

BUSINESS

Shell rumored to plan restructuring, layoffs

By **DOW JONES NEWSWIRES**

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LONDON — Royal Dutch Shell will announce a major company restructuring, merging its exploration and production and gas and power units and laying off more than 30 percent of senior management, according to a post on the blog of Shell critic John Donovan Tuesday.

Shell's incoming chief executive Peter Voser will announce the measures Thursday at a meeting of around 100 top company executives in Berlin, Donovan wrote on the blog royaldutchshellplc.com, citing multiple unnamed people working for Shell.

The merged units will be run on a centrally organized basis and some regional offices will be closed, he said.

A Shell spokesman declined to comment on the report.

A person familiar with Shell's thinking told Dow Jones Newswires that Voser put this restructuring plan to the Shell board, with the aim of making significant costs cuts, some months ago when he was competing to replace current chief executive Jeroen van der Veer, who retires at the end of June.

“This has been bubbling away for quite some time,” and Voser's rise to the position of chief executive has brought it to a head, the person said. The resignation Tuesday of Shell's gas and power chief, Linda Cook, who was also a candidate for the top job, is probably related to Voser's plan and their sometimes difficult working relationship, the person said.

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