



Center for Paper Business and Industry Studies

Newsletter of the Center for Paper Business and Industry Studies
A Sloan Foundation Industry Center ♦500 Tenth Street ♦Atlanta, GA 30318 ♦<http://PaperStudies.org/>

Vol. II, No. 3

June 28, 2002

Homeland Security

Through the auspices of Sloan Program Director Gail Pesyna, CPBIS has obtained an analysis of the President's bill to create a Department of Homeland Security. Some in Washington have characterized this as the most significant change in U.S. government in history. At a minimum, it is the most important development since the Truman-era creation of the Department of Defense.

Anne Harrison-Clark is a Washington, D.C. consultant with extensive background and experience in government affairs. She is currently working with the Sloan Foundation to monitor the processes leading to creation of the department. The following is a quote from a message she sent to CPBIS:

"On Thursday, June 6, 2002, President George W. Bush surprised the nation, including members of Congress and members of his Cabinet, with an announcement of his intention to create a Homeland Security Agency (HSA). The creation of the HSA will involve a complex legislative process, but despite the complexity, the effort is on a 'fast-track.' E.g., Tom Ridge is planning to present President Bush with a national anti-terror strategy in July, and Congressional leadership has indicated support to create the HSA by September 11, 2002. Senator Joe Lieberman (D-CT), Chair of the Senate Government Affairs Committee, has already reported a homeland security agency out of his committee (S. 2452). Senator Lieberman's committee will start hearings on the Bush proposal on Thursday, June 20, 2002. It is very likely S. 2452 will become the vehicle used to incorporate the Bush HSA plan, as well as the foundation for action in the House.

This kind of federal reorganization has not happened since 1947, which means that all of this HSA activity offers a unique opportunity. Many of the Sloan Industry Centers have been working on security-related issues that are obviously relevant, but it is hard to think of any one of the industries represented by the Centers that will not be affected by this reorganization of the federal government in some way.

Accordingly we ... encourage you to think about what your Center could contribute to the formulation of this reorganization - either through input on Capitol Hill or the Executive branch."

The creation of the DHS will present U.S. industry with major challenges and opportunities. Some industries, such as transportation, will be affected in profound and obvious ways. Implications for the paper industry are probably less profound, but no less significant. A window of opportunity to influence the development of this bill opened on June 20, when the following analysis was first made available to the public. The bill has so much momentum that it will probably move to the Floor of the House of Representatives before the end of July, so the window may close before that time.

To read the complete analysis of the bill, go to

http://www.paperstudies.org/news_events/news/020619HomelandSecurityBill.pdf

To discuss how you can take advantage of the opportunity to be heard by those crafting the legislation, send an e-mail to the following address:

tom.mcdonough@paperstudies.org

or call 404-894-9707.

Thanks, Sponsors

Financial support by industry is vitally important to CPBIS for more reasons than are immediately obvious. It enables us to reach and sustain critical levels of research effort while at the same time meeting our educational goals. It engenders involvement of people representing the sponsoring companies in our research and educational endeavors, either in an advisory capacity or as active participants in CPBIS programs. It facilitates access to the industry's facilities and industry-specific knowledge flows into the Center. For all these reasons and others, we are deeply appreciative of the industry's support, especially in view of the challenging economic environment in which it is given. In particular, we thank Abitibi-Consolidated, Accenture, Albany International, AstenJohnson, BE&K, Bowater, ForestExpress, Georgia-Pacific, Gulf States, Inland, Jacobs Consultancy, Kruger, Glatfelter, Potlatch, SAPP, Stora Enso, Tembec, Tradition Financial Services, UPM-Kymmene, MeadWestvaco, and Weyerhaeuser. We extend a special thanks and welcome to our newest sponsoring company, Buckman Laboratories.

In addition to the above financial sponsors, other organizations support us by providing valuable services and collaborations that significantly leverage our own efforts. We sincerely thank AF&PA, Ecole Polytechnique, Forestweb, FPAC, Learning Framework, NC State University, Oregon State University, PACE, Paprican, PAPTAC, PIMA, TAPPI, and Watermark Communications.

Pulp Markets and Market Pulps

A new CPBIS project will delineate pulp market trends, identify the needs of pulp buyers and sellers, and develop a comprehensive database of market pulps worldwide. The principal investigators are Hiroki Nanko of IPST and Goutam Challagalla of Georgia Tech's DuPre College of Management. The market analysis will explore potential niche markets, and case studies will examine circumstances under which pursuing such niche markets has been profitable. Companies wishing to further investigate such avenues will need detailed information on the product options open to them. The project will provide such information in the form of an extensive database of pulp characteristics. The database will be constructed by collecting available information on different pulp types and pulps from different wood species and supplementing that information where necessary with new data. The results of this one-year project will be reported in book form and will be of

high value to both producers and users of market pulps.

Gasification from Another Angle

Black liquor gasification (BLG) with combined cycle power generation is a key element of the industry's strategy to achieve higher levels of competitiveness and energy self-sufficiency.. Several techno-economic studies of the process have demonstrated the likelihood that the technology is capable of doubling electric power generation at a capital cost that is close to that of the existing Tomlinson furnace-based technology.

A variety of considerations will determine whether BLG will be developed to the point of widespread, large-scale implementation. Technical hurdles and synergistic benefits are still being addressed.. Also important, however, will be the effects of its implementation on the community at large. To address this, Dr. Scott Siquefield of IPST and Prof. Michael Farmer of Georgia Tech's School of Public Policy will examine the societal impacts of implementing BLG. These are expected to be significant, and will include elimination of undesirable by-products, reduced costs for transportation of alternative fuels, abatement of greenhouse gas emissions, improvements in worker safety, and job retention in at-risk communities.

We're Out of Room, But...

Watch for further information on:

Rethink and Discovery II – Another successful session in this series was Webcast last Thursday from the PIMA Annual Meeting in San Francisco. A slate of prominent industry leaders discussed needs for change and redirection for the U.S. industry to succeed and improve its productivity and financial performance.

New CPBIS Management Course – The instructor of the upcoming fall semester CPBIS-sponsored management course will be George Manners. George has many years of industry experience and is currently Professor of Accounting and Management at Kennesaw State University.

A Web-based Platform for Sharing Knowledge – CPBIS and IPST have identified an extremely powerful and versatile software platform for sharing knowledge, and delivering educational programs. Ten industry organizations have agreed to partner and provide modest financial support in order to acquire the platform and share in its use. Watch for more information, but if you don't want to wait, contact bob.patterson@ipst.edu ■