Müller Dairy Products Group to close plants in two German states

Martin Nowak
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The Theo Müller Group has announced that it will close facilities in Leppersdorf near Dresden and Rogätz near Magdeburg. The company's sliced cheese plant in Leppersdorf, Saxony, is scheduled to close at the end of 2026, while production at the Homann sauce plant in Rogätz will end in September 2027. Approximately 160 employees are affected at each location. According to press releases, both facilities are reportedly outdated and no longer economically viable due to high investment requirements.

Both production facilities were newly built or modernized after the end of the GDR (East Germany) in 1990. The former East German factory, Konservenfabrik Rogätz, was converted and expanded by the Lower Saxony-based food manufacturer Hamker. In 2007, Hamker was acquired by Homann Feinkost, which was taken over three years later by the rapidly expanding Müller Group.

Shortly after the Homann acquisition, Müller announced several closures. In 2022, after 146 years, production ended at the former Homann flagship plant in Dissen; in 2019, the smaller plants in Floh-Seligenthal, Thuringia and Sassnitz on Rügen were closed. The plant in Bottrop was sold to the Dutch company Signature Foods. At that time, a total of around 1,500 jobs were affected.

The only remaining Homann plant in Lintorf, which was initially also targeted for closure, was expanded starting in 2022 at a cost of €170 million to become the central hub for sauces and dressings. The workforce there grew from 200 to more than 500. The closure of the smaller plant with an overlapping production line in Rogätz, less than 300 kilometers further east, comes as no surprise.

Acquiring, streamlining, selling, or closing down is the method by which the global Müller empire was built, growing over 55 years from a dairy with four employees into a global corporation.

It began in a similar way in Leppersdorf. The former East German Dresdner Milchwerke was taken over in 1990 by Stuttgart-based Südmilch AG. It now operated under the name Sachsenmilch AG, which had been founded specifically for this purpose as the first publicly traded company in East Germany. Parallel to the liquidation of the former combine in Dresden, a new plant was built just outside the city. It was intended to be a political showcase project but ended in disaster.

At the helm of the executive board and supervisory board of Sachsenmilch AG were Wolfgang Weber and Friedrich Wilhelm Schnitzler, the same duo that led Südmilch AG. Schnitzler had excellent connections with Lothar Späth, the premier of the West German state of of Baden-Württemberg, who had played a key role in ensuring that his party colleague Kurt Biedenkopf became the first premier of the newly founded state of Saxony, and who himself moved to Thuringia in 1991 as an industrial executive (Jenoptik).

These close ties to politics ensured that government subsidies from Bonn and Brussels flowed rapidly into Sachsenmilch AG. Of the total 67 million Deutschmarks, however, the majority was funnelled on to Stuttgart to plug the financial holes at Südmilch AG and other shortfalls.

Ultimately, Sachsenmilch AG filed for bankruptcy in 1993, one year after the groundbreaking ceremony. Several legal proceedings and convictions against senior managers followed. Wolfgang Weber fled to Paraguay that same year. Ten years later, he returned and received only a two-year suspended sentence. Südmilch AG, which was also on the verge of bankruptcy, was taken over by the Dutch company Campina. Sachsenmilch AG was acquired by the Müller Group. Under the new ownership, an additional €70 million in government subsidies flowed into Leppersdorf starting in 2003.

The hard cheese plant in Leppersdorf, where about 160

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of the 3,000 employees work, produces approximately 50,000 metric tons of hard cheese under the Sachsenmilch brand and on behalf of discount retailers. With this closure, Müller is completely exiting the sliced cheese production business in Germany. Mozzarella and sour milk cheese will continue to be produced on-site.

While the Müller Group cites high investment costs as the reason here, it has expanded elsewhere at a cost of millions and has further plans.

The stated goal is to acquire Saxony's second-largest dairy, Vogtlandmilch in Plauen. Reports indicate a purchase price of €38 million euros. The facility, backed by a cooperative of farmers from western Saxony and Thuringia, was modernized as recently as 2025 at a total cost of €46 million.

According to Sachsenmilch Managing Director Mathias Hauer, production capacity is to be increased from around 200 million to 250 million kilograms of milk per year. Together with Leppersdorf and the Pragolaktos dairy near Prague, Müller would thus further expand its market power to around 2.3 million metric tons of milk per year. It is already the undisputed market leader in the greater region between Berlin, Thuringia, and the Polish and Czech border regions.

However, a further concentration of production in Leppersdorf is more likely than an expansion in Plauen. This is a concern not only for Plauen's Mayor Steffen Zenner but also for other politicians and critics of the takeover plans. The experiences following the acquisition of Homann Feinkost speak volumes.

Buy, relocate, close: that's the strategy of a corporation that, by its own accounts, generated record revenue of €10.3 billion in 2025, having increased its revenue tenfold over 25 years. In addition to Germany, the Müller Group has a significant presence in the United Kingdom, Poland and the Czech Republic.

A global corporation with billions in revenue could easily invest in modernizing its facilities and securing jobs. But by decision by corporate management, billionaire Theo Müller's return on investment takes precedence over the livelihoods of the employees.

Theo Müller's fortune has grown not only at the expense of the workers but also through the exploitation of numerous tax loopholes. For tax reasons, the Theo Müller Group has been headquartered in Luxembourg since 2011. Theo Müller himself, along with his family, moved to Switzerland as early as 2003 to avoid paying German inheritance tax in the future. In Switzerland, he also founded Theo Müller Holding, which serves as the family's private holding company and provides them with significant tax advantages.

The billionaire moved to Switzerland to save on taxes, while in Saxony he received subsidies for his dairy business and was awarded the Saxon Order of Merit by Minister President Michael Kretschmer (CDU) in 2021. With an estimated fortune of around €10 billion, Müller ranks 361st among the world's richest people and 16th in Germany, according to *Forbes*.

It therefore comes as no surprise that the German oligarch openly harbors sympathies for the far-right Alternative for Germany (AfD). He has referred to AfD Chairwoman Alice Weidel as a "friend" and proposed a coalition between the conservative Christian Democratic Union and the AfD in the context of the 2024 state election in Saxony and again in 2026 in Baden-Württemberg.

Following the state elections in Saxony-Anhalt in September 2026, he appealed to Chancellor Friedrich Merz (CDU) to end the coalition with the SPD and form a minority government, supported by the AfD. As in the United States, the ruling financial aristocracy is pushing for a change in the political superstructure that reflects the actual social conditions. Hence the dairy baron's turn toward the fascists.

Ulrich Siegmund, the AfD's election winner in Saxony-Anhalt, has announced a meeting with Theo Müller for the end of the year. He expressed his gratitude for Müller's willingness to discuss the future of the Rogätz site and stated: "The AfD parliamentary group will work to ensure that every realistic opportunity to preserve the plant is seized. A strong economy needs reliable framework conditions, affordable energy, and policies that don't hold businesses back but rather enable their growth."

The fact is that no German government has ever held back the rise of billionaire Theo Müller.

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