



APPLETON COATED



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FOR IMMEDIATE RELEASE

Industry and Union Join Together in Calling on U.S. Government to Extend Existing Duties on Coated Freesheet Paper Imports from China and Indonesia

Washington, D.C. (Oct. 1, 2015) – Verso Corporation, Sappi North America and Appleton Coated LLC, together with the United Steelworkers (USW), today called for an extension of duties on imports of coated paper from China and Indonesia that were previously determined to have threatened material injury to U.S. producers and workers. Duties resulting from this determination are periodically reassessed under what are known as “sunset reviews.”

The original decision to impose duties was made by the International Trade Commission (ITC) in a bipartisan unanimous decision in November 2010. That decision was based on petitions filed by NewPage Corporation (since then acquired by Verso), Sappi North America, Appleton Coated LLC and the USW in September 2009 with the Department of Commerce and the ITC. The petitions alleged that certain coated paper from China and Indonesia had been subsidized and dumped in the United States, resulting in injury to the domestic industry and its employees.

The domestic coated paper industry had experienced capacity reductions and underutilization resulting in the loss of jobs in communities across the country. The petitions showed, and the Commerce Department and ITC validated, that unfairly traded imports from China and Indonesia were a significant contributor to that underutilization of capacity, mill closures and resultant job losses.

In a market where the demand for coated papers was declining, the ITC found that rising volumes of imported coated paper from the two countries threatened the domestic industry with material injury. The Commerce Department found that imports of coated paper from China were being dumped at margins ranging from 7.62% to 135.84% and were subsidized at margins ranging from 19.46% to 202.84%. The Commerce Department found that imports from Indonesia were being dumped at a margin of 20.13% and subsidized at a margin of 17.94%.

Since duties were imposed, imports from both China and Indonesia have dropped dramatically and fair market conditions have been restored.

Today, coated paper is produced across the United States by thousands of workers who are paid good, family supportive wages. Coated paper is generally used for printing multicolored graphics for books, catalogues, magazines and other commercial printing applications.

“Continuing relief under the existing ITC orders will help maintain a level playing field by deterring Chinese and Indonesian government subsidies and dumping that would likely resume if the duties were to be eliminated,” said Verso Corporation President and CEO David J. Paterson. “Free trade requires that the rules are fairly applied and uniformly followed.”

“The initial decision helped restore a fair market and discourage unfair and illegal dumping and subsidies of our competitors,” said Mark Gardner, President and CEO of Sappi North America. “That decision needs to be extended through this sunset review so that we can compete based on the quality of our products and so that we can continue to invest in our mills, equipment and people as well as the sustainable manufacturing and procurement practices we implement and pursue.”

Doug Osterberg, President and CEO of Appleton Coated LLC, stated, “There’s no question that, if the orders are lifted, serious injury to domestic industry will follow. World markets in paper are under constant pressure, and dumping and subsidy orders have been a principal means of assuring the existence of a fair and competitive market in these products. Our customers deserve products that are fairly priced and confidence that existing suppliers will continue to meet their needs. The trade laws have been a vital tool in ensuring the viability of these markets, producers and the sustained investments in our plants, technology and employees.”

Jon Geenen, USW international vice president, stated, “This is an industry that has been under attack by predatory trade practices from China and Indonesia. The market is under continuing pressure that has continued to put production and jobs in jeopardy. The duties that are in place need to continue to ensure that we can maintain good jobs and fair market conditions. We are hopeful that this can be dealt with in an expedited manner so that the competitive threat doesn’t again lead to production and job loss here in the U.S. Our members work hard, play by the rules and deserve to have the trade rules strictly enforced.”

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About Verso

Verso Corporation is the turn-to company for those looking to successfully navigate the complexities of paper sourcing and performance. The leading North American producer of printing and specialty papers and pulp, Verso provides insightful solutions that help drive improved customer efficiency, productivity, brand awareness and business results. Verso’s long-standing reputation for quality and reliability is directly tied to our vision to be a company with passion that is respected and trusted by all. Verso’s passion is rooted in ethical business practices that demand safe workplaces for our employees and sustainable wood sourcing for our products. This passion, combined with our flexible manufacturing capabilities and an unmatched commitment to product performance, delivery and service, make Verso a preferred choice among commercial printers, paper merchants and brokers, converters, publishers and other end users. For more information, visit us online at www.versoco.com.

About Sappi North America

Sappi North America, headquartered in Boston and a subsidiary of global pulp and paper group Sappi Limited, is a market leader in converting wood fiber into superior products that customers demand

worldwide. The success of our four diversified businesses – high quality Coated Printing Papers, Specialised Cellulose, Release Papers and Specialty Packaging – is driven by strong customer relationships, best-in-class people and advantaged assets, products and services. Our high quality **Coated Printing Papers**, including McCoy, Opus, Somerset and Flo, are the key platform for premium magazines, catalogs, books and high-end print advertising. We are a leading manufacturer of **Specialised Cellulose** used in a wide range of products, including textile fibers and household goods, and one of the world's leading suppliers of **Release Papers** for the automotive, fashion and engineered films industries. Our **Specialty Packaging** products, such as LusterPrint and LusterCote, represent an important asset in the food packaging and labeling industries. Customers rely on Sappi for high technical, operational and market expertise; products and services delivered with consistently high quality and reliability; and, state-of-the-art and cost-competitive assets and innovative spirit.

Sappi North America is a subsidiary of Sappi Limited (JSE), a global company headquartered in Johannesburg, South Africa, with more than 13,000 employees and manufacturing operations on three continents in seven countries and customers in over 100 countries around the world. Learn more about Sappi at: www.sappi.com/na.

About Appleton Coated

Appleton Coated is a manufacturer and distributor of coated, uncoated, specialty and technical papers sold under the Utopia® and other brand names. The company's products are used in high-end commercial printing, textbook publishing, label papers, transactional printing and a variety of specialty and custom applications. Selling through a chain of highly respected paper distributors, the company serves corporations, publishers, printers, converters, and graphic designers in North America. Appleton Coated's corporate headquarters and manufacturing facility are located in Combined Locks, Wisconsin. The company has over 600 employees, including 435 represented by USW Local 2-144. For more information visit our website at www.appletoncoated.com.

About the United Steelworkers

The United Steelworkers (USW) is a North American union headquartered in Pittsburgh. The union negotiates labor agreements representing 850,000 active workers employed in a variety of major industries that include metals, mining, pulp, paper, timber, rubber, chemicals, glass, auto parts, oil, and energy renewables. The USW also represents service and professional sector workers to include healthcare, municipalities and pharmaceuticals. For more information: www.usw.org.

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