

**Innovation in the Pulp and Paper Manufacturing Industry:
Insights from the 2005 Georgia Manufacturing Survey
Summary**

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The need to enhance innovation capacities has received growing attention in recent years. This paper aims to profile innovation methods within the pulp and paper industry based on a survey of more than 650 Georgia manufacturing establishments and in-person interviews with seven industry representatives. Pulp and paper survey respondents are compared with those in other industries in terms of their introduction of new or significantly improved products, processes, and organizational approaches and differences in firm size and type of pulp and paper operation are noted. Three unobserved dimensions of innovation—intellectual property-based, supply-chain based, and business process based—are identified through exploratory factor analysis and differences by sector are highlighted. Pulp and paper firms are generally found to lead other sectors in supply chain and process innovation, but lag in intellectual property based innovation. Qualitative in-person interviews suggested that innovation through the supply chain may reduce firm distinctiveness and depicted alternative approaches such as migration to different product types and relocating R&D to university campuses as examples of efforts to shift from traditional practices.

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