

I-P Co. Chief, Paul Gorman, Cites Future

Paul A. Gorman, President and Chairman of the Board of the International Paper Co., said that although he could "see no evidence of a significant upward trend in the paper industry at the present time" he was optimistic about the business outlook for the company and the industry on the longer range. Speaking at the paper company's annual meeting at the Biltmore Hotel, in New York, Mr. Gorman added that, "Unless there is a strong upswing in the general economy and a firming in the price structure for our major products, we cannot look for major improvement this year." The company's earnings last year fell sharply, declining to \$82 million from the record earnings of \$115 million in 1969. Most of the factors which adversely affected the company's 1970 results continued into 1971, and this year's first quarter earnings amounted to \$15,639,000, compared to \$26,873,000 for the first quarter last year.

Mr. Gorman, who took office as President of the paper company in February of this year, told the shareholders that, "International Paper is well situated to participate in the promising outlook for the industry in the years ahead. I-P is in a good

position to benefit when the growth rate of the economy returns to normal."

He listed two special factors that will influence I-P's position favorably: (1) Construction of new paper and paperboard capacity in North America is expected to run well below the forecast growth in demand during the next two or three years. (2) The pent-up demand in residential housing construction should provide a broader market for the company's plywood and lumber products. Mr. Gorman assured the shareholders that the company's goal was to achieve improvement in earnings per share and in the return on equity investment. "To accomplish this," he added, "we will invest money when we feel that the results will be beneficial in terms of improved earnings and in the best interests of our shareholders."

Mr. Gorman emphasized that the company had no intention of curtailing its \$101 million company-wide program to control water and air pollution. "So far, more than \$42 million has been appropriated by the Board of Directors to implement the program announced last year. This commitment to environmental quality by International Paper is firm."

U-C Prices to Rise

Union Camp Corp. recently announced that it is increasing prices \$10 to \$20 a ton on a wide variety of printing papers and converting papers and paperboards. The grades include envelope, tablet, offset and continuous forms paper, as well as coated bristols and related papers and paperboards. All price increases will be effective with shipments on or after July 1, 1971, with the exception of tablet paper which will increase \$15 a ton on Oct. 1, 1971.

The company said that the price adjustments reflect cost increases in freight, raw materials, labor, and operations.

Scapa Group Inc. Formed

Scapa Group Inc. is a newly incorporated company formed to provide management consulting service to member companies in North America. These companies include Scapa Dryers Inc. in Waycross, Ga.; Porritt & Spencer Inc. in Wilson, N. C.; P&S Textiles Inc. in Skaneateles, Pa.; N. Y.; Scapa Dryers (Canada) Ltd. in Joliet, Que.; Porritt & Spencer (Canada) Ltd. in Hamilton, Ont. The board of directors of Scapa Group Inc. is as follows: J. A. Hinkle (Chairman), R. W. Goodall (Deputy Chairman), J. Haythornthwaite, T. H. Webster, R. Race. The Scapa Group of companies produce felt and fabrics, plastic wire and engineered products for the paper industry as well as industrial filter cloths.

"Third Forest" Experiment Station Dedicated in Mississippi

The "Third Forest" effort in Mississippi achieved a significant milestone on April 16, 1971 with the ded-

ication of a new forestry research center in Greene County. The Center, dedicated to "provide the



F. E. Stauber (2nd from left) Manager of Woodlands for Scott Paper Co.'s Southern Operations, presents President William L. Giles of Mississippi State University with the deed to 260 acres of land. The land will serve as headquarters for the Mississippi Agricultural and Forestry Experiment Station's expanded forestry research program. Representing the Southern Forest Resource Council at the dedication on April 16, 1971, was John W. Squires (left), while Ben A. Davis (right) represented the Mississippi Forestry Association.

knowledge to help grow the South's Third Forest" is located on lands made available to the Mississippi Agricultural and Forestry Experiment Station by Scott Paper Co.

During ground-breaking ceremonies held at the site, F. E. Stauber, Woodlands Manager for Scott's Southern Operations, presented the deed of the property to President William L. Giles of Mississippi State University, and Bill Gehlen, Scott Corporate Vice President received a copy of a resolution passed by the Mississippi legislature commending the company for its generosity. John W. Squires, representing the Southern Forest Resource Council at the dedication, also commended the company and the university for accepting one of the challenges of the Third Forest Program. Ben A. Davis, Executive Secretary of Mississippi Forestry Association, represented that organization's Third Forest Committee at the ceremony.

According to Dr. R. Hasky Falk, Head of the Dept. of Forestry at Mississippi State University, the center will serve as headquarters for the university's forestry research program. Falk is a member of the Southern Forest Resource Council and the Mississippi Forestry Association. He will also serve as a member of the Third Forest Committee.

PLAINTIFF'S EXHIBIT

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25th Plant Pulp

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