



Pre Print Project Update

October 2000





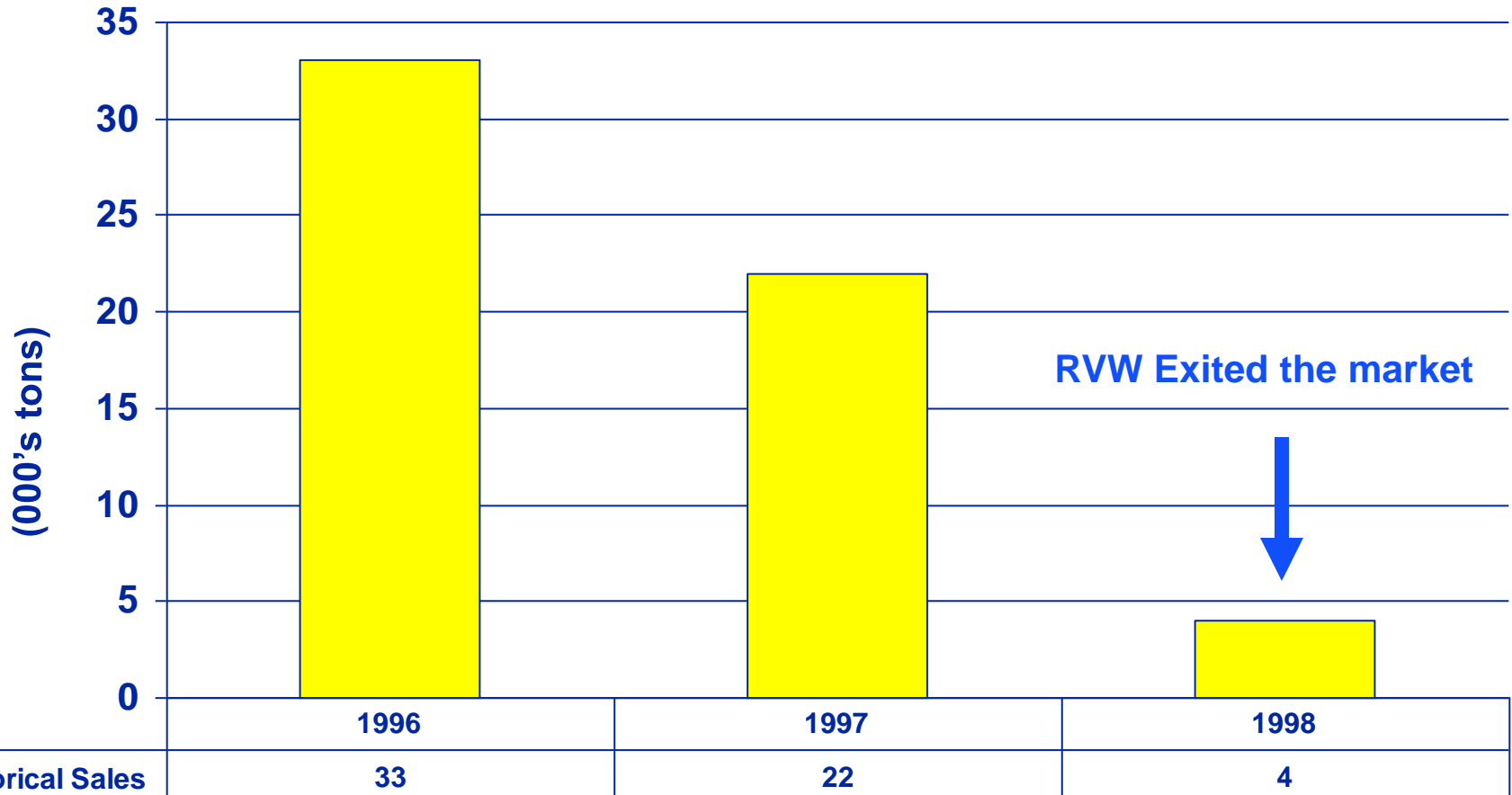
Pre Print Linerboard Customer Update

- **Second trial of 100 tons for Willamette is scheduled to be produced on 10/9**
- **Riverwood will offer the product to former customers**
 - ◆ **8 customers with more than 160 tons/year for non AB applications**
 - ◆ **14,000 tons of non AB business in 1997**
- **Riverwood received inquiries at the international containerboard conference**





Pre Print Historical Sales





Critical Success Factors

- **Riverwood is able to overcome its reputation**
- **Sufficient Volume is achieved at an acceptable trim**
- **Mill is able to produce this product**
 - ◆ According to cost estimates
 - ◆ At nominal basis weight
 - ◆ Meeting product specifications
- **Market feedback confirms price assumptions**
- **Competitive reaction is not a price war**
- **Product is successfully converted at box plant and performs well in the field**
- **Critical specs are identified and RVW proves to be process capable**





A communication strategy is being prepared to overcome Riverwood's reputation

- Riverwood will leverage KrafKote success in the coated linerboard market
- Communicate to customers that RVW new management team has identified RVW core competence and is choosing the right markets to play
 - ◆ Additional capacity available to participate in new markets
 - ◆ Creation of Consumer Packaging Product business unit to serve consumer packaging products
 - ◆ New Product Development process to introduce and commit to new products
 - ◆ On going cost reduction programs that make Riverwood competitive with other suppliers in the market





Next Steps

- **Confirm initial cost and margin estimates**
 - ◆ Additional cost versus KrafKote is less than \$20/ton
 - ◆ Increased mill net over KrafKote is \$100/ton
- **Identify critical specs and prove that Riverwood is process capable**
- **Confirm relative competitive position with market feedback (price, competitors, properties)**
- **Monitor next trial to confirm that product is successfully converted at box plant and performs well in the field**
- **Anticipate competitive reaction (cost estimates)**
- **Contact new and old potential customers**
- **Define the size of the opportunity market**





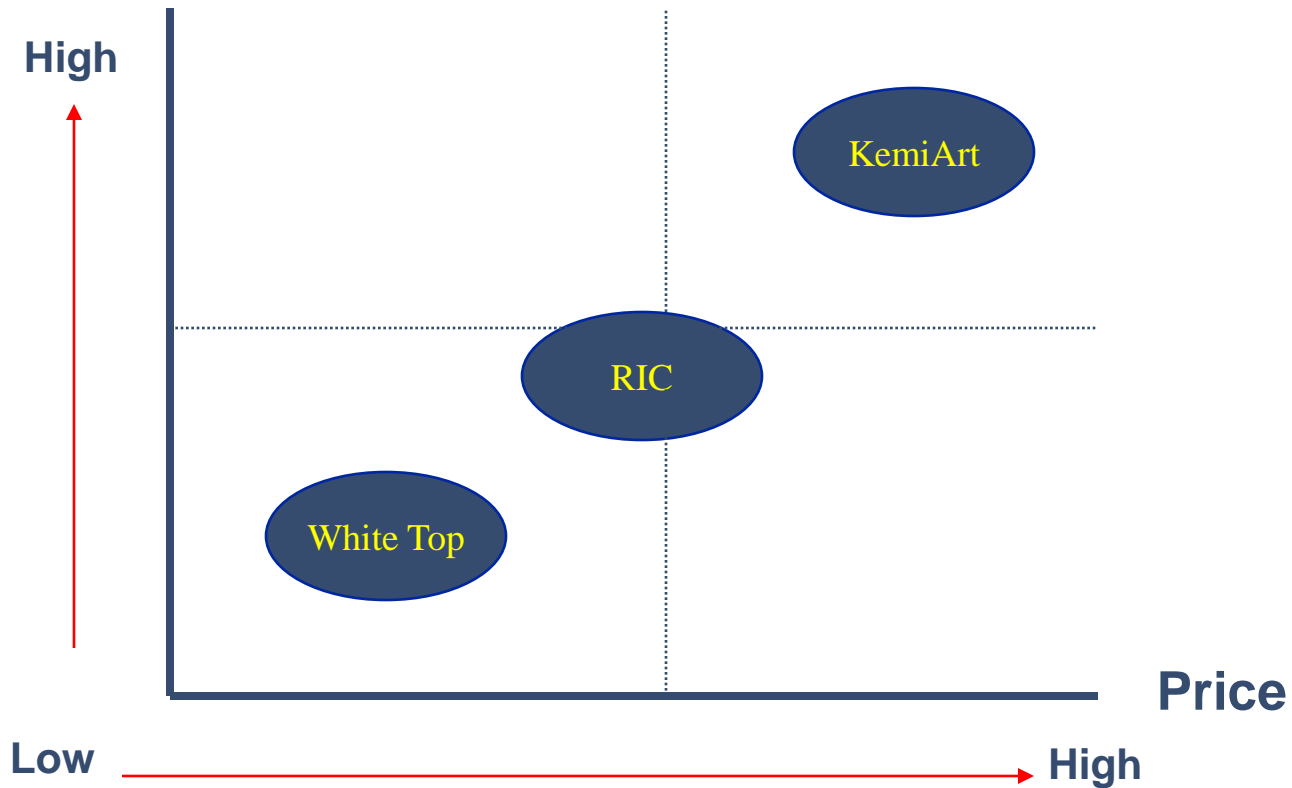
Back Up Slides





Relative Competitive Position

Graphics



Based on #42 basis weight





Glossary

- **Kemi-Art is slightly coated bleach top linerboard. The grade is made in Finland by Stora/Enzo**

- **White Top is an un coated bleach top linerboard**

