

ROYAL DSM CUT 1,000 JOBS



Royal DSM is a company that you may not know by name, despite the fact that you are putting something that they make into your body each and every day. So before we talk about the job cuts that are coming to the company let's look at a little bit more about what the company does for a living in order to help us to get some perspective. The company [describes itself](#) in the following terms, "Royal DSM is a global science-based company active in health, nutrition and materials. By connecting its unique competences in Life Sciences and Materials Sciences DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, pharmaceuticals, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM's 22,000 employees deliver annual net sales of around 9 billion. The company is listed on NYSE Euronext." The company is noted as the largest maker of vitamins in the world to date. The company is getting ready to get rid of about 1,000 workers in a move designed to help the company increase its profitability. These job cuts will be a loss of about 4 percent of the overall number of workers who are currently employed by the company. Interestingly enough when it comes to the company's fiscal situation things don't seem that bad at all. The company, in a [press release](#) about their second quarter report, which the company described as robust. Here is an excerpt from the information on their finances, "Q2 EBITDA from continuing operations 290 million (Q2 2011: 339 million) Life Sciences continues to deliver robust performance, driven by Nutrition; Materials Sciences improved, except for caprolactam which had an EBITDA impact of - 70 million; Q2 cash flow from operating activities at 197 million, higher than comparable and prior quarter; Profit Improvement Program announced: expected annual EBITDA benefits of 150 million by 2014; Interim dividend of 0.48 declared, in line with DSM's dividend policy; Outlook 2012 largely unchanged with the exception of caprolactam" Of course they are not the only company in the sciences that is cutting jobs in order to make ends meet. For those of you who missed out on our [earlier coverage](#) here is an excerpt that will get you up to speed in no time at all, "When it comes to science there are a lot of things that you may think about where and how it gets done. If you were hard pressed, could you name five companies that make science their first priority? Did you list include a company called Science Applications International Corporation? Many people have not heard of the company, despite its notable size.... The company is cutting back on 200 workers from one of its locations at MacDill Air Force Base in the city of Tampa. These job cuts will be more than enough to qualify as a mass layoff action under the current federal guidelines." The company hopes to save about 150 million Euros a year with this move. They have not said anything about whether or not they are giving any kind of a severance to the workers that they are cutting.