

A Strategic Framework For Wisconsin's Paper Industry

UW Oshkosh Center for
Customized Research and
Services & The Wisconsin
Paper Council



Center for Customized
Research and Services



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1.0 Executive Summary

Wisconsin's paper industry stands at a crossroads. The past forty years have brought significant challenges and a seismic shift to the industry as an aging workforce, digital transformation, and foreign competition have brought a wave of closures and consolidations to the state's producers. The state retains a leading role in gross output, product diversity, and utilization. It must also meet these historic challenges along with several more to regain its stature and once again serve as a leading voice and innovator.

The strategic framework offered in this report is the result of a two-year collaboration between the University of Wisconsin Oshkosh Center for Customized Research and Services (UWO-CCRS) and the Wisconsin Paper Council (WPC) and its members. UWO-CCRS has employed its innovative engagement processes and collaborated with undergraduate student researchers to capture feedback from company leaders, industry experts, and young professionals. In this work, the project team found a low level of awareness of opportunities within the paper industry coupled with several common misperceptions regarding the industry's innovation and sustainability culture. The work also identified several inconsistencies in the ways that companies speak to these issues and a general lack of coordination in addressing their impact.

The analysis and recommendations offered here represent the product of that research and the input of more than eighty industry experts and stakeholders. The framework includes the following strategic recommendations:

1. The paper industry needs a strong value proposition.
2. The paper industry needs an image makeover and shed decades-old misperceptions.
3. The industry needs a unified voice and common message.
4. The paper industry must highlight a consistent message about their sustainability practices.
5. Companies must engage with their communities to highlight their good works and promote opportunities.
6. Messaging and talent recruitment needs to move from a global to local approach.
7. The paper industry must develop a strategy to engage with young professionals in unconventional ways.
8. Recruitment messaging should emphasize the power of place.
9. Collaboration across companies and with partners can build new opportunities.
10. Speaking as one voice - identifying a capable leadership advocate for the papermaking industry.
11. Encouraging state policymakers to focus on workforce development needs of the papermaking industry and its supply chain partners.
12. Encouraging state policymakers to work with the WPC to develop the framework for a papermaking industry fund to be used during crisis moments for the industry.

In each instance, we have identified strong champions and partners to implement actions and build support. This is vital to shift the framework from a record of discussion to a call for action. The opportunity for Wisconsin's paper industry to reclaim its leading position is obvious and compelling. Action taken over the next decade will better position the industry for sustainability and growth through the balance of the century.

2.0 Introduction

Wisconsin's paper industry stands at a crossroads. The industry generates more than \$18 billion per year in gross output and its firms employ more than 30,000 workers throughout the state. The sector ranks first nationally in total output and value of products sold. The industry has built this reputation and strength through more than 150 years of growth and innovation. (UWSP, 2019)

The paper industry has faced challenges as diverse as its products and markets over the past thirty years. Demand for paper and printed products have decreased as print communications have digitized. Conversely, demand for corrugated and other packaging has soared with the growth of e-commerce. Firms have had to adapt to the changing customer landscape by innovating new products and practices.

Similarly, global production and interest has increased significantly, with most of the industry growth of the last decade occurring in China and Southeast Asia. Foreign direct investment in the United States has also increased, as several European concerns have brought new ownership and capital into the state.

These challenges have resulted in the closure of several facilities across the state and the decline of many of the industry's founding firms. Similarly, other industry leaders have moved their headquarters out of state, shifting the focus of industry innovation elsewhere. The industry has also reckoned with the environmental impacts of its past and refocused on growth through sustainability.

It is amidst this shifting landscape that the University of Wisconsin Oshkosh Center for Customized Research and Services (UWO CCRS) and Wisconsin Paper Council (WPC) have embarked on developing the strategic framework presented here. We recognize the industry's potential to continue to serve as a global leader while continuing to grow. We appreciate the challenges that the industry faces in doing so. We believe that collaboration among industry and government leaders is essential to bring voice to these issues and to craft durable solutions. We further believe that none of the challenges the industry faces are insurmountable.

The strategic framework that follows presents a series of recommended actions focused on talent attraction and development, sustainability, and innovation. It identifies those champions that will build partnerships in these areas. It draws upon a year of research and input to point a path forward and to demonstrate the strength and capacity of the Wisconsin paper industry to speak with a unified voice.

Project Overview

The strategic framework project and partnership between UWO CCRS and WPC represents a two-year collaboration funded through a WiSys IGNITE! Applied Research grant. The two partners began discussions in late 2019 to expand upon the work performed by the UW-Stevens Point Wisconsin Institute for Sustainability (WIST). The Institute published an economic impact analysis of the state's paper industry in May 2019 for the Wisconsin Economic Development Corporation. The study presented a quantification of the industry's impact and surfaced several key challenges.

The partners wished to expand on this conversation by identifying strategic actions that the industry could take in the next ten to twenty years to reverse its recent erosion and shore up other weaknesses. The project does so by engaging industry leaders in conversations about shared challenges and innovative solutions.

The project's focus initially was to develop strategies to address one of the paper industry's greatest challenge as well as one faced across several industries in the state - the talent shortage. We will discuss the breadth and depth of this issue in later sections. However, it is important to identify here as this has remained a central concern of the project.

2.0 introduction

The project scope was later expanded to include consideration of sustainability and innovation strategies. The Council's Executive Committee wished to expand this scope as members reported challenges in messaging their impact in these areas and believed that doing so was critical to the industry's future. We will see that these concerns were shared across the industry and that the work of the project team elevated their importance and provided clear solutions.

Project Timeline

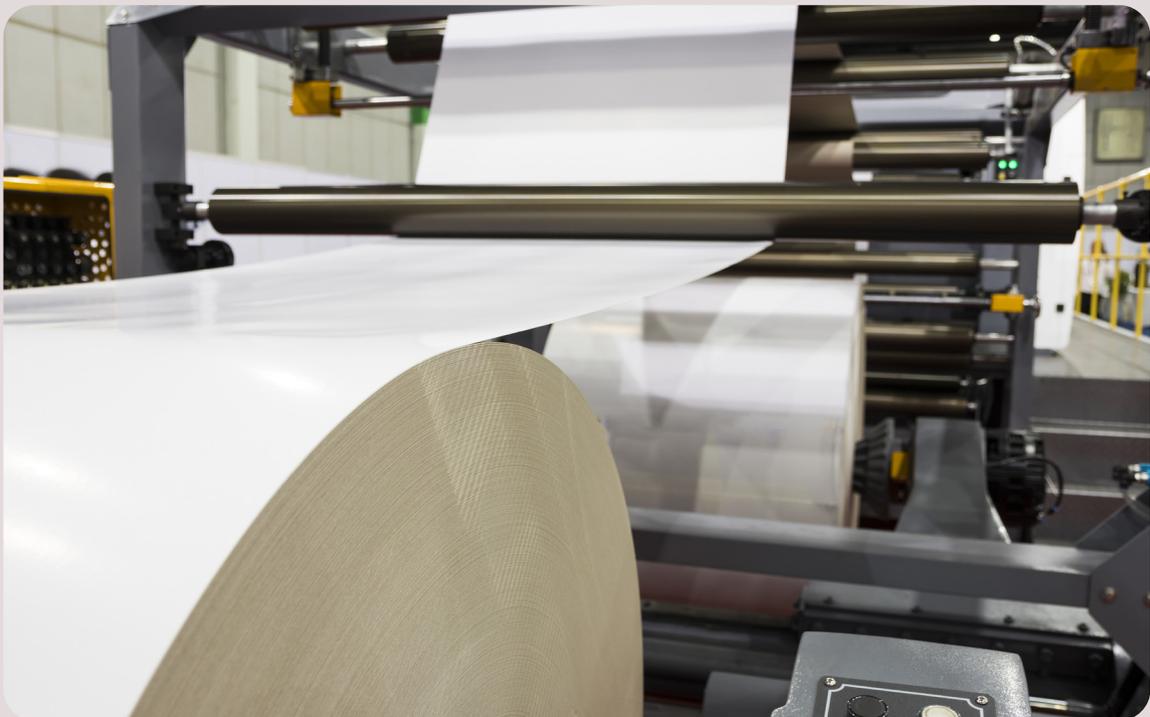
The project launched in September 2020 after a lengthy delay due to the COVID-19 pandemic. The project team reviewed a variety of industry analyses and expert perspectives on the industry's standing and prospects. The project team also reviewed recent media coverage including analyses of plant closures over the past decade. Several common narratives about aging facilities and workforce emerged from this review.

The project team then convened discussions with the WPC Executive Committee and council staff to define scope and process. The team also expanded through the recruitment of four Honors College students from across the University, whose work will be incorporated throughout the framework.

Two committees of industry experts were convened around sustainability and innovation and workforce development in early 2021. The committees further expanded upon the range of issues facing the industry and gathered additional resources. The committees also supported the students' research work, which persisted through the spring. The workforce development committee additionally developed a retirement pattern and intentions survey that was deployed throughout the spring.

Finally, the project team convened three stakeholder listening sessions - one held at UW Oshkosh, the second at PCA's Tomahawk Learning Center, and the final session conducted online to share its initial research findings, validate its conclusions, and identify solutions to the issues raised. This was followed by a series of structured interviews of additional industry leaders to expand the project's purview to consider issues facing the converting, packaging, and printing industries. The summation of industry feedback will be integrated throughout the framework's recommendations.

The project encompasses an intensive engagement process where the paper industry was asked to share both its biggest challenges as well as the path forward. This serves as the basis for this framework.



3.0 Industry Challenges

Over the course of this project, the project team invited leaders from across Wisconsin's paper industry to discuss their greatest challenges in stark terms. These leaders remain generally optimistic about the state of the industry given Wisconsin's leading position in terms of number of mills, employees, and volume of product, but see challenges past and future that have already profoundly re-shaped the industry in large and imperceptible ways. The speed of these changes has caught many leaders off-guard, leading many to question the industry's ability to respond.

It is unsurprising that during these candid conversations that several common themes emerged. This is likely to occur in any series of discussions as the margins and differentiation within the industry are relatively small. This leaves little territory for a firm to set itself apart or develop a novel solution to a shared problem. Similarly, we have observed a high level of knowledge diffusion within the industry, with leaders either developed within a company or hired from a close competitor.

The impact of this narrowed perspective both defines the issue space for the framework to be built around as well as the number of tools that may be employed in its construction. It also builds stronger support for action as the industry's long history both points to a time before each of these challenges as well as to an understanding of what has changed.

Talent Challenges

The challenge facing seemingly every employer in 2021 is a lack of available talent. There has been much written about the current state of the labor market, the pandemic's role in it, and speculation as to whether it will ever recover to the more robust state that we witnessed two years before. The difficult position that many companies find themselves in have been years in the making and are the result of a combination of demographic forces and conscious choices.

For example, stakeholders frequently referenced the retirement of the Baby Boom generation as their greatest challenge. The aging of the industry's workforce is a genuine concern as its 47-year-old median age is nearly a decade higher than other manufacturing industries (38 years-old.) The fact that the industry's workforce continues to age is not solely the result of the Boomers, however.

The industry's workforce is aging largely due to its inability to attract younger workers. Its share of workers under the age of 25 (8.7 percent) is among the lowest of any manufacturing industry (U.S. Census Bureau, 2021). This is both a consequence of a largely stable workforce and a series of misperceptions of the industry. Each of these presents a challenge greater than the immediate threat of a rash of retirements.

Workforce Stability and Knowledge Diffusion

Many of the human resource professionals that we spoke with through the course of this project referenced the difficulties faced in finding candidates to replace recently retired team members. They emphasized the importance of the knowledge that has been accrued through a lifetime of work that ranges from culture to process. In replacing this talent, recruiters seek others that are well on this journey through a combination of education and experience.

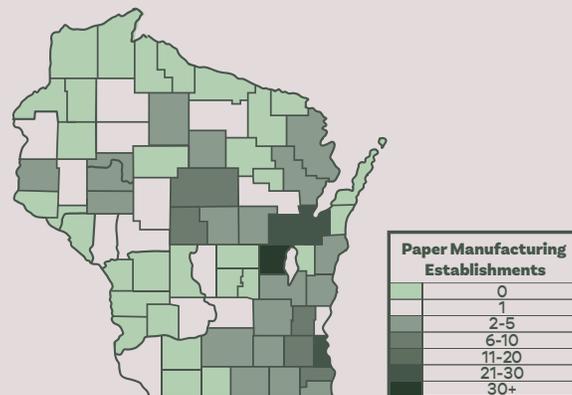
3.0 industry challenges

This practice worked well in the past as the volume of retirees within the industry was relatively low and a continuous hiring and promotion model meant that replacements were usually at the ready. However, this stability has been upset over the past twenty years as firms reduced their volume of entry-level or inexperienced hires. It is vital for any firm to bring in new talent to develop into the key staff and leaders of the future.

This pattern holds in the production and trades functions of most mills. Dustin Delsman of the Local 400 Pipe and Steamfitters suggests that the workforce is not as robust as it was in the late 1990's. Many vital functions that may have been handled internally have been outsourced as equipment vendors and others provided maintenance services. In other instances, new investments in technology were not made as rapidly as elsewhere, creating a disconnect where the skillsets available in the labor market were not needed in the industry as it was working with older technology.

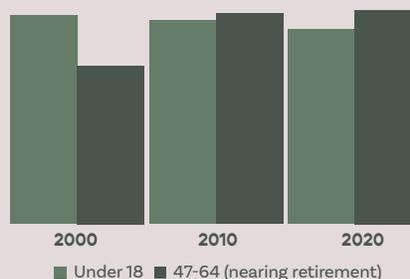
This creates an environment where knowledge is valued but relevant knowledge may not be found or exist in the labor market. Therefore, recruiters are asked to hire replacements for a growing number of retirees yet are unable to find exact matches in the open market. This pushes firms to either outsource services or hire from competitors. Both have become more prevalent practices that are increasingly viewed as unsustainable.

Demographic Challenges



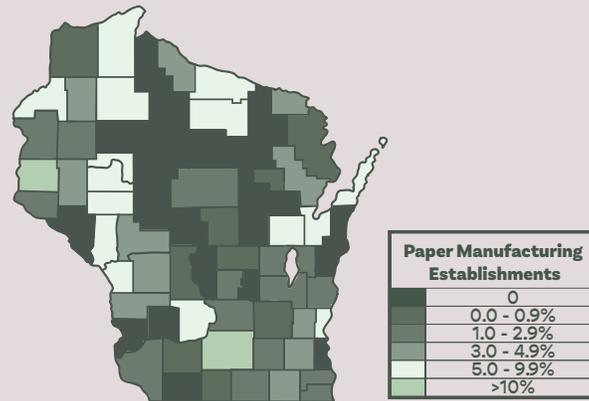
Over the past decade, Wisconsin's population increased by 3.6 percent, according to Census estimates. This is significantly lower than the six percent growth observed in the first decade of the century or the 9.6 percent growth of the 1990's. Much of this can be attributed to the continued loss of the state's youth, with its under-18 population shrinking by 2.1 percent and 44,000 fewer births occurring than the previous decade. Significantly fewer people also moved into the state (54,000 in the 2010's compared to 228,000 in the 1990's), placing significant pressure on the state's labor force.

Figure 3: Youth Population Declining
Under 17 vs. "Near Retirement" Populations: 2000-2020



The impacts of these demographic trends can be felt more strongly in the state's rural counties. In the past decade, populations declined in twenty-one of the state's seventy-two counties, and each of these would be considered rural. The geographic disparity in population growth is illustrated in the map below.

3.0 industry challenges



It is important to note that many of the state's paper mills happen to be in counties where population growth is either stagnant or declining. This impact is multiplied twofold by an ongoing trend within many mill communities to attract growing numbers of retirees attracted by their natural amenities and a long-term trend of young residents leaving communities to seek higher education and work opportunities. This has not necessarily eroded companies' standing as an employer of choice in these communities, but it has greatly constrained their recruiting pool.

This narrative is unlikely to change appreciably in the next decade. The last of the Baby Boom generation reaches retirement age in 2032, and the state's long-term population forecasts suggest that the state's population may begin to recover in 2035. However, demographers have expressed growing concern regarding the state's rural counties as many communities have failed to attract or return young families even as real estate prices have escalated due to retiree demand.

As such, employers in these markets are facing intense competition for a shrinking talent pool and finding that talent to be significantly more expensive due to a higher cost of living. Similarly, many of these communities lack the basic amenities that many young professionals crave, leaving employers scrambling to fill needs from a largely local labor pool.

Changes in Recruitment Patterns and Practices

Discussions with human resource professionals and the results of the retirement intentions survey point to another persistent challenge in the paper industry's war for talent. Recruiters have noted a marked difference in the quantity and quality of applicants since the recession of 2007-2009 when they were overwhelmed with applications. Many firms have adopted automated screening practices, and many have centralized recruiting either regionally or nationally. This has improved their ability to find and hire technical talent, but many report difficulties attracting professionals to specific markets or locations.

While many firms have found success expanding their recruiting markets, recruiters report that this comes at the expense of being able to market a location or facility. This is especially important for firms that value employee loyalty and encourage cross-training, as is the case for nearly seventy percent of our surveyed firms. Many respondents reported concerns about location as the second most likely reason for employees to leave after better pay.

Companies are increasingly turning to higher education partnerships to develop new talent. Sixty percent offer college internships and forty percent have some relationship with a local college or university. However, only thirty percent of responding firms offer high school or adult apprenticeships. This was rarely offered as a potential strategy in the stakeholder listening sessions despite active promotion by the state's workforce development agency.

3.0 industry challenges

Perception Challenges

The second most prominent issue raised throughout the project team's conversations with industry was an issue of perception. Leaders believe that the paper industry has been mischaracterized in several meaningful ways over the past decade. Specifically, they point to the perception that the industry and its opportunities fall prey to the "3-D's" of manufacturing – namely that they are dumb, dirty, and dangerous.

Stakeholders and industry leaders aggressively pushed back against this characterization, choosing to highlight their firms' safety records, commitment to sustainability, and wage rates, for example. Many of these firms and the industry have an impressive body of evidence on their side.

Much of the student research that supports this framework explores these perceptions and misperceptions. Specifically, it explores how the false perception that the paper industry lacks innovation, or the future hinders the industry's ability to grow.

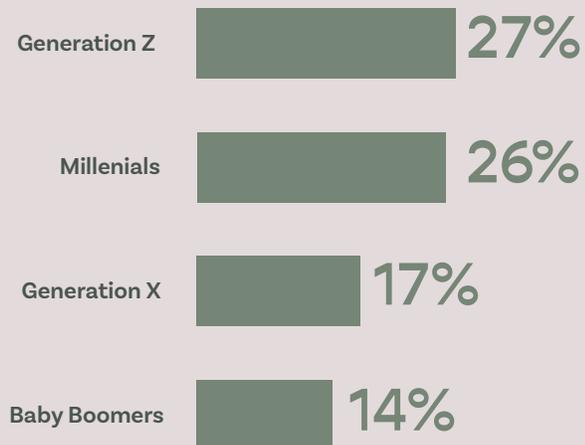
Talent Misperceptions

Wisconsin's paper industry has started to push back against the misperception that the industry does not offer opportunities for growth. Its recent work in planning for the Build Back Better Regional Challenge is a prime example of this work as the application and related planning is identifying industry needs and coordinating resources.

These efforts appear to have paid off. The 2019 Leading 2 Lean Manufacturing Index suggests that as many as three-quarters of Americans have never had a manufacturing opportunity offered to them. Similarly, nearly seventy percent of respondents have a negative perception of the industry and views it as declining. Still, young adults in the Millennial and Generation Z demographics appear more likely to consider manufacturing careers than their predecessors.

**Generation Z
is more likely
to consider
working in
manufacturing
than prior
generations**

Would Consider Working in Manufacturing



Data from the 2019 L2L Manufacturing Index | www.L2L.com

Data reflects persons who have never worked in the manufacturing industry previously

3.0 industry challenges

Environmental Misperceptions

The perception gap was proven out by the focus groups that the student research team facilitated. Most of the students that participated had no prior exposure to the paper industry, yet their perceptions generally supported the narrative of decline and environmental harm. These perceptions changed somewhat when presented with countervailing arguments. Similarly, students reported desiring work in a clean and safe setting that offered career advancement and competitive wages. These are the types of opportunities and benefits that recruiters often held up as prime examples. Yet, despite this supporting evidence, students were no more likely to research opportunities in the field, suggesting that more should be done.

These issues are not unique to the paper industry in Wisconsin. A recent study by the 2 Sides advocacy campaign in the United Kingdom suggests that as many as half of all consumers believe that paper and packaging are wasteful even though the post-recycled product market segment has been the fastest growing in the industry since 2011. Similarly, most consumers are poorly informed about the paper industry's commitment to sustainable planting. As such, these misperceptions reinforce the industry in decline narrative.

What results is an industry that is frequently challenged to connect with an audience that may be receptive to career opportunities and have a strong commitment to sustainability. There are several efforts from across the industry to message these issues. However, more needs to be done in Wisconsin with additional state support to reach audiences here.



3.0 industry challenges

Market Challenges

We know that the paper industry and other related sectors face considerable market challenges. The COVID-19 pandemic both strained production capacity while tasking companies with keeping their own employees safe. Supply chains have been strained as the global logistics infrastructure has been upended by public health and public policy challenges. This has slowed the pace of foreign competition as the pandemic has severely impacted many of the leading paper and pulp-producing countries. However, the pandemic has also created new and durable demand for sanitary and other products, thereby creating new growth opportunities.

Similarly, the COVID-19 pandemic highlighted the state's converting industries as a rapid shift towards e-commerce made packaging and shipping products hot commodities. Wisconsin's leading position in the corrugated space should not be ignored, though it is not entirely within the scope of this project. We can anticipate that we will continue to see significant growth and innovation in the packaging space which faces many of the same challenges we observe elsewhere.

Finally, the state's printing industry continues to evolve considering decreasing demands for printed goods. The COVID-19 pandemic continues to drive down demand as both the food service and hospitality industries have had to shift the way they communicate services.

The Wisconsin Paper Council and recommendations offered within this framework need to be aware of and responsive to these changing demands. One shared concern raised throughout this process and is shared in the 2019 UWSP study is that the state lacks frequent and reliable data on industry output and capital investment. While not rising to the level of a specific recommendation, it does present another development opportunity.

None of these challenges are necessarily insurmountable. The paper industry has in fact grown considerably despite them. However, the growing concern from industry leaders to their impact as growing public awareness of the industry calls for a strong response and collaboration. The recommendations that follow will point towards actions and actors that the industry can pursue in the next decade.



4.0

Engaging Student Research

A founding principle of the Center for Customized Research and Services is to engage and highlight the importance of undergraduate student research through our practice. The Center strongly believes that providing students with applied research opportunities at UW Oshkosh enhances the learning experience and exposes prospective employers to talent in a more dynamic way than a traditional internship may. The Center benefits from several productive partnerships across campus along with an array of regional partners to identify promising students and connect them with organizations facing real problems.

The project team was fortunate to engage with the University's Honor College in Fall 2020 to recruit a team of four diverse and dynamic students to assist with the stakeholder engagement process. The student research team included:

- Kameron Dransfeldt (Economics and Finance '21)
- McKenzie Kalscheuer (Marketing '22)
- Allison Raddant (Accounting and Economics '21)
- Justin Schroedel (Environmental Studies '21)

The student research team provided invaluable insights throughout their engagement in Spring and Summer 2021. During the spring semester, the students completed the requirements for their Honors Thesis projects. This is the capstone of the Honors College experience and requires students to both execute an original research project and to collaborate with other students to enhance their process and findings.

Each student brought a unique perspective and interests to the project and committed their work in a variety of ways. They were responsible for convening the industry work groups, designing and facilitating focus group research, and compiling previous findings.



4.0

engaging student research

The research team produced several core studies through the course of their engagement, including:

- Ms. Raddant produced an analysis of the challenges facing human resource professionals in recruiting needed talent, including a review of the tactics employed and their perspectives on collaboration.
- Ms. Raddant and Ms. Kalscheuer collaborated to conduct a series of six focus groups of undergraduate students along with a survey of Shawano High School students to understand youth perspectives of the paper industry and its prospects. The analysis focused on developing messaging strategies and dispelling misperceptions about opportunities in the industry.
- Mr. Dransfeldt collaborated with Mr. Schroedel to conduct a series of focused interviews of industry experts in research and development and sustainability. Their interest in researching how firms understand innovation and sustainability and message this understanding both internally and externally.
- Additionally, Mr. Schroedel studied the differences between internal and external messaging regarding sustainability initiatives and how firms may use sustainability as a talent attraction strategy.
- Finally, Mr. Dransfeldt combined his interview feedback with a quantitative analysis of recent capital investments across the state to develop a five-year return-on-investment model for the industry. This builds a justification for further capital spending in facilities and needed technology.

The full body of work produced is included as appendices to the framework. Many of the conclusions drawn across this work are also integrated into the recommendations offered here. The student research team was integral in both building trust with the industry and soliciting their feedback.

The students also offered invaluable insights through their own experiences. None of the four had any prior exposure to the paper industry and Ms. Raddant was the only team member to grow up in a paper community (Shawano). As such, none had a perception of the industry.

The student research team was exposed to a variety of industry experts throughout the project cycle and was also able to tour several facilities, both virtually and in-person. Their perspectives regarding the value of the industry and its innovation culture changed markedly throughout the spring to that each of the four students indicated some interest in working in the industry at some point.

Mr. Schroedel felt the most significant impact from his work. Justin was in the midst of his own job search when he engaged in the project. He did not initially consider the paper industry as offering opportunities to utilize his Environmental Studies training. However, several industry partners banded together to assist him over the summer in his exploration of the industry. He was eventually able to join the rotational hiring process at Georgia-Pacific's Broadway mill, joining the industry that he had just critically assessed.



5.0

Engaging the Industry

The prime objective of the project was to engage industry leaders in a discussion of the most pressing challenges facing Wisconsin's paper industry. To accomplish this, the project team closely collaborated with the Wisconsin Paper Council to implement a series of engagement strategies.

Industry Workgroups

The first step taken by the project team to encourage industry feedback was to recruit a pair of expert workgroups. These included experts from across the state as well as national and international experts. Care was taken to draw perspectives from a variety of forms and contexts. A subset of the WPC Executive Committee was first convened to provide overall guidance of the project. Similarly, the workgroups were organized topically across the three focus areas of the project - talent, innovation, and sustainability. These were identified as the most pressing needs early in the process after consultation with the WPC Executive Committee. The workgroup members and roles are listed below.

Project Executive Committee

Committee Member	Title	Company
Addie Teeters	Head of Marketing, Communications, and Public Affairs	Ahlstrom-Munksjo
Lynn Peterson	Human Resources Director	Georgia-Pacific
Dustin Delsman	Business Agent Plumbers & Steamfitters, UA Local 400	UA 400 Pipe Trades
John Corrigan	Head of People, Legal, and Environmental Affairs	Midwest Paper Group
Tammy Waters	Manager, Communications, and Government Relations	Domtar
Paul McCann	Vice President, Industrial Project Development	The Boldt Company
Scott Suder	President & CEO	Wisconsin Paper Council
Jeffrey Sachse	Director, Center for Customized Research and Services (CCRS)	UW Oshkosh
Carrie Rule	Outreach Program Manager, Center for Customized Research and Services (CCRS)	UW Oshkosh

Talent Workgroup

Committee Member	Title	Company
LaRon Wilder	Sales Manager - Commerical Print	Neenah, Inc.
Nancy Ledvina	Human Resources Director	Ahlstrom-Munksjo
Tammy Waters	Manager, Communications, & Government Affairs	Domtar
Brennan Burks	Manager, Communications, & Government Affairs	ND Paper
Dan Kalupa	Technical-Specialty Papers	Bulkley - Dunton
Tom Bolles	Senior Director of Operations, National Power and Industrial	The Boldt Company
Tim Kordula	CDL Instructor/Administrator	Karl's Trucking
Jeffrey Sachse	Director, Center for Customized Research and Services (CCRS)	UW Oshkosh
Carrie Rule	Outreach Program Manager, Center for Customized Research and Services (CCRS)	UW Oshkosh
Joseph C. Nowlin	Consulting Partner	15 Dots
Allison Raddant		UWO Student
McKenzie Kalscheuer		UWO Student
Kameron Dransfeldt		UWO Student
Justin Schroedel		UWO Student
Scott Suder	President & CEO	Wisconsin Paper Council
Stacey Johnson	Vice President, Forestry, Transportation, and Workforce Relations	Stacey Johnson

Innovation and Sustainability Workgroup

Committee Member	Title	Company
Zach Leimkuehler	Head of Business & Product Development	Ahlstrom-Munksjo
Dan Kalupa	Technical-Specialty Papers	Bulkley - Dunton

5.0

engaging the industry

Paul McCann	Vice President, Industrial Project Development	The Boldt Company
Brennan Burks	Manager, Communications, & Government Affairs	ND Paper
David Orcutt	Environmental Engineer	Domtar
Chris Teeters	Area Director	Synagro
Tim Kordula	CDL Instructor/Administrator	Karl's Transport
Patrick Henderson	Executive Director - Government Affairs	Quad Graphics
Jeffrey Sachse	Director, Center for Customized Research and Services (CCRS)	UW Oshkosh
Carrie Rule	Outreach Program Manager, Center for Customized Research and Services (CCRS)	UW Oshkosh
Joseph C. Nowlin	Consulting Partner	15 Dots
Allison Raddant		UWO Student
McKenzie Kalscheuer		UWO Student
Kameron Dransfeldt		UWO Student
Justin Schroedel		UWO Student
Scott Suder	President & CEO	Wisconsin Paper Council
Stacey Johnson	Vice President, Forestry, Transportation, and Workforce Relations	Stacey Johnson

The workgroups convened in February 2020 and met throughout the spring. The workgroups performed three roles. First, they helped to define the scope of inquiry for the project. Second, they provided feedback on the survey, focus group, and interview scripts. Finally, they worked with the student research team to network with peers and to provide feedback on initial research findings.

Several members of these committees played prominent roles beyond their initial engagement. Addie Teeters provided valuable guidance to the student research team and arranged a tour of the Ahlstrom-Munksjo facility in Kaukauna. Dan Kalupa attended several stakeholder feedback sessions and provided additional input both in his role in the specialty paper market as well as a young professional.

Each industry leader engaged in the workgroups was generous with their time and feedback. Many of their specific contributions are highlighted throughout the framework.

Talent Needs Survey

The principal task of the talent workgroup was the development of a talent needs and retirement intention survey. This was viewed as one of the principal means of feedback for the project and was patterned from previous surveys used by the Racine County Economic Development Corporation and United Way of the Chippewa Valley. Similarly, the survey was designed to identify the specific hiring needs that companies faced as well as the tactics they pursued to address them.

The project team deployed two related surveys in spring and summer 2021, collecting feedback from forty-five companies. While the team was initially disappointed with the low response rate, the COVID-19 pandemic has depressed survey response rates generally, so the feedback collected here is admirable. The survey instruments and summary of all findings are included as appendices to the framework.

Stakeholder Listening Sessions

The most extensive engagement strategy pursued in this project came through the convening of three stakeholder feedback sessions. The three sessions were hosted in different settings in summer and fall 2020 – at UW Oshkosh (June 24), Paper Corporation of America’s training facility in Tomahawk (September 14), and virtually (October 20) but followed a similar format. The project team presented its preliminary research findings, the student research team shared their experiences, and the project team facilitated a structured group discussion covering a range of topics. The slideshow presentation used in each stakeholder group is included as an appendix to the framework.

Industry engagement in these sessions (seven attendees at the first session, eight at the second, and fifteen virtually) produced robust input. The project team anticipated this challenge as it had trouble throughout the project convening discussions because of the COVID-19 pandemic. Several planned listening sessions, including meetings at Mid-States Technical College and Georgia-Pacific’s Broadway Mill were cancelled due to pandemic restrictions. Similarly, many industry experts were either unable to or uncomfortable with participating in person. As such, the virtual stakeholder had the highest participation and prompted the final engagement strategy.

Structured Industry Reviews

The final engagement strategy found the project team performing a series of structured interviews with industry experts. Interview subjects included members of the WPC Executive Committee, members of the industry workgroups, and other key stakeholders identified in previous stakeholder sessions. This was designed to ensure that as many industry representatives as possible were given an opportunity to respond as well as to collect feedback from across WPC’s membership. Interviews were conducted in November 2021. The interview script is included as an appendix to the framework.

Taken in sum, the framework represents the input from more than one-hundred industry experts representing twenty-eight firms from across the Wisconsin paper industry. While their feedback may not speak for the industry the challenges and solutions that have surfaced have broad applicability. We will discuss these challenges next.

6.0

Why does Wisconsin's Paper Industry Need a Strategic Framework?

Before outlining the strategic recommendations that we believe will guide Wisconsin's paper industry for the next decade, we need to understand why this framework is so vitally needed.

Wisconsin's paper and forest products industry is the largest in the nation, providing high-quality jobs to nearly 39,000 workers and contributing \$14.6 billion to manufacturing output in the state. With the highest concentration of paper manufacturing in the United States, our region is the leading U.S. producer of paper products ranging from tissue to corrugated cardboard to specialty papers that supply national markets and drive \$1+ billion of exports to 100 countries.

For much of the last century, steady demand for the region's products sheltered this industry and the rural, timber-dependent communities that rely on it from economic downturns and the accompanying social challenges. Growth in the industry was generally considered counter-cyclical as producers provided essential commodities and products that served nearly every industry sector. Similarly, the industry provided generations of family-supporting jobs, as it was not uncommon to see two or three generations of family members working in the same mill.

The ownership and capital landscape of the industry has shifted significantly in the past three decades as firms that had previously operated as family- or privately-owned ventures for decades were consolidated and acquired by private equity firms and other conglomerates. Years of deferred maintenance were ignored just as the industry's workforce aged and new generations of workers no longer viewed the industry as viable.

This sense of security further eroded in the past twenty years as events like the Great Recession, changes in global demand for forest products, and the COVID-19 pandemic forced mill closures and a re-thinking of the future of the industry. It is as easy to see an industry fighting for its survival as it is to see the industry that established itself as a global leader for more than a century.

The industry's diversity - in products, ownership, and place creates a more competitive than collaborative marketplace. Firms have operated largely in isolation despite their shared circumstances and challenges.

It is within this context that the strategic framework project has proceeded. We recognize that, while the industry has an impressive global stature and long history, the Wisconsin Paper Council has the experience and collaborative resources to be the voice for this industry. The Council encourages companies to pool their respective financial resources toward this goal and encourages policymakers to devote additional financial resources to assist in the council's efforts to fully develop a strategic framework to assist with future industry needs and challenges.

As such, a collaborative strategic framework is necessary to help the industry to speak with one voice and to rise to meet the challenges of the future.

The second rationale for producing this strategic framework comes from the extensive feedback provided throughout the research process. The project team intentionally engaged industry representatives and stakeholders from across the state to collect diverse perspectives about pressing issues. The reader will see that there is some consensus on the most pressing issues facing the industry but little agreement on solutions.

6.0

why does wisconsin's paper industry need a strategic framework?

Similarly, the industry itself is incredibly diverse. Firms work in vastly different contexts in the products they produce, their locations, resources, and in other ways. As such, different firms may approach a common problem differently. This may prove successful in an operational sense, but it is a poor approach to a strategic solution.

Each of the issues presented here have wide and long-term effects. None can be solved overnight. Similarly, there is consensus in the industry that it needs to pivot its efforts to remain relevant through the balance of the twenty-first century. This will require a clear strategy and sharing of resources.

For context, we can assume that each of the recommendations offered here can be achieved within a ten-year timeframe (to 2031). However, impacts may be felt more immediately.



7.0 Recommendations

An effective strategic framework depends on the strength of its recommendations to both inspire and to garner support for lasting change. The strategies recommended here have been informed through the research and feedback collected over the past eighteen months. They have been shared with industry leaders and are viewed as both realistic and impactful. They are an opening to a broader conversation on the future of Wisconsin's paper industry.

7.1 The paper industry needs a strong value proposition.

The market and perception challenges that Wisconsin's paper industry faces are well understood by industry leaders. They have also been extensively documented both here and elsewhere. As such, the public believes that the industry is generally declining and offers few opportunities.

The first step in creating a brighter image for the paper industry is to understand the value that it provides to the state, its communities, and its residents. The UW-Stevens Point study did this in numerical terms, but the industry needs consider this more broadly.

In doing so, the industry must consider the totality of what falls under the umbrella of "paper products" in Wisconsin. This includes converting, logistics, printing, and other activities that support the industry's historical core. This includes a more holistic understanding of the associations representing aspects of the industry, including the Wisconsin Paper Council, Wisconsin Industry Printing Council and Wisconsin Council on Forestry, for example.

In expanding the definition of what "paper" is, we can further express a compelling value proposition to a variety of audiences, including prospective customers, partners, and employees. This needs to include a description of the variety of products produced, the strength of company leadership, and talent opportunities. This also needs to be presented within the specific context of opportunities in Wisconsin as many of the state's firms also have operations elsewhere.

Defining the industry and its advantages should be the primary focus of the WPC and its partners.

Recommendations:

1. The Wisconsin Paper Council or other championing entity should convene a paper industry summit of all associated industries and industry representatives to discuss the industry's value in Wisconsin and prospects. This should be convened when appropriate given current public health concerns.
2. A resulting value proposition or messaging task force should continue to meet throughout 2022-23 to develop a concise value propositions statement.
3. The common statement should be adopted by all partner organizations as a core principle of their marketing and outreach activities.

7.0 recommendations

7.2 The paper industry needs an image makeover and shed decades-old misperceptions.

The message that repeats throughout much of the student research that supports this project is that Wisconsin's paper industry suffers from a series of common misperceptions. The public assumes that the industry is among the state's most polluting based on recent reporting of remediation efforts. The record of plant closures and consolidation over the past fifteen years have led some to assume that the industry is no longer competitive or that production has decreased. Young people no longer see the value or opportunity that the industry provides.

These misperceptions have been building for decades for several reasons. Communities have cited changes in ownership and the loss of historical brands as one potential reason. Students have pointed to a general lack of awareness of the industry other than their products, which they have used less and less in the classroom. Political leaders point to foreign competition and a perceived lack of loyalty to the state as reasons for eroding trust.

Each of these contain at least a grain of truth and the challenge that the industry faces over the next decade. It must battle these misperceptions through proactive and positive messaging to build a stronger and wider base of support in the communities where it operates. The paper industry must similarly recognize and message the diversity of products and industries that it supports.

There are several examples throughout the state that the paper industry may wish to emulate. Leaders in Central Wisconsin have developed a multi-year engagement strategy focused on building awareness of the region's metal fabricators. The shipbuilders of Northeast Wisconsin have similarly collaborated to build awareness of the diversity of their industry and opportunities.

While we will discuss the tactics that have been employed and the audiences that the industry should strive to reach in later recommendations, we believe that the first step to change is to understand the nature of these misperceptions and acknowledge where they have been changed in other sectors.



7.0 recommendations

Recommendations:

1. The messaging taskforce referenced in Strategy 1 should convene additional focus groups throughout the state to build upon the student research that has been performed. This should include engagement in communities with a strong industry presence and throughout the state's technical college and university systems.
2. The taskforce should also partner with Junior Achievement or other similar statewide organizations to conduct a broader survey of industry awareness of high school students.
3. The task force should gather examples of how industry misperceptions have been marketed in the media, including documenting messaging, format, and audience. This is especially important in media that serve markets with strong industry presence.

7.3 The industry needs a unified voice and common message.

The value proposition of the Wisconsin paper industry needs to be strengthened. It needs to include contributions from each industry that relies on the state's paper producers as well as those that contribute to their success. It further needs to overcome decades worth of misperceptions of the industry's health and future.

For this value proposition to succeed, it must be messaged effectively and frequently. This relies both on the creation of the media and collateral to do so. It also depends on the engagement of industry members from across the state. The former can be produced by the Wisconsin Paper Council and its partners through a marketing strategy. Getting the state's paper producers to utilize it is a harder challenge.

The paper industry faces two difficulties in developing a common messaging strategy or platform. First, communications and marketing strategies are not typically the domain of local staff. Corporate branding or messaging takes priority. Second, industry members and partners exist in vastly different media markets, with many also working in communities with little broadband access. Therefore, the marketing approach must be diverse yet consistent across platforms.

Leadership will be needed to ensure the participation of as many industry members and partners as possible in the marketing campaign. Similarly, the WPC should look to work with marketing professionals with experience both in the industry as well as in its media markets.

Recommendations:

1. The Wisconsin Paper Council should convene a marketing task force to extend the work of the Value Proposition task force to develop and implement a unified messaging strategy.
2. The task force should engage a marketing firm or firms to develop a common brand for the industry and messaging campaign.
3. The task force should further identify an annual budget and financial resources to support a statewide media campaign to promote the industry and this new common message.

7.0 recommendations



7.4 The paper industry must highlight a consistent message about their sustainability practices.

The Wisconsin paper industry's sustainability story is host to some of its toughest misperceptions and greatest opportunities. Much of the public's focus is on the industry's legacy. Sustainability has been in the heart of the industry since its inception and has been a more intentional focus for the past several decades. The paper industry is committed to sustainable practices and products.

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These stories can be difficult to tell. The public views much of what the industry produces as a disposable commodity. Products are utilitarian and selected with little regard for brand or manufacturer. Few consumers have historically cared how these products are made or what they are made of.

Awareness of the paper industry's sustainability record has notably increased in recent years. The media has documented the industry's efforts to improve its communities, such as historic seventeen-year, \$1.3 billion remediation of PCB-laced sediment from the Lower Fox River. The industry has invested and participated in other remediation processes, many of which can be traced to industry practices from the 1950's.

The paper industry has moved away from many of these pollutive practices and has embraced sustainable practices. Wisconsin leads the country in the production of pre- and post-consumer recycled paper. The state's producers have also invested in research into compostable and other recycled processes.

Companies do speak about their sustainability practices but neither do so consistently or within the specific context of the communities in which they operate. Messaging is also inconsistent within firms. Developing a strong and cohesive sustainability message is critical to talent attraction as younger generations are especially interested in understanding their impact on the world. As such, efforts here will bear fruit throughout the framework.

7.0 recommendations

Recommendations:

1. The Wisconsin Paper Council should reengage the Innovation and Sustainability workgroup recruited for this project and establish it as a standing committee in the Council.
2. Sustainability must be considered a key part of the industry's value proposition.
3. The workgroup should continue to document sustainability practices from across the industry with a focus on Wisconsin examples.
4. A section of the industry messaging platform should be committed to sustainability practice.

7.5 Companies must engage with their communities to highlight their good works and promote opportunities.

The Wisconsin paper industry enjoys a rich history across several communities in Northern and Central Wisconsin. Many communities can trace their origins to the forest and paper products industries, and several communities remain dependent on the industry's presence and growth. As the industry's fortunes have ebbed in recent years, many communities have soured on this relationship and its history.

The relationship that the paper industry has with several communities has changed dramatically in recent years. The consolidation that has occurred within the industry has moved executives and other managers further from the plant floor and small communities. Community leaders have lost the nearly direct connection to company leadership they once enjoyed. Company changes now come as a surprise with community leaders feeling helpless in their wake.

This has weakened the labor pool in several markets as fewer young jobseekers have awareness of or a connection to the industry. Fewer still are even aware of what happens in the industry other than being able to point out a mill location on a map.

The paper industry needs to rebuild its relationship with its communities for several reasons. First, it is politically advantaged to do so. Second, building more awareness of the industry's presence in communities will help to combat many of the misperceptions that plague the industry. Third, reestablishing these ties honors the history that the industry enjoys and can more effectively leverage. Finally, communities can serve as strategic partners with the industry to market opportunities and welcome in new talent.

Recommendations:

1. The Wisconsin Paper Council should partner with the League of Wisconsin Municipalities and others to host a dialogue or series of conversations between industry leadership and community leaders to identify challenges in engagement and ways to better collaborate.
2. The Council should also study local industry sponsorship practices and encourage industry partners to support more local events to increase awareness.
3. The Council should convene a working group to identify and promote best practices in plant tours and other community events.

7.0 recommendations

7.6 Messaging and talent recruitment needs to move from a global to a local approach.

The Wisconsin Paper Industry is deeply engaged in the war for talent that has gripped employers in every industry and every community. The students' research projects delved deeply into the tactics that companies are utilizing to find new hires as well as the frustration that many human resource professionals share when they cannot. Many firms are building relationships with educators even as they report that they are most successful in stealing staff from their competitors.

We have discussed the difficult circumstances the industry faces both in the lack of awareness and misperceptions that many in the public have. This lack of awareness extends to high school and college students who remain unaware of the opportunities available in the industry including those that may be in their own backyards.

The student researchers shared many of these concerns. However, many were alleviated through a tour of an Ahlstrom-Munksjö plant in Kaukauna. The students were struck by how clean and technological the facility was. They learned about the company's commitment to sustainability and the salaries and benefits available. This marked a late turning point for many of the students as they were struck by just how competitive the industry was and how their skill sets might contribute a variety of ways.

This experience highlights the importance of messaging opportunities at a local level. Few in the public know all that happens in a typical manufacturing facility, much less a paper mill. The public is also generally unaware of the investment that has occurred in modernizing most facilities. As such, most view work at these facilities to mostly be manual labor where recruiters are desperately seeking technical knowledge.

Recruiters do a disservice in their search for talent by not clearly indicating where a position may be located. Many human resource professionals point to corporate policies in omitting this information. Others point to the need to recruit nationally or internationally for some positions. These same professionals also report the difficulty they face and attracting professionals from elsewhere into many mill communities.

Recruiting for talent based on location provides a needed layer of transparency to the process. Similarly, it provides communities with an opportunity to showcase these opportunities and the benefits of living there. This also provides better information to workforce development and education partners to demonstrate the role the industry plays and how competitive it is in most markets.

Recommendations:

1. The Wisconsin Paper Council should encourage its members to include location on all job postings.
2. The Council should also work with members to develop and share community profiles of each plant location and encourage members to utilize these in their recruiting efforts.
3. The Council should consider utilizing data from LinkedIn and other job search sites to identify local candidates with skill sets that may be of interest to its members.

7.0 recommendations

7.7 The paper industry must develop a strategy to engage with young professionals in unconventional ways.

The paper industry workforce has been aging rapidly over the past two decades. As older workers aged and advanced into more senior roles at organizations, younger workers have been dissuaded over a perceived lack of opportunity and may have left the industry. As a result, the median age of the industry's workforce is 46 years old with the median age of trades and management staff at least five-to-seven years higher, based on anecdotal and survey feedback. These trends will heighten in the next decade as many of these workers reach retirement age.

It is unclear as to whether the industry understands the implications of its aging workforce or has embraced the reality that replacement workers do not exist in many of its markets. The industry has been relatively slow to develop proactive recruiting and development strategies much like many other manufacturing sectors. The need has been intensified by the COVID-19 pandemic as the crisis has increased industry demand and exposed key weaknesses.

Many industry leaders have developed potential solutions to this succession issue. Georgia-Pacific and others offer rotational recruitment, giving managers the opportunity to evaluate candidates' strengths while exposing potential hires to the variety of roles they may contribute to. Similarly, many of the firms that the project team surveyed indicated some interest in developing more robust internship programs with local high schools, colleges, and universities. Engaging young adults in serious discussions of their future and empowering them to explore the industry in a meaningful way will foster greater awareness and trust.

Similarly, the industry should support and further develop young professionals peer groups, both in their facilities and communities. Many of the industry's young talent are not native to the communities where they work and may know few others outside of their firm. As such, retention of this talent is driven by building ties within a community as much as it is a result of professional development and fit.

Chambers of Commerce and other community organizations frequently champion these programs, which provide networking and socializing opportunities. The paper industry can extend this model both by encouraging young talent to network across divisions or facilities and to provide more sponsorship and visibility of other community events. Companies can greatly increase employee retention by demonstrating a clear investment in community and talent.

The industry should also look to elevate the voices of their young talent. Leaders should encourage staff to participate on Wisconsin Paper Council committees and other professional organizations. Staff should be encouraged to volunteer in their communities and share their experiences. Accomplishments should be recognized and celebrated.

Recommendations:

1. The Wisconsin Paper Council should convene a young professionals working group to examine recruiting and retention practices.
2. The Council should also consider young professional recognition through its annual meeting or an annual publication like NEWMA's *Manufacturing All-Stars*.
3. The Council should further encourage members to support their communities' young professional organizations.

7.0 recommendations



7.8 Recruitment messaging should emphasize sustainability and innovation.

Much of the discussion in this strategic framework to this point has emphasized the need for messaging and engagement to solve the Wisconsin Paper Industry's talent and brand awareness challenges. The industry faces several additional challenges that have been discussed here and elsewhere that cannot be addressed through a new marketing approach. Combatting foreign competition and securing market growth are two such examples. While the framework proposes additional study in each of these areas and others, it is important to note the connection between these challenges and the recruiting practices we have discussed at length.

The future of the paper industry is dependent on two interrelated factors - innovation and sustainability. The industry must continually develop new products to remain relevant in a changing marketplace. It must also embrace more innovative production processes, including the development of new equipment and automation technologies. The industry has generally lagged behind others, such as automotive manufacturing, with embracing rapid change.

Similarly, much of the innovative energy in the industry has been focused on improving sustainability practices, including reducing water use, utilizing alternative energy, and increasing utilization of recycled content, among others. The industry has a strong connection to the environmental sciences and offers one of the most tangible opportunities for professionals to see the results of their work.

The industry must harness this energy and enthusiasm in its recruiting practices. Messaging should include contributions from young professionals describing their work and industry advances. The industry should similarly increase its reach and ambitions by recruiting in more colleges and universities to find unrecognized talent and increase industry diversity.

Young professionals are increasingly seeking opportunities to make positive change. The paper industry must welcome this with open arms.

Recommendations:

1. The marketing taskforce should develop a series of messaging pieces that connect innovation and talent.

7.0 recommendations

2. Campus recruiters should engage young professionals including those with alumni relationships to aid in their recruiting practices.
3. Industry partners should work with local colleges and universities to host paper industry days, including plant tours and providing class speakers.

7.9 Collaboration across companies and with partners can build new opportunities.

Many of the recommendations in this strategic framework depend on the participation of one or several partners to ensure their success. This is necessary both to expand the reach of these efforts as well as to multiply the resources that can be leveraged against them. For example, no single firm or organization can solve the industry's talent challenges since there are needs across several occupations and geographies. Some would argue that a statewide approach may work, however, this ignores the local context that we have already argued is critical for the industry's long-term success.

Collaboration across the industry is essential to ensure that the approaches and messaging that we have recommended here are widespread and consistent. The framework and student research argues that the industry needs to adopt common messaging to overcome misperceptions. This requires the broad participation of the Wisconsin Paper Council membership.

Similarly, the Council should expand its purview and the reach of this strategic framework by expanding their existing partnerships with the American Forest and Paper Association, Great Lakes Timber Professionals, Grow North, higher education institutions, labor unions, the New North, state and federal policymakers, and the Wisconsin Council on Forestry, among others. These partnerships have already brought great progress, but have room to grow.

The Wisconsin Paper Council and its members must focus on building collaborative partnerships among its membership and across these industry associations. The Council's experience with the Economic Development Administration's Build Back Better (BBB) Regional Challenge and Wisconsin Workforce Innovation Grant program provide both valuable examples and potential incentives. The Council can leverage the BBB planning and funding application process as an opening to these conversations.



7.0 recommendations

Recommendations:

1. The Wisconsin Paper Council should convene formal discussions with existing and future partners to discuss common challenges and collaborative opportunities.
2. Wisconsin's Paper Industry should also seek to form strategic partnerships with other states and nationally to elevate the industry and highlight domestic contributions.
3. The Wisconsin Paper Council should leverage the opportunities of the Build Back Better Regional Challenge and Wisconsin Workforce Innovation Grant to strengthen and formalize partnerships.

7.10 Speaking as One Voice - Identifying a Capable Leadership Advocate for the Papermaking Industry

The papermaking industry has become much more diversified over the course of the last 15 years and has also experienced several national and international mergers. As a result, the industry, needs to consistently convey economic and policy concerns with one voice. The Wisconsin Paper Council (WPC) has taken a leadership role in providing a singular voice for the industry in Wisconsin and the Midwest. The WPC needs to continue to expand this leadership role for the entire papermaking supply chain. In addition, the WPC has formed several valuable strategic alliances with state and national partners such as GLTPA, AF&PA, higher education institutions, Tribal communities, economic development associations and labor organizations. The WPC should continue to leverage these important relationships as well as expand its strategic alliances throughout the Midwest.

7.11 Encouraging State Policymakers to Focus on Workforce Development Needs of the Papermaking Industry and Its Supply Chain Partners

The research compiled throughout this strategic framework report clearly shows several workforce issues which are affecting the papermaking industry. It is important for state policymakers throughout state government to not only recognize the economic impact and societal importance of this industry but to work with the Wisconsin Paper Council to develop an overall strategic plan to assist papermakers to address these workforce issues. As this report encourages the paper industry to speak with one voice for the industry to continue to thrive, it is equally important that state policymakers work as a partner with the voice of this industry, i.e., the Wisconsin Paper Council, to develop strategic plans and programs which focused on these salient workforce issues.

7.12 Encouraging State Policymakers to Work with the WPC to Develop the Framework for a Papermaking Industry Fund To be Used During Crisis Moments for the Industry

The forest products industry operates in a globally competitive market. States like Maine have created safety net funds which can assist struggling paper mills which have been affected by unforeseen economic circumstances such as pandemics, workforce shortages, supply chain issues, regulatory struggles, and capital upgrade deficiencies. As a result, there is continual competition to lure future investments to other states which have a more robust economic incentives and revolving funds dedicated to assist struggling mills in times of crisis. Attempts have been made in past Legislative Sessions to create such a fund but did not have sufficient bipartisan support. The State of Wisconsin would be wise to work with both the Wisconsin Paper Council and the Wisconsin Paper Caucus to begin outlining a workable, bipartisan framework that would create such a dedicated fund to be better prepared to address future economic needs of the industry.

8.0 Conclusion

Wisconsin's paper industry has weathered substantial challenges over its more than a century of history in the state to become a global leader in production, innovation, and sustainability. Many of the same challenges that have been present for the past several decades, including foreign competition, the regulatory landscape, and supply chain constraints have been joined by several new pressures -- the demand for talent, growing industry misperceptions, and a push for innovation. None of these are inherently insurmountable and industry partners continue to express optimism about the industry's future.

It is still within the realm of possibility to see a future where the state loses its competitive position. The industry has experienced substantial losses in recent years and has lost its productive capacity in several key sectors, including raw pulp processing and specialty papers production. Similarly, the state has seen demand growth in other sectors, including corrugated and packaging that depend on growth of the state's bulk processing capabilities. There is capacity for additional growth and investment in utilization recycled content, however most facilities also have significant deferred capital expenses.

The strategic framework presented here emphasizes the importance of collaboration and intentionality in meeting these challenges. Much of what the paper industry must do in the future is the same that other industries have recognized in recent years - relevance is driven by communicating a positive message. The average citizen is both unaware and unappreciative of the industry's presence and stature in the state. Defining Wisconsin's paper industry as a global leader will build greater affinity in the labor market, open possibilities for new partnerships, and foster a positive legislative climate.

The industry has already started to bear the fruit of these actions. The Wisconsin Paper Council has recently secured a Wisconsin Workforce Innovation Grant to build sustainable talent pipelines and is one of sixty finalists for the Economic Development Administration's Build Back Better Regional Challenge. Each of these designations came through dialogue and partnership building and played on the Council's strengths. The challenge and opportunity are for the state's industry partners to align around these efforts.

Similarly, there is substantial opportunity to expand this discourse. Many of the challenges identified here are shared among the state's converting, packaging, and printing industries. Each of these is dependent on the health of the paper industry and should be included in messaging the industry's strength in a more meaningful way. The industry also can discuss how it is leading sustainability and innovation practices in communities across the state.

Wisconsin's paper industry has a compelling story to tell. It simply needs to captivate an audience. Hopefully, this strategic framework is an invitation to listen and engage.

9.0

About the Authors



Center for Customized
Research and Services

Center for Customized Research and Services

The UW Oshkosh Center for Customized Research and Services has more than thirty years of experience providing consulting, customized research, and technical assistance services to businesses and organizations throughout Northeast Wisconsin. It is recognized as an important driver of regional economic development through the strategic connection of UW Oshkosh talent, intelligence and innovation to Wisconsin businesses and organizations. UW Oshkosh student Draia Bieth was responsible for the design of this report.

CCRS has been instrumental in the formation of several regional and statewide industry partnerships. More broadly, it supports collaborations with regional and state scope and has also engaged a variety of national partners, including recent work with leaders in the aviation and avionics industry.



Wisconsin Paper Council

The Wisconsin Paper Council (WPC) is the member-driven, statewide trade association which represents Wisconsin's paper, pulp, packaging and forestry industries. The WPC combines legal, policy and political expertise to advocate on behalf of these industries to state and federal policymakers in order to achieve positive policy outcomes. Our trade association provides accurate, science-based, nonpartisan information to our stakeholders as well as the general public and the media.

The WPC promotes the positive economic, environmental, and social contributions of our industries throughout our state and nation. WPC works with a diverse network of coalition partners to amplify our industry voice and achieve our strategic goals.

The Wisconsin papermaking industry employs over 30,000 highly skilled men and women whose efforts continue to make Wisconsin the number one papermaker in the United States.

In addition to driving Wisconsin's economy, our industry remains focused on sustainability and strong environmental stewardship. WPC members pride themselves on continual scientific advancement to produce quality products that are renewable, recyclable and sustainable.