

WM to reorganize company to save \$100 million annually

Feb. 12 -- Waste Management Inc., while announcing lower fourth quarter and yearly earnings, said a company reorganization will save more than \$100 million annually.

The nation's largest solid waste management company said it earned \$218 million, or 44 cents per diluted share, during the fourth quarter of 2008. That compares with earnings of \$309 million, or 61 cents per diluted share, on revenue of \$3.36 billion during the fourth quarter of 2007.

For the full year, the Houston-based company said it earned \$1.09 billion, or \$2.19 per diluted share, on revenue of \$13.39 billion. That compares with earnings of \$1.16 billion, or \$2.23 per share, on revenue of \$13.3 billion in 2007.

Waste Management said it is restructuring its field operations by reducing its number of market areas from 45 to 25, a move that allows elimination of "duplicative functions." There also is a realignment of corporate staff along with the elimination of merit-based salary increases for salaried exempt employees "unless we see a turnaround in the economy and our business."

The company also said it is "delaying until June 30, 2009 our merit-based pay process for hourly personnel."

"The fourth quarter was a challenge on a number of fronts, and I am pleased with the way we have reacted to tough economic circumstances," CEO David P. Steiner said.

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