

US drugmaker Eli Lilly to cut 3,500 jobs

September 7 2017

Eli Lilly will cut 3,500 jobs and close some drug manufacturing and research facilities in a cost-cutting drive, the US pharmaceutical company announced Thursday.

The majority of [job cuts](#) will come through an early retirement program in the United States expected to be completed by the end of 2017.

The program will result in one-time costs of \$1.2 billion that will affect third- and fourth-quarter earnings, the company said.

David Ricks, Lilly's chairman and [chief executive officer](#), painted the moves as a means to allow space to focus on new medicines.

"To fully realize these opportunities and invest in the next generation of [new medicines](#), we are taking action to streamline our organization and reduce our fixed costs around the world."

He noted that the company has launched eight medicines in the past four years and has "potential for two more by the end of next year."

Additional downsizing will come from closing a few select sites, including an animal health manufacturing facility in Iowa, and research and development offices in New Jersey and in Shanghai.

© 2017 AFP

Citation: US drugmaker Eli Lilly to cut 3,500 jobs (2017, September 7) retrieved 19 July 2024

from <https://phys.org/news/2017-09-drugmaker-eli-lilly-jobs.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.