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RISI "Top 50 Power List 2008



By Mark Rushton, Graeme Rodden, Annie Zhu, Felicia Willis and Rhianon James

The RISI Top 50 Power List

Welcome to RISI's first ever Power List—a list of the 50 people who we consider to be the most influential in the global pulp and paper sector today. You may be wondering what this new addition to the magazine editorial calendar is all about and how we put it together, so before we reveal who has made the cut this year, here's some background information to help you understand the work behind the Power List.

Impartial aspirations: The editorial team at *PPI* and *Pulp & Paper* have canvassed opinion both inside and outside RISI to put together this ranking of influential people. Perhaps we should have called it the "Influential List", but that doesn't really have the same ring as the "Power List" does it? We've talked to representatives from all aspects of the industry to get their input into who is moving and shaking the pulp and paper sector and we've also gathered views from RISI's news editors, economists and engineers. The result is what we hope will be an impartial Who's Who's of the global pulp and paper business.

"Power corrupts, and absolute power corrupts absolutely" or so the saying goes. Putting together RISI's first ever "Power List", there has certainly been scope for "corruption" as we've received many suggestions and requests to add people to the list – unfortunately not many were accompanied with hefty bribes, so we listened to all the suggestions, took them on board and weighed up the pros/cons of each person individually.

Global take: While our aim has been to give a neutral view, as with every ranking that is not compiled using a scientific method, it is going to be influenced somewhat by our experiences. Luckily, RISI is well positioned to give a complete as possible overview of the industry given that we have offices based in all regions of the world and our clients and readers come from all areas of the industry:



1. Teguh Ganda Wijaya, APP

The CEO of APP simply must appear at the top of the list. Just 30 years ago, the company consisted of one mere tiny paper mill in Surabaya, Indonesia. Now look at it; number three in the world with an annual combined pulp, packaging and converting capacity of over 15 million tonnes/yr and is probably the most talked about company in the pulp and paper business globally. The illusive Teguh Ganda Wijaya maybe low profile, but he makes no bones about where he wants to be in the future. In one of his latest and very rare public messages, he stated: "It is APP's vision to become the 21st Century's premiere, world class pulp and paper manufacturer – a company dedicated to providing superior value to customers, employees and stakeholders".

A company that has an incredible and rapid rise the like of APP is bound to attract some criticism and it is no stranger to controversy, especially over its fiber supply which is monitored, analysed and scrutinised on an almost daily basis by every environmental group in the region and beyond. But APP is adamant that it rigorously enforces one of the world's strictest chain-of custody systems as well as owning one of the largest sustainably managed pulp wood plantations.

Since 1992, APP has focused its investments in the Yangtze River Delta and the Pearl River Delta region in China, building large scale pulp and papermaking enterprises and installing the latest technology. Gold East, Ningbo Zhonghua, Gold Huasheng, Gold Hong Ye and Hainan Jinhai are just some of the high profile pulp and papermaking centers.

APP is part of the Sinar Mas Group which was founded by Mr. Eka Tjipta Wijaya, Teguh's father, a prominent Chinese entrepreneur from Asia. The group's four core businesses include pulp and paper, agriculture, food, real estate development and other industries linked to the pulp and paper industry.

from the NGOs to the end consumers, via the suppliers and producers. As this is the first year that we're publishing the Power List, we've also decided to include a rundown of some of the most influential people in the pulp and paper over the course of history which you can find on line at www.risiinfo.com.

Power to the people: We wanted to put together a list that was not just a run down of the top CEOs in the industry (even if the top 20 is heavily populated with C-level executives). Our aim is to provide a picture of the different influencers who contribute to our global industry, including representatives from academia, environmental organizations, paper buyers, suppliers, etc.

Thought provoking: We recognize that with any listing of this kind there are no doubt people that we've forgotten or people that you think should or should not be included. Our aim with the Power List is to open a dialog with our readers and to find out what you think of the people we've picked. Yes, some of them are controversial – and we want to hear from you about the people who haven't made the list and should have! Please email your comments to grodde@risiinfo.com or better still, post them directly on the RISI Forum..... www.risiinfo.com/forums

2. John Faraci, International Paper

Where else but near the summit of the Top 10 would you find John Faraci, chairman and CEO of International Paper (IP)? Although it has gone through a restructuring, divesting assets such as four coated paper mills in the US that became Verso Paper, IP still headed *PPP's* Top 100 companies in 2007 with 2006 sales of \$21 billion from its pulp, paper and converting operations. It shows the size of IP that Verso immediately joined *PPP's* Top 100. Now, IP has its sights on Weyerhaeuser's containerboard, packaging and recycling unit in a \$6 billion deal expected to be complete by September. Faraci has led the company since 2003 after serving as executive vice president and CFO from 2000-2003. Recently, he was elected chairman of the AF&PA. Under Faraci's guidance, IP has successfully plotted a new business course while continually remaining one of America's 100 Most Admired Companies, according to the annual *Fortune Magazine* survey, which assesses: innovation, people management, use of corporate assets, social responsibility, quality of management, financial soundness, long-term investment value and quality of products and services.



3. Jouko Karvinen, Stora Enso

Recently voted as RISI's European CEO of the Year, Jouko Karvinen has been hard at work putting pulp and papermaking giant Stora Enso on the right track for future challenges. He hit the ground running when he took up the post around 18 months ago and has quickly earned himself something of a reputation as a leader at Stora Enso who is not afraid to make unpleasant decisions, in fact



to the extent that he was named as "Finland's most hated man" by that country's press when closures were announced. In his first year as CEO, he has made major changes from top to bottom within the organization, including capacity cuts, exiting of unprofitable markets and the selling off of its profitable merchandising division. His management style, he says, is very relaxed, but he believes that it's when things are going well that then is the time to start worrying. His vision for the long term future includes further expansion into emerging markets, especially Russia, and concentrating on added value innovations in papermaking where fiber replaces other fossil fuel based products wherever possible. Karvinen previously held high level positions both inside and outside the industry at Philips and ABB. At ABB he worked in the Automation Division and served on the group executive committee.

4. Cheung Yan, Nine Dragons Paper

When it comes to power and influence, this lady has it in spades. As the founder and head of Nine Dragons, Cheung Yan has not just made her mark on the global pulp and paper industry, she's made a huge crater in the world of international business. According to the *Forbes' 2007 China Rich List*, Cheung is the 11th wealthiest person in the country with an estimated net worth of \$3.4 billion. She also makes an appearance on the *Forbes* list of top 100 most powerful women in the world.

Cheung is also a mover and shaker in the Chinese business and political world. She is a member of the National Committee of the Chinese People's Political Consultative Conference and the vice chairman of the Women's Federation of Commerce of the All-China Federation of Industry and Commerce. Cheung is also an honorary citizen of the City of Dongguan, Guangdong Province, China and was awarded the title of "Worldwide Chinese Ambassador of Love" in September 2006.

Together with her husband, Ming Chung Liu, Cheung founded America Chung Nam (ACN), the largest exporter of recovered paper from the US and leading exporter in Europe and Asia. Being such a large player, ACN has a major influence on the swings and roundabouts in the global recovered paper market and Cheung could be included in the Power List for this reason alone. However, she is also the founder and chairlady of Nine Dragons, a powerhouse in the global containerboard market. Established in 1995, it's no secret that Nine Dragons has rapidly expanded to become a leading player in the packaging arena, adding so many machines in recent years that it's been hard to keep track of what they are doing where. Whether this fast paced expansion strategy can be maintained is the cause of much speculation within the industry currently. However, one thing is certain, all eyes will remain focused on this powerful lady's next move, wherever it may be.

5. José Luciano Penido, Votorantim Celulose e Papel (VCP)

Latin America is one of the fastest growing regions in the pulp and paper industry and one of the people who has clearly made his mark on the sector over the past few years is José Luciano Penido. Penido was crowned the RISI Latin American CEO of the Year in 2007, only three years after joining the industry. Previously, Penido was the CEO of Samarco, a leader in the iron ore mining and pelletizing industry for eleven years. He has been at the helm of VCP since January 2004 and in that time Penido has embarked upon a remarkable path which has included changing the company focus, setting up several joint ventures with other leading players in the industry and setting his sights firmly on new expansion projects.

The company's two main growth areas will



be the "Horizonte Project" which is taking place in the state of Mato Grosso do Sul, and involves 1.3 million tonnes/yr of new pulp capacity due to start up in May 2009. The second one is the "Losango Project" in the state of Rio Grande do Sul, which includes a further 1.3 million tonnes/yr of capacity to start up in 2011. As a result of Penido's efforts, by 2010, VCP will be a company 92% based in pulp and 8% in paper. That's a complete change for a company that at the turn of the century was almost 100% focused on paper.

6. Raymond Lee, Lee & Man Paper Manufacturing Limited

Raymond Lee is the young, dynamic CEO and founder of Lee & Man Paper Manufacturing Limited. The company was listed on the main board of Hong Kong Stock Exchange in 2003. The group is principally engaged in the manufacture of linerboard, corrugating medium and pulp, with four paper production plants in China at present. In addition, the group also owns Vietnam Lee & Man Paper Manufacturing Ltd which is the first containerboard production plant outside China.

Apart from developing the containerboard business, the group also has a pulp mill in California and has set up several overseas offices for raw material procurement in USA and Europe. At present, the group has eight production machines in operation, with an annual capacity of 2.08 million tonnes, and due to expansion, the group will have fourteen paper production machines this year at its five plants and an annual capacity of containerboard will reach 4 million tonnes.

Lee is primarily in charge of corporate planning, investment projects and acquisition of heavy production machines for the group. With over ten years of operational experience



in paper manufacturing and is experienced in product development and procurement of raw materials and has won a number of coveted entrepreneurial awards including the 2002 Young Industrialist Award of Hong Kong and the 2003 Hong Kong Ten Outstanding Young Persons Selection. He has also received the Bronze Bauhinia Star. Lee holds a bachelor's degree in Applied Science from the University of British Columbia in Canada.

7. Chen Hongguo, Shandong Chenming Paper

Recently voted as RISI's Asian CEO of the Year, Chen Hongguo heads up Shandong Chenming Paper, a leading Asian producer operating many mills producing a variety of paper and board grades. Chen has worked his way up the ranks in the Chinese pulp and paper industry. Before taking on his current role, he was a technician, plant manager, branch company director, vice general manager, general manager and eventually chairman of Wuhan Chenming. From 1998 to 2001, Chen set to work on saving an old state company, Hubei Hanyang Paper Company, from being on the verge of bankruptcy. His time there was hailed as a miracle in terms of state company reform. He became chairman of Shandong Chenming Paper in May 2001 and under his leadership, the company has invested in newsprint, containerboard, coated woodfree, boxboard, lightweight and SC paper production lines. The group has also acquired companies including Yanji Chenming, Jiangxi Chenming, Jilin Chenming, Zhanjiang Chenming. Chen has not just focused on internal markets though, he has set up offices in medium and large cities in China, as well as America, Japan, Australia, and India. Shandong Chenming is currently ranked as number 46 on *PPF's* most recent Top 100 list of pulp and paper companies.



8. AJ Devanesan, APRIL

Asia Pacific Resources International Holdings Limited (APRIL) is another Asian powerhouse which, although physically huge in terms of operations, also likes to maintain a below-the-radar profile. The CEO of the company, AJ Devanesan, has already had an impressive 23 year career, 13 of them top level positions at companies such as RMG International and its affiliates, Indorayon and PEC-Tech. Starting out as a chemical engineer, Devanesan had a vision to become the "world's best project manager and would work harder than anyone else in the team and lead by example", he said in a recent interview given to APPITA Journal.

And deliver results Devanesan certainly has. Key accomplishments under his belt in recent years include the greenfield construction of APRIL's pulp mills and paper mill in Riau Indonesia as well as a paper mill in Changshu, China. The single line pulp mills are some of the world's largest. At the major mill complex at Kerinci in Riau province, on the island of Sumatra, Indonesia the company combines the favourable forestry conditions of the Riau area with ongoing research and development to produce high yields from sustainable plantations.

Devanesan holds a Bachelor of Technology degree in Chemical engineering from the Indian Institute of Technology and is a fellow of the Wharton Business School, University of Pennsylvania. He is an active member of various professional organizations in the engineering and pulp and paper industries.

9. Heiko Liedeker, FSC

Although he recently resigned as executive director, Liedeker oversaw a complete transformation of the world-renowned NGO. From a desperate financial condition in 2001, Liedeker built a global organization that



became the predominant standard for forest certification. And, it is in a sound financial position. He led a comprehensive review of the NGO's core programs: standard setting and accreditation. The FSC now has more than 8,400 certificates in 85 countries, more than 100 million ha of certified forests and plantations. Although other forest certification programs exist, there can be no doubt that it is the FSC program that carries the most influence worldwide.

10. Charles G. Koch, Koch Industries

Charles Koch is chairman of the board, and CEO of Koch Industries, a position he has held since 1967. Under his leadership, Koch Industries has been transformed into a dynamic and diverse group of companies with about \$98 billion in revenues, 80,000 employees and a presence in nearly 60 countries. The US-based company, entered the pulp and paper industry with its acquisition of two fluff pulp mills from Georgia-Pacific in May 2004. Based on the success of these sites, Koch purchased Georgia-Pacific in 2005. As one of the world's leading manufacturers and marketers of forest and consumer products, Georgia-Pacific's familiar consumer tissue and towel brands are Quilted Northern, Angel Soft, Brawny, Sparkle, Colhagar, Lotus and Vanity Fair. Headquartered in Atlanta, Georgia-Pacific employs approximately 50,000 people at more than 300 locations in North America, South America and Europe.

11. Jussi Pesonen, UPM

Named president and CEO of UPM in January 2004 and was awarded RISI's European CEO of the Year Award in 2007, Jussi Pesonen has led from the front putting the company at the forefront of papermaking



worldwide. Whether it be innovative self adhesive products, energy assets, fine printing papers or expansion into emerging countries, UPM is involved, and more often than not in the leading position. It has a turnover of EUR10 billion (\$15 billion) and has production operations in 14 countries including China and Russia, where, in the latter, it has recently entered into a joint venture with the Sveza group to investigate opportunities for a ground up, brand new, forest industry facility. Asked in a recent interview with *PPF* what the secret of UPM's success has been, Pesonen stated: "It's a people and leadership issue, our steering model is based on global divisions and functions and our people are very committed to implementing our strategy". Pesonen joined UPM in 1987 as a production engineer, advancing rapidly into leading management posts in various paper business areas. He is a member of the board of CEPI and serves on the boards of UPM and the pulp producer Oy MetsäBotnia Ab. He is also chairman of the board of the Finnish Forest Industries Federation.

12. John Weaver and David Patterson, AbitibiBowater

A dual entry following the merger of the two newsprint giants in 2007. With newsprint consumption in a freefall in North America, desperate measures were called for and these two stepped up to the plate. After the merger was complete, the company announced a spate of mill closings designed to bring capacity more in line with demand and help raise prices. It was tough medicine. And there is still work to do to bring this troubled company out of the woods. What they accomplish will determine what the newsprint industry looks like in the future. Weaver, who previously led Abitibi-Consolidated, was chosen to be executive chairman while Patterson, who was chairman, president and CEO of

Bowater, was named president and CEO. Weaver recently announced his retirement. Both have long backgrounds in the forest products industry

13. Carlos Augusto Lira Aguiar, Aracruz Celulose

No power list would be complete without the man who is steering the course of the Brazilian pulp giant, Aracruz. A chemical engineer by training, Carlos Aguiar has held the position of president and CEO since 1998. Aguiar has been with Aracruz since 1981 and his climb to the top has mirrored the company's rapid increase in pulp capacity. Under his guidance, Aracruz has become the world's leading producer of bleached eucalyptus pulp and has invested heavily in new capacity and joint ventures. Over the past ten years, the company has started up Fiberline C at its mill in Espírito Santo, invested in and launched Veracel with Stora Enso and is already thinking about Veracel 2 and another new mill in Brazil. Aguiar is certainly not somebody who is content to rest on his laurels as far as capacity goes.

Although he has spent his professional life in Brazil, Aguiar has spread his wings to gain industry and management knowledge in the US at Harvard, in the UK and in Portugal. He is also active in local and international associations as a member of the TAPPI board of directors and a vice president of Bracelpa. Not only is Aguiar a powerful and influential man in his own right, he also has friends in high places. When Aguiar was due to take part in the CEO panel at RISI's Latin American conference last year, he had to pull out at the last minute due to an impromptu visit from President Lula of Brazil!



14. Richard Brooks, Greenpeace

A group of citizens came together in 1971 to create Greenpeace. Their mission was to protest US nuclear testing off the coast of Alaska. These activists made history by bringing worldwide attention to the dangers of nuclear testing. The focus of the organization has now turned to other environmental issues, including targeting Kimberly Clark for their unwillingness to create a fiber policy that increases the use of recycled fiber. Richard Brooks is the coordinator of Greenpeace's forest campaign in Canada, which aims to preserve intact forest areas, implement sustainable forestry and transform the forest products industry. He and his team have leveraged Greenpeace's unique brand of markets mobilization and direct action campaigning to pressure some of the largest forest product companies in the world. Richard has brought international attention to the globally important Boreal Forest and the role that the pulp and paper sector plays in deciding its future.

15. Gary McGann, Smurfit Kappa Group

Following in the footsteps of Dr. Michael Smurfit, McGann was named group CEO 2002 after having joined the Jefferson Smurfit Group as CFO in 1998. The company enjoyed strong earnings growth in 2007, including a 20% year-on-year increase in EBITDA. It was the company's first full year financial performance since the IPO in March 2007 and, according to McGann, the company delivered "EBITDA growth within the range of expectations set at IPO, industry leading margins and has exceeded both its leverage and synergy objectives (following the merger with Kappa Packaging)." According to Greg Rudder, editor of *Pulp & Paper Week*, McGann was one of his top five CEO interviews among the dozens he has done.

Rudder looks for simplicity and clarity and McGann obviously has a clear vision of where he wants the Smurfit Kappa Group to go.

16. Raymond Royer, Domtar

It's a mark of the stature of the man that he won the "Triple Crown" of North American CEO of the Year awards in 2007. One of the awards was from RISI and it was noted that under Royer's leadership, Domtar was transformed into a world-class paper company despite it being a particularly difficult time for the Canadian pulp and paper industry. In March 2007, in an innovative \$3.3-billion deal, Domtar combined its assets with those of Weyerhaeuser's fine paper division to become North America's largest producer of uncoated freesheet. The company is also one of the largest producers of market pulp. President and CEO since 1996, Royer set the stage for the Weyerhaeuser agreement with the purchase of four Georgia-Pacific mills in 2001. He expanded Domtar's focus on white paper grades and led the company's expansion into the US.



17. Ben Bernanke, Federal Reserve System

As chairman and member of the board of directors of the Federal Reserve System, Bernanke's actions, according to one forest products expert, have a "profound effect" on the value of the US dollar. And, the plunging Greenback is having a significant effect on the US industry's cost curve. He was sworn in on February 1, 2006, for a four-year term as chairman and a full 14-year term as a member of the board, so his views should hold sway for the long-term. Bernanke has published many articles on a wide range of economic issues including monetary policy and macroeconomics.

18. Patrick J. Moore, Smurfit-Stone Container Corporation

As chairman and CEO, Patrick J Moore is one of the primary architects of Smurfit-Stone's transformation strategy. The industry's largest integrated paperboard and paper-based packaging company and one of the world's largest paper recyclers, Smurfit-Stone generated \$7.4 billion in revenue in 2007. Moore was named CEO in 2002 and elected chairman in 2003. Smurfit-Stone has led the industry in safety performance every year since 2001, and Moore was recognized by the Pulp & Paper Safety Association with its Executive Eagle Award. In addition to leading Smurfit-Stone, he plays a key role across the industry by serving on the boards of the American Forest & Paper Association, the Sustainable Forestry Initiative, and the International Corrugated Case Association.

19. José Honório, Grupo Portucel Soporcel

José Honório has a vast bank of experience outside of the industry which he is putting into practice and to good effect as CEO of the Portucel Soporcel group. He has held previous high level roles in other industries, including oil and gas, cement and banking, and is a firm believer that the paper industry could be much more attractive if it created more value for itself. Despite tough times in Europe, Honório is heading up expansion plans which has seen the group responsible for 100% of new capacity in Europe in uncoated woodfree papers from 2000 to 2009. A new machine will startup this year at the group's Setubal mill, south of Lisbon which will increase capacity by 500,000 tonnes/yr. The group generates an annual turnover of over Euro billion (\$1.5 billion) and has an annual production capacity of 1 million tonnes of paper and 1.3 million

tonnes of pulp. It exports 93% of its products to 83 countries worldwide.

20. Mark Suwyn, NewPage

Mark Suwyn is chief executive officer and chairman of the board of directors of NewPage Corporation and NewPage Holding Corporation which have become 'must watch' entities in the US paper industry. He was chairman and chief executive officer of Louisiana-Pacific Corporation from 1996 until his retirement in 2004. Prior to joining Louisiana-Pacific, Suwyn served as director and vice president of distribution, speciality products and forest lands at International Paper.

Suwyn hit the financial press headlines in recently when he called for tariffs to be imposed in the US on cheap foreign imports of paper from foreign producers, most notably from countries China, Indonesia and South Korea. He said at the time that those countries should "stop subsidizing pulp and paper production and exports. We believe everyone should have a fair opportunity to compete in this market".

Late last year the NewPage Corporation announced the completion its acquisition of Stora Enso Oyj's North American paper manufacturing operations. The combined product portfolio is now the broadest in North America. The new organization has around \$4.3 billion in the company's core businesses including coated freesheet, coated groundwood, supercalendered and speciality papers.

21. Steve Rogel, Weyerhaeuser

Steven R. Rogel was elected chairman, president and CEO of Weyerhaeuser on April 20, 1999.

In 1966, he began his career with St Regis Paper, where he worked until 1970. From 1970 to 1972, he was assistant manager at St.

Anne-Nackawic Pulp and Paper in Nackawic, Canada. He joined Willamette in 1972 as technical director at the company's operations in Albany, US. He was named president and chief executive officer of Willamette in 1995, and served in that position until joining Weyerhaeuser in December 1997.

He serves on various boards, including the American Forest & Paper Association and the World Forestry Center. He is a director of the Kroger, Union Pacific, Vice President of Administration for the Western Region Boy Scouts of America and co-chairman of the Wood Promotion Network.

22. Wolfgang Leitner, Andritz

Andritz has seen phenomenal growth in a short period of time at the suppliers end of pulp and paper. As CFO since 1987, and president and CEO of Andritz since



1994, Wolfgang Leitner has been key in strategizing the group's growth from a manufacturing licensee and supplier of small proprietary products to a global leader in technology and services for the pulp and paper industry. The company also has major interests in other fast growing industrial branches such as hydropower, steel, solid/liquid separation, and biomass processing. A relatively short time ago, and with the strategic goal of becoming a full-line technology supplier and service partner to the pulp and paper industry, Andritz launched several innovative products as well as beginning to acquire complementary companies. The first was Sprout-Bauer in 1990. Other well-known names followed - Durametal, Kone Wood, Kvaerner Hymac, Ahlstrom Machinery, Lamb, ABB Drying, Fiedler, Küsters, Pilão, and others. Most recently, Andritz acquired a 50% stake in Sindus Human Technology of Brazil (now called Sindus Andritz), a supplier of outsourced maintenance services for automation systems,

instrumentation, and electronics. As a result, the Andritz Group's sales during the last 10 years have grown by over 19% per year (12% organically and the remainder from acquisitions). The pulp & paper business area today constitutes approximately 45% of the group's totalesales.

23. Gunilla Saltin, Södra Cell

Gunilla Saltin, is the incoming CEO of Södra Cell, large market pulp manufacturer. But don't let the fresh face and disarming smile fool



you, this lady is from the sharp end of the pulp business, and she is quite capable of rolling up her sleeves, and running a pulp mill of her own - she was mill manager at Södra Cell's Värö mill in her last job. Saltin declares that she has a "natural love of all things technical" and has already stamped her authority on the industry by announcing that the Värö mill will be 100% fossil fuel free by 2011 and makes no secret of the fact that energy generation is high on the list of future priorities. Saltin says Södra Cell's policy for the future is simple, "minimize energy consumption and maximize production, make the mill as energy efficient as possible, then sell the surplus through as many profitable means as possible". Södra Cell makes 2.1 million tonnes/yr of market pulp and turns over SEK 9.4 billion (\$1.5 billion)

24. Dmitry Medvedev, Russian President

It has taken a while for Russia to begin emerging, and it has probably been the slowest of the so-called BRIC countries to get its act together. But emerging it is,



especially in pulp and paper. It is the one country repeatedly mentioned by all serious pulp and paper companies looking for further regions to invest in. Dmitry Medvedev appears on our list for two good reasons; one because he is head of the nation that controls 20% of the world's total forested area; and two because of his own association with pulp and paper. In his previous career, Medvedev spent six years as the general counsel for Russia's largest pulp company Ilm Pulp, and will be well aware that pulp is a much more valuable commodity than raw timber. He has already been heard to state that "Russia can become a great agricultural power" and is clearly a man for all pulp and paper people to keep a close eye on. It almost goes without saying that he is likely instrumental in the recent decision to levy heavy taxes on raw timber being exported from the country. The export tariff on roundwood softwood, both saw logs and pulpwood, is scheduled to rise to a minimum of fifty Euros per cubic meter in January 2009, and the export tariff on large diameter hardwood is expected to rise to the same level at that time.

25. Bertel Langenskiöld, Metso

The world of suppliers to the paper industry has shrunk dramatically over the last decade, as consolidation on a large scale has taken place. Bertel Langenskiöld is head of one of the most prominent suppliers to pulp and paper, Metso. Having over 30 years of process engineering experience with some of the leading organizations globally, Langenskiöld's responsibilities have covered virtually all facets of the industry, from mechanical engineering, marketing, corporate planning to heading the operations at many organizations.

Langenskiöld is a member of the board of directors of Wärtsilä Corporation and Luvata International. He also acts as chairman of the Working Group for International Trade of the Technology Industries of Finland. In 2006 he

left the position of CEO and president of Metso Minerals to become President of Metso Paper's Fiber business line, heading the integration of Aker Kvaerner's pulping and power business into Metso. Since April 2007, he has been the president of Metso Paper.

26. Hans-Peter Sollinger, Voith Paper

Hans-Peter Sollinger is president of Voith Paper, a group division of Voith AG and another one of the leading partners to the paper industry. He is also on the board of Voith AG. Sollinger studied mechanical engineering at Stuttgart University in a graduate engineering degree. His career at Voith began in 1982 as an engineer in the paper coating machinery division of JM Voith GmbH. In 1989 he was appointed business head for paper machines, sales and design. In 1994, he assumed the position of Executive Vice President for the Graphic Paper Division of Voith Sulzer. In 2000 he took over the responsibility for the system-business of Voith Paper and in 2005 he became president of Voith Paper.

Under Sollinger's leadership, Voith Paper has shown enormous growth. In fiscal 2006/2007, orders reached an all-time high of more than Euro 2 billion (\$3.1 billion). Thanks to a number of significant orders, Voith has been able to solidify its position in the paper market. Over a third of the paper produced worldwide is made on Voith Paper machines.



27. Teresa Presas, CEPI

Managing director, Confederation of European Paper Industries (CEPI) and president, International



Council of Forest and Paper Associations (ICFPA), Teresa Presas is one of those people who when she walks into a room, you can feel her presence. Not just because she is always immaculately dressed and turns heads, but because she exerts an air of confidence and competence that commands people's respect and attention. Since taking over the reins at CEPI in 2003, Presas has taken her experience from the business side of the pulp and paper industry and applied it effectively to the lobbying and political arena, building widespread support across the industry. She's been influential in setting out a clear mission for CEPI and its umbrella associations and has pushed hard to communicate the industry's message to the decision makers both within the European and the global political arena. Under her guidance the team at CEPI has grown in professionalism and competence and is enthusiastic and fired-up at promoting the paper industry. She entered the paper industry in 1982 as director of Communication and Marketing Services for Tetra Pak Portugal. She later went on to become director of Communication and Environment for Tetra Pak Europe and then, vice president of European Affairs for Tetra Pak Europe and Africa and director of Corporate Environmental Affairs for Tetra Pak International. As if running the major paper-making association in Europe were not enough work, Presas was also elected president of the International Council of Forest and Paper Associations (ICFPA) in 2006, a three year term which will come to an end in 2009.

28. Fabio Perini, Futura

Fabio Perini has been extremely important in shaping paper converting over the last 50 years. He sold his flagship company Fabio Perini SpA to Germany's Körber Group and later left the tissue machinery business altogether in the 1990s. However, he renewed contact with former colleagues Luigi Viani, Giulio

Betti and Alberto Bianchini, who had set up Futura with the aim of contract manufacturing machines and components in January 2002. Perini ordered a complete new line of his own design, from Futura. Based on the encouraging results of this innovative line, Perini agreed to become a partner in the new venture, which has now supplied 30 complete new lines in up to 50 major projects and has some 70% of business among the big companies. He had in mind some important innovations that would have created a tissue converting machine of a radically different nature; a machine capable of saving on paper trim, cutting neater rolls and binding the plies together with invisible embossing.

29. Sverker Martin Lof, SCA

Sverker Martin Lof is chairman of SCA and was instrumental in changing the company's focus from traditional paper production to more lucrative consumer products. He is also responsible for SCA's dramatic international expansion program which now sees it as a truly global corporation with around 50,000 employees, sales in 90 countries, production facilities in 40 countries. Leading products within SCA's hygiene areas, such as the incontinence protection TENA, and Tork, Zewa, Tempo, Libero, Saba and Diapers. Corporate Headquarters are located in Stockholm, Sweden, and total sales are approximately Euro 11.5 billion (\$17.8 billion).

SCA has recently announced plans to divest its loss making conventional corrugated business in the UK and Ireland with an aim to focus on value added packaging.

30. Jyrki Maki-Kala, Kemira

Increasingly, the pulp and paper industry is relying on its suppliers and more than ever, the chemical companies are playing a much

more influential role in the production process as mills try to add as much filler as possible to reduce the amount of expensive virgin fiber in the furnish. Also, for DIP producers, quality of the recovered fiber is an important issue as demand is reaching new heights and poorer quality becomes the norm. Maki-Kala was appointed president of Kemira Pulp & Paper in 2008 and has been a key figure in changing the company into a more focused, customer-oriented concern. With a wealth of experience in the chemical industry as it relates to pulp and paper, Maki-Kala has been instrumental in creating a strategy that focuses on overall solutions to the various papermaking sectors.

31. Gautam Thapar, BILT

India is emerging fast in the paper industry, and one of the most prolific producers, headed by Gautam Thapar, chairman and CEO, is the Avantha Group. The \$3bn group has business interests in diverse areas such as power generation and distribution equipment and services, food processing, farm forestry, chemicals, infrastructure, and IT. With an impressive global footprint, the group operates in over ten countries, employing 20,000 people. Ballarpur Industries Limited (BILT) is publicly listed and is Avantha Group's flagship company, it is India's largest paper manufacturer and is a major player in the paper industry in Asia.

After studying chemical engineering in the United States, Thapar returned to India and started his career at one of the group's companies. He was appointed joint managing director of BILT in 1994 and subsequently appointed chairman in 2006.

With the acquisition of Sinar Mas's Indian operations in 2001, BILT has established a



dominant position in printing and writing grades in the domestic market.

Thapar has been instrumental in turning around and upscaling BILT, including pioneering the first overseas acquisition in the Indian paper industry. In 2007, under his guidance, BILT bought over Sabah Forest Industries, Malaysia's largest pulp and paper manufacturer for \$260 million.

32. Erkki Varis, Botnia

Mr. Varis has been the President and CEO of Botnia from 1997. Before that he was in charge of Botnia's Kaskinen pulp mill, executive vice president of Botnia, and president and CEO of Oy Metsä-Rauma Ab. Metsä-Rauma was then merged into Botnia in 2000. All in all Varis has been working for Botnia for 26 years.

As the president and CEO Mr. Varis has full responsibility of all business operations at the company. During his time there, he has been responsible for implementing many pulp mill investments; Metsä-Rauma pulp mill (startup 1996), Joutseno pulp mill (startup 2001) and Fray Bentos pulp mill in Uruguay (startup in 2007), the biggest investment ever in the country. Furthermore, one saw-mill was built-up in Russia (startup 2005).

Botnia is currently the second biggest pulp company in Europe. In 1996, Botnia's annual production capacity was 1 million tonnes of pulp. In 2008 it is 3.8 million tonnes of pulp.

33. Ben Gunnerberg, PEFC

Forest certification is about as hot a topic as you can get in pulp and paper at the moment, and right there heading up one of the most subscribed to schemes is Ben Gunnerberg, secretary general of the

Program for the Endorsement of Forest Certification schemes (PEFC). The PEFC has more certified forests worldwide than any other scheme, and has in its membership 35 independent national forest certification systems of which 25 to date have been through a rigorous assessment process. These systems account for more than 200 million ha of certified forests. Gunnerberg is a chartered forester and a business graduate and has spent most of his working life in forests in one way or another firstly as a contractor, and then as a researcher for Forest Economics at the University of Wales, UK. He was appointed to his current position in June 1999.

34. Peter Berg, Global Paper & Forest Products Practice, McKinsey

If you are a regular on the pulp and paper conference circuit, you will no doubt be familiar with Peter Berg as he is often invited to speak at the leading industry events. The reason why he appears on many a conference program is not just because he's a good speaker, but because he has built up a solid knowledge base about the pulp and paper business over the years and people have come to rely on his advice and listen to his "outsider" viewpoint. And of course as a consultant, companies in the sector pay a lot of money to get advice from McKinsey on what to do with their business, which puts Peter and his team in a very influential role



In his current role, Peter is responsible for McKinsey's knowledge development in the forestry, pulp and paper industry and he has been 100% focused on our sector since 1995. He also coordinates the industry-specific support to McKinsey's project teams around

the world and advises teams and clients. Although active in many different fields, his favorite area of research currently concerns the developments in climate change and bio-energy connected to the forest products industry. And this is one of the reasons why PPI chose to put Peter on the list as a representative of the consultants in the sector. Along with Pöyry, he was instrumental in putting together an influential study for CEPI on the potential impacts of the European Union's (EU) renewable energy policies on the European pulp and paper industry. Among other findings, the report indicated that a shortfall in the supply of wood from EU forests for this industry is likely given the current policies.

35. Johan Gullichsen

He has been called the "most innovative" person in pulping in the last 100 years. A renowned consultant, he is founder of Arhippainen, Gullichsen & Co as well as chairman of Ahlstrom Corporation. In 2005, he was inducted into the Paper Industry Hall of Fame for his work in Research/Development/Entrepreneur/Academic. He is an innovator in the processing of pulp fiber suspensions at medium consistency. This allows a three-fold reduction in water use. Gullichsen created and developed this technology, which provides benefits such as improved pulp quality, reduced chemical and energy consumption, lower fiber losses and reduced environmental impact. He has more than 60 patents.



36. Dr Michael Smurfit, Smurfit Kappa Group

Joining his father's company, Jefferson

Smurfit & Sons Ltd in 1955, he was appointed chairman and CEO in 1977, a position he held for 25 years. Known as the Cardboard Man, under his leadership the company expanded across the US, Latin America and Europe. Jefferson Smurfit became Ireland's first international company and a global leader in paper-based packaging. As chairman, he oversaw the merger of The Smurfit with Kappa Packaging in 2005 to form the Smurfit Kappa Group that has operations in 33 countries employing more than 40,000 people. Widely admired for his philanthropic work, he has been honored by numerous governments and was named a Knight Commander of the Most Excellent Order of the British Empire (KBE) in 2005, an honor that entitles him to be called Sir Michael. The Michael Smurfit Graduate School of Business, University College Dublin, was named after him because of his support. In 1999, he was named *Pulp & Paper/PPI* Global CEO of the Year for his leadership in the Smurfit-Stone Container merger of 1998.

37. Matt Unger, Purchasing group manager, Procter and Gamble (P&G)

Our list of the most powerful people in the pulp and paper industry would not be complete without representatives from the buying side: the people who are putting the pressure on the producers to manage their pricing and improve their product offerings. One of the largest buyers of containerboard and boxboard in the world is Procter and Gamble (P&G) and the company runs global purchasing operations to manage packaging sourcing for many well-known brands distributed in 140 countries.

Deciding what to buy and from where is Matt Unger, purchasing group manager, who started out 16 years ago in R&D and package design, and is now at the very point of the



sharp end in fiberboard procurement. Unger has responsibility for global containerboard and boxboard purchasing as well as corrugated boxes for North America. P&G buys a significant quantity of its boxboard and containerboard directly in collaboration with its converters and has established relationships with leading producers of corrugated boxes, cartons, boxboard and containerboard worldwide.

38. Duncan Pollard, World Wildlife Fund (WWF)

The environmental organizations may be the bane of forest products producer's lives, but there is no escaping the influence these organizations have on the industry as a whole. They have a direct line to the end users' hearts and minds and have no fear about exerting this influence. Duncan Pollard, Director of Conservation Practice & Policy at WWF is highly influential in the pulp and paper world as he has intimate knowledge of wood supply to pulp mills; in a previous career he was responsible for the startup of the Santa Fe pulp mill in Chile and was the first operations manager at the Shell/UPM plantation project in Uruguay. Pollard has a long history of collaborating with and influencing the corporate sector and during his time at WWF has led the organization's work on the global paper industry which has moved from a single issue approach on forest certification to a broad approach covering water, energy pollution and recycling issues.



39. Lemaire Brothers, Papier Cascades

In 1964, Antonio Lemaire and his sons offi-

cially ventured into the production of paper made from recycled fibers when they took over a disaffected mill in Quebec. Papier Cascades Inc. was born of that transaction. In 1976, the Lemaire brothers were involved in the startup of the containerboard mill Papier Cascades in Cabano, Quebec. This was the beginning of a great adventure that would bring Cascades all over the world.

40. Wolfgang Palm, Papierfabrik Palm

Wolfgang Palm is owner and CEO of Papierfabrik Palm, one of the leading German companies in the paper industry and is still run as a family business.



Palm represents the fourth generation of Papierfabrik Palm which was founded in 1872. He joined the business in 1982. The company produces 1.4 million tonnes of paper annually focusing on newsprint and corrugated case materials in three paper mills. A fourth mill is under construction. Furthermore, the Palm group operates 18 box plants.

Palm is also vice president of the German Paper Association and studied economics at the University of Mannheim in Germany where he also received his PHD.

41. Kaarlo Niskanen, KCL

Kaarlo Niskanen heads up one of the foremost research and development organizations in the pulp and paper industry. Based in Finland, it is totally dedicated new developments taking place from forest to end user. The research program covers the complete papermaking value chain, including the use of printed and packaging products, to the extent that it has installed all the lat-

est technology in printing machinery at its site in Helsinki, including commercial digital and inkjet presses. It carries out research with academic groups exploring the physical and chemical properties of paper-making fibers, fiber webs and coating layers. The knowledge is then applied by working with industrial partners to develop new products and processes. KCL's overall aim is to improve the sustainability of pulping, papermaking, printing and packaging processes across the board. Niskanen has been active in the international paper physics research community since 1986 and has been visiting scientist to the Forest Products Laboratory at Madison, Wisconsin, adjunct professor at Helsinki University and Tampere University in Finland, and has been author of numerous technical papers.

42. Paul Trokhan, Procter & Gamble

He is considered as the inventor of through air dried (TAD) tissue. He was honored in 2006 with the Industrial Research Institute (IRI) Achievement Award. He holds more than 160 patents. His photopolymer molding templates technology is used in almost all of P&G's bath tissue and towel production and is estimated to provide more than \$1 billion in incremental profits since its introduction. The IRI cited Trokhan for "key innovations providing limitless flexibility in designing superior, low-cost efficient product tissue/towel designs that have improved many consumers' daily lives."

43. Roger Stone, KapStone Paper and Packaging Corporation

Roger Stone is chairman and CEO of KapStone Paper and Packaging Corporation (formerly known as Stone Arcade

Acquisition Corporation), located in Northbrook, US. KapStone is a leading North American producer of kraft paper and converter of inflatable dunnage bags. He is also non-executive chairman of Stone Tan China Acquisition Corp. – a blank check company formed for the purpose of acquiring an operating business having its primary operations in the People's Republic of China. Currently, Stone is a Fellow of the Lake Forest Academy; an Associate of Northwestern University; a Trustee on the Chicago Symphony Orchestral Association; a director of the Lyric Opera of Chicago; an Honorary Board Member of the Midwest Advisory Board of Institute of International Education; and a trustee of the Committee for Economic Development.

44. Celso Foelkel, ABTCP

If you are involved in the technical side of the pulp and paper business, the name Celso Foelkel will be a familiar one, especially if you are reading this in Brazil where he is a household name in the sector. Recognized as an expert in the field of eucalyptus, Foelkel has dedicated his career to the forestry and pulp and paper sectors. He has a long list of academic qualifications and titles to his name and is an active member of the major technical associations worldwide. He started off as the professor of pulp and paper at the College of Agriculture "Luiz de Queiroz" in Brazil. Foelkel then did a stint in industry, working at Rioceff and Cenibra, but he continued to teach classes, since he was the founder of the most renowned graduate course in pulp and paper in Brazil at the Federal University of Viçosa. From 1998 onwards he decided to work on his own, as a writer and consultant with his company, Celsius Degree. He is also



director of International Relations at the Brazilian technical pulp and paper association, ABTCP.

Foelkel's address book must read like a Who's Who of the Latin American industry, having worked with all of the leading associations, producers and suppliers in the area, along with many international outfits. He is a prolific writer and speaker and has authored over 250 papers and attended more than 500 events in the world (most of the time as a speaker or chair person). His latest offering is an online book and a newsletter about the eucalyptus which can be found at www.eucalyptus.com.br Having met Foelkel several times, *PI* has always been struck at how modest and helpful he has been on each occasion. Despite his busy schedule and high level of expertise, Foelkel is willing to give his time to help people understand the technology behind the forestry and pulp and paper sectors and delivers this information in a passionate, informative way.

45. Peter Axegard, STFI-Packforsk

Axegard can be considered one of the pioneers in developing the biorefinery concept. As a result of three research programs (including the Ecocyclic Pulp Mill and Future Resource Adopted Pulp Mill, 1996-2002), fundamental research results were translated into industrial reality in less than a decade. This is the LignoBoost project that was installed at the former Wermland (now Nordic Paper) mill in Backhammars, Sweden. STFI-Packforsk recently sold the technology to Metso Power. Weyerhaeuser is interested in installing the technology in some of its US mills and has signed a licensing agreement. STFI will continue to be involved as the demonstration plant at Backhammars will remain and be used for further development of the biorefinery concept. As most people know, the biorefinery concept may revolutionize the forest products industry.

46. Pirkko Molkentin-Matilainen, President, Finnish Paper Engineers' Association (PI)

Pirkko Molkentin-Matilainen heads up the Finnish Paper Engineers' Association (PI) and for those readers who are not so familiar with Finnish names, it's probably worth clarifying that Pirkko is a female name in Finland. Molkentin-Matilainen is a powerful woman in what has traditionally been a male dominated industry. Molkentin-Matilainen graduated from Helsinki University of Technology's (HUT) Department of Forest Products. She then gained a Master of Science in Engineering, M.Sc., Pulp and Paper Technology and also holds a Licentiate of Science in Engineering, Lic.Sc. (Tech), Pulp and Paper Technology. Before joining PI in 1999, Molkentin-Matilainen held positions in R&D, funding and policy areas in the pulp and paper sector.

She has made her mark in the industry by not only rising to the top of the country's engineering association, but also by successfully promoting the association among young engineers and on the global stage. It is increasingly important that the pulp and paper industry is able to attract talented young people and PI has organised student forums to encourage interest in the industry. PI has recently launched a papermaking wiki, <http://www.papermakerswiki.com>, another move which will help to attract and keep the younger generation interested in pulp and paper. Although the association is based in Finland, Molkentin-Matilainen has worked hard to forge relationships with international groups and boost the association's profile abroad, including working with ABTCP, PAPERFOR and China Paper, among others.

47. J.K. Rowling, Harry Potter novelist

You might wonder what the author of a



series of books for children is doing on the list of the world's most powerful people in paper. Well take a look at the statistics; her last book *Harry Potter and the Deathly Hallows*, was 784 pages long and had a print run of 12 million copies in the US alone. A calculation carried out by some environmentally sensitive readers and experts before the print run and it was worked out that the book would have consumed 17,000 tonnes of paper equating to 253 ha of forest. An alarmed Rowling sought some advice and decided upon a mixture 30% recycled and FSC paper, for a supposed net saving of 120,000 trees. The mainstream media picked this up and the story hit the world headlines on publication of the book, bringing much needed mass consumer attention to the paper industry, its certification efforts and its efforts on sustainability.

48. Mark Wilde, Managing Director, Deutsche Bank Securities

Mark Wilde has been a familiar figure in the sector for many years and is the senior analyst at Deutsche Bank covering the paper and forest products sector. Over the last decade, he has been recognized as one of the sector's best stock pickers. Mark is no stranger to rankings and he appears regularly on investment and financial website listings as a top ranked analyst for the forest products industry. He is also a regular member of Institutional Investor's All-America Research Team and has been ranked #2 in the Greenwch Survey for paper and packaging.

It goes without saying that the main reason that Wilde is on this list is because he has the power to influence the investors' view of the forest products sector. Turnover among analysts in the forest products sector has traditionally been high as they tend to move on to "sexier" industries to cover, but there are

several who have chosen to stick with the industry for the long haul. Wilde is one of those people and the reason he sticks out among the analyst crowd as an influencer is because he is opinionated, vocal and not afraid to tell it to the industry like it is. If you haven't had a chance to catch Wilde speaking at an industry event, try to at least once as it is worth it just to see the faces of the producers in the audience.

49. Anne Brunila, Finnish Forest Industries Federation (FFIF)

Worldwide, three of the top ten forest products companies are Finnish, signalling just how important forests and wood are to that country. Anne Brunila is the first woman to head up the FFIF which is instrumental in helping to improve the competitiveness and profitability of the forest based sector by strengthening its operating conditions and building its positive image both in Finland and abroad. Brunila came from outside the industry, and has a fantastic record of being a steady hand at the tiller in stormy times.

50. Mikael Nilsson, IKEA

Word has it that more IKEA catalogues are distributed than bibles on a worldwide scale. Last year 191 million copies of the catalog were printed in 56 editions and 27 languages. Inter-IKEA, owner of all material rights for the company is the purchaser of catalogs, design, paper, print and binding and buys around 150,000 tonnes/yr. Nilsson is one of the chief buyers at the company.



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The RISI Power List Top 50

1. Teguh Ganda Wijaya, APP
2. John Faraci, International Paper
3. Jouko Karvinen, Stora Enso
4. Cheung Yan, Nine Dragons Paper
5. José Luciano Penido, Votorantim Celulose e Papel (VCP)
6. Raymond Lee, Lee & Man Paper Manufacturing Limited
7. Chen Hongguo, Shandong Chenming Paper
8. AJ Devanesan, APRIL
9. Heiko Liedeker, FSC
10. Charles G. Koch, Koch Industries
11. Jussi Pesonen, UPM
12. John Weaver and David Patterson, Abitibi Bowater
13. Carlos Aguiar, Aracruz Celulose
14. Richard Brooks, Greenpeace
15. Gary McGann, Smurfit Kappa Group
16. Raymond Royer, Domtar
17. Ben Bernanke, Federal Reserve System
18. Patrick J. Moore, Smurfit-Stone Container Corporation
19. José Honório, Grupo Portucel Soporcel
20. Mark Suwyn, New Page
21. Steve Rogel, Weyerhaeuser
22. Wolfgang Leitner, Andritz
23. Gunilla Saltin, Södra Cell
24. Dmitry Medvedev, Russian President
25. Bertel Langenskiöld, Metsä
26. Hans-Peter Sollinger, Voith Paper
27. Teresa Presas, CEPI
28. Fabio Perini, Futura
29. Sverker Martin Lof, SCA
30. Jyrki Maki-Kala, Kemira
31. Gautam Thapar, BILT
32. Erkki Varis, Botnia
33. Ben Gunnerberg, PEFC
34. Peter Berg, Global Paper & Forest Products Practice, McKinsey
35. Johan Gullichsen, Arhippainen, Gullichsen & Co and the Ahlstrom Corporation
36. Michael Smurfit, Smurfit Kappa Group
37. Matt Unger, Procter and Gamble (P&G)
38. Duncan Pollard, World Wildlife Fund (WWF)
39. Lemaire brothers, Papier Cascades
40. Wolfgang Palm, CEO, Papierfabrik Palm
41. Kaarlo Niskanen, KCL
42. Paul Trokhan, Procter & Gamble
43. Roger Stone, KapStone Paper and Packaging Corporation
44. Celso Foelkel, ABTCP
45. Peter Axegard, STI-Packforsk
46. Pirkko Molkentin-Matilainen, Finnish Paper Engineers' Association (PI)
47. J K Rowling, Harry Potter novelist
48. Mark Wilde, Deutsche Bank Securities
49. Anne Brunila, Finnish Forest Industries Federation (FFIF)
50. Mikael Nilsson, IKEA