

# HP To Reorganize Printing Unit

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Hewlett-Packard on Wednesday announced "significant" reorganization plans for one of its most profitable divisions, combining five groups into three within the printing and imaging division of the world's biggest technology company.

As part of the restructuring, HP will likely be "rebalancing" some of its workforce, said spokesman Ryan Donovan. He would not comment on whether job cuts are likely, but said the changes are part of HP chief executive Mark Hurd's continuing campaign to reduce costs and improve efficiency.

The reorganization is also part of the company's effort, dubbed "Print 2.0," to expand its business from computer printers to a wide range of printing activities, from graphic arts and high-end printing to labels and billboards. "We're moving from being a printer company to a printing company," Donovan said.

HP's Printing and Imaging Group contributed roughly a third of its \$107.6 billion in sales last year. While it operates around the world, the division has a large presence in San Diego, Corvallis, Ore., Vancouver, Wash., and Boise, Idaho.

The plan announced by Vyomesh Joshi, executive vice president in charge of the division, calls for combining two units focused on inkjet and Web printing into one, and also combining units focused on laser jet and corporate customers. The move will eliminate duplication and simplify HP's efforts, according to a memo from Joshi to HP employees.

Donovan said the move is "one of the more significant" changes announced recently but not out of line with similar efforts in other divisions.

*Note: The HP Calculator Division is part of the Printer Group.*