Another challenging year for the UK paper industry against a backdrop of economic uncertainty and global recession.
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Becoming President of CPI at a time of profound economic uncertainty, near global recession and widespread despondency certainly provides additional interest to the position. With the UK paper and board industry already shrinking, the added inhibitions of the current economic climate hardly provide for an up-beat prognosis for the immediate future.

At such times, it is perhaps even more important than ever that we retain and encourage a dynamic collective voice to promote our industry and to ensure that its interests are not compromised by government action or prejudiced by ill-informed public opinion. CPI has continued to keep a close watch on political and legislative developments and, during 2008, responded to 18 government consultations on issues that could impact on our industry’s specific interests. It has maintained its engagement with politicians, officials, opinion-formers and the media in an attempt to ensure that the all too often wild extravagancies of our detractors are effectively countered and the realities properly exposed.

Having acknowledged the mistake of its over-enthusiastic reliance on the financial services sector, government has indicated a willingness to restore some balance into the national income portfolio and to encourage appropriate manufacturing. If this proves to be the case, our industry is well placed to take advantage of any greater sympathy for manufacturing, conditioned as that support will undoubtedly be by reference to long term environmental sustainability. In this regard, CPI will have an increasingly important role to play; one which, with its Members’ support, I am sure it will effectively and efficiently perform.

“...it is perhaps even more important than ever that we retain and encourage a dynamic collective voice to promote our industry...”

Bob McLellan
CPI President
CPI Team
Providing a dedicated and professional service

Jo Ashworth
General Office Coordinator

Andrew Barnetson
Corrugated Sector Manager

Andrew Braund
Head of Health & Safety

Des Fogerty
Financial Controller/Company Secretary

Steve Freeman
Energy & Environment Manager

Claire Gibbs
Communications Coordinator

Nick Langdon
Statistics Manager

David Morgan
Head of Regulatory Affairs

Christine Murgatroyd
Accounts Assistant

Emma Punchard
Head of Communications

Peter Seggie
Recovered Paper Sector Manager

Paul Storey
Head of Employment Affairs

Gill Waite
System Administrator

Catherine Waterfield
External Affairs Coordinator
2008 was a challenging year, not least because of the contraction in the industry through the closure of some long established paper mills and consolidation elsewhere amongst converters and processors. Over the past decade, the UK has seen its paper and board production fall by almost a quarter, with the loss of 38 mills and over 10,000 jobs. Production of corrugated board has consistently fallen from a peak in 2000 by almost 18%; only in the case of tissue manufacture has production increased significantly over the decade, by almost a quarter. Whilst recovered paper collection increased from 5 million tonnes in 1998 to 8.8 million tonnes in 2008, the UK’s failure to absorb this into domestic manufacturing has seen a dramatic increase in exports from less than half a million tonnes in 1998 to 4.8 million tonnes in 2008.

Against this background, CPI has endeavoured to maintain the breadth and depth of its activities. Whilst issues management and communications define the core of CPI’s mission, we continue to work assiduously through the Paper and Board Industry Advisory Committee (PABIAC) to deliver improving health and safety outcomes; through Proskills, Members are now able to access significant funding to assist in realising their training ambitions; and we continue to provide a valuable Employment Services advisory function.

I feel privileged to lead a team of dedicated professionals whose knowledge, dedication and, indeed, stamina provide CPI’s Members with a service that they are able to rely on.
After a period in 2007 when UK gas and electricity prices dropped from the high levels seen in 2005 and 2006 to historically more consistent figures, Winter 2007-8 saw another large increase in energy prices. However, a sustained fall in world crude oil prices in the second half of the year led to reduced energy prices for Winter 2008-9 with forward prices for Summer 2009 at their lowest level (in real terms) for many years. Furthermore, the historic premia which UK gas and electricity had commanded over recent years, in comparison with energy sold in continental Europe, reduced significantly. Nevertheless, although it might be said that UK energy markets have been working more effectively in the second half of the year – in that movements in prices can generally be explained, which has not always been the case - there is still concern that the UK is very close to the limit of gas availability if there were to be an especially cold period in winter.

CPI continues to focus its energy price lobbying activities through the forum of the Energy Intensive Users Group, and maintains that the UK market, although liberalised, does not always perform efficiently when surrounded by non-liberalised European neighbours. A specific area of weakness is the limited gas storage capacity in the UK compared with our EU neighbours and the lack of any plans by the Government to remedy the situation.

**EU Emissions Trading Scheme (EU ETS)**

2008 was the first year when the majority of UK paper mills took part in EU ETS (most of the sector chose to opt-out of Phase I of the scheme which ran from 2005-7). CPI advised mills on participation in the scheme and arranged the compliance activities for the sector. This was achieved by agreeing a group verification contract with BSi so that all mills were visited and had their CO₂ emissions verified by the same verification company. The results for 2008 showed that the economic downturn affected mill performance towards the end of the year and therefore CO₂ emissions for 2008 were lower than expected.
In March 2007, CPI was successful in its application to have paper sludge incinerator ash included in that year’s round of project work to develop ‘Quality Protocols’. The aim was to get ash re-categorised as a “product” rather than a “waste” to allow the development of more markets for the ash, with associated environmental benefits. The project work continued throughout 2007 and 2008 and culminated in a draft Protocol being released for consultation by the Environment Agency in December 2008.

CPI took an active role in lobbying UK government officials and worked with the Confederation of European Paper Industries (CEPI) and experts from other industries in developing responses to the European Commission’s proposals for Phase III of EU ETS which starts in 2013. The biggest issue for paper mills is the potential withdrawal of the free, or mostly free, allocation of emissions allowances by government, and its replacement with a requirement that mills buy allowances. Since the paper industry competes in world markets, it would, in general, be unable to pass through significant additional costs without dramatically losing market share. Having to purchase all required allowances could lead to widespread closure of mills and relocation of business outside the EU, with associated “carbon leakage”. The final proposal for a revised Directive was adopted by European policymakers in December and there is provision now for sectors affected by “carbon leakage” to qualify for a degree of free allocation. We are confident that the European pulp and paper industry has a good chance of qualifying.

In April 2008 the Environment Agency introduced its Environmental Permitting Regulations (EPR) which combined the requirements of Integrated Pollution Prevention and Control (IPPC) and Waste regulatory regimes. As a result, Government started looking at existing exemptions from Waste Management licencing requirements with a view to reducing the number of exempted activities. The landspreading of paper sludge for agricultural benefit is one such activity. CPI became involved with officials to try to ensure that any permitting regime developed as an alternative does not adversely affect our Members. Government is expected to issue firm proposals in 2009.

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New CCA target challenging but achievable
Carbon Reduction Commitment (CRC)

The Department of Energy and Climate Change (DECC) - formerly Defra - has been developing the CRC since 2007. Starting in 2010, it will be a “cap and trade” emissions trading scheme for the next level of business and industrial energy consumers down from those in Climate Change Agreements (CCAs) and EU ETS. The CRC scheme will affect the paper industry because (a) some parts of the sector are not in a CCA or EU ETS but consume reasonably large quantities of energy, and (b) all paper companies will be subject to the scheme and will have to register initially before claiming exemption because of participation in CCAs. Full details of the CRC were published in March 2009 and, as expected, companies will have to make energy consumption declarations to the scheme regulator before the end of 2009.

Climate Change Agreements (CCAs)

The paper sector, which comprised 54 mills at the end of the year, met the 2008 energy efficiency target set out in the Climate Change Agreement that CPI has with Government (DECC). The benefit of meeting these targets is an 80% rebate on the Climate Change Levy, worth several million pounds annually to the paper industry. 2008 was also a “review year” when Government exercised its right to review the existing targets for 2010. CPI was successful in negotiating with Government a significantly reduced tightening of the existing 2010 target. Achieving the new target will be challenging but we think it should be achievable.

The current CCAs expire in March 2013 (2010 is the last target year) and Government announced in 2008 that CCAs will be extended through to 2017 but will be in a different form to existing agreements. The structure of these “New CCAs” will be consulted on early in 2009 and CPI will be closely involved with all relevant government departments and agencies in the development of the scheme.
Health and Safety
New PABIAC strategy and targets

CPI works in partnership with the Health and Safety Executive (HSE) and trade unions, through the Paper and Board Industry Advisory Committee (PABIAC), to agree and deliver new strategic directions in health and safety for the industry. Sharing of information on industry specific hazards through PABIAC has enabled the industry and HSE to challenge the status quo and drive improvements, especially in difficult areas such as machine safety and transport related issues. Research undertaken in 2007/2008 by Greenstreet Berman Ltd on behalf of HSE (RR620 Review of targeted initiatives in the manufacturing sector) suggests that the PABIAC approach over the years has been successful in achieving substantial reductions in injury incidence rates and improving health and safety management performance.

PABIAC Strategy 2008-2011

In July 2008, PABIAC launched the second phase of its strategy to secure further improvements in health and safety performance in the papermaking, tissue, corrugated packaging and recovered paper sectors over the next three years.

The new strategy - Making a difference 2008-11 - builds on the achievements of the industry during the first phase of the strategy (2005-2008) which saw a reduction of 22% in its overall reported non-fatal injury rate, and a reduction of 35% in the number of working days lost.

It sets specific and ambitious targets for reducing annual injury incidence rates from the current figure of around 1,170 per 100,000 employees to less than 850 per 100,000 employees by 2011. Other objectives address the need for improved health and safety management performance, and demonstrating a continuously improving health and safety climate. There are also objectives to improve the understanding and control of occupational health, and in relation to the securing of loads on curtain-sided vehicles.

Sector Health and Safety Committees

All CPI sectors continue to be supported well by their respective Health and Safety committees. Health and safety
In recent years the paper industry has shown a determined effort to be amongst the best performing industries in manufacturing by setting hard accident reduction targets and through industry initiatives. Economically, 2008 has proved to be a difficult year for the industry as a whole, perhaps reflected in the increase in the overall incident rate in comparison to 2007.

For both papermaking and the recovered paper sectors, slips, trips or falls injuries continued to be the main cause of all reportable accidents. While for the corrugated sector machine accidents were of major concern, and will remain a top priority in 2009.

The graph below shows the accident rate for all CPI sectors (including IWPPA - now the Recycling Association) up to Dec 2008.
Working towards better load security

Transport Working Group

Following the withdrawal of INDG 396 Transporting Paper Safely in 2006, HSE commissioned the Health and Safety Laboratory to undertake extensive research into the effectiveness of different methods of securing heavy loads on curtain-sided lorries. In 2008 the Research Report 662 Load Security on Curtain-Sided Lorries was released. The report reviewed existing legislation and guidance across the UK, Europe, and North America to assess the mechanics of load shift and the most effective methods of restraining loads.

The research findings concluded that:

- loads needed to be restrained so that they do not move relative to the trailer bed during transport.
- load restraint is not the same as load containment. Some loads require a combination of both.
- the curtains and weather protection structures of curtain-sided vehicles are generally not suitable for load securing; nor can friction alone be relied on as a restraint method.

Further to the release of this report, CPI established an all-sector working group, with the specific aim of assisting the industry in working towards achieving the recommendations set out in the report, through the sharing of practical and technical solutions, in line with compliance with existing legal duties under current UK legislation.
Hierarchical Task Analysis and Human Error Analysis Workshops

One of the big successes of 2008 has been the hierarchical task analysis and human error workshops, which CPI has organised and run in partnership with HSE.

Originally arranged to help the corrugated sector address its machine related accidents, the objective of the workshop is to improve the quality of risk assessments associated with machine intervention, establish better standards of control, take appropriate account of human factors and, thereafter, reduce the number of machine related accidents in the sector.

Five workshops were run during the year, four in the corrugated sector and one in papermaking, and to date over 120 employees have been formally trained in these techniques.

Food Contact

Throughout the year CPI continued to work closely with the Food Standards Agency (FSA). CPI participated in a review panel that assesses current FSA sponsored research and, in additional meetings, allows the discussion of a wide range of industry topics.

One particular topic that came under scrutiny during the year was the presence of phthalates in adhesives. CPI led an industry initiative to move voluntarily away from the use of these chemicals. We remained in close liaison with FSA during this process, providing information not only to confirm that their use had been terminated by the majority of industry but also on the residual levels of phthalates in recycled papers.

CPI was also involved in the development of an industry drafted guideline related to the manufacture of paper and board intended for food contact.

Such was the success of this workshop that in 2009, CPI will be assisting HSE in running a pilot event for other manufacturing sectors as part of HSE's Revitalising Network programme.
CPI analysis of domestic reprocessing and exports of recovered paper showed a real rollercoaster ride through 2008 resulting in an annual increase in recycling of just 2%. The first half of the year showed record growth in recycling due to increasing exports to the Far East while the second half of the year showed contraction, again primarily associated with Far East markets. Throughout the year, UK domestic recycling showed a more constant market demand. Prices also showed significant change through the year with increases seen for the first nine months followed by a dramatic crash in October as Chinese buyers left the market. This market turmoil led to significant public and political interest in the recycling industry and to the publication of a number of ill-informed press articles.

The reality of the situation through 2008 was that Chinese buying activity dropped by around 100,000 tonnes in October which led to a market price fall. Chinese demand picked up again in December and good quality material
Quality Counts

As seen from the graph below, we now find ourselves in a buyers’ market, a very different place than we have been in for the last 10 years when markets, particularly China, were rapidly expanding. High quality recovered paper is still a much demanded commodity, given the ease with which it can be reprocessed into new paper products and the still-hungry global markets. Unfortunately, the recovered paper sector continued to be judged by the press and public on the worst excesses of the wider industry.

The market for lower quality material, predominantly mixed papers from municipal sources, may decline further leading to difficulties such as those experienced through the end of 2008. This may be exacerbated by the difficulty in securing the necessary finance to invest in further sorting facilities needed to improve the quality of material extracted from municipal waste streams.

Market Update

UK markets for recovered paper remained fairly stable through 2008, although there was a drop in December as domestic mills took extended downtime due to the slowing economy. Chinese demand continued to grow through 2008, cementing China as the second key destination for UK collected recovered paper after the UK. In 2008, UK domestic market demand fell slightly to 45% of UK recovery, while Chinese demand grew to 30%. Other global markets for UK recovered paper remained flat with Europe accounting for just 10% and the Far East, excluding China, taking up the majority of the remainder.
CPI continued to promote corrugated packaging and raise awareness of its environmental benefits - it has the highest recycling rate of any packaging material.

Throughout the year, CPI built on the existing general programme of activity, establishing a specific programme leading to greatly increased coverage in the trade media. Featured were its environmental credentials, corrugated packaging’s space efficiency and the opportunities it provides for improved profitability throughout the supply chain.

Through its participation in a Parliamentary Reception for MPs, CPI was able to inform MPs about the many benefits of corrugated packaging.

Another new initiative during the year involved sponsorship of a packaging-category award at an industry ceremony for excellence in packaging design.

More than 80% of the corrugated board used in the UK is recycled. Much of the remainder is reused in the home.

On average, corrugated boxes contain 76% recycled material with many containing 100%.

As a result of the high recycling rate, an area of board the size of Greater London avoids going to landfill every four months.
Its website remains the core component of CPI’s communication programme, with upwards of 10,000 visits each week. October 2008 saw the successful launch of the new-look CPI website, redesigned to enhance navigation and ease-of-use whilst retaining the depth of content required by Members and the general public.

The public face of the CPI website provides a wealth of information, publications, fact sheets, press releases and health and safety bulletins. Access is also provided to sites supported by CPI, such as PaperChain and the Newsprint and Newspaper Industry Environmental Action Group (NNIEAG).

Members benefit from regular CPI publications such as Daily Data, CPI News, and the Quarterly Review. Twenty-six Members’ Circulars were distributed in 2008, keeping Members informed on specific topics of interest as they arose. Thirteen press releases were issued in 2008, and CPI appeared in national and trade press over 100 times, to the accompaniment of several staff-penned editorials.

CPI has built a considerable network of relationships with Government and its Departments to ensure Members’ interests are represented throughout Westminster and Whitehall. Its unique position to collect, analyse and disseminate data on the UK paper industries is well-recognised, as is its expert knowledge. As such, 2008 saw several high-profile ministerial meetings and a successful Parliamentary Reception for MPs.

To further support this work, an edition of the MPs Newsletter continues to be circulated at the beginning of each Parliamentary session, keeping all MPs abreast of the issues facing the Industry. In 2008, CPI built upon this work by establishing its own micro-site within the ePolitix website, visited regularly by MPs and parliamentary staff.
The position of the paper-related industries as a bell-wether of wider economic developments was confirmed during 2008 as declining demand for paper and board products in late 2007 and the early part of 2008 pointed to the severe collapse in demand that developed later in the year. The UK papermaking sector saw the closure of five mills and the virtual disappearance of its once significant Printings & Writings sector together with further major closures and consolidation in the packaging sector. Only the tissue sector once again proved more resilient with demand for its products remaining relatively stable.

**Apparent Consumption of Paper and Board**

2008 finished with a total apparent consumption of 11.4 million tonnes, a significant decline of 5.7% on the previous year but with real consumption (i.e. including sales from stock) thought to be better. This is the largest fall year-on-year in recent memory and lowers UK demand to levels last seen in the mid-1990s. The only grades showing any growth were uncoated woodfree reels, up 19.3% – assumed to be related to stock building prior to the closure of the last two large mills making uncoated woodfree grades in bulk – and toilet/facial tissues, up 4.2%/3.0%. Otherwise, most major markets experienced contraction in demand, some drastically so: Newsprint, down 4.5% to 2.36 million tonnes; Printings & Writings in total, down 7.9% to 4.18 million tonnes; and Case Materials, down 6.8% to 2.18 million tonnes. In continental Europe, Germany, France, Spain and Italy also suffered declining demand in various degrees with overall paper and board consumption in the CEPI countries falling by 3.1% to 86.8 million tonnes.
Utilisation and Stocks of Virgin Woodpulp

Utilisation of virgin woodpulp grades remained relatively stable at 1.56 million tonnes, though with a noticeable tailing-off at the end of the year as capacity closures and falling demand began to bite. 2009 is expected to see UK usage of woodpulps fall to record lows as the recent closures in the Printings and Writings sector take their toll.

Utipulp reported falling stocks at European mills throughout most of the year as prices remained relatively high until falling away at year-end. Producer inventories then began their climb to the highest levels seen for over 15 years and subsequently prices for the benchmark NBSK and Eucalyptus grades have fallen drastically.

Production and Deliveries of Paper and Board

Mill production of paper and board for 2008 was 4.983 million tonnes, a decline of 4.7%, and including for December a total output of just 302,422 tonnes, the lowest monthly total by the UK industry for over 20 years as many mills took extended downtime during the Christmas period. The closure of five mills between July and December curtailed output in Printings and Writings (-17.1%) and Case Materials (-7.0%); the Newsprint sector, however, registered an increase in output of 3.6%. The announcement of more closures is expected to further reduce output during 2009 despite new capacity opening in the autumn.

Deliveries to home and export markets declined with falling demand, domestic sales dropping by 5% to 4 million tonnes though remaining stable at 35% of UK consumption as imports fell by a similar amount. Export deliveries climbed back above 1 million tonnes after last year’s fall with strong performances by almost all sectors but particularly Newsprint and Case materials; this no doubt reflecting the weaker pound and stronger euro.

Production of Corrugated Board

2008 was a difficult year marked by consolidation in both the sheet-feeding and integrated sector, including the purchase by SAICA of almost the whole of SCA’s UK corrugated business. Total output by area fell by 3.5% to 3,834,000 ksm with effective weekly production falling by 4.3% to 76,400 ksm in a slightly longer working leap year. Sheet-feeders fared no better with output falling by 3.1%. Total shipments of boxes by the whole UK industry, including CPI non-members, are estimated by CPI to be 3,884,000 ksm.
Members

CPI Members

Full Members

AbitibiBowater - Bridgewater Division
Alden Packaging Ltd
Arjo Wiggins Chatham Ltd
Arjo Wiggins Carbonless Papers Ltd
Arjo Wiggins Fine Papers Ltd
Aylesford Newsprint Ltd
BCP Fluted Packaging Ltd
Berridge Waste Paper Ltd
Biffa Waste Services Ltd
Billerud Beatham Ltd
Bolton Brothers Ltd
Caledonian Packaging Ltd
Central Recycling Group Ltd
Chas Storer Ltd
CRP Print & Packaging Ltd
Cutts Brothers (Doncaster) Ltd
De La Rue International Ltd
DS Smith Packaging Ltd
Durham Box Company Ltd
Faspak (Containers) Ltd
Fourstones Paper Mill Company Ltd
G.R. Advanced Materials Ltd
Georgia-Pacific GB Ltd
Glatfelter UK Ltd
Gordano Packaging Ltd
Greenstar (M&B) Ltd
Heath Recycling
Hollands Recycling Ltd
Hollingsworth & Vose Company Ltd
Iggesund Paperboard (Workington) Ltd
International Paper (UK) Ltd
Intertissue Ltd
James Cropper plc
John Roberts Holdings Ltd
Kruger Tissue (Manufacturing) Ltd
Marshall Langston Ltd
Middleton Paper Company Ltd
Mondi Packaging UK) Ltd
Mondi Packaging Holcombe Ltd
M-real New Thames Ltd
Nordic Recycling Ltd
Northern Packaging Ltd
Packaging Products Ltd
Pearce Recycling Company Ltd
Perrys Recycling
Peter Grant Papers Ltd
Preston Board and Packaging Ltd
R. H. Fibreboard Containers Ltd
Recycling UK Ltd
Ribble Packaging Ltd
Rigid Containers Ltd
Rigid Paper Ltd
Robert Hough Ltd
Roydon Packaging Ltd
S H Fiske Ltd
SAICA Packaging UK Ltd
Sanita UK Ltd
Sappi (UK) Ltd
SCA Hygiene Products UK Ltd
SCA Packaging Ltd
SCA Recycling UK Ltd
Severnside Recycling
SITA UK Ltd
Slater Harrison & Co. Ltd
Smurfit Kappa UK - Paper Division
Smurfit Kappa UK - Corrugated Division
Sonoco Ltd
Sonoco Recycling
St. Regis Paper Company Ltd
Stirling Fibre Ltd
Sundeala Ltd
TRM Packaging Ltd
Tyne Tees Packaging Ltd
UPM-Kymmene (UK) Ltd
Vernacare Ltd
W E Roberts (Corrugated) Ltd
W J Lambert & Co
Wastepack Ltd
Western Corrugated Ltd
Weidmann Whiteley Ltd

Associate Members

ACN Europe
APG Atlantic Paper Ltd
Avanti Conveyors Ltd
Bobst Group (UK & Ireland) Ltd
Bollegraaf UK Ltd
Cerestar UK Ltd
Dicom Ltd
European Packaging Distributors Ltd
GTS (Europe) Ltd
ITW Signode Containers UK
Jointine Products (Lincoln) Ltd
Kiwiplan Europe Ltd
Know It All Ltd
Mark Lyndon Paper Enterprises (UK) Ltd
Materials Recycling Week
Middleton Engineering Ltd
Premier Waste Management Ltd
Pulp Friction
Raleigh Ltd
Recycle Direct Ltd
Smith Anderson Packaging Ltd
Sun Chemical Paper Packaging Ink Division
Sun Source Europe LLC
Systematic Servicing (Equipment) Ltd

Affiliate Member
Paper Agents Association
CPI Council Members during 2008

Bengt Blomberg
Chief Executive
Aylesford Newsprint Ltd
From November 2008

Clive Bowers
Chief Executive - Corrugated Division
Smurfit Kappa UK Ltd
All year

John Denman
Group Finance Director
James Cropper plc
All year

(Honorary Treasurer)

Howard Emmett
Mill Manager
M-real New Thames Ltd
All year

John Gaunt
Industrial Director
Arjo Wiggins Fine Papers Ltd
All year

Jean-Francois Guillot
General Manager
AbitibiBowater - Bridgewater Division
All year

Kevin Lyden OBE
Managing Director
UPM-Kymmene (UK) Ltd
To September 2008

(President to September 2008)

Richard McBride
Managing Director
Mondi Packaging (UK) Ltd
To May 2008

Alan McKendrick
Chief Executive
Aylesford Newsprint Ltd
To November 2008

Managing Director
DS Smith Packaging Ltd
All year

Bob McLellan
Managing Director
International Paper (UK) Ltd
All year

(President from September 2008)

Chris Melia
Managing Director
SCA Packaging Ltd
To May 2008

Brian Miller
Managing Director - UK & Ireland
SIACA Packaging UK Ltd
From May 2008

Brian Miller
Managing Director - UK & Ireland
Mondi Packaging (UK) Ltd
From May 2008

Steve Moss
Managing Director - UK Box Plants
UPM-Kymmene (UK) Ltd
From September 2008

Will Oldham
Managing Director
CPI
All year

Martin Oldman
Director General
Intertissue Ltd
All year

Chris Perry
Managing Director
Iggesund Paperboard (Workington) Ltd
All year

Ola Schultz-Eklund
Managing Director
Hollands Recycling Ltd
All year

Debra Smith
Commercial Manager
SCA Recycling Ltd
From May 2008

Ken Stevens
Managing Director
Arden Packaging Ltd
All year

Graham Sutherland
Managing Director
Key Industry Facts

**INDUSTRY FACTS 2008**

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<tbody>
<tr>
<td>CPI Member Companies</td>
<td>80</td>
</tr>
<tr>
<td>CPI Member Sites</td>
<td>265</td>
</tr>
<tr>
<td>CPI Member Employees</td>
<td>22,500</td>
</tr>
<tr>
<td>PAPER AND BOARD Production* ('000 Tonnes)</td>
<td>4,983.0</td>
</tr>
<tr>
<td>CORRUGATED Production (Million Sq. Metres)</td>
<td>3,833.6</td>
</tr>
<tr>
<td>RECOVERED PAPER Collection ('000 Tonnes)</td>
<td>8,768.2</td>
</tr>
<tr>
<td>TISSUE Parent Reel Production ('000 Tonnes)</td>
<td>783.2</td>
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</tbody>
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* includes parent reel production

**PAPER AND BOARD Consumption**

- Million Tonnes
- 1988 to 2008

**PAPER AND BOARD Production**

- Million Tonnes
- 1988 to 2008

**PAPER AND BOARD Woodpulp Usage**

- Million Tonnes
- 1988 to 2008

- Imported
- Domestic

**PAPER AND BOARD Mills and Employees**

- '000 Employees
- No. of Mills
- 1988 to 2008

**RECOVERED PAPER Collection**

- Million Tonnes
- 1988 to 2008
Key Industry Facts

**RECOVERED PAPER**

**Domestic Usage**

Million Tonnes

- 1988: 2.0
- 1989: 2.5
- 1990: 3.0
- 1991: 3.5
- 1992: 4.0
- 1993: 4.5
- 1994: 5.0

**Exports**

Million Tonnes

- 1988: 0.0
- 1989: 1.0
- 1990: 2.0
- 1991: 3.0
- 1992: 4.0
- 1993: 5.0

**Markets**

- China: 30%
- EU: 11%
- India: 5%
- Indonesia: 4%
- Rest of Asia: 4%
- Rest of World: 2%
- UK: 44%

**Consumption of Paper**

Million Tonnes

- 1998: 2.0
- 1999: 2.2
- 2000: 2.4
- 2001: 2.6
- 2002: 2.8

**Production of Corrugated Boxes**

Million sq. m.

- 1998: 3000
- 1999: 3500
- 2000: 4000
- 2001: 4500
- 2002: 5000

**Parent Reel Production**

kTonnes

- 1998: 300
- 1999: 400
- 2000: 500
- 2001: 600
- 2002: 700
- 2003: 800
- 2004: 900

Sources:
- CPI, HM Revenue & Customs
- FEFCO
- CPI

**www.paper.org.uk**