

Forest Labs plans to cut \$500M in spending

December 2 2013

Forest Laboratories says it plans to cut \$500 million in costs in about two years, and also plans to buy back up to \$1 billion in company stock.

The drugmaker also acquired the U.S. marketing rights to Saphris, a Merck & Co. drug used to treat schizophrenia and bipolar mania.

The moves come less than three months after former Bausch & Lomb leader Brenton Saunders became president and CEO of Forest, replacing longtime CEO Howard Solomon.

The largest portion of the cuts will come from its research and development operations. The company expects to save \$110 million from job cuts, but did not say how many positions would be cut.

Shares of Forest Laboratories Inc. rose \$2.39, or 4.7 percent, to \$53.70 in morning trading.

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