PFIZER INC
Form 11-K
June 28, 2010

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

FORM 11-K
ANNUAL REPORT

Pursuant to Section 15 (d)

of the Securities Exchange Act of 1934

for the year ended December 31, 2009

Commission File Number: 1-1225

WYETH UNION SAVINGS PLAN
(Full title of the Plan)

Pfizer Inc.
(Name of Issuer of the securities held pursuant to the Plan)

235 East 42nd Street
New York, New York 10017
(Address of principal executive office)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the members of the Savings Plan Committee have duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized.

WYETH UNION SAVINGS PLAN

By:	/s/ Neal Masia Neal Masia Member of the Savings Plan Committee

Date: June 24, 2010

WYETH UNION SAVINGS PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

AS OF DECEMBER 31, 2009 AND 2008

AND

FOR THE YEAR ENDED DECEMBER 31, 2009

EMPLOYER IDENTIFICATION NUMBER - 13-5315170

PLAN NUMBER – 017

WYETH UNION SAVINGS PLAN
DECEMBER 31, 2009 AND 2008

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* Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Savings Plan Committee
Wyeth Union Savings Plan:

We have audited the accompanying statement of net assets available for plan benefits of the Wyeth Union Savings Plan (the "Plan") as of December 31, 2009 and the related statement of changes in net assets available for plan benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit. The accompanying statement of net assets available for plan benefits of the Wyeth Union Savings Plan as of December 31, 2008 was audited by other auditors whose report thereon dated June 24, 2009 expressed an unqualified opinion on that statement.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2009 financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 2009 and the changes in net assets available for plan benefits for the year then ended, in conformity with U.S. generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2009 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Memphis, Tennessee
June 24, 2010

Wyeth Union Savings Plan
Statements of Net Assets Available for Plan Benefits
As of December 31, 2009 and 2008

	December 31, 2009	December 31, 2008
Assets:		
Investments, at fair value	$32,890,691	$24,414,080
Investment in Master Trust, at fair value	27,070,835	24,448,591
Total investments	59,961,526	48,862,671
Loans to participants, at amortized cost	1,986,662	1,976,286
Receivables:		
Employer contributions	17,934	-
Participant contributions	68,216	-
Total receivables	86,150	-
Net Assets Available for Plan Benefits, at fair value	62,034,338	50,838,957
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(289,680)	1,398,194
Net Assets Available for Plan Benefits	$61,744,658	$52,237,151

The accompanying notes to financial statements are an integral part of these financial statements.

Wyeth Union Savings Plan
Statement of Changes in Net Assets Available for Plan Benefits
For the Year Ended December 31, 2009

Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	$6,823,778
Net investment gain in Master Trust	1,106,840
Interest	187,842
Dividends	704,494
Total investment income	8,822,954
Contributions:	
Employer	1,561,428
Participant	4,607,686
Rollovers into Plan	432,746
Total contributions	6,601,860
Total additions	15,424,814
Deductions from net assets attributed to:	
Benefits paid to participants	(5,827,572)
Administrative expenses	(1,969)
Total deductions	(5,829,541)
Increase in net assets	9,595,273
Transfer out of the Plan	(87,766)
Net Assets Available for Plan Benefits	
Beginning of Year	52,237,151
End of Year	$61,744,658

The accompanying notes to financial statements are an integral part of these financial statements.

WYETH UNION SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN

The following description of the Wyeth Union Savings Plan (“the Plan”) only provides general information. Participants in the Plan should refer to the Plan document for a more detailed and complete description of the Plan’s provisions.

General

On October 15, 2009, Pfizer Inc. (“the Company”) acquired all of the outstanding equity of Wyeth. In connection with the acquisition, the Company adopted and assumed sponsorship of the Plan effective October 15, 2009.

The Plan, a defined contribution profit sharing plan of legacy Wyeth, is a voluntary savings plan available to all eligible employees, as defined. Employees become eligible to participate after they have completed one month of regular employment, as defined by the Plan, and whose employment is covered by a collective bargaining agreement that provides for their participation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended, (“ERISA”) and the Internal Revenue Code of 1986 as amended (“the Code”).

Employee Contributions

Participants may elect to make contributions to the Plan in whole percentages up to a maximum of 16% of their covered compensation, as defined. Contributions can be made on a before-tax basis (“salary deferral contributions”), an after-tax basis (“after-tax contributions”), or a combination of both. Participants direct the investment of their contributions into various investment options offered by the Plan. Under the Code, salary deferral contributions, total annual contributions, and the amount of compensation that can be included for Plan purposes are subject to annual limitations; any excess contributions are refunded to participants in the following year, if applicable.

Employer Contributions

In accordance with negotiated union agreements, legacy Wyeth began matching contributions as follows: effective January 1, 2008, for the Rouses Point, New York and Fort Dodge, Iowa unions and effective April 1, 2008 for the Pearl River, New York union. The Company contributes an amount equal to 50% of the first 6% of the participant’s covered compensation. Participants direct the investment of their Company contributions into various investment options offered by the Plan.

Rollovers into Plan

Participants may elect to roll over one or more account balances from qualified plans as well as from the Wyeth Coordinated Bargaining Retirement Plan into the Plan.

Vesting and Separation From Service

Participants are fully vested at all times in their salary deferral contributions, after-tax contributions and rollover contributions and all earnings (losses) thereon. A participant is also fully vested in Company matching contributions if the participant has at least five years of vesting service, as defined. If a participant has less than five years of continuous service, such participant becomes vested in the Company matching contributions and all earnings (losses) thereon according to the following schedule:

Years of Vesting Service	Vesting Percentage
1 year completed	0%
2 years completed	25%
3 years completed	50%
4 years completed	75%
5 years completed	100%

Regardless of the number of years of vesting service, participants are fully vested in their Company matching contributions account upon reaching age 65 or upon death, if earlier. If an employee's employment is terminated prior to full vesting, the non-vested portion of the Company matching contributions and all earnings thereon is forfeited and becomes available to satisfy future Company matching contributions.

Forfeited Amounts

During 2009, forfeitures of $5,000 were used to offset legacy Wyeth matching contributions. As of December 31, 2009 and 2008, the amount of forfeitures available to offset future Company matching contributions totaled $10,512 and $11,938, respectively.

Distributions

Participants may withdraw all or any portion of their after-tax contributions. Participants may make full or partial withdrawals of funds in any of their accounts upon attaining age 59 ½ or for financial hardship, as defined before that age. Participants may qualify for financial hardship withdrawals if they have an immediate and heavy financial need, as determined by the Plan Administrator. Participants are limited to one hardship withdrawal in any calendar year, provided they have no other funds that are readily available to meet that need.

Upon termination of employment, participants are entitled to a distribution of their vested account balance in one of two ways: lump-sum or a 50% joint and survivor annuity (subject to limits imposed by the Internal Revenue Code).

Annuity payments and monthly payments commence as soon as practicable following a request, but in no event later than April 1 in the year following the year in which the participant turns 70 ½ years of age. Participants can elect to defer the distribution of their accounts if the participant's account balance is greater than $1,000.

Administrative Costs

Costs and expenses of administering the Plan are generally paid by the Company or the Plan. Certain investment expenses are deducted from the applicable investment funds. Participants are charged for loan application and maintenance fees.

Participant Loans

Participants who have a vested account balance of at least $2,000 may borrow from the vested portion of their account, subject to certain maximum amounts of up to $–––––50,000. Participants in the Plan may borrow up to fifty percent (50%) of their vested account balances. Each loan is collateralized by the borrower's vested interest in their account balance. All loans must be repaid within five years except for those used to acquire or construct a principal residence, which must be repaid within fifteen years. Defaults on participants' loans during the year are treated as distributions and are fully taxable to the participants. The interest rate charged on loans provides a return commensurate with a market rate, or such other rate as permitted by government regulations as of the date of the loan agreement.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting. Investments in collective trust funds that include fully benefit-responsive investment contracts are presented at fair value in the statement of net assets available for plan benefits, and the amount representing the difference between fair value and contract value of these investments is also presented on the face of the statement of net assets available for plan benefits. The statement of changes in net assets available for benefit plans is prepared on a contract value basis. Contract value is the relevant measurement attribute for that portion of the net assets available for plan benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

Contributions

Contributions from the employer are accrued based upon amounts required to be funded under the provisions of the Plan. Contributions from employees are accrued when deducted from payroll.

Participant Accounts

Each participant account is credited with the participant's contribution and allocation of investment earnings (losses) and Company contributions, and such accounts are charged with certain investment fees, depending on investment options. Allocations are based on earnings (losses) or account balance, as defined in the Plan document.

Payment of Benefits

Benefits are recorded when paid.

Reclassification

Certain amounts have been reclassified in the prior year in order to conform to current year presentation.

Investment Valuation and Income Recognition

Investments in common stocks are valued on quoted market value as of the last business day of the year. Investments in mutual funds are valued at the closing market price obtained from national exchanges of the underlying investments of the respective fund as of the last business day of the year. Investments in collective trust funds are recorded at fair value, which is based upon their published net asset value ("NAV") or their redemption value as determined by the trustees of such funds based upon the underlying securities stated at fair value. The fair value of the guaranteed investment contracts is calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations. The fair value of the synthetic guaranteed investment contracts is determined by the fair value of the underlying assets. Interest bearing cash is valued at cost which approximates fair value.

Net appreciation (depreciation) in the fair value of investments consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. Purchases and sales are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded as earned on the accrual basis.

The following table presents investments:

	December 31, 2009	December 31, 2008
Investments at Fair Value as Determined by Reported Net Asset Value or Quoted Market Price		
Mutual funds	$31,684,780	$22,831,425
Collective trust funds	1,496,662	1,428,141
Common stock	1,149,663	1,498,263