

Novartis to close manufacturing plant in Puerto Rico by 2019

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Novartis AG is closing its manufacturing plant in Puerto Rico as part of a major overhaul of its business, the company said in a statement Friday.

The Switzerland-based company said the shutdown of its Humacao plant will conclude in early 2019. Some 270 employees will be laid off.

Novartis said it will transfer some manufacturing and packaging operations to companies including Eli Lilly & Co. Some operations also will be transferred to Novartis' manufacturing plant in Lincoln, Nebraska.

Puerto Rico's Industrial Development Company said it would seek to sell the plant to a local company or to one taking over some of Novartis' operations.

The U.S. territory is still considered one of the world's leading centers for pharmaceutical manufacturing, but the sector has been shrinking. The government has been offering incentives for manufacturing plants to expand and is pushing to diversify its manufacturing base by seeking aerospace and information technology companies.

Novartis' Humacao plant opened in 1975.

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