

Unilever Announces Plant Closure

The Associated Press

TORONTO - A Unilever plant in Bramalea, Ont., that manufactures dry mixes for soups, sauces and other foods will close and its production capability shipped to the United States, the company announced Thursday.

Most production is expected to finish by the end of next year with the final plant closure expected in March 2016.

John Le Boutillier, president and CEO of Unilever Canada, said the majority of the plant's production will end up in the U.S.

"The decision to close the Bramalea plant came after a strategic review of the dry mix category in North America," Le Boutillier said in a statement.

"As more than 80% of the volume produced at Bramalea is shipped to the United States, Unilever made the strategic decision to make its investment closer to where the bulk of the product is consumed."

Le Boutillier said part of the decision was based on the large infusion of money into the dry-mix supply chain that would be required for the company to meet quality standards, customer service levels and future packaging innovations.

Production of the dry mixes from the Bramalea plant under the Knorr and Lipton brand names will move to Unilever's plant in Independence, Mo.

The decision to close the plant will affect about 280 salaried and hourly employees.

Le Boutillier acknowledged the closure will hurt both employees and the community but said Unilever Canada is making significant investments in Canadian facilities which manufacture ice cream, margarine and mayonnaise products.

Those investments include upgrades and enhancements at other Ontario sites.

Amsterdam-based Unilever is one of the world's major suppliers of food, home and personal care products, such as Dove soaps, with sales in more than 190 countries.

The company reported lower revenues for its first quarter due to the effects of the euro and a decline in North America.

It also said its foods arm, with Knorr soups and sauces and Hellmann's mayonnaise, lagged.

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