

Agilent to shut down its NMR business

17 October 2014 | News | By BioSpectrum Bureau

Agilent to shut down its NMR business



Agilent Technologies has announced that it is exiting its Nuclear Magnetic Resonance business due to its unmet growth and profitability objectives.

"Today's announcement represents a difficult decision necessary to drive improved profitability," said Mr Mike McMullen, president and chief operating officer, and CEO-elect. He added, "The NMR team has been extremely dedicated and has made many excellent contributions. However, this action is a step in ensuring that our investments are placed on higher-value lifesciences, applied markets and diagnostics solutions that will continue to drive growth across the company."

Agilent will stop taking new NMR system orders immediately, but the company will continue to meet customer commitments for orders in progress and for ongoing support contracts. Agilent will continue to provide service on all installed NMR systems.

The company expects that this decision will eliminate about 300 jobs, mostly within the next 12 months in Yarnton, the UK and Santa Clara, California.

To cover the cost of exiting this business, Agilent will take an approximate \$72 million restructuring charge in the fourth quarter. It expects a \$20-\$30 million decline in revenues in fiscal year 2015 due to the NMR business closure, but a positive impact of about \$10 million in operating profit in FY15.

