In 2019, the American Forest & Paper Association (AF&PA) led the charge and made significant progress on top industry priorities, including regulatory reform, free and fair trade, sustainability, recycling and state and local advocacy aimed at achieving a level playing field for the products and energy we produce.

Many of our policy successes helped preserve markets, bolster the industry’s reputation and avoid regulatory and capital costs. Our advocacy on the U.S.-Mexico-Canada Agreement (USMCA) is expected to help preserve more than $10 billion in exports and 88,000 jobs. We defeated a bill in California aimed at abolishing paper receipts, were published in The New York Times and The Wall Street Journal advocating for our products, achieved a 68.1 percent record paper recovery rate and launched a new voluntary serious injuries and fatalities prevention program. Our accomplishments with systemic regulatory reforms and permit streamlining will enable our companies to be more nimble in the marketplace.

But the most important aspect of our efforts was our members who came to Capitol Hill to educate legislators, including the Paper and Packaging Caucus, about the sustainable products they manufacture from renewable resources.

These successes took place in the midst of a major leadership transition: at the beginning of 2019, Donna Harman announced her retirement after 30 years of service to the industry, including 12 years at the helm of AF&PA. She was awarded the Bryce Harlow Foundation Business-Government Relations Award in recognition of her exemplary career in government advocacy.

Donna was instrumental in growing AF&PA into the association it is today, and we are committed to building on her success as we face new opportunities and challenges in the coming year.

In these pages, you’ll see a sampling of what the industry accomplished together in 2019. Thank you for supporting our efforts. We look forward to growing momentum and producing success together in 2020.

Heidi Brock AF&PA President & CEO
Pete Watson AF&PA Board Chair
President & CEO, Greif, Inc.
Advancing Our Industry

U.S.–MEXICO–CANADA AGREEMENT (USMCA): A BOOST FOR FREE AND FAIR TRADE

Through our work with the USMCA Business Roundtable Coalition and National Association of Manufacturers (NAM) Trade Forums, we participated in multiple fly-ins to advocate our priorities on USMCA. When industry CEOs came to Washington, D.C., in June, we took them to Capitol Hill to meet with congressional representatives so they could articulate the effect of USMCA on manufacturing and jobs. We activated our grassroots advocates to send letters to their members of Congress and participated in multiple social media days of action to urge passage of USMCA.

In late 2019, the U.S. House of Representatives passed the agreement and sent it to the Senate, which ultimately approved it in the new year. The modernized USMCA will preserve billions in annual pulp and paper exports and includes commitments to promote sustainable forest management and legal trade in forest products.

“Effective public policy stimulates innovation and sustainable development, encourages economic growth and job creation and builds public confidence in government.”

Paul Noe  AF&PA Vice President of Public Policy

$20+ MILLION savings to the industry through product exclusions from tariffs in 2019

CONGRESS, PLEASE PASS USMCA NOW TO MAINTAIN OUR $10.1B IN EXPORTS TO CANADA AND MEXICO

LEARN MORE
A MORE RESILIENT U.S. PAPER RECYCLING SYSTEM

AF&PA took initiative on multiple fronts to improve the quantity and quality of U.S. paper recycling:

- Helped frame the Recycling Enhancements to Collection and Yield through Consumer Learning and Education (RECYCLE) Act of 2019. Introduced by Senators Rob Portman (R-OH) and Debbie Stabenow (D-MI), the RECYCLE Act aims to improve recycling rates nationwide and directly addresses recycling education.

- Worked with the Fibre Box Association to address and increase residential recovery of e-commerce old corrugated containers and to eliminate misperceptions about the recyclability of pizza delivery boxes.

- Funded The Recycling Partnership to drive local recycling improvements.

- Engaged in the REMADE project to identify ways to reduce contamination of paper in collection streams and materials recovery facilities.
KEEPING ONEROUS WATER STANDARDS AT BAY

In 2019:

- The EPA reconsidered unnecessarily stringent and costly Federal Clean Water Act standards
- EPA also approved Human Health Water Quality Criteria (HHWQC) for Idaho and Washington and proposed to approve Maine’s
- AF&PA’s efforts also helped to avoid adoption of EPA’s national default HHWQC in nine states

REMOVING REGULATORY BARRIERS

Regulatory reform remained a top AF&PA priority in 2019. Our engagement with the Administration and Congress, and support from allied industry and academics, resulted in significant progress:

- The Improved Agency Guidance and Transparency and Fairness executive orders signed by President Trump will require greater transparency and due process in the development and use of agency guidance documents.
- EPA repealed the Clean Power Plan and replaced it with the Affordable Clean Energy rule, enabling states to continue to reduce greenhouse gas emissions while providing affordable and reliable energy to citizens.
- Acting on three air permit reforms in its New Source Review program, EPA reduced unnecessary burdens, streamlined decision making and used more realistic assumptions in air quality modeling for new projects. This will help U.S. manufacturing facilities become more efficient and competitive globally.

66.6% of AF&PA members’ energy demands, on average, met through biomass energy

RECOGNITION FOR CARBON NEUTRALITY OF BIOMASS

Clear public policy on biomass carbon neutrality would level the playing field and help our manufacturers compete globally.

AF&PA, the American Wood Council and the National Alliance of Forest Owners met with EPA to emphasize the need for regulatory certainty regarding our industry’s production and use of bioenergy.

Congress agrees with the need for this regulatory certainty and passed legislation directing federal regulatory policy to reflect the carbon neutrality of forest-based renewable biomass.

AF&PA will continue to work with EPA for a proposed regulation in early 2020.
Defending Our Products: Increased Advocacy at the State Level

TWO CALIFORNIA BILLS DEFEATED

AF&PA created the *Keep the Receipt coalition* to defeat legislation aimed at phasing out paper receipts in California by mandating retailers transition to electronic receipts. Our coalition organized opposition to the bill by small businesses in target legislative districts, yielding 450 petitions and recruiting 25 local chambers and business groups. AF&PA Chief Scientist Stewart Holm testified on behalf of the industry in opposition to the bill. We further shaped the issue by placing op-eds in media outlets across the state.

Separately, AF&PA joined forces with a larger coalition aimed at defeating another California bill that would have given CalRecycle the authority to impose extended producer responsibility for packaging at the expense of brand owners and manufacturers.

“When it comes to meeting the demand for our industry’s products, we fundamentally believe that markets work.”

Elizabeth Bartheld AF&PA Vice President of Government and Industry Affairs

$43 MILLION annual paper receipt market preserved
UPHOLDING THE ENVIRONMENTAL BENEFITS OF PAPER BAGS

A F&PA successfully defeated, amended or delayed bills placing fees or bans on paper carry-out bags provided by stores in nine states. As the rise of state and local efforts to restrict plastic bags endures, paper bags continue to be included in proposed legislation—even though they are not part of the environmental problem these “bag bills” aim to solve.

In New Jersey, we activated our grass-roots advocates to oppose a bill that unfairly included a ban on paper bags—the only grocery bag widely accepted curbside for recycling. We were active on social media, targeting posts at New Jersey and other jurisdictions about their regressive bag ban bills.

Dear Members and Allies,

Please pass this Grassroots Alert to members of your organization, your employees, and your colleagues who are residents of or do business in New Jersey.

New Jersey’s bill to ban plastic bags could include an amendment to also ban paper bags, leaving state residents to rely entirely on costly reusable bags when transporting groceries from the store.

S.2776 currently bans plastic bags and places a 10-cent fee on paper bags. An amendment is expected to be introduced during lame duck (November 6-January 14) to also ban paper bags from use in supermarkets and big box stores with supermarkets within them.

Bag bans and taxes unfairly target paper products, which can be part of the solution, not the environmental problem. Paper bags are locally produced, reusable, sustainable and the only grocery bag that consumers can recycle at home in their curbside bin. In 2018, 68.1 percent of all paper consumed in the U.S. was recovered for recycling, and the recovery rate has met or exceeded 63 percent for the past nine years. Paper products keep lands forested, store carbon, are natural and biodegradable, support our nation’s recycling system, and ultimately can provide carbon-neutral energy.

Paper bag and forest product-related manufacturing supports thousands of family wage, union jobs in New Jersey. Taxing, or even worse, banning paper bags in the state would have a direct impact on those 13,000 jobs in 156 manufacturing facilities and the indirect jobs supported by each of those jobs. Paper-related products made in New Jersey include paper bags as well as corrugated packaging, drink and food cartons, tissue products, gypsum wallboard, recovered fiber and more. This legislation wrongfully sends a signal that paper is not welcome in New Jersey.

Help us protect paper bags and jobs for the forest products industry!
Furthering Our Sustainability Leadership

PROMOTING BEST PRACTICES

F&PA’s 2019 Sustainability Awards recognized five member companies across the industry for six outstanding achievements furthering the industry’s leadership in sustainable manufacturing. Member companies Domtar, Green Bay Packaging, Resolute Forest Products, Seaman Paper Company of Massachusetts, Inc. and WestRock Company received awards. Their winning projects are foremost examples of how the industry is actively making progress on the Better Practices, Better Planet 2020 goals.

INTERNATIONAL ENGAGEMENT

F&PA is an active member of the International Council of Forest and Paper Associations (ICFPA). In 2019, we prepared the ICFPA’s 2019 Sustainability Progress Report and helped develop the Global CEO Leadership 2.0, which outlines the global industry’s commitments to sustainability.
RECOGNIZED EXPERTISE

Thanks to our reputation as a trusted partner and established leader on issues related to sustainable and responsible manufacturing, AF&PA was asked to speak at two U.S. Chamber of Commerce Foundation conferences addressing the emerging circular economy.

SUPPORTING THE NEXT GENERATION OF INNOVATORS

Chinmay Satam, AF&PA’s candidate for the ICFPA’s 2019 Blue Sky Young Researchers and Innovation Award, received a prize for his research on alternatives to traditional plastic barriers. Satam is a PhD chemical engineering candidate at Georgia Institute of Technology.

NEW CHALLENGES, NEW GOALS

AF&PA is working with our members and stakeholders to develop post-Better Practices, Better Planet 2020 sustainability goals, to be met by 2030.
Supporting a Nationwide Workforce

A COMMITMENT TO WORKERS AND SAFETY

We launched our voluntary program to reduce serious injuries and fatalities (SIFs) in 2019. Any injury to our industry’s employees is unacceptable. AF&PA focuses on proactively preventing SIFs through facilitating member education and discussions on how to best reduce these life-changing events.

Twenty-seven member companies enrolled in the voluntary program, which includes an annual safety workshop, webinars, publication of safety metrics and sharing of lessons learned.

AF&PA also urged the U.S. Occupational Safety and Health Administration (OSHA) to focus on SIF prevention and leading indicators. Work at OSHA is underway.

$55 BILLION annual payroll

950,000 men and women employed

TOP 10 manufacturing sector employer in 45 states
Informing Sound Policymaking

**STATMILL**

**STRONG DATA, STRONG BASE**

F&PA is a leader in providing business information about the paper and wood products industry. In 2019, more than 50 different statistics report titles were downloaded nearly 5,000 times. To further drive success for our industry, we worked to help identify new ways to collect and present data.

“A F&PA’s public policy and marketplace advocacy are driven by facts; statistics and data are foundations of our work.”

Heidi Brock, AF&PA President & CEO

**68.1%**

Paper recovery rate in 2018 — a new record

**A RECORD-HIGH PAPER RECOVERY FOR RECYCLING RATE**

In 2018, a record-high 68.1 percent of paper consumed in the U.S. was recovered for recycling. The rate, up 2.2 percentage points from 2017, demonstrates the resilience and success of recovered paper markets after China’s import restrictions on recyclable materials caused the rate to dip in 2017. In the past two years, our industry increased its use of recovered paper to make new products by 3.3 percent and announced manufacturing capacity expansions that will use additional recovered paper.

**CLIMATE POLICY: TAKING OUR STAND**

F&PA joined other trade associations in urging Congress to take into account energy-intensive and trade-exposed manufacturing industries when they consider climate legislation. AF&PA’s allies include The Aluminum Association, the American Chemistry Council, The Fertilizer Institute and the Portland Cement Association.
We leverage our industry advocacy by conducting purposeful outreach to reporters who cover our issues, correct the record where and when needed and tell our story to shape perspectives about our industry and our products.
Engaging Our Members

COMING TOGETHER TO SHAPE A THRIVING FUTURE

Along with our co-host the National Paper Trade Association, AF&PA welcomed more than 750 industry executives from around the country and the globe at the industry’s premier networking event—Paper2019 in Chicago. Programming included a paper industry leadership session on the next generation of industry leaders, insights from Fastmarkets RISI experts and a keynote by retired U.S. Air Force Colonel Nicole Malachowski, who spoke about harnessing unforeseen challenges to reach greater heights.

In addition, member company CEOs and senior executives met and discussed how to best navigate global business strategy, climate policy, sustainability and politics at AF&PA’s 2019 Presidents Forum.

“AF&PA members contribute their perspective and help shape outcomes, optimizing the possibilities of success for paper and wood products manufacturers.”

Samuel Kerns AF&PA Vice President, Administration and Chief Financial Officer

A UNIFIED VOICE

AF&PA’s Advocacy Day in June brought together 18 member company executives to advance our advocacy priorities with the administration and Senate and House officials.

Throughout the year, we brought members together to advocate for our industry priorities in seven states: California, Connecticut, Illinois, Massachusetts, New Jersey, New York and Oregon.

And early in the year, we joined the Pulp and Paperworkers’ Resource Council (PPRC) Fly-In, which included more than 500 visits with congressional and administration officials.
Industry executives and employees met with congressional and administration leaders in support of AF&PA priorities, including free and fair trade, federal policy recognizing the industry’s use of carbon-neutral biomass, fostering a resilient recycling system and promoting transportation efficiencies.
AF&PA Membership & Financials

A STRONGER VOICE FOR THE INDUSTRY

F&PA offers a place where companies of all sizes have a seat at the table and power to influence decisions regarding issues on which the industry is more effective working together than individual companies acting alone.

In 2019, AF&PA welcomed the following new members:

**COMPANY MEMBER:**
- Appvion Operations, Inc.

**ASSOCIATE MEMBERS:**
- The Greenbrier Companies
- Hansol America, Inc.
- Iconex
- Kanzaki Specialty Papers Inc.
- Koehler America Inc.

**ASSOCIATION MEMBERS:**
- Massachusetts Forest Alliance
- North Carolina Forestry Association
- Recycled Paperboard Technical Association

2019 BUDGETED PROGRAM SPENDING = $28M

- **Core** 18.5M
- **Strategic Alliances*** $8.2M
- **Non-core Programs*** $1.3M

* Strategic alliances and non-core programs include voluntarily funded strategic initiatives work

2019 CORE PROGRAM COST = $18.5M

- **Industry-Wide Issues** $8.4M
- **Management & General** $4.7M
- **Packaging Sector** $2.6M
- **Printing-Writing Sector** $1.2M
- **Pulp Sector** $0.2M
- **Recovered Fiber Sector** $1.2M
- **Tissue Sector** $0.3M

Offset by $914,000 in association management income

83% of U.S. industry capacity represented in AF&PA membership

116 companies and associations represented
Sustaining Success

In the Fall of 2019, new AF&PA President & CEO Heidi Brock kicked off her tenure with a listening tour, visiting AF&PA member companies and stakeholders at their headquarters and facilities.
AF&PA PAC

FINDING AND BUILDING ON COMMON GROUND

Through the AF&PA PAC, the association builds relationships with our allies who understand policies of importance to our industry. It also helps legislators and candidates recognize the needs of businesses and employees they represent.

Fourteen new members were recruited to the congressional Paper and Packaging Caucus. We were pleased to welcome Senators Cindy Hyde-Smith (R-MS), Amy Klobuchar (D-MN), Shelley Moore Capito (R-WV) and Tina Smith (D-MN) and Representatives Jim Baird (R-IN), Anthony Brindisi (D-NY), Jared Golden (D-ME), John Joyce (R-PA), Dan Meuser (R-PA), Greg Murphy (R-NC), Guy Reschenthaler (R-PA), John Rutherford (R-FL), Jason Smith (R-MO) and Pete Stauber (R-MN).
CONTRIBUTORS OF $2,500 OR MORE

Elizabeth Bartheld American Forest & Paper Association
John Carpenter Nippon Dynawave Packaging, LLC
Jack Carter Packaging Corporation of America
Wren Hood Hood Container Corporation
Donald Shirley Packaging Corporation of America
Elizabeth VanDersarl American Forest & Paper Association
Richard Verney Monadnock Paper Mills, Inc.

CONTRIBUTORS OF $1,000 OR MORE

Craig Anneberg North Pacific Paper Company, LLC
Pamela Barnes Packaging Corporation of America
Russel Burns Packaging Corporation of America
Dana Cook Packaging Corporation of America
Charles Davis Packaging Corporation of America
Michael Fiterman Liberty Diversified International
Michael Farrell Graphic Packaging International
Donald Hagg Packaging Corporation of America
Thomas Hassfurther Packaging Corporation of America
Bryan Hollenbach Green Bay Packaging, Inc.

George Jones Seaman Paper Company of Massachusetts, Inc.
Shawn Kelley Packaging Corporation of America
Sam Kerns American Forest & Paper Association
Paul LeBlanc Packaging Corporation of America
Robert Mundy Packaging Corporation of America
Lindsay Murphy American Forest & Paper Association
Paul Noe American Forest & Paper Association
Kent Pfliederer Packaging Corporation of America
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Andrew Richards Packaging Corporation of America
Bruce Ridley Packaging Corporation of America
Steve Scherger Graphic Packaging International
Robert Schneider Packaging Corporation of America
Eric Snelgrove Packaging Corporation of America
Kirk Thomas Packaging Corporation of America
Joe Vaughn Packaging Corporation of America
Thomas Walton Packaging Corporation of America
Mike Wagner Packaging Corporation of America
Adam Webster Packaging Corporation of America
Robert Wilhelm Packaging Corporation of America
Sheila Weidman Georgia-Pacific LLC

$174,500 contributed to 70 candidates and committees
AF&PA Leadership

2019 OFFICERS

CHAIR
Pete Watson
President & CEO, Greif, Inc.

FIRST VICE CHAIR
Mark Sutton
Chairman & CEO, International Paper Company

SECOND VICE CHAIR
Michael Doss
President & CEO, Graphic Packaging International

IMMEDIATE PAST CHAIR
John Rooney
President & CEO, Evergreen Packaging LLC

2019 DIRECTORS

Craig Anneberg  CEO, North Pacific Paper Company, LLC
C. Anderson Bolton  President & CEO, PaperWorks Industries, Inc.
John Carpenter  President, Nippon Dynawave Packaging, LLC
Christian Fischer  President & CEO, Georgia-Pacific LLC
Mark Gardner  President & CEO, Sappi North America
Wren Hood  CEO, Hood Container Corporation
William Johnson  President, Johnson Timber Corporation

Mark Kowizan  Chairman & CEO, Packaging Corporation of America
Yves Laflamme  President & CEO, Resolute Forest Products
Donald Lewis  CEO, Global Professional Hygiene Business, Essity
Linda Massman  President & CEO, Clearwater Paper Corporation
Richard McLeod  Vice President, Product Supply - Global Family Care, The Procter & Gamble Company
Brian McPheely  Global CEO, Pratt Industries, Inc.
James Morgan  President, DS Smith
Colin Moseley  Chairman, Simpson Lumber Company, LLC
Robert Snyder  CEO, Twin Rivers Paper Company
Robert Tledo  President & CEO, Sonoco Products Company
Steve Voorhees  CEO, WestRock Company
John Williams  President & CEO, Domtar

“AF&PA’s volunteer leadership and members are actively involved in all aspects of the association, doing their part to advance the overall industry.”

Jan Poling  AF&PA Vice President, General Counsel and Corporate Secretary
“The talented AF&PA team and I will continue growing momentum and working to produce success for our member companies and the communities in which they operate.”

Heidi Brock AF&PA President & CEO

Fostering Team Excellence
About Us

The American Forest & Paper Association (AF&PA) is the national trade association of the pulp, paper, packaging, tissue and wood products manufacturing industry.

Our members' products are essential to daily life—facilitating communications, education, food preservation and storage, hygiene, product protection, and shelter and homes.

- 116 companies and associations represented
- 83 percent of industry capacity
- 950,000 people employed
- $300 billion in products manufactured annually
- A top 10 manufacturing sector employer in 45 states