

Paper Manufacturer Will Expand In Shelby

By Administrator

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Clearwater Paper Corporation announced plans to build a new tissue machine and related converting equipment for producing premium and ultra-premium grades of private label tissue products at a site adjacent to the company's existing facility in Shelby, North Carolina.

The estimated cost for the project includes approximately \$283 million for the tissue machine, converting equipment and buildings, and approximately \$57 million for the purchase and expansion of an existing warehouse that will consolidate all southeastern warehousing in Shelby. Clearwater Paper projects that the construction of the new facility will be completed in early 2019 and fully operational in 2020.

The new tissue machine will produce a variety of high-quality private label premium and ultra-premium bath, paper towel and napkin products. At full production capacity, the new tissue machine is expected to produce approximately 70,000 tons of tissue products annually.

"Clearwater Paper's customers are requiring more premium and ultra-premium products, which we are addressing with the new capacity. These high growth segments have increased 3.5 times faster than the overall tissue market, and we are committed to growing with our strategic customers and positioning ourselves to add new customers," said Linda K. Massman

, president and CEO. "We believe this new capacity will reinforce our leadership in the private label tissue business and will be a significant driver of operating earnings growth while strengthening the quality of our manufacturing assets."

Clearwater Paper intends to start construction during the second quarter of this year. Converting and warehouse operations are expected to be completed during the second half of 2018, and the tissue machine is expected to be completed during the first quarter of 2019.

"Companies like Clearwater Paper know that North Carolina is a wonderful place to do business thanks to our skilled workforce, strong infrastructure and prime location," said North Carolina Governor Roy Cooper. "We want companies looking to expand to come to North Carolina because there's no better place to invest and grow."

"We expect the new tissue facility will be built on time and within budget, consistent with our first Shelby facility that was announced in June 2010 and commenced operations in late 2012. Our experience in Shelby, North Carolina, has been exceptional and we continue to enjoy the region's outstanding transportation infrastructure, business-friendly community, and overall quality of life," said Pat Burke, group president. "For those same reasons and a

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competitive incentive program from the City of Shelby, Cleveland County and the State of North Carolina, we are pleased to announce the company's newest state-of-the-art tissue machine will be built in Shelby."