

Healthcare industry BW

Nycomed remains stable at its Singen-based production site

Despite the transfer of around 100 jobs to India, the pharmaceutical company Nycomed is maintaining its current staff numbers at its Singen-based production facility. Activities from other Nycomed subsidiaries are being transferred to the Singen-based facility. Jürgen Mahling, head of the Singen-based facility, also envisages a stable capacity utilisation of production facilities in 2010.

First, the bad news: As a result of a restructuring in the Nycomed group of companies, the Singen production site will lose its chemistry department, employing around 100 people in the manufacture of basic drug substances. These activities will now be transferred to India where the Nycomed facility is able to produce the drugs more cost efficiently. "The transfer will be completed by the end of the next year," estimates Mahling.

However, there is also some good news from the Singen-based production facility:

New products: The 100 jobs that are being transferred to India are to be replaced with new activities that will be transferred to Singen from other Nycomed subsidiaries. "For example, in future we will manufacture products that were previously produced in a Finnish Nycomed subsidiary. The manufacture of these products is much more suited to the processes at the Singen site; our competence centre has always been a step ahead," said the head of the Nycomed site in Singen, who is delighted with this transfer.

Stable capacity utilisation: Despite the economic crisis, Mahling also envisages that the figures will show that the Singen-based production facility had stable capacity utilisation in 2009. Although detailed figures will not be available until later in 2010, it is estimated that the Singen-based production facility produced around 55 million packing units of drugs in 2009. An individual packaging unit can contain up to a dozen boxes of drugs, so that this number could far exceed the 55 million mentioned above.

Safe future: Jürgen Mahling also envisages that the facility will be run at stable capacity utilisation in 2010. The company has been able to acquire several projects.

Job security: The Singen-based production facility employs around 720 people. "We will be able to retain this number," said Mahling, "We will not introduce part-time work," said Mahling, who is quite pleased that there are to be no layoffs.

Many trainees: Nycomed still has apprenticeships on offer. For example, the company is still hiring mechatronics engineers and also offers training for a large number of pharmaceutical production technicians.

Satisfactory partnerships: The Singen-based Nycomed facility contract manufactures drugs for other companies. This is a sensitive area and revenues can only be achieved if there is high product quality and reliability. The company has signed a seven-year supply agreement with the company Braco for an X-ray contrast agent. Seven years are far longer than normal in this industry. "120 jobs are directly related to this one contract," said Jürgen Mahling highlighting that these employees can expect to have secure jobs.

Will the company once again be making large tax payments to the city? The key question for the Lord Mayor of Singen and the Mayor of Finances: Will the city receive a gift from Nycomed in the form of unexpectedly high business tax payments to replenish the empty coffers of the city treasury at the beginning of 2010? "I'm afraid I cannot make a statement on this as yet. We are still in the process of calculating the tax payments," said Jürgen Mahling. The former head of production, who was promoted to manager of the Singen-based production site in summer 2009, does not yet have the final figures available.

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