

wsbt.com/business/wsbt-zimmer-in-warsaw-moving-part-of-operation-to-memphis-20120301,0,5038869.story

wsbt.com

Zimmer in Warsaw moving part of operation to Memphis

WSBT-TV Report

7:55 PM EST, March 1, 2012

A spokesperson for Zimmer, a Warsaw orthopedics company, says they are moving some of the functions of their distribution center from Warsaw to Memphis, Tennessee.

advertisement

Garry Clark says the transition will begin in the 3rd quarter of this year and end before the 3rd quarter of next year.

120 to 130 employees work there. The company is going to try to move those employees into other positions in the part of the company that is staying in Warsaw.

→ (Clark says the move is happening because of time zone constraints. With the distribution center in Memphis, the company will be able to ship faster, including being able to send one-day mail to the West Coast.



Full statement from Clark:

"Zimmer today announced several planned organizational changes as part of the Company's ongoing effort to improve customer responsiveness, enhance quality and fuel growth and innovation initiatives.

"Among these actions is the first phase of an eventual transition of a number of Warsaw-based logistics functions to an outsourced partner at a national transportation hub. These changes will result in the elimination of some positions at the Company beginning in late 2012. The Company announced these plans as early as possible to enable impacted employees to be considered for alternative positions at the Company. Zimmer anticipates many of the impacted employees will be reassigned. All impacted employees who do not continue with the Company will be supported with outplacement benefits and services.

→ (*"The cost savings achieved by these actions also are intended to partially offset the costs associated with the Federal medical device excise tax, which will take effect in 2013. In addition, we believe the changes to our logistics functions will lower the cost of service delivery to our hospital customers, helping them address challenges brought on by healthcare reform."*

Copyright © 2013, WSBT-TV