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Lucent Closing Md. Facility, Shipping Jobs To India

Company Seeks Cost Advantage, Spokesman Says

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LANDOVER, Md. -- Lucent Technologies will close a Landover research and development center and ship the 110 jobs to India, the telecommunications company announced.

The Landover research and development site, which has about 110 engineering employees, will close by the end of the month. Another 40 jobs will be cut at a Westford, Mass., center that works on the same PacketStar PSAX device, which is used to bundle voice, data and video for transmission, company spokesman Dick Muldoon said.

The work done at the two sites will be sent to Lucent's Bangalore, India, facility, the spokesman said.

"We do it whenever we can get a cost advantage or product reliability advantage," Muldoon said.

The decision to close the Landover facility is "primarily a cost advantage" move, he said.

Dropping sales following the 2001 tech fallout has forced Lucent to cut costs and shift work overseas.

In the fall of 2000, Lucent had about 126,000 employees, 73 percent in the United States. By September 2004, the company had 31,800 workers with 63 percent of its work force in the United States, according to filings with the Securities and Exchange Commission.

The reductions have helped the company shave nearly \$1 billion in general and administrative expenses since 2002, according to filings.

The closing of the Landover facility is a setback for efforts by Prince George's County to build a base of high-paying, technology-related jobs, said Kwasi G. Holman, president and CEO of Prince George's County Economic Development Corp.

"I think it's a reflection of corporate decisions that go on from time to time. It's regrettable, but we certainly are going to work with (the) workforce services division to help the displaced workers," he said.

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