

# Wausau PAPER

## **Voice of the Customer Panel**

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**Wausau Paper**

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# Wausau Paper Overview

- Produce and Sell
  - Technical Specialty Papers
  - Uncoated Printing & Writing Papers
  - Towel & Tissue Products
- 2005 Net Sales of \$1.1 billion
- Production capacity of 1.3 million tons
- 11 manufacturing sites in 7 states
- 3200 employees

# Purchased Products & Services

- Raw Materials
  - Fiber
  - Paper Mill Chemicals
  - Packaging
- Energy
- Paper
- Transportation & Warehousing
- MRO
- Services
- Capital Equipment

# Business Challenges

## Challenges

- Declining Printing & Writing Paper demand
- Increasing commoditization
- Escalating fiber and energy costs

## Strategic Focus

- Attractive niche markets
- Product innovation
- Benchmark service
- Operational excellence

# Supply Challenges

- Changing fiber supply base and cost structure
- Identifying alternative lower cost energy sources
- Offsetting impact of energy on cost of materials and services
- Overcoming the diversion of supplier talent and skills
- Ensuring supply of transportation capacity
- Defining the role of Information Technology in solutions
- Planning required to meet shorter lead times and benchmark customer service
- Meeting certification requirements

# Supplier Participation

- Provide a viable and sustainable source of supply for the longer term
- Leverage and collaborate on total supply chain cost
  - Total cost focus
  - Inventory
  - Transportation
- Focus solutions on total cost of ownership
  - Efficiency
  - Fiber & energy
- Provide technical resources supporting operational excellence and product innovation / differentiation
- Supply benchmark service
- Collaborate on Information Technology to facilitate business

# Success Stories

- Reduced fiber and energy usage
- Provided viable and sustained source of supply
- Collaborated on transportation
- Improved packaging
- Developed products
- Improved operating efficiency
- Reduced overall risk