

US Coated Paper Industry Files Major Unfair Trade Cases Against China And Indonesia

MIAMISBURG, Ohio -- September 23, 2009 - Appleton Coated LLC, NewPage Corporation, Sappi Fine Paper North America, and the United Steelworkers of America (USW) announced today that they have filed antidumping and countervailing duty petitions covering imports of certain coated paper from the People's Republic of China and Indonesia.

The industry seeks to have the U.S. Department of Commerce and the U.S. International Trade Commission, the agencies responsible for investigating unfair trade practices, impose duties to offset Chinese and Indonesian government subsidization and dumping. The paper products covered by the petitions include coated paper used in high-quality writing, printing, and other graphic applications using sheet-fed presses, whether in finished sheet form or in semi-finished roll form, with a GE brightness rating of 80 or higher.

Under the antidumping and countervailing duty statutes, the International Trade Commission is expected to make a preliminary injury determination in November 2009 and the Department of Commerce is expected to issue preliminary determinations in the countervailing duty and antidumping duty cases in December 2009 and March 2010, respectively.

The petitions estimate that total imports of covered coated paper have jumped from 131,687 short tons in the first six months of 2008 to 185,422 short tons in the first six months of 2009 -- an increase of nearly 40 percent. During the same period, covered coated paper shipments by domestic manufacturers are estimated to have declined by approximately 38 percent. China and Indonesia together are believed to account for nearly 30 percent of the U.S. market for the coated paper covered by the petitions in the first six months of this year, almost double the share they had at the same time last year.

"What we are seeking in this petition is a level playing field. Sappi's operations across the globe reflect both economic and environmental sustainability principles," said Mark Gardner, president and chief executive officer of Sappi Fine Paper North America. "We want fair competition and protection against those companies not making investments in sustainable practices."

The petitions allege that various subsidies are being provided to Chinese paper producers, including low interest loans, tax subsidies, input subsidies, land use programs, grants, export tax subsidies and the pervasive undervaluation of China's currency. Similarly, the petitions allege that Indonesian paper companies are benefiting from timber provided from government-owned land at below-market prices, a ban on log exports, government loans, debt forgiveness, and tax incentives for certain encouraged businesses.

"This case is not about protectionism—it's about fair trade," stated Rick Willett, president and chief executive officer of NewPage Corporation. "Domestic manufacturers enjoy numerous cost advantages over their Chinese and Indonesian competitors for paper used in our domestic marketplace, including abundant, well managed forest resources, energy and raw materials, as well as lower transportation and logistics costs. In addition, we continue to invest in modern technology, well-maintained assets and our world-class work force. We are not afraid to compete with anyone on a level playing field."

"The domestic paper industry producing certain coated paper covered by these petitions has been significantly harmed by unfair trade practices," said John Cappy, president and chief executive officer of Appleton Coated LLC. "It is important that we offset the dumping and subsidies which are benefiting the Chinese and Indonesian paper companies at the cost of American manufacturing jobs. The domestic paper industry cannot afford to continue to lose more market share, more profits and more jobs to unfair competition."

The domestic industry has experienced substantial capacity reduction and under-utilization resulting in the loss of thousands of jobs. The petitions show that unfairly traded imports from China and Indonesia are a significant contributor to that underutilization of capacity and resultant job loss.

About Appleton Coated

Appleton Coated, headquartered in Kimberly, Wisconsin, provides focused market leadership in premium coated and specialty paper products. The Appleton Coated product portfolio includes a range of commercial printing and book publishing papers marketed under the Utopia brand as well as specialty and private label products. Known for their performance, aesthetics, and environmental attributes, Appleton Coated manufactures their products in a state-of-the-art facility in Combined Locks, Wisconsin, hosting the newest paper machine in North America. For more information please visit our website at www.appletoncoated.com.

About NewPage Corporation

Headquartered in Miamisburg, Ohio, NewPage Corporation is the largest coated paper manufacturer in North America, based on production capacity, with \$4.4 billion in net sales for the year ended December 31, 2008. The company's product portfolio is the broadest in North America and includes coated freesheet, coated groundwood, supercalendered, newsprint and specialty papers. These papers are used for corporate collateral, commercial printing, magazines, catalogs, books, coupons, inserts, newspapers, packaging applications and direct mail advertising.

NewPage owns paper mills in Kentucky, Maine, Maryland, Michigan, Minnesota, Wisconsin and Nova Scotia, Canada. These mills have a total annual production capacity of approximately 4.4 million tons of paper, including approximately 3.2 million tons of coated paper, approximately 1.0 million tons of uncoated paper and approximately 200,000 tons of specialty paper.

About Sappi Fine Paper North America

Sappi Fine Paper North America (SFPNA) is a leading North American producer of coated fine paper used in premium magazines, catalogues, books and high-end print advertising. Headquartered in Boston, Massachusetts, 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. SFPNA is a division of Sappi Limited (NYSE, JSE, LSE), a global company headquartered in Johannesburg, South Africa, with manufacturing operations on four continents in 10 countries, sales offices in 50 countries, and customers in over 100 countries around the world. Learn more about Sappi Fine Paper North America at: www.sappi.com/na. For the media kit and past press releases, visit the "About Us" section of the Web site.