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International Paper To Invest \$17 Million

Herald Staff Report

Roanoke Rapids – International Paper will invest approximately \$17 million in its Roanoke Rapids plant.

The company's decision is considered a vote of confidence in the plant's performance and future.

The investment will transition the No. 4 paper machine from linerboard to unbleached kraft paper construction, according to company officials.

Plant manager Jim Cooper said the transition will hopefully be finished by next July. Cooper, who has been with Roanoke Rapids IP for eight years, said 2003 was one of the toughest years for the paper industry.

He said the \$17 million investment is "a tremendous vote of confidence for people who work here." The announcement comes on the heels of the corporation's decision to trim 3,000 salaried jobs worldwide. Cooper said less than 10 positions will be lost in Roanoke Rapids.

It is all part of a broader shift in the company, which is consolidating three existing businesses (Industrial Papers, Kraft Papers and a portion of the Converting and Specialty Papers Business) into a new Specialty Papers Business.

In July, International Paper reported second-quarter earnings of \$0.19 per share up from \$0.09 per share in the first quarter of the year.

Overall net earnings for the quarter were \$88 million compared to \$215 million in the second quarter of 2002.

The company is the world's largest paper and forest products company and has operations in more than 40 countries with sales in more than 120.

International Paper took over the local plant in June of 2000 when it bought out Champion International.

The plant first opened at the turn of the century and was one of the first kraft paper plants in the South.