ASTRAZENECA TO CUT JOBS AS GENERIC RIVALS BECOME POPULAR

AstraZeneca, a global pharmaceutical and biologics company based in the UK, may lay off some of its staff after its sales on some key drugs have been greatly affected by the boom of the cheaper generic competition recently. The drug giant has already employed a restructuring plan that entailed cutting costs, innovating its research, developing new efforts and removing thousands of jobs at its various offices worldwide.

According to the company's plan, over 1,800 jobs will be slashed globally, in which 550 job cuts are slated for cuts in its two Delaware plants. Once the lay offs have gone into effect, the Delaware plants' employment will be reduced from 4,800 employees, based on the 2005 records, down to about 3,500 staff. The Delaware plants' consist of two sites situated off the Concord Pike in Fairfax and a manufacturing facility near Newark. This past March, the pharmaceutical company also eliminated research efforts in 10 disease areas including Fairfax-based research into new treatments for schizophrenia, bipolar disorder, depression and anxiety- all aimed to cut its research costs.

As of today, AstraZeneca is busy searching for new markets for its products and striking deals with other pharmaceutical companies in a hunt for a promising partnership to create new products. David Blumberg, who leads the pharmaceutical consulting practice for the audit and advisory firm KPMG, said that more and more major pharmaceutical companies, including AstraZeneca, are forming strong alliances to maintain their stocks of new drugs and remain competitive in the market. "These guys are starving for pipeline. So they take options, and they've got various ways of taking options on [experimental medicines] that are further out. It's all because they're hungry for pipeline."