Kodak Job Cuts Continue As It Aims To Exit Ch. 11

Associated Press

NEW YORK (AP) — Kodak is reshuffling some executives and continuing to cut jobs as the pioneering photography company tries to emerge from bankruptcy protection.

Eastman Kodak Co. said it cut approximately 2,700 employees worldwide since the beginning of the year, and plans to eliminate roughly 1,000 more by 2012's end. Annual savings from these cuts should reach about $330 million, the company said Monday in a regulatory filing.

Kodak's workforce peaked in 1988 at nearly 150,000 employees. But the company couldn't keep up with the shift from digital photo technology over the past decade and with competition from Japanese companies such as Canon.

"We recognize that we must significantly and expeditiously reduce our current cost structure, which is designed for a much larger, more diversified set of businesses," Chairman and CEO Antonio Perez said in a statement.

The company also said Monday that President Philip J. Faraci and Chief Financial Officer Antoinette P. McCorvey are leaving their posts.

Rebecca A. Roof a managing director of AlixPartners, the company's restructuring advisory firm, will become interim CFO.

Roof has served in similar capacities for other companies that have emerged from Chapter 11 restructurings. Kodak said she has experience in reducing overhead costs, implementing cost reduction programs, managing liquidity and raising capital, and executing asset sales, which the company identified as "critical areas of focus" as it restructures.

After reorganization, Kodak will have three business segments: Digital Printing and Enterprise; Graphics, Entertainment and Commercial Films. A new unit includes two businesses that are for sale, Personalized Imaging and Document Imaging. The company announced last month that it was looking to sell those two businesses.

Rochester, N.Y.-based Kodak expects to exit bankruptcy some time in 2013. The company said earlier this year that it would stop making digital cameras, pocket video cameras and digital picture frames as it tries to reshape its business.

Kodak was founded in 1880. It introduced the iconic Brownie camera in 1900. Selling for $1 and using film that cost just 15 cents a roll, Kodak made hobby photography affordable for many people. Its Kodachrome film, introduced in 1935, became the first commercially successful amateur color film.

Source URL (retrieved on *08/30/2014 - 12:27pm*):
http://www.impomag.com/news/2012/09/kodak-job-cuts-continue-it-aims-exit-ch-11?qt-recent_content=0