

Extra News Online

Sunrise Sheds 150 Positions

McLean, Va.-based Sunrise Senior Living expects to realize more than \$20 million of annual recurring savings by reducing its non-care-related administrative costs in an effort to reduce overhead spending and become a “leaner organization.”

As part of its cost-cutting efforts, Sunrise will cut at least 150 positions at its corporate headquarters, in Germany, and in Sunrise’s regional support group.

“We continue to work on a number of fronts to strengthen the financial position of Sunrise,” said Mark Ordan,

Sunrise’s chief executive officer. “The decision to reduce the number of people at Sunrise is never easy, but it was essential given today’s economic environment and our need to further reduce spending. We want to be completely clear that none of these changes will affect the extraordinary care and services we provide in our communities.”

In addition to trimming administrative expenses, Sunrise’s reorganization includes a reduction in spending related to vendors and consultants, according

to company officials. As a result, the company expects the plan to reduce its annual recurring general and administrative expenses by more than \$20 million from the 2009 budgeted annual recurring level of approximately \$120 million.

Included in the staff cuts is Richard Nadeau, Sunrise’s chief financial officer (CFO), who has resigned. Julie Pangelinan, Sunrise’s chief accounting officer, will take over as CFO and lead the company’s finance team.

—Meg LaPorte