

French dairy Lactalis to close plant in Romania

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French dairy company Lactalis has announced its plans to close a factory in Miercurea Ciuc, located in Harghita County, eastern Transylvania, Romania. This closure will result in approximately 95 job losses. The decision comes after the company outlined a new strategy to focus its investments on its remaining four Romanian sites in Oiejdea, Sfantu Gheorghe, Campulung Moldovenesc, and Tunari.

Lactalis has invested over €60 million in the last five years in Romania, with planned investments of over €13 million for the current year, aiming to enhance its competitiveness in the market and diversify product portfolios for the benefit of Romanian consumers.

In 2020, Lactalis also closed two plants in Romania in Floreni and Vatra Dornei, sites acquired in a 2008 deal for Dorna Lactate. The Covalact acquisition was reportedly valued at around €40 million (\$42.8 million), and before this, Lactalis had also acquired the Romanian dairy business Albalact.

Lactalis is known for marketing several international brands in Romania, including President, Galbani, Leerdammer, and Parmalat, as well as local lines like LaDorna, Covalact, and Bardezzi. Additionally, in April, Lactalis announced plans to close a yoghurt and desserts site in Australia and to sell a nearby warehouse in South Brisbane. Despite facing challenges with weak profit performance due to pressure on volumes from private labels, Lactalis reported a 4.3 per cent increase in turnover to €29.5 billion for 2023.