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Fonterra to close canning and packaging facility in Hamilton

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Fonterra has announced that it plans to close its canning and packaging facility in Hamilton at the end of July.

The closure of the Canpac site, which blends and packages milk powders, follows the Co-operativeâ??s decision to focus on higher value ingredients such as advanced proteins and medical nutrition.

Fonterraâ??s Chief Operating Officer, Anna Palairet, says low product volumes and increasing complexities in production have created challenging economic conditions for the facility.

â??Itâ??s been a tough day for the whole team at the site. Making decisions like this is never easy.

â??Our strategy is about creating end-to-end value and growing total returns for our farmer shareholders. We believe the best way to achieve this is to focus on our strengths and scale in ingredients and foodservice, and we are prioritising our investment on the parts of our operations that are better suited to this.â?

â??We are committed to supporting our employees as we work through the next steps,â? says Palairet.

Around 120 people currently work at the site. The Co-op will now work through a consultation process including exploring potential redeployment opportunities before operations are planned to come to an end on 31 July 2025.

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