

SURVEY SUBJECT: Expansion Plans

DATES OPEN: 12-16 May 09

SUMMARY FINDINGS:

NO. OF RESPONDENTS: 75

(95% Confid. Level, + / - 10% Error Band)

The US respondents were 64% of total. Western Europe was 4%, Canada was 3%, South America (other than Brazil) was 5%, all others were less.

-- When asked "Does your mill have any plans to expand production, either by improvements or by adding paper machines in the next 3 years?" 44% of respondents said yes.

-- 44% said expansion plans would reduce their raw material costs.

-- 58% said expansion plans would reduce their energy costs.

-- 59% said expansion plans would reduce their labor costs.

-- 74% said expansion plans would reduce their overhead costs.

-- Asked what current bottlenecks expansion plans would reduce,

- o 20% said drying limitations
- o 15% said stock prep limitations
- o 8% said energy production
- o 8% said recycled fiber processing

--16% said their company plans to build one or more greenfield mills; of these, 56% said these mills would be in their domestic market.



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