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Pfizer Global Manufacturing Announces Plans To Reconfigure Its Global Plant Network

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Eight Sites Targeted for Exit; Reductions Recommended At Six Plants; Operations to Expand at Others

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(BUSINESS WIRE)--Pfizer Global Manufacturing announced today plans to reconfigure its worldwide plant network to create a fully aligned manufacturing and supply organization from the combined networks of Pfizer and Wyeth. This implementation of the first phase of Pfizer's previously announced Plant Network Strategy includes recommendations to cease operations at eight manufacturing sites in Ireland, Puerto Rico, and the United States by the end of 2015, as well as to reduce operations at six other plants in Germany, Ireland, Puerto Rico, the United Kingdom, and the United States.

The planned reductions will increase manufacturing efficiency and lower costs by more effectively using resources and technology, improving plant processes, eliminating excess capacity, and better aligning production with market demand. These changes will result in a global reduction of approximately 6,000 jobs over the next several years. Product transfers will expand the roles of a number of plants in Pfizer's manufacturing network.

"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," said Pfizer Global Manufacturing President Nat Ricciardi.

"Nevertheless, today's announcement is very difficult to make because of its impact on our colleagues," Mr. Ricciardi added. "We have a tremendous global workforce and some of the best manufacturing facilities in the industry. But we must continue to adjust to the fast-changing and extremely competitive environment in which we operate. That means realigning our network and reducing our manufacturing capacity so that we can position Pfizer for the next phase of growth across biopharmaceuticals and our diversified business portfolio."

The announcement is the culmination of an intense half-year evaluation of sites that manufacture aseptic (injectable), soliddose, and biotechnology medicines, as well as consumer healthcare products.

Pfizer plans to discontinue manufacturing operations over the next 18 months to five years at three solid-dose sites that manufacture tablets and capsules: Caguas in Puerto Rico; Loughbeg in Ireland; and Rouses Point, N.Y., in the United States. (Wyeth had previously announced in 2005 that it would exit and sell the Rouses Point site.)

The company also plans to phase out pharmaceutical solid-dose manufacturing at Guayama, Puerto Rico, and that site will expand its Consumer Healthcare operations.

Two aseptic facilities that make sterile injectable medicines are targeted for exit: Dublin, Ireland; and Carolina, Puerto Rico. Reductions are planned at two other solid-dose facilities: Illertissen, Germany and Newbridge,

Ireland.

While Pfizer's biotechnology portfolio continues to grow significantly, the company also proposes changes at its sites that manufacture vaccines and large-molecule medicines to improve efficiencies, capitalize on process and productivity improvements and new technology, and to simplify the supply chain. Pfizer plans to exit operations in Shanbally, Ireland, as well as biotechnology manufacturing in Pearl River, N.Y., in the United States. Plants in Sanford, N.C., and Andover, Mass., in the United States and Havant, in the United Kingdom, also expect to see reductions.

Pfizer plans to cease production of consumer healthcare products at its plants in Richmond, Va., and Pearl River in the United States. The Pearl River site will remain Pfizer's Center of Excellence for Vaccine Research and Development, as previously announced. Consumer Healthcare R&D also will continue in Richmond. In both Pearl River and in Richmond, R&D jobs will be unaffected by the planned manufacturing exits.

The timing of specific exits will depend upon the complexity of operations, the amount of time required for product transfers, and other business requirements.

In an effort to preserve jobs and minimize the impact to communities, Pfizer will explore opportunities to divest plants in the event operations are discontinued. Success will depend upon a number of market factors, including present demand for pharmaceutical manufacturing facilities.

"We are keenly aware of the impact these types of changes have on employees and their families," Mr. Ricciardi said. "We will provide support to our colleagues who lose their jobs so that their transition to new careers is as smooth as possible."

Pfizer's solid-dose network will include plants in Freiburg, Germany; Amboise, France; Vega Baja and Barceloneta, Puerto Rico; Ascoli, Italy; Newbridge, Ireland; and Illertissen, Germany. Plants in Puurs, Belgium; Perth, Australia; Catania, Italy; and Kalamazoo, Mich., in the United States will make up the aseptic network.

The biotechnology network will consist of sites in Grange Castle, Ireland; Strangnas, Sweden; Algete (Madrid), Spain; Havant, United Kingdom; and Andover, Mass. and Sanford, N.C., in the United States.

The Consumer Healthcare network will include plants in Guayama, Puerto Rico; Montreal, Canada; Albany, Ga., in the United States; Aprilia, Italy; Hsinchu, Taiwan; and Suzhou, China. Evaluations of Pfizer's Animal Health manufacturing sites are presently underway. Recommendations are expected by the end of June. Studies of the Nutrition and Emerging Markets plant networks will begin later this year.

Pfizer Global Manufacturing presently operates 78 plants internationally with a workforce of approximately 33,000 colleagues. It is one of the world's preeminent biopharmaceutical supply organizations.

Recommended Site Exits:

-- Caguas, Puerto Rico (solid-dose)

-- Carolina, Puerto Rico (aseptic)

-- Dublin, Ireland (aseptic)

-- Loughbeg, Ireland (solid-dose)

-- Shanbally, Ireland (biotechnology)

-- Rouses Point, N.Y. (solid-dose)

-- Richmond, Virginia (consumer healthcare manufacturing targeted for exit; R&D operations to remain in Richmond)

-- Pearl River, N.Y. (proposed exit of biotechnology and consumer healthcare manufacturing; vaccines and biotherapeutics vaccines R&D will remain active at this site)

Recommended Plant Reductions:

-- Guayama, Puerto Rico (phase-out of pharmaceutical solid dose operations planned; volume increases in consumer healthcare)

-- Newbridge, Ireland (solid-dose)

-- Andover, Mass., U.S. (biotechnology)

-- Sanford, N.C., U.S. (biotechnology)

-- Havant, UK (biotechnology)

-- Illertissen, Germany (solid-dose)

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The proposals set forth in this press release are subject to compliance with all local legal and regulatory obligations, including the obligation to inform and/or consult with labor organizations, works councils, trade unions and employee representatives.

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