

EASTMAN KODAK CO
Form 8-K
January 29, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): January 26, 2009

Eastman Kodak Company
(Exact name of registrant as specified in its charter)

New Jersey

1-87

16-0417150

(State or Other Jurisdiction of
Incorporation)

(Commission File Number) (IRS Employer Identification
No.)

343 State Street,
Rochester, New York 14650
(Address of Principal Executive Office) (Zip Code)

Registrant's telephone number, including area code: (585) 724-4000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Securities Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.05 Costs Associated with Exit or Disposal Activities.

On December 17, 2008, Eastman Kodak Company (the Company) committed to a plan to implement a targeted cost reduction program (the 2009 Program) to more appropriately size the organization as a result of the current economic environment. The program involves rationalizing selling, administrative, research and development, supply chain and other business resources in certain areas and consolidating certain facilities. On January 26, 2009, the Company began providing notice to employees whose employment would be terminated as part of this program.

In connection with the 2009 Program, the Company expects to incur total restructuring charges in the range of \$250 million to \$300 million, including \$225 million to \$265 million of cash related charges for termination benefits and other exit costs, and \$25 million to \$35 million of non-cash related accelerated depreciation and asset write-offs. The 2009 Program will require expenditures from corporate cash in the range of \$125 million to \$175 million, as most of the termination benefits for U.S. employees will be provided in the form of special retirement benefits (Special Termination Program (STP) benefits) payable from the Company's over-funded U.S. pension plan. Including cash expenditures related to rationalization actions in 2008 and prior, the total cash required in 2009 for restructuring actions will total \$225 million to \$275 million. The majority of the actions contemplated by the 2009 Program will be completed in the first half of 2009, with all actions under the program expected to be completed by the end of 2009. The 2009 Program is expected to result in employment reductions in the range of 2,000 to 3,000 positions when complete and yield annualized savings of \$200 million to \$250 million in 2009 and beyond.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EASTMAN KODAK COMPANY

By: /s/ Diane E. Wilfong

Diane E. Wilfong
Chief Accounting Officer and Controller

Date: January 29, 2009

