compensation package, including bonuses, stock options and other perks, equaling $13.7 million.

Pfizer continues to be an extremely profitable corporation, taking in $50 billion in revenues in 2009, up from $48.3 billion in the previous year. Approximately $3.3 billion were added to the company's revenues due to the acquisition of Wyeth alone.

As Pfizer executives receive raises and awards, their manufacturing workforce is told their jobs can no longer be afforded and will have to be sacrificed. These cuts will have a devastating impact on the communities in which Pfizer plants provide major employment. The economies of Puerto Rico and Ireland and the living standards of their workers will be especially hard hit.

The Puerto Rican economy has been suffering under a four-year recession and in March registered an unemployment rate of 16.2 percent. Over the past decade, the manufacturing sector has contracted greatly, with tens of thousands of jobs lost. Those put out of work by Pfizer will now have few options before them.

Ireland's unemployment rate stands at 13.4 percent and, like Puerto Rico, has seen increasing job cuts from multinational corporations such as computer manufacturers and telecommunications companies Dell, Ericsson and IBM in recent years. At the same time, Irish workers are being told they must accept major austerity measures in order to stabilize the

economy. Prospects for laid off Pfizer workers under these conditions will be grim.

In New York, where, according to a May 10 *New York Times* report, up to 1,400 Pfizer workers will have their jobs cut and the company's Third Avenue office building has been put up for sale, the layoffs will also come as a major embarrassment to the local government.

In 2003, then-Governor George Pataki and New York City Mayor Michael Bloomberg awarded Pfizer some $47 million in tax incentives, of which $12 million have been used. The incentives were handed out with the promise that Pfizer would invest in the city and keep or create thousands of jobs in the area. Since then, the company has steadily cut away at its New York workforce, shuttering its original manufacturing plants in the city. Now the company has taken the money and run.