



CASE STUDY: SAPPI FINE PAPER NORTH AMERICA



Sappi Fine Paper of North America (Sappi) generates Green-e Energy Certified onsite renewable energy to power its Boston headquarters and manufacture multiple paper lines at its Cloquet and Somerset Mills in Minnesota and Maine.

In doing so, Sappi aims to grow sustainably while continuing to create value for its shareholders, employees, customers, suppliers, and the communities in which it operates. Sappi joined Green-e Marketplace in 2007 to support its business strategy to be a leader in sustainable paper products. Sappi displays the Green-e logo, the nationally recognized mark of certified renewable energy excellence, to demonstrate its commitment to customers and help grow its marketshare.

Products

Sappi offers the following Green-e certified paper lines: McCoy® web, sheets, and digital; Opus® web, sheets, and digital; and Flo® sheets and digital. In 2007, Sappi launched Flo, a best-in-class economy sheet paper to meet the demands of its commercial printers. Initially offering Flo as an FSC- and SFI-certified paper product, Sappi further extended its level of environmental commitment by adding renewable energy as an additional certified attribute. “The Green-e certification of our select coated fine paper products has been an excellent way for us to provide additional assurance to our customers that we are working to minimize the impact on our environment,” said Mark Hittie, manager of domestic sheets at Sappi North America. “In fact,

the Green-e certification of our brand Flo, which we repositioned in 2009, was among the key product attributes, which has contributed to this product’s continue success in the marketplace. In 2010, our sales of Flo were two and half times more than the previous year, and today, Flo is our bestselling economy grade.”

Sappi understands its consumers for the most part choose products made with renewable energy because it helps to reduce climate change effects and encourages the building of new renewable resources. To engage customers on the environmental benefits when choosing its products, such as its papers manufactured with renewable energy, Sappi launched a new online tool called eQ that explains the environmental benefits of Sappi paper and lets users print a customized product statement. Sappi understands the importance of verified environmental claims, which is why it depends on Green-e as a third-party certification program to certify its products and onsite facility.

The Green-e logo is a tool used by Sappi to guide consumers to purchase more sustainable paper products. Sappi uses the Green-e logo on swatchbooks and other consumer-facing sales and promotional collateral to inform printers, advertisers, marketers, publishers, and designers when choosing the right paper line for their project designs. Often consumers choose sustainable paper products, like Flo, for their corporate annual reports, catalogs, and brochures. “Customers tell us they want Green-e certified paper products. Including Toyota, who specifically requested their 2008 sustainability report to be printed on Green-e certified paper,” said Laura Thompson, director of technical marketing and

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Member since:	2007
Products:	McCoy® web, sheets, and digital Opus® web, sheets, and digital Flo® sheets and digital



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sustainable development at Sappi North America. Today, Green-e re:print, a new program launched by Green-e Marketplace, connects certified printers that source from certified papers like the Green-e product lines offered by Sappi. Green-e re:print provides customers the option to display the Green-e logo on their collateral. “Green-e re:print will enable our customers to benefit from sourcing from our Green-e certified paper lines,” she said, “something our sales team is excited to introduce.”

Cloquet Mill and Onsite Generation

Sappi operates three U.S. mills: Cloquet, Somerset, and Westbrook, with combined manufacturing capacity of 1.2 million metric tons of coated fine paper and approximately 900,000 metric tons of pulp annually.¹ Since 2007, the Cloquet Mill has generated a qualifying amount of onsite renewable energy. Cloquet Mill follows the standards required by Green-e Energy, the nation’s leading independent certification and verification program for renewable energy. The mill uses mechanically processed black liquor, which is a byproduct of the pulping process and is a carbon-neutral, renewable, liquid fuel derived from biomass. Sappi Fine Paper North America currently sources more than 85% of its total energy generation from renewable energy sources including bark, sludge, purchased biomass, construction and demolition wood, and black liquor. The mills take advantage of onsite utilities through the cogeneration of steam and electricity. Steam is utilized as thermal energy for processes such as cooking pulp and drying paper, and as mechanical energy for driving turbines and generating electricity. By relying on a large amount of renewable energy at a low cost, Sappi avoids some costs associated with oil and natural gas price volatility.

Somerset Mill Upgrade

Sappi currently sources more than 80% of its electricity generation from renewable energy sources. A portion of that electricity use, about 100,000 MWh, is Green-e Energy Certified and covers the Cloquet Mill and

Boston Headquarters. In 2011, Sappi invested \$49 million in a capital project to upgrade the Somerset Mill’s recovery boiler and related equipment, which brought it into compliance with Green-e Energy guidelines. Thompson said, “Sappi is always looking to further expand its capacity to generate certified renewable energy. This project allowed to expand the number of Green-e Certified products that we offer to our customers.”

About Sappi Fine Paper of North America

Sappi Fine Paper North America is a preeminent North American producer of coated fine paper used in premium magazines, catalogues, books and high-end print advertising. Headquartered in Boston, MA, Sappi Fine Paper North America is known for innovation and quality. Its brand names, including McCoy, Opus, Somerset, and Flo, are some of the industry’s most widely recognized and specified. Sappi’s mills in North America are triple chain of custody certified to the Forest Stewardship Council (FSC), Sustainable Forestry Initiative® (SFI), and Programme for the Endorsement of Forest Certification (PEFC). Over 80% of the energy used by Sappi’s North American mills comes from renewable resources, resulting in one of the lowest carbon footprints of any major North American coated paper supplier. Sappi Fine Paper North America is a division of Sappi Limited (NYSE and JSE), a global company headquartered in Johannesburg, South Africa, with manufacturing operations on four continents in 9 countries, sales offices in over 26 countries, and customers in over 100 countries around the world. For more information about Sappi Fine Paper North America, visit www.sappi.com/na.

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1. 2008 Sappi Sustainability Report