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**Year 2010 Ended with Low Capacity Utilization**

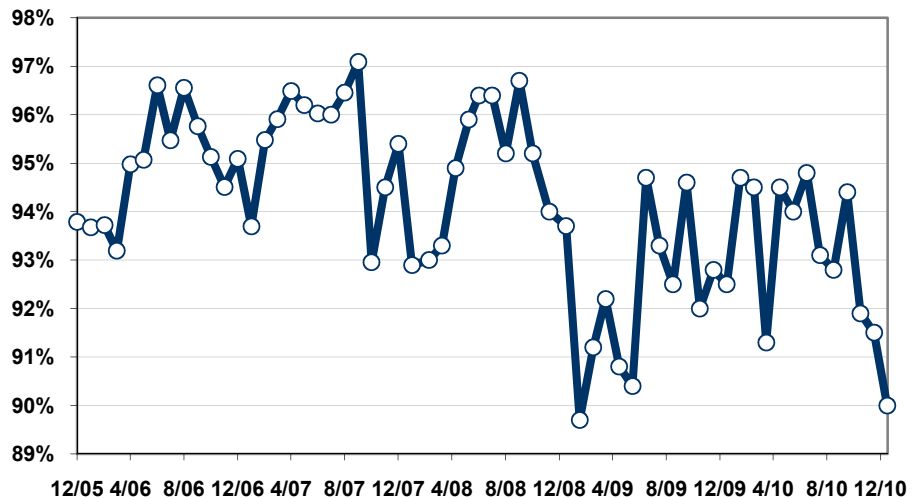
**New Capacity Increasing Supply Potential**

The North American tissue market continued its moderate growth in December, but two new machine start-ups have added more capacity than the slow market growth can absorb. The tissue market has been well balanced, so any new capacity additions are directly reflected in the overall market balance, showing that new investments easily cause temporary deterioration in capacity utilization. In the market place such effects are not immediate: normally, it takes some weeks or even months before the start-up of new capacity shows its effects. And often the industry shows self-regulative behavior: after new PM start-ups some old capacity closures are announced, but normally with a small delay.

Production of tissue parent rolls increased in December by 2.1% in comparison with the same month in 2009, partly reflecting the additional supply from the first runs of the new machines, although commercial production will have more importance in the first months of 2011 than December 2010. Cumulatively 2010 showed an increase of 1.7% in tissue parent roll production, a rather typical increase shown in the years before the Great Recession. Production would have increased even more without additional idling of older capacity that began in November and continued at about the same rate in December (see discussion later on).

Tissue capacity increased by 4.9% from the previous December, as the two new PMs by Procter & Gamble and Irving Tissue came on stream in the same month and at about the same time. However, 2010 as a whole showed only 0.7% higher capacity than 2009 due to relatively few and small capacity changes during the previous months.

**Figure 1**  
**US Tissue Industry, Parent Rolls**  
 Utilization Rate by Month (Production/Capacity)



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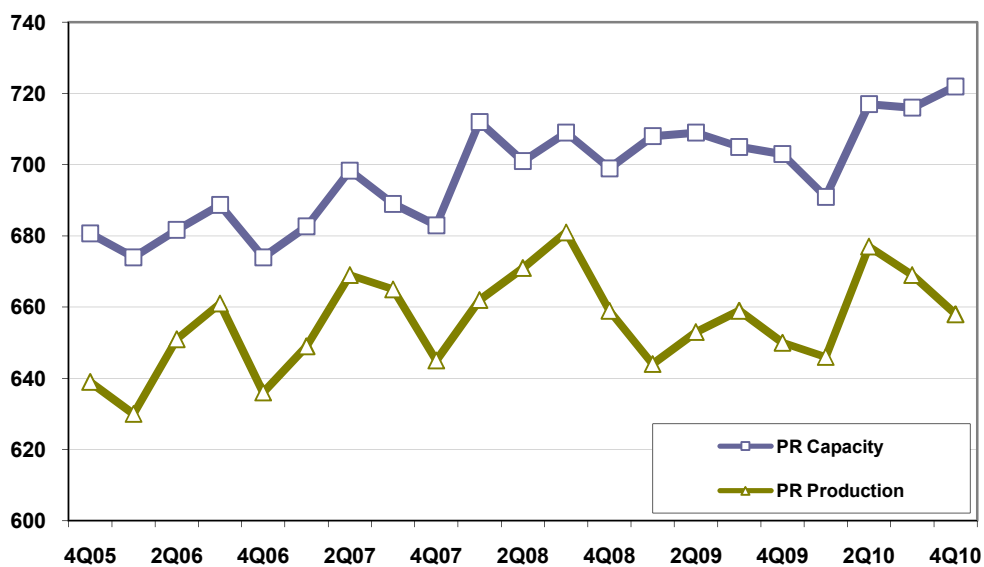
Tissue capacity utilization nosedived to only 90% in November -- despite reasonable growth in parent roll production, this is still clearly lower than in November and the lowest capacity utilization recorded in the US tissue industry since January 2009 (Figure 1). The industry has several idle machines whose closures could move from the temporarily idled state to permanent closures soon, but based on our internal calculation rules, not before being idle for three years unless the supplier announces a permanent PM/mill divestment earlier. So these idle PMs are still in the capacity used for calculating the average capacity utilization rate.

Parent roll imports are at about the same level as in 2009 as a whole, although November showed a somewhat higher import level than September and October. December's actual figure was not available at the time of writing. Parent roll exports show a cumulative increase of 21%, and net imports of parent rolls have contracted by almost 22% in 2010. High market pulp prices have negatively affected tissue parent roll imports, and AfH parent roll importers need recycled fiber-based rolls scarcely available in the two main Asian import sources, Indonesia and China.

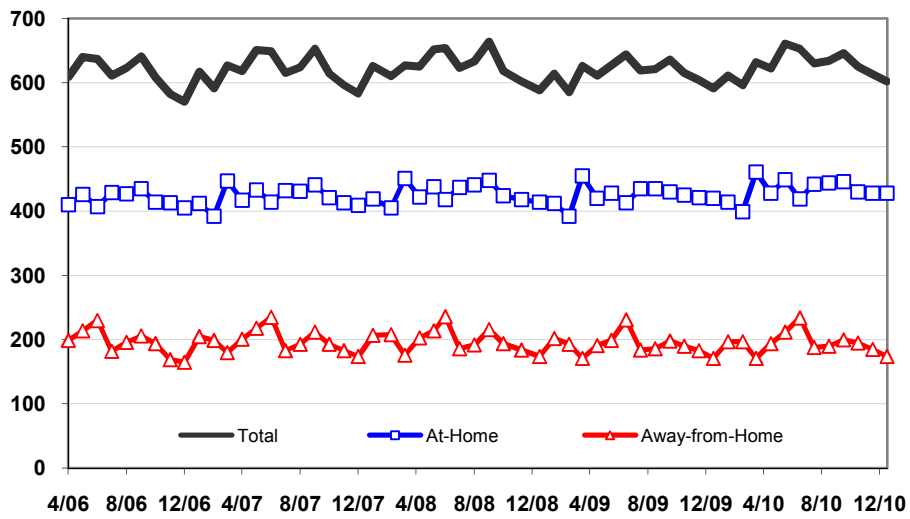
Total converted product shipments grew by 1.9% in December, a very similar growth as for the whole year (1.8%). There was no major difference between the growth in At-Home shipments (1.9%) and AfH shipments (1.8%). For the whole year, converted product shipments were up by 1.8% from 2009, up 1.8% in the consumer tissue sector and by 1.7% in the AfH sector.

The growth in converted tissue product imports has recently stabilized but the whole of 2010 is likely to see net imports doubling from the 2009 level as exports have been rather stable, making a major contribution to the total tissue consumption growth in 2010. The current cumulative total tissue consumption shows growth of 2.2% from 2009, although we can fix the final figure only after the actual foreign trade figures for December 2010 become available.

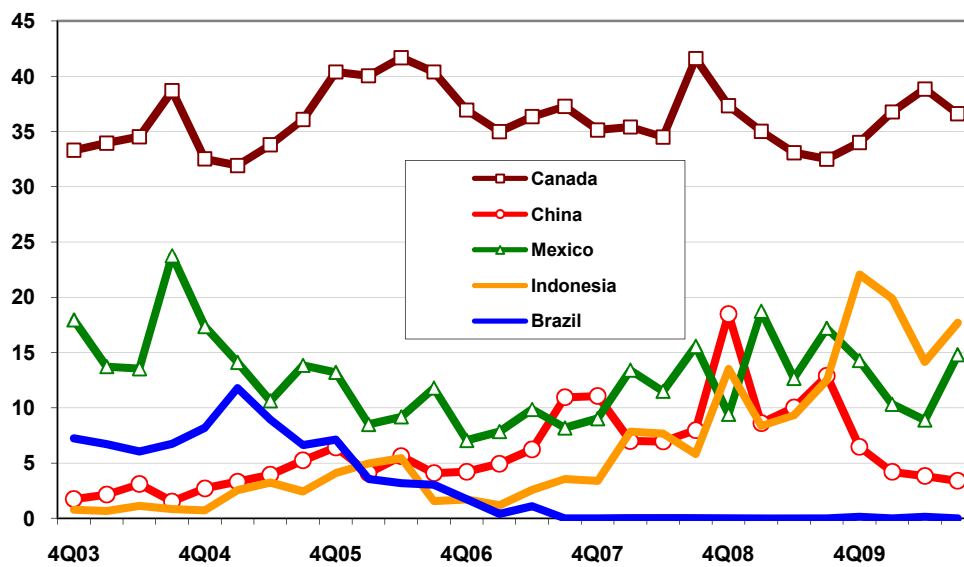
**Figure 2**  
**US Tissue Industry, Average Monthly Parent Roll Capacity and Production**  
 Thousand Tons per Quarter, Not Seasonally Adjusted



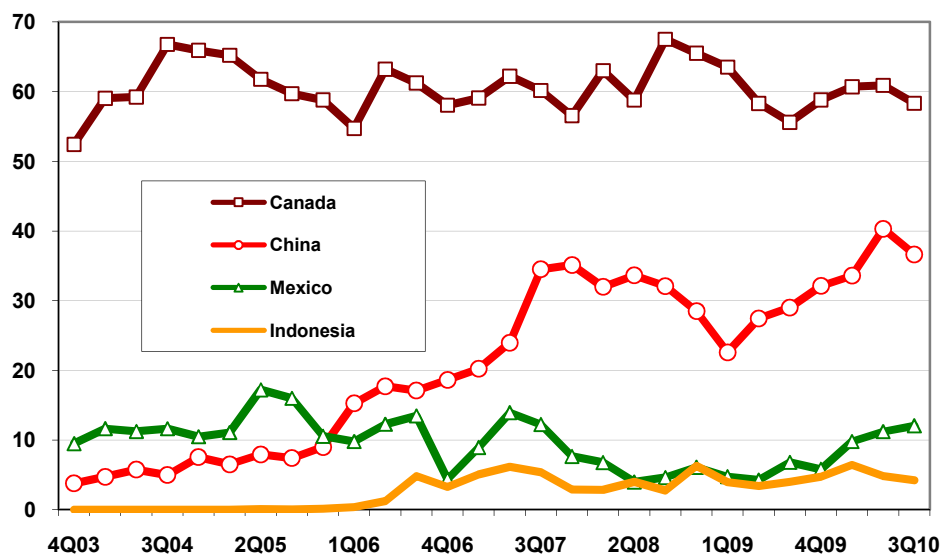
**Figure 3**  
**US Tissue Industry, Converted Product Shipments**  
 Thousand Tons per Month



**Figure 4**  
**US Imports of Parent Rolls (> 36 cm)**  
 Thousand Tons per Quarter



**Figure 5**  
**US Imports of Converted Tissue Products**  
 Thousand Tons per Quarter



## Capacity Changes

The holiday season brought only very few news items on new projects or advances in previously announced investments. There are several investment plans additional to those previously announced, but some of them are confidential or still at an early planning stage, so we are not in the position to make too many comments on them.

The two new TAD PMs by Irving Tissue at the Fort Edward mill in New York and Procter & Gamble in Box Elder County in Utah were started up at about the same time on or around December 10, 2010. Both start-ups were reportedly smooth and based on careful testing of equipment. Parent rolls were delivered to converting only a few later and so both machines are now in commercial production.

Concerning other new committed projects, there are strong market rumors that Metso Paper may have received the order for Clearwater Paper's new TAD PM in North Carolina, but neither the supplier nor the customer has so far given an official announcement on the deal. Although we cannot 100% confirm the state of the issue, we think these rumors are true as they are based on sources that are normally very reliable.

Empire Tissue's project in New York has not yet been given the green light as financing is still pending. Now the company managers say that everything should be ready in February, but we will continue to be skeptical until final confirmation has been received.

South Carolina Tissue's project in Snelling, Barnwell County, North Carolina, seems to be advancing. Market reports suggest that an agreement has been made with Elof Hansson for selling the parent rolls of the new mill.

An official announcement about the start-up of the new "ATMOS" installation on PM2 at the Candiatic mill of Cascades in Canada is still pending, but the speaker list for the Tissue World 2011 Conference shows a speech to be given by Cascades and Voith Paper concerning the first "ATMOS" project in North America. This confirms our earlier thoughts despite the still missing official announcement.

The latest news concerns Kimberly-Clark's announcement for a streamlining program, which involves "sale or closure of five to six manufacturing facilities around the world." K-C also said that the company will exit its remaining integrated pulp manufacturing operations. So far details include the closure of the two oldest tissue machines at its Millicent tissue mill and sale or closure of the Tantanoola pulp mill, both in Australia, as well as

**Table 1**  
**Tissue Capacity Changes: United States and Canada**  
**Annual Capacity, Tons**

Company	Location	Notes	Furnish	Date	Tons
Georgia-Pacific	Camas, WA	Shut 3 PMs	V	2007:Q1	(82,000)
Marcal Paper	Elmswood, NY	PM1 idled and later dismantled	R	2007:Q1	(15,000)
Kruger	Memphis, TN	Rebuilds	V	2007	10,000
Augusta Tissue	Augusta, GA	New PM; Parent rolls only	R	2007:Q1	33,000
SCA	Menasha, WI	PM3 rebuild	R	2007:Q3	6,700
K-C	Beech Island, SC	New PM; TAD	V	2007:Q3	65,000
P&G	Green Bay, WI	New PM; TAD	V	2007:Q3	80,000
First Quality Tissue	Lock Haven, PA	New PM; TAD	V	2007:Q4	70,000
Georgia-Pacific	Wauna, OR	New PM; TAD	V	2007:Q4	71,000
Georgia-Pacific	Bellingham, WA	Mill shut-down	V	2007:Q4	(48,000)
Georgia-Pacific	Plattsburgh, NY	PM3 shut-down	V	2007:Q4	(48,000)
Doubletree/Royal Paper	Gila Bend, AZ	New PM	V	2007:Q4	32,000
SCA	Barton, AL	New PM	R	2008:Q4	77,000
Blue Heron	Oregon City, OR	Old PM restart; Parent rolls only	V&R	2008:Q4	32,000
SCA	Alsip, IL	Mill shut-down	R	2008:Q4	(61,000)
Wausau/Bay West	Middletown, OH	Rebuild	R	2009:Q1	16,000
Cellynne	Haines City, FL	New PM	V&R	2009:Q1	37,000
Von Drehle	Cordova, NC	Rebuild	R	2009:Q2	10,000
Deerfield Tissue	Augusta, GA	Rebuild & Restart	R	2009:Q4	19,000
Fraser Papers	Gorham, NH	Mill closure	R	2010:Q4	(41,000)
P&G	Box Elder, UT	New PM; TAD	V	2010:Q4	80,000
Irving Tissue	Fort Edward, NY	New PM; TAD	V	2010:Q4	35,000
First Quality Tissue	Anderson, SC	New greenfield TAD mill; first PM	V	2011:Q3	70,000
South Carolina Tissue	Snelling, Barnwell, SC	New PM; parent rolls only	V&R	2012:Q1	33,000
Georgia-Pacific	Crossett, AR	PM8 rebuild to f-TAD quality	V	2012:Q2*	25,000*
Clearwater Paper	Shelby, NC	New greenfield TAD mill	V	2012:Q3	70,000
First Quality Tissue	Anderson, SC	New greenfield TAD mill, 2nd PM	V	2012:Q3	70,000
Georgia-Pacific	Port Hudson, LA	PM5 rebuild to f-TAD quality	V	2012:Q4*	35,000*

V = Virgin

R = Recycled

TAD = Through-Air-Dried

\* = estimated

the sale or closure of its Everett, Washington, mill, its last remained integrated pulp and tissue mill in the USA after the sale or closure of other pulp mills in the USA many years ago. Everett has an annual capacity of some 173,000 tons of softwood sulfite pulp and close to 230,000 tons of tissue on five machines. One of the PMs uses UCTAD technology for toweling, and in the case of mill sale, it is likely that K-C would prefer to dismantle the UCTAD system before the completion of any possible deal.

Market rumors already suggest Asia Pulp & Paper (APP) is the hottest purchasing candidate for the Everett mill, as the company has already shown interest in other pulp mills that have been for sale on the West Coast, both in the USA and Canada. However, we are not convinced that APP is that interested in the mill as pulp production is based on the sulfite process and the mill's location in the US Pacific West does not create large synergies with APP's existing US converting facilities, particularly because the transport distance of tissue parent rolls to Mercury Paper's Strasburg converting plant in Virginia is huge and it would not make much sense to ship rolls from Everett to Virginia. In addition, the tissue machines at the Everett mill are old (the four oldest originate from the early 1950s) and are not among the most efficient in the US tissue industry.

Another small piece of information is that Cellynne has given up its plan to build a deinking facility at its mill in Haines City, Florida. The investment needed and continuing high recovered paper prices, we believe, made this plan less attractive.

Voluntary downtime started to grow in October-November and continued in December, based on the threatening oversupply situation in the US market. Idled capacity accounted for 2.3% of total operational capacity in December, which was about the same level and at the same mills as in November (Table 2).

Georgia-Pacific continued downtime measures at five of its mills: Green Bay, Wisconsin; Plattsburgh, New York; Muskogee, Oklahoma; Naheola, Alabama; and Rincon, Georgia. SCA also continued to have some downtime at its Barton, Alabama, and Menasha, Wisconsin, mills. Marcal Manufacturing is still running its PM2 at lower (though slightly improving) capacity utilization, and Great Lakes continues to have one of its two PMs closed. Fraser Paper's single recovered paper-based toweling stock producing PM in Gorham, New Hampshire, continued to be closed; its future is still uncertain and we see only limited opportunities for a restart.

## Prices

Tissue parent roll prices continue to be under pressure by high raw material costs, and no decline can be expected despite the slight downward trend in the average pulp price mix shown between June 2010 and December 2010. Parent roll prices remained practically unchanged in December but with marginal movement up in all quality categories (Table 3, Appendix Table A4). Global bleached softwood pulp demand has been robust and prices rather stable (with different regions showing varying trends) while hardwood pulp prices have been under downward

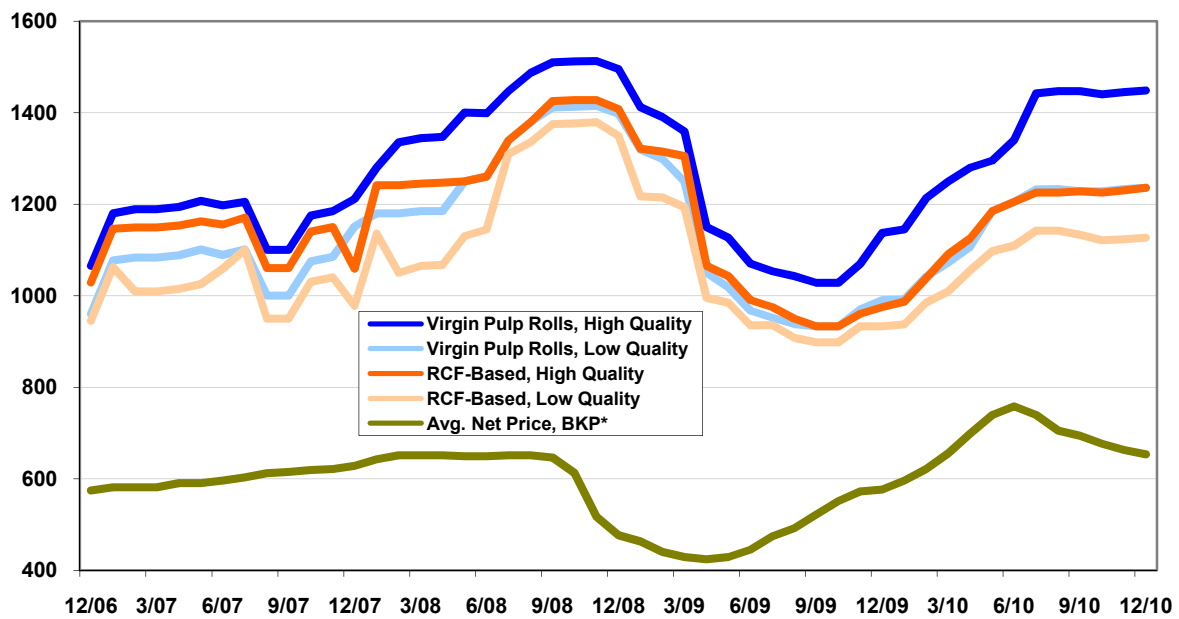
**Table 2**  
**United States Tissue Downtime (December 2010)**  
Tons

Company	Location	Lost Production Dec 2010	Cumulative Lost Production until Dec 2010
Georgia-Pacific	Green Bay, WI	400	12,400
Georgia-Pacific	Plattsburgh, NY	1,772	21,462
Georgia-Pacific	Wauna, OR	0	1,000
Georgia-Pacific	Muskogee, OK	3,000	8,000
Georgia-Pacific	Naheola, Pennington, AL	3,000	8,000
Georgia-Pacific	Rincon, GA	3,000	6,000
Great Lakes Tissue	Cheboygan, MI	945	11,445
Kimberly-Clark	Beech Island, SC & Loudon, TN	0	5,800
Kimberly-Clark	New Milford, CT	0	1,110
Marcal Paper	Elmwood Park, NJ	1,000	25,100
SCA	Flagstaff, AZ	0	3,440
SCA	Barton, AL & Menasha, WI	1,392	9,628
Fraser	Gorham, NH	1,938	6,514
Lincoln	Lincoln, ME	0	200
Cascades	Candiac, QC	0	2,143
Wausau Paper	Middleton, OH	0	2,000
Non-Utilized Capacity		16,447	124,242
Total US Capacity		709,000	8,537,000
Percent of Total Capacity		2.32%	1.46%

pressure in recent months. Recovered paper availability continues to be scarce and export demand keeps pressure on domestic prices. We do not expect any major change in the situation in the first quarter of 2011.

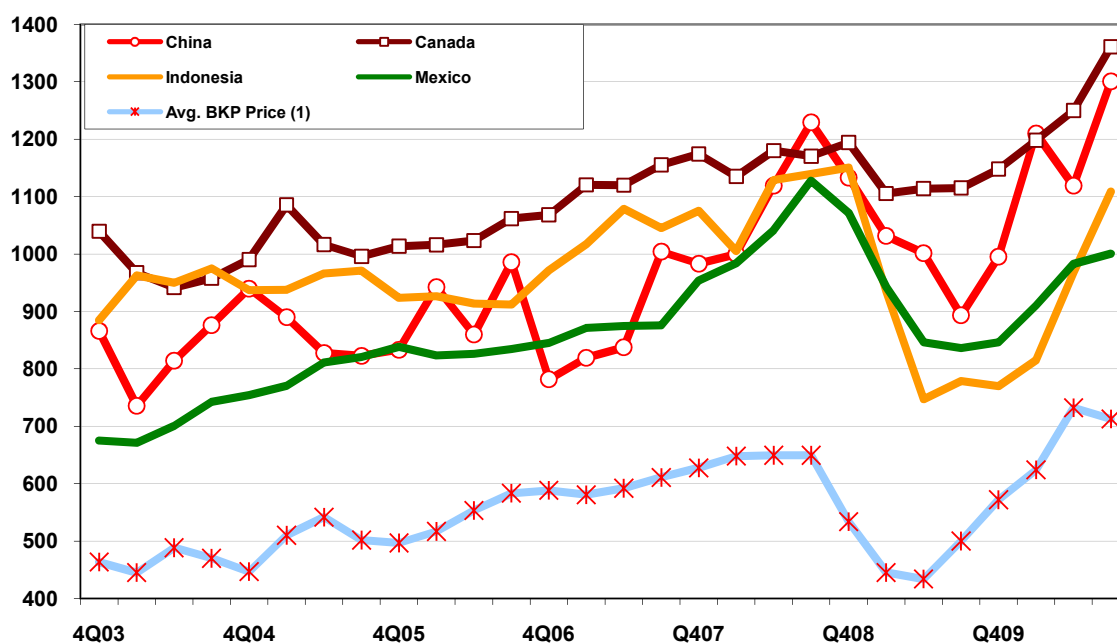
The average price of 50/50 mix of NBSK and NBHK pulp declined by US\$9/ton from November to December and averaged US\$653/ton for the month. The price relationship between tissue parent rolls and market pulp price continued its marginal increase, giving tissue companies further, though limited,, hope to increase margins with practically stable tissue parent roll prices.

**Figure 6**  
**US Parent Roll Prices**  
 US\$/Ton, Monthly Mean



\* Estimated average net price for contract BKP tonnage, assuming 50/50 mix of NBSK and NBHK.

**Figure 7**  
**CIF Values of Parent Roll Imports into the US (> 36 cm) vs. Average BKP Price**  
 US\$ per Ton, Quarterly Averages



(1) Estimated average net price for contract BKP tonnage, assuming 50/50 mix of NBSK and NBHK.

**Table 3**  
**USA Parent Roll Prices**  
 US\$/Ton (Mean)

	Dec 2007	Dec 2008	Dec 2009	Dec 2010	Nov 2010	Oct 2010
Virgin pulp rolls, high quality	1,211	1,495	1,137	1,448	1,445	1,440
%CHYA	14	23	-24	27	35	40
Ratio, Virgin Fiber High Quality PR Price/BKP Price	1.93	3.14	1.97	2.22	2.18	2.13
Virgin pulp rolls, low quality	1,151	1,397	990	1,236	1,233	1,228
%CHYA	20	21	-29	25	27	32
Ratio, Virgin Fiber Low Quality PR Price/BKP Price	1.83	2.93	1.72	1.89	1.86	1.82
RCF-based, high quality	1,059	1,408	975	1,236	1,230	1,225
%CHYA	3	33	-31	27	28	31
RCF-based, low quality	978	1,349	933	1,127	1,123	1,121
%CHYA	3	38	-31	21	20	25
Avg. Net Price, BKP*	628	476	576	653	662	676

%CHYA = % change from year-ago  
 All prices end of the month

(1) Estimated average net price for contract BKP tonnage, assuming 50/50 mix of NBSK and NBHK.

Monthly average historical spot prices for tissue parent rolls since the beginning of 2007 are shown in Appendix Table A4 of this publication.

**Table 4**  
**CIF Values of Parent Roll Imports into the USA**  
US\$/Ton

	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10
<b>Canada</b>	1,155	1,178	1,135	1,181	1,169	1,194	1,105	1,114	1,115	1,148	1,198	1,250	1,361
%CHYA	8.8	10.3	1.1	5.6	1.2	1.4	-2.6	-5.7	-4.6	-3.9	8.4	12.2	22.1
<b>China</b>	998	989	1,005	1,119	1,229	1,133	1,031	1,002	893	995	1,210	1,119	1,301
%CHYA	1.2	26.5	23.4	34.0	23.1	14.6	2.6	-10.5	-27.3	-12.2	17.4	11.7	45.7
<b>Indonesia</b>	1,040	1,078	1,003	1,112	1,153	1,150	934	747	779	770	815	967	1,109
%CHYA	14.0	11.0	-1.8	3.3	10.9	6.7	-6.9	-32.8	-32.4	-33.0	-12.7	29.5	42.4
<b>Mexico</b>	875	948	981	1,041	1,128	1,071	943	846	836	846	910	983	1,001
%CHYA	4.8	12.2	13.1	19.0	28.9	13.0	-3.9	-18.7	-25.9	-21.0	-3.5	16.2	19.7

**Table A1**  
**US Tissue Production, Converted Product Shipments and Consumption (December 2010)**  
 Thousand Tons

	Jun 2009	Jul 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	Aug 2010	Sep 2010	Oct 2010	Nov 2010	Dec 2010	2009 YTD	2010 YTD	%CH YTD
<b>Parent Roll Production</b>	670	660	668	650	670	654	625	646	622	670	670	688	672	660	671	676	680	655	638	7,818	7,948	1.7
%CHYA	-0.9	-2.4	-3.0	-4.1	-2.8	-1.2	-0.3	-0.9	3.0	-1.0	5.0	5.8	0.3	0.0	0.4	4.0	1.5	0.2	2.1			
<b>Tissue Mill Capacity</b>	707	707	722	687	728	705	676	682	658	734	709	732	709	709	723	716	740	716	709	8,476	8,537	0.7
%CHYA	0.9	0.9	-0.3	-2.0	0.6	0.1	1.0	-6.2	-0.6	0.0	1.0	1.8	0.3	0.3	0.1	4.2	1.6	1.6	4.9			
<b>Production/Capacity</b>	0.948	0.934	0.925	0.946	0.920	0.928	0.925	0.947	0.945	0.913	0.945	0.940	0.948	0.931	0.928	0.944	0.919	0.915	0.900	0.922	0.931	0.9
<b>Net Exports of Parent Rolls (1)</b>	-10.4	-8.9	-12.8	-13.0	-15.0	-14.3	-16.7	-15.4	-9.0	-9.3	-8.6	-7.1	-8.3	-10.6	-12.4	-6.3	-8.0	-11.3	-8.5	-147	-115	-21.8
<b>Imports</b>	23.9	24.0	26.1	26.7	26.0	27.5	27.1	27.3	20.5	25.4	23.7	21.8	24.3	24.7	29.8	21.8	23.8	27.9	24.5	296	296	-0.3
<b>Exports</b>	13.5	15.1	13.3	13.6	11.0	13.3	10.5	11.9	11.5	16.1	15.1	14.8	16.0	14.1	17.4	15.4	15.8	16.6	16.0	149	181	21.0
<b>Parent Roll Consumption</b>	680	669	681	663	685	668	642	661	631	679	679	695	680	671	683	682	688	666	647	7,965	8,063	1.2
%CHYA	-0.5	-1.7	-2.8	-3.9	-2.4	-0.9	0.0	-0.3	2.7	-1.7	5.1	4.9	0.0	0.3	0.4	2.9	0.4	-0.3	0.8			
<b>Converted Product Shipments</b>	644	619	621	636	615	604	591	611	596	632	622	661	653	630	634	646	625	613	602	7,393	7,525	1.8
%CHYA	-1.5	-0.6	-1.9	-4.2	-0.5	0.3	0.5	-0.5	1.9	1.0	1.8	5.4	1.4	1.8	2.1	1.6	1.6	1.5	1.9			
<b>At Home</b>	413	435	435	438	425	421	420	414	399	461	428	449	419	442	444	446	430	428	428	5,094	5,188	1.8
%CHYA	-1.2	-0.5	-1.4	-2.2	0.2	0.7	1.4	0.5	1.8	1.3	1.9	4.9	1.5	1.6	2.1	1.8	1.2	1.7	1.9			
<b>Bathroom tissue</b>	212	224	228	232	219	209	208	202	195	225	207	225	214	228	232	236	221	212	210	2,567	2,607	1.6
%CHYA	-0.5	-0.9	-0.4	-1.7	0.9	0.5	1.0	1.0	2.1	1.4	1.0	3.7	0.9	1.8	1.7	0.9	1.4	1.0				
<b>Toweling</b>	139	150	142	142	140	153	152	153	148	176	157	158	143	153	146	146	143	156	156	1,789	1,835	2.6
%CHYA	-1.4	0.7	-0.7	-1.4	0.7	1.3	2.0	0.7	1.4	1.7	3.3	6.8	2.9	2.0	2.8	2.8	2.1	2.0	2.6			
<b>Napkins</b>	33	36	40	38	37	29	29	30	29	30	33	34	33	36	41	38	37	29	30	396	400	1.0
%CHYA	-5.7	-2.7	-4.8	-7.3	-2.6	-3.3	0.0	-3.2	0.0	0.0	3.1	6.3	0.0	0.0	2.5	0.0	0.0	0.0	3.4			
<b>Facial tissue</b>	29	25	25	26	29	30	31	29	27	30	31	32	29	25	25	26	29	31	32	342	346	1.2
%CHYA	0.0	0.0	-7.4	-3.7	-3.3	3.4	3.3	0.0	3.8	0.0	0.0	3.2	0.0	0.0	0.0	0.0	0.0	3.3	3.2			
<b>Away-from-Home</b>	231	184	186	198	190	183	171	197	197	171	194	212	234	188	190	200	195	185	174	2,299	2,337	1.7
%CHYA	-2.1	-1.1	-3.1	-8.3	-2.1	-0.5	-1.7	-2.5	2.1	0.0	1.6	6.5	1.3	2.2	2.2	1.0	2.6	1.1	1.8			
<b>Bathroom tissue</b>	67	55	54	61	54	63	59	69	67	62	70	71	68	57	55	62	55	64	60	744	760	2.2
%CHYA	-1.5	0.0	-1.8	-9.0	-1.8	0.0	0.0	3.1	0.0	2.9	6.0	1.5	3.6	1.9	1.6	1.9	1.6	1.7				
<b>Toweling</b>	107	81	93	91	93	77	69	86	88	73	82	95	109	83	95	92	95	78	70	1,023	1,046	2.2
%CHYA	-1.8	-1.2	-2.1	-6.2	0.0	2.7	-1.4	0.0	3.5	1.4	2.5	6.7	1.9	2.5	2.2	1.1	2.2	1.3	1.4			
<b>Napkins</b>	48	42	34	39	37	35	35	36	36	31	36	39	48	42	34	39	38	35	36	454	450	-0.9
%CHYA	-4.0	-2.3	-5.6	-11.4	-7.5	-5.4	-5.4	-10.0	-2.7	-3.1	-2.7	2.6	0.0	0.0	0.0	2.7	0.0	2.9				
<b>Facial tissue</b>	5	3	3	4	3	4	4	3	4	3	3	3	5	3	3	4	3	4	4	42	42	0.0
%CHYA	0.0	0.0	0.0	0.0	0.0	0.0	33.3	-25.0	0.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
<b>Other</b>	4	3	2	3	3	4	4	3	2	2	3	4	4	3	3	3	4	4	4	36	39	8.3
%CHYA	0.0	0.0	-33.3	-25.0	0.0	-20.0	-20.0	0.0	0.0	0.0	0.0	33.3	0.0	0.0	50.0	0.0	33.3	0.0	0.0			
<b>Net Exports (1)</b>	-7	-7	-12	-4	-8	-10	-14	-15	-13	-15	-17	-16	-16	-17	-13	-10	-10	-12	-11	-88	-165	87.1
<b>Imports</b>	36	38	39	36	37	38	42	42	39	44	44	45	46	45	44	42	42	42	42	443	518	16.9
<b>Exports</b>	29	31	27	32	29	28	28	27	26	30	27	30	30	27	31	32	32	30	31	355	353	-0.5
<b>Apparent Consumption of Converted Tissue Products</b>	651	626	633	640	623	614	605	626	609	647	639	677	669	647	647	656	635	625	613	7,481	7,690	2.8
%CHYA	-0.3	0.5	-0.4	-3.5	-0.4	0.5	2.1	0.4	3.7	3.3	3.2	7.0	2.7	3.4	2.3	2.5	1.9	1.8	1.3			
<b>Total Tissue Consumption</b>	688	676	692	667	693	678	656	677	644	694	696	711	696	688	697	692	698	678	657	8,053	8,228	2.2
%CHYA	0.7	-0.6	-1.5	-3.2	-2.3	-0.8	1.4	0.5	4.5	0.4	6.4	6.4	1.2	1.7	0.6	3.8	0.7	0.0	0.2			

(1) Most recent month is an estimate

**Table A2**  
**US Tissue Exports by Country of Destination (December 2010)**  
 Thousand Tons

	June 2009	July 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	June 2010	July 2010	Aug 2010	Sep 2010	Oct 2010	Nov 2010	
<b>Total Tissue</b>																			
Canada	28.2	31.4	26.6	29.6	26.5	26.5	26.3	24.5	23.5	28.8	25.7	27.8	29.3	25.7	32.0	32.8	31.7	30.5	
Mexico	7.2	7.3	6.7	8.3	5.5	6.2	4.5	5.9	6.9	8.3	7.7	7.5	7.0	6.8	8.2	6.0	6.8	7.2	
Other	7.1	7.0	7.1	7.7	8.3	8.7	7.3	8.8	7.0	8.6	8.8	9.0	9.7	8.9	8.4	8.3	9.3	9.2	
<b>Total</b>	<b>42.4</b>	<b>45.7</b>	<b>40.4</b>	<b>45.6</b>	<b>40.3</b>	<b>41.3</b>	<b>38.1</b>	<b>39.2</b>	<b>37.5</b>	<b>45.7</b>	<b>42.2</b>	<b>44.3</b>	<b>46.1</b>	<b>41.3</b>	<b>48.6</b>	<b>47.2</b>	<b>47.7</b>	<b>46.8</b>	
<b>Parent Rolls (exceeding 36 cm)</b>																			
Canada	4.8	6.7	5.3	4.6	4.3	5.4	5.8	4.6	3.9	6.3	5.5	5.5	6.7	5.8	7.8	7.7	6.6	7.3	
Mexico	5.6	5.9	5.5	6.7	3.7	4.9	3.0	4.4	5.4	6.3	5.9	5.6	4.8	4.9	6.2	4.1	5.2	5.5	
Other	3.1	2.4	2.5	2.4	3.0	2.9	1.7	2.9	2.2	3.5	3.7	3.7	4.5	3.4	3.4	3.6	3.9	3.8	
<b>Total</b>	<b>13.5</b>	<b>15.1</b>	<b>13.3</b>	<b>13.6</b>	<b>11.0</b>	<b>13.3</b>	<b>10.5</b>	<b>11.9</b>	<b>11.5</b>	<b>16.1</b>	<b>15.1</b>	<b>14.8</b>	<b>16.0</b>	<b>14.1</b>	<b>17.4</b>	<b>15.4</b>	<b>15.8</b>	<b>16.6</b>	
<b>Bathroom Tissue</b>																			
Canada	8.9	9.5	8.3	10.1	8.2	7.3	6.7	7.5	7.3	8.3	6.7	8.0	7.7	6.0	7.7	8.3	8.5	7.7	
Mexico	0.7	0.7	0.4	0.7	0.4	0.3	0.4	0.3	0.4	0.7	0.4	0.7	0.8	0.6	0.7	0.4	0.3	0.4	
Other	0.7	0.7	0.8	0.7	0.7	0.9	0.7	0.9	0.9	0.8	0.9	0.9	0.8	0.7	0.7	0.7	0.6	0.6	
<b>Total</b>	<b>10.2</b>	<b>10.9</b>	<b>9.5</b>	<b>11.5</b>	<b>9.2</b>	<b>8.5</b>	<b>7.8</b>	<b>8.7</b>	<b>8.6</b>	<b>9.8</b>	<b>8.0</b>	<b>9.6</b>	<b>9.3</b>	<b>7.3</b>	<b>9.2</b>	<b>9.3</b>	<b>9.4</b>	<b>8.8</b>	
<b>Toweling</b>																			
Canada	8.7	8.6	7.5	9.0	8.1	8.7	8.5	6.9	7.4	8.5	7.8	9.1	8.9	8.1	9.1	9.0	9.0	8.9	
Mexico	0.6	0.5	0.4	0.5	0.8	0.4	0.6	0.5	0.5	0.7	0.6	0.6	0.6	0.5	0.6	0.5	0.4	0.6	
Other	2.3	2.8	2.4	3.3	3.3	3.2	3.6	4.0	2.9	3.1	3.0	2.6	3.1	3.5	3.0	2.8	3.2	3.3	
<b>Total</b>	<b>11.6</b>	<b>11.9</b>	<b>10.3</b>	<b>12.8</b>	<b>12.2</b>	<b>12.3</b>	<b>12.7</b>	<b>11.4</b>	<b>10.8</b>	<b>12.2</b>	<b>11.4</b>	<b>12.4</b>	<b>12.7</b>	<b>12.1</b>	<b>12.7</b>	<b>12.4</b>	<b>12.6</b>	<b>12.8</b>	
<b>Napkin</b>																			
Canada	1.7	1.7	1.6	1.4	1.2	1.2	1.3	1.1	1.2	1.3	1.3	1.4	1.9	2.3	3.0	2.9	2.1	1.7	
Mexico	0.1	0.2	0.2	0.1	0.0	0.0	0.0	0.2	0.1	0.0	0.2	0.1	0.2	0.2	0.1	0.5	0.3	0.3	
Other	0.2	0.2	0.3	0.3	0.2	0.3	0.2	0.3	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.3	
<b>Total</b>	<b>1.9</b>	<b>2.1</b>	<b>2.1</b>	<b>1.7</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>	<b>1.5</b>	<b>1.8</b>	<b>1.8</b>	<b>2.3</b>	<b>2.8</b>	<b>3.4</b>	<b>3.8</b>	<b>2.8</b>	<b>2.3</b>	
<b>Facial *</b>																			
Canada	3.5	4.1	3.2	3.9	3.9	3.2	3.5	3.7	3.0	3.6	3.5	3.1	3.3	3.0	3.5	4.1	4.5	4.0	
Mexico	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.0	
Other	0.5	0.4	0.8	0.7	0.7	0.9	0.7	0.4	0.5	0.6	0.4	0.6	0.5	0.4	0.4	0.3	0.5	0.6	
<b>Total</b>	<b>4.0</b>	<b>4.5</b>	<b>4.1</b>	<b>4.7</b>	<b>4.7</b>	<b>4.2</b>	<b>4.3</b>	<b>4.2</b>	<b>3.6</b>	<b>4.3</b>	<b>4.1</b>	<b>3.8</b>	<b>3.9</b>	<b>3.5</b>	<b>4.1</b>	<b>4.4</b>	<b>5.0</b>	<b>4.7</b>	

Bathroom Tissue, Toweling, Napkin and Facial products exclude rolls > 36cm.

\* Includes paper tablecloths

**Table A3**  
**US Tissue Imports by Country of Origin (December 2010)**  
 Thousand Tons

	May 2009	June 2009	July 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	June 2010	July 2010	Aug 2010	Sep 2010	Oct 2010	Nov 2010	
<b>Total Tissue</b>																				
Canada	31.2	32.8	31.0	31.0	29.9	31.0	32.7	32.4	33.3	31.0	36.9	34.7	34.9	33.7	30.9	35.7	31.8	33.9	32.9	
China	13.6	15.6	17.5	17.0	16.7	15.5	13.9	17.3	17.1	14.7	14.1	16.2	17.8	19.3	19.2	17.1	15.1	14.1	15.5	
Indonesia	7.5	5.1	5.1	8.3	7.8	7.7	10.2	8.9	10.0	6.3	10.9	8.2	4.6	6.1	6.4	9.1	6.4	7.5	13.3	
Mexico	4.5	4.9	6.5	6.7	6.3	6.8	5.7	7.6	7.1	6.4	6.7	5.8	6.9	7.5	9.1	9.9	7.9	7.8	6.2	
Other	1.5	1.7	1.8	1.8	1.8	2.3	2.9	2.6	2.2	1.4	1.2	2.9	3.0	3.6	3.7	2.5	2.1	2.2	2.2	
<b>Total</b>	<b>58.4</b>	<b>60.2</b>	<b>61.9</b>	<b>64.8</b>	<b>62.4</b>	<b>63.3</b>	<b>65.4</b>	<b>68.8</b>	<b>69.8</b>	<b>59.8</b>	<b>69.8</b>	<b>67.9</b>	<b>67.2</b>	<b>70.2</b>	<b>69.3</b>	<b>74.2</b>	<b>63.4</b>	<b>65.5</b>	<b>70.1</b>	
<b>Parent Rolls (exceeding 36 cm)</b>																				
Canada	11.1	11.9	10.7	10.6	11.2	11.1	11.0	11.9	12.1	11.7	13.0	12.9	13.1	12.8	11.5	13.6	11.5	13.1	11.8	
China	2.7	4.2	5.5	3.2	4.2	2.3	2.1	2.1	1.7	1.0	1.4	1.5	1.1	1.2	1.5	1.2	0.7	0.8	1.1	
Indonesia	6.5	3.9	3.5	7.2	6.4	6.4	8.6	7.1	8.0	4.4	7.5	5.8	3.6	4.8	4.7	8.1	4.9	5.5	11.0	
Mexico	3.4	3.3	3.8	4.6	4.2	5.3	4.0	5.0	4.5	3.1	2.7	2.3	2.7	3.9	4.9	5.8	4.1	3.9	3.3	
Other	0.5	0.5	0.6	0.4	0.7	1.0	1.7	1.1	1.0	0.3	0.8	1.3	1.3	1.6	2.1	1.2	0.6	0.5	0.8	
<b>Total</b>	<b>24.2</b>	<b>23.9</b>	<b>24.0</b>	<b>26.1</b>	<b>26.7</b>	<b>26.0</b>	<b>27.5</b>	<b>27.1</b>	<b>27.3</b>	<b>20.5</b>	<b>25.4</b>	<b>23.7</b>	<b>21.8</b>	<b>24.3</b>	<b>24.7</b>	<b>29.8</b>	<b>21.8</b>	<b>23.8</b>	<b>27.9</b>	
<b>Bathroom Tissue</b>																				
Canada	10.0	9.8	9.4	9.2	8.7	9.3	10.5	10.0	9.6	9.2	12.8	11.1	11.9	10.8	9.1	10.2	9.1	9.6	10.8	
China	5.0	4.9	4.5	5.6	4.9	5.2	4.8	6.3	6.7	6.1	6.1	7.2	7.6	7.4	6.3	5.9	4.8	5.1	5.1	
Indonesia	0.4	0.3	0.7	0.3	0.5	0.6	0.6	1.1	1.2	1.2	1.8	1.6	0.7	1.1	0.8	0.3	0.7	1.3	1.3	
Mexico	0.5	0.7	2.0	1.3	1.4	0.9	1.3	2.0	2.0	2.5	3.1	2.7	3.4	2.7	3.2	3.0	2.9	2.5	2.1	
Other	0.3	0.2	0.4	0.3	0.2	0.2	0.3	0.3	0.2	0.1	0.2	0.2	0.5	0.5	0.4	0.2	0.2	0.2	0.2	
<b>Total</b>	<b>16.2</b>	<b>16.0</b>	<b>16.8</b>	<b>16.6</b>	<b>15.8</b>	<b>16.3</b>	<b>17.5</b>	<b>19.6</b>	<b>19.6</b>	<b>19.1</b>	<b>24.0</b>	<b>22.8</b>	<b>24.1</b>	<b>22.5</b>	<b>19.9</b>	<b>19.7</b>	<b>17.7</b>	<b>18.6</b>	<b>19.5</b>	
<b>Toweling</b>																				
Canada	4.1	5.0	5.1	4.9	4.2	4.4	4.2	3.8	4.2	3.7	4.5	5.4	4.8	4.7	4.6	5.6	5.0	5.1	4.4	
China	1.5	1.4	1.6	1.7	1.4	1.8	2.0	2.2	2.0	1.8	1.3	2.0	2.2	3.0	2.7	2.4	2.6	2.6	2.8	
Indonesia	0.5	0.5	0.8	0.7	0.7	0.6	0.7	0.6	0.4	0.7	0.6	0.7	0.3	0.3	0.7	0.2	0.7	0.6	0.9	
Mexico	0.4	0.5	0.4	0.4	0.4	0.4	0.2	0.4	0.4	0.5	0.6	0.5	0.5	0.4	0.6	0.6	0.4	0.5	0.5	
Other	0.1	0.1	0.2	0.3	0.1	0.1	0.1	0.2	0.4	0.3	0.3	0.8	0.5	0.6	0.3	0.2	0.5	0.7	0.5	
<b>Total</b>	<b>6.7</b>	<b>7.5</b>	<b>8.1</b>	<b>8.1</b>	<b>6.8</b>	<b>7.4</b>	<b>7.3</b>	<b>7.1</b>	<b>7.4</b>	<b>7.0</b>	<b>7.3</b>	<b>9.5</b>	<b>8.2</b>	<b>8.9</b>	<b>8.9</b>	<b>9.0</b>	<b>9.1</b>	<b>9.5</b>	<b>9.1</b>	
<b>Napkin</b>																				
Canada	1.3	1.3	1.3	1.3	1.2	1.1	1.1	1.0	1.0	1.0	1.2	1.2	1.1	1.2	1.0	1.1	1.2	1.2	1.2	
China	1.9	2.1	2.1	2.4	2.6	2.5	2.3	2.6	2.8	2.6	2.0	2.3	2.7	2.9	3.1	2.8	3.0	2.4	2.3	
Indonesia	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Mexico	0.1	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.3	0.3	0.3	0.4	0.4	0.7	0.2	
Other	0.2	0.5	0.4	0.5	0.3	0.4	0.3	0.5	0.4	0.4	0.4	0.4	0.4	0.6	0.5	0.5	0.6	0.5	0.4	
<b>Total</b>	<b>3.6</b>	<b>4.3</b>	<b>4.2</b>	<b>4.4</b>	<b>4.3</b>	<b>4.2</b>	<b>4.0</b>	<b>4.3</b>	<b>4.5</b>	<b>4.3</b>	<b>4.0</b>	<b>4.2</b>	<b>4.4</b>	<b>5.0</b>	<b>4.8</b>	<b>4.8</b>	<b>5.2</b>	<b>4.8</b>	<b>4.1</b>	
<b>Facial *</b>																				
Canada	3.5	3.7	3.3	3.7	3.4	3.8	4.8	4.8	5.2	4.3	4.0	2.9	2.8	3.0	3.7	4.2	3.6	3.5	3.7	
China	0.7	0.8	0.8	0.8	0.7	0.8	0.7	0.9	0.9	0.6	0.6	0.9	0.9	1.1	1.1	1.0	0.8	0.9	0.8	
Indonesia	0.1	0.4	0.1	0.0	0.1	0.0	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.5	0.2	0.1	0.2	
Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.2	0.1	
Other	0.1	0.1	0.2	0.1	0.2	0.2	0.2	0.2	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.1	
<b>Total</b>	<b>4.4</b>	<b>5.0</b>	<b>4.3</b>	<b>4.7</b>	<b>4.4</b>	<b>4.8</b>	<b>5.7</b>	<b>6.0</b>	<b>6.4</b>	<b>5.2</b>	<b>4.9</b>	<b>4.0</b>	<b>4.0</b>	<b>4.5</b>	<b>5.1</b>	<b>6.0</b>	<b>4.9</b>	<b>4.9</b>	<b>4.9</b>	

Bathroom Tissue, Toweling, Napkin and Facial products exclude rolls > 36 cm.

\* Includes paper tablecloths

**Table A4**  
**Monthly Parent Roll Prices\* (January 2007 to December 2010)**  
 US\$/Ton, Monthly Mean

Month/Year	Virgin Pulp high quality	Virgin Pulp low quality	RCF high quality	RCF low quality	BKP price mix	Relation HQ virgin/BKP	Relation LQ virgin/BKP
Jan 2007	1,180	1,077	1,146	1,062	581	2.03	1.85
Feb 2007	1,189	1,083	1,149	1,009	581	2.05	1.86
Mar 2007	1,189	1,083	1,149	1,009	581	2.05	1.86
Apr 2007	1,194	1,088	1,153	1,015	590	2.02	1.84
May 2007	1,207	1,101	1,162	1,025	590	2.05	1.87
Jun 2007	1,197	1,089	1,155	1,059	596	2.01	1.83
Jul 2007	1,205	1,101	1,171	1,101	603	2.00	1.83
Aug 2007	1,100	1,000	1,060	950	612	1.80	1.63
Sep 2007	1,100	1,000	1,060	950	615	1.79	1.63
Oct 2007	1,175	1,075	1,140	1,030	619	1.90	1.74
Nov 2007	1,185	1,085	1,150	1,040	621	1.91	1.75
Dec 2007	1,211	1,151	1,059	978	628	1.93	1.83
Jan 2008	1,280	1,180	1,241	1,136	642	1.99	1.84
Feb 2008	1,335	1,180	1,241	1,050	651	2.05	1.81
Mar 2008	1,344	1,185	1,245	1,065	651	2.06	1.82
Apr 2008	1,347	1,185	1,247	1,067	651	2.07	1.82
May 2008	1,400	1,250	1,250	1,130	649	2.16	1.93
Jun 2008	1,399	1,260	1,260	1,145	649	2.16	1.94
Jul 2008	1,447	1,339	1,339	1,309	651	2.22	2.06
Aug 2008	1,487	1,379	1,379	1,335	651	2.28	2.12
Sep 2008	1,510	1,411	1,425	1,375	646	2.34	2.18
Oct 2008	1,512	1,413	1,427	1,376	612	2.47	2.31
Nov 2008	1,513	1,415	1,427	1,379	517	2.93	2.74
Dec 2008	1,495	1,397	1,408	1,349	476	3.14	2.93
Jan 2009	1,412	1,319	1,321	1,217	463	3.05	2.85
Feb 2009	1,390	1,299	1,315	1,215	440	3.16	2.95
Mar 2009	1,359	1,249	1,305	1,193	429	3.17	2.91
Apr 2009	1,150	1,050	1,065	995	424	2.71	2.48
May 2009	1,127	1,018	1,043	985	429	2.63	2.37
Jun 2009	1,070	967	990	935	445	2.40	2.17
Jul 2009	1,053	952	975	936	474	2.22	2.01
Aug 2009	1,043	938	950	908	492	2.12	1.91
Sep 2009	1,028	933	933	898	522	1.97	1.79
Oct 2009	1,028	933	933	898	551	1.87	1.69
Nov 2009	1,069	970	960	933	572	1.87	1.70
Dec 2009	1,137	990	975	933	576	1.97	1.72
Jan 2010	1,145	992	987	937	596	1.92	1.66
Feb 2010	1,213	1,041	1,038	985	621	1.95	1.68
Mar 2010	1,249	1,072	1,090	1,009	655	1.91	1.64
Apr 2010	1,280	1,107	1,125**	1,055	699	1.83	1.58
May 2010	1,295	1,185	1,185**	1,097	739	1.75	1.60
June 2010	1,340	1,205	1,205**	1,109	758	1.77	1.59
July 2010	1,442	1,232	1,225**	1,142**	739	1.95	1.67
Aug 2010	1,447	1,233	1,225**	1,142**	705	2.05	1.75
Sep 2010	1,447	1,228	1,228**	1,133**	694	2.09	1.77
Oct 2010	1,440	1,228	1,225**	1,121**	676	2.13	1.82
Nov 2010	1,445	1,233	1,230**	1,123**	662	2.18	1.86
Dec 2010	1,448	1,236	1,236**	1,127**	653	2.22	1.89

\* prices are US\$/Ton at works (meaning without transport cost to the client)

\*\* Includes Green Seal certified 2010 data

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