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Zimmer Holdings Expands to Ireland

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Warsaw-based Zimmer Holdings, Inc. (NYSE:ZMH) is building a new plant in Ireland. The orthopaedics device maker says it will invest between \$70 and \$75 million dollars in the facility over the next two years.

Source: Inside INdiana Business

WARSAW, Ind. - Zimmer Holdings, Inc. (ZMH), a leader in the orthopaedics industry, announced today that it will expand its global manufacturing network by adding a 100,000 square foot plant in Shannon, Ireland.

"We are delighted to be adding a new Ireland facility to our global network," said David Dvorak, Zimmer Holdings President and CEO. "We are constantly assessing our worldwide operations and logistics network to maximize efficiency and customer service, and this project is a result of that process. We are grateful for the cooperation and encouragement of the national and local officials in Shannon and look forward to establishing a facility that utilizes the tremendous skills and expertise of the workforce to produce high technology medical devices."

Zimmer said it considered a number of sites before selecting Shannon, including its existing sites and other global locations. The Company expects to invest between \$70 and 75 million (USD) over the next two years in its new facility in Shannon and plans to begin manufacturing operations in late 2008. Initial employment will be approximately 25 to 50 employees, with total employment expected to be approximately 250 in five years. At start-up, the facility will produce knee replacement implants, although other products could be added in the future. Shannon Development and Irish Development Agency officials provided incentives including tax rate adjustments and training grants; the Company did not disclose actual amounts.

Making the announcement in Ireland today, Minister for Enterprise, Trade and Employment, Micheal Martin T.D., said: "Zimmer's decision to establish at Shannon Free Zone adds significantly to Ireland's profile as a leading location for medical device companies in Europe. This investment is very welcome news for Shannon and was secured by Shannon Development with the assistance of IDA Ireland. Zimmer can be confident of finding highly skilled professionals and infrastructure of international standards in this part of the country. More and more companies are discovering the benefits of locating in regional centres throughout Ireland."

Shannon Development's Chief Executive, Kevin Thompstone, said: "This is a tremendous boost for Shannon; it is one of the largest projects to locate at the Shannon Free Zone in recent years. We are delighted that Zimmer have chosen Shannon. The Zimmer decision is the result of Shannon Development and IDA Ireland working to secure this project for Shannon. One of the key economic benefits of a project of this scale is the employment opportunities it presents for Irish graduates and professionals at all levels."

During the past several years, the Company has expanded its Warsaw, Indiana, manufacturing, research and development, and distribution facilities, adding approximately 600 new jobs. The Company currently employs about 2,400 in Warsaw.

About the Company

Founded in 1927 and headquartered in Warsaw, Indiana, Zimmer is a worldwide leader in designing, developing, manufacturing and marketing orthopaedic reconstructive, spinal and trauma devices, dental implants, and related orthopaedic surgical products. Zimmer has operations in more than 25 countries around the world and sells products in more than 100 countries. Zimmer's 2007 sales were approximately \$3.9 billion. The Company is supported by the efforts of more than 7,500 employees worldwide.