

Abbott Closes Puerto Rico Plant

DANICA COTO, Associated Press

SAN JUAN, Puerto Rico (AP) — Abbott Laboratories is closing one of its manufacturing plants in the Puerto Rico town of Barceloneta next year, delivering another blow to the U.S. territory's once-thriving pharmaceutical sector, officials said Thursday.

It is unclear how many workers will be affected, although Barceloneta Mayor Wanda Soler told The Associated Press that the plant is the smallest one of several that Abbott operates in the north coastal town.

Abbott spokesman Scott Stoffel confirmed that the plant would cease manufacturing in mid-2015. He declined to say how many employees work there, but said the company employs a total of 1,500 people across Puerto Rico.

Abbott is the latest pharmaceutical company to announce a closure in Barceloneta, which with operations of two other U.S. drug companies was once the island's manufacturing hub.

In November, drug giants Pfizer Inc. and Merck & Co. released statements about a week apart announcing they would phase out their operations in Barceloneta. Both Pfizer and Merck said they would continue to manufacture elsewhere in Puerto Rico, and neither gave specific numbers on job losses since some positions would transfer.

Abbott's announcement comes as Puerto Rico tries to revive its economy under pressure from credit rating agencies as it enters an eighth year of recession and battles a 15.4 percent unemployment rate, higher than any U.S. state.

Puerto Rico is still among the world's leading centers for pharmaceutical manufacturing, and the sector accounts for roughly a quarter of the island's economy, but the sector has been in retreat. Since 2000, when they had about 20,000 employees on the island, drug makers have eliminated more than 9,000 jobs, hitting Barceloneta and nearby towns along the island's north-central coast.

"It's a bit worrisome, I have to admit," Barceloneta's mayor said. She added that she is working with the island's government to attract new business. "We have several plants that are in perfect condition."

Antonio Medina, executive director of Puerto Rico's Industrial Development Company, said officials are offering incentives for existing manufacturing plants to expand. The government also hopes to diversify the manufacturing base by expanding in such sectors as aerospace and information technology, lessening the importance of pharmaceuticals, he said in a recent interview.

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"The healthiest economy is one that is highly diversified," Medina said. "No one sector can be the economy's magic wand."

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