

**Vol. XI, No. 2**

**May 20, 2011**

## ***A Valuable New Resource for CPBIS Sponsors, Researchers***

A recently redesigned CPBIS Web portal provides convenient access to a comprehensive collection of statistical data on the pulp and paper industry, related industries and the larger economy. CPBIS sponsors and researchers can access it by clicking on the “Data Center” button on the CPBIS home page (<http://www.cpbis.gatech.edu/>). Links to more than 170 databases are organized under tabs labeled “Indicators,” “Production,” “Consumption,” “PPI” and “Employment.”

### **Indicators**

Consumer price indices, employment and unemployment rates, international trade statistics, a variety of GDP and GNP measures, interest rates, personal consumption, population, and producer price indices.

### **Production**

Production and capacity utilization for the paper industry as whole as well as for individual industry segments such as paper mills, pulp mills, converted paper products, etc. Links to production data for related industries (e.g., printing and publishing) are also provided.

### **Consumption**

A variety of measures of real personal consumption by product, type, both annually and quarterly.

### **PPI**

Producer price indices for individual types of paper, paperboard, converted paper products, wastepaper and paper industry machinery.

### **Employment**

Employment, average hourly earnings, and average weekly overtime for various industry segments, including converted paper products, industrial paper, newsprint, paper bags, paperboard, and printing and writing paper.

Clicking on the link for any individual database brings up an interactive CPBIS-generated chart that clearly displays historical data on a continuous time axis. The value of the quantity in question for any given time period can be displayed by moving a cursor on the chart to the time period of interest. Want to know how the seasonally adjusted production of paperboard containers in February 2011 compares to February 2005 production? Positioning the chart cursor at February 2011 on the time axis shows that the production index (2007 = 100) for that month was 88.73; moving the cursor to February 2005 yields a value of 100.8. Try it!

## ***Recent Forestweb/Industry Intelligence Headlines***

Forestweb and its sister company, Industry Intelligence, publish weekly news reports tracking recent developments in and around the paper and forest products industries. Subscription information is at <http://www.forestweb.com/Corporate/index.cfm>

Below is a small sampling of recent headlines, together with brief synopses.

### **May 15**

*DuPont to add 350,000 tonnes of global TiO<sub>2</sub> capacity to meet growing demand; plans involve new US\$500M, 200,000 tonnes/year line at Altamira site in Mexico, facilities for 150,000 tonnes/year at other worldwide locations*

TiO<sub>2</sub>, (titanium dioxide) is a white pigment widely used in paper and paper coatings.

*Volume of paper bills and payments mailed through USPS will continue to decline; move to electronic alternatives driven by expanding payment options, increased cost of paper mail, says 3i Infotech*

According to the Director, Postal Services for 3i Infotech North America, one of the nation's largest payment processors, the volume of paper bills and payments mailed through the U.S. Postal Service will continue to decline in the coming years in favor of electronic alternatives and the rate of that decline depends on future USPS actions.

## **May 8**

*Domtar completes sale of its idled Prince Albert, Saskatchewan, mill and assets to Paper Excellence; new owner to convert facility to production of dissolving pulp intended for viscose textile market*

The Prince Albert mill was permanently closed in the second quarter of 2006 and has not been operated since. Domtar acquired the assets in 2007 as part of a transaction with Weyerhaeuser Company.

*Growing use of versatile cellulose fiber helps global food processors increase product appeal and profits*

The demand for processed foods in China and India is growing, and there is increasing consumer interest in nonfat or low-fat foods.

## **May 1**

*Paper Excellence finalizes purchase of idled pulp mill in Prince Albert, Saskatchewan, will invest more than C\$200M to convert to dissolving pulp production, with startup by Q2 of 2012*

The facility has been shut since 2006.

*Buckeye considering expansion of high-purity specialty wood pulp capacity at Perry, Florida, mill by 30,000 tonnes/year by end 2012 while maintaining current capacity*

Buckeye's high-end specialty wood pulp grades are used in the production of food and pharmaceutical products, food casings, tire cord, filtration media and acetate tow.

*China's Zhanjiang Chenming Pulp and Paper commissions Noss to supply approach system for Zhanjiang City mill, enabling new kraft market pulp line starting up in May also to produce dissolving pulp from early 2012*

After rebuilding the fiber line will also be able to produce 1850 ADMTPD bleached chemical dissolving pulp.

*China's dissolving pulp capacity expected to increase by 529% by end of 2012, to 1.6 million tonnes/year, accounting for 26.8% of global capacity; certain producers to expand on large scale, says new report*

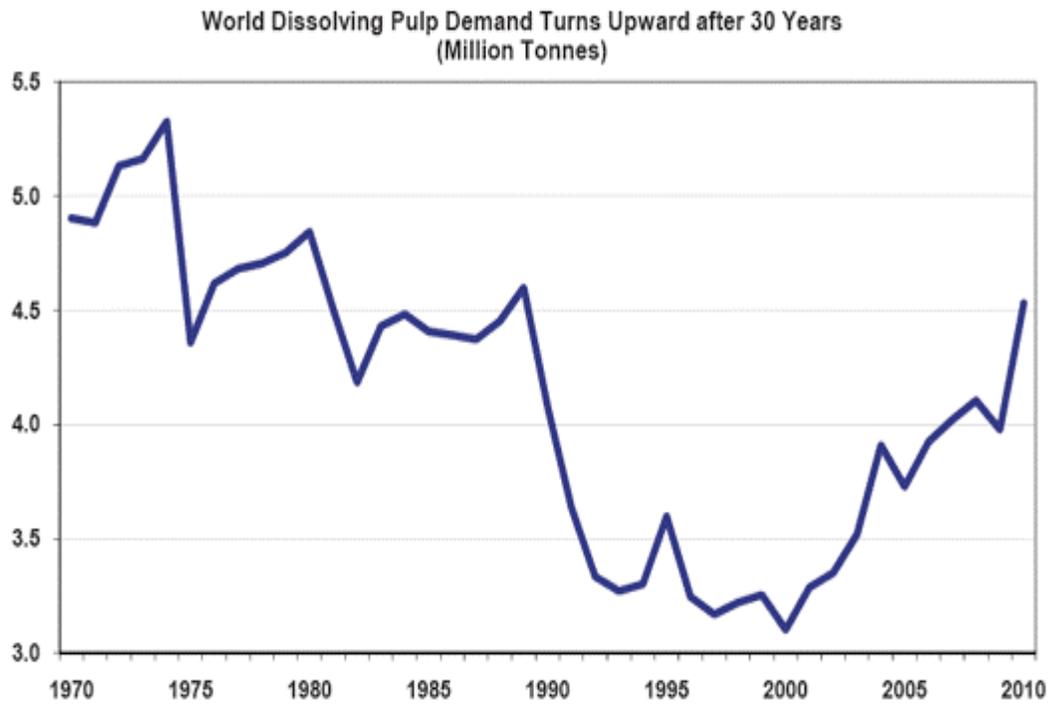
In 2010, there were 17 major dissolving pulp producers operating 21 factories in the world. In early 2011, as the demand for dissolving pulp is increasing and the price is soaring, some dissolving pulp producers plan to expand their capacity, and have shown a preference for China.

## **Statistics Corner: Dissolving Pulp Demand**

After peaking at 5.3 million tonnes in 1975, world demand for dissolving pulp decreased to 3.2 million tonnes in 2000. Dissolving pulp is used mainly in the production of viscose (rayon) for clothing, cellulose acetate for cigarette filters and cellulose derivatives used in food, pharmaceuticals, paints and explosives. The recent surge in demand has been driven by increased use of rayon fabrics for clothing, in response to limited supplies and drastically increasing prices of cotton.

Such strong demand and high prices have attracted pulp producers in the Southern hemisphere to start new dissolving pulp lines, while in the Northern hemisphere paper grade mills are converting to dissolving pulp.

For more information, see [www.risi.com/dissolve](http://www.risi.com/dissolve).



**Figure 1. World dissolving pulp demand, 1970 - 2010** (Source: RISI)