

Saputo Australia to close dairy plant in King Island

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Saputo Dairy Australia (SDA) has announced that it will begin the final operating season of King Island Dairy and close the facility in mid-2025. Over the past 10 months, SDA has explored various options for King Island Dairy, including a potential sale to a third party, to maximise its value. However, after a thorough review, the decision has been made to close the facility due to changing industry and market conditions, which have made it difficult for the brand to remain competitive.

Leanne Cutts, President and Chief Operating Officer (International and Europe) of Saputo Inc., emphasised that this decision was not made lightly. While SDA has invested significantly in its Tasmanian operations over the past five years, King Island Dairy has not been able to maintain its position in today's highly competitive food industry. Despite the closure, SDA remains committed to Australia and will continue to invest in North-West Tasmania, as well as its other operating and supply regions.

SDA will work with the affected employees, dairy farmers, and the broader King Island community to support them during the transition period. Approximately 58 impacted employees have been notified of the decision, and SDA is committed to identifying redeployment opportunities where possible. Those who are not able to be redeployed will be provided with their full entitlements and outplacement support.