

**For Immediate Release**  
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## **Maine MEP Joins Georgia-Pacific in Exciting Project**

OLD TOWN – The Maine Manufacturing Extension Partnership has joined officials at Georgia-Pacific’s Old Town paper mill in an exciting project that will have a far-reaching economic impact on the state and several individuals and families throughout the Greater Bangor and Old Town area.

“This is one of the most exciting projects we have been involved in,” said Rod Rodrigue, president of the Maine MEP. “Because of our affiliation with Georgia-Pacific, 150 previously laid-off employees of the paper mill have returned to work, and five new positions created within the company.

“This is not only satisfying in terms of economic development in and around Old Town, it’s a heart-warming experience to help so many people return to the jobs they have worked so hard at for so many years.”

According to Robert Doiron, MEP’s project manager for the Georgia-Pacific project, the MEP is providing assistance through the Department of Labor H-1B Innovation Program. “Through the program, key employees are trained in specific areas that will include mill efficiency improvement and the operation of a new biomass boiler that is integral to the company’s efforts to reduce operating costs,” Doiron said.

Headquartered in Atlanta, Georgia-Pacific is one of the world’s leading manufacturers and marketers of tissue, packaging, paper, building products and related chemicals.

Georgia Pacific acquired the current Old Town Mill in 2000 as part of the Fort James acquisition. The mill-site history goes back to 1882 when a soda pulp mill was constructed to use the byproduct of a local saw mill. Currently, the mill employs about 450 people and contributes about \$18 million to the local economy.

However, in the past few years, the Maine mill has faced many challenges. Overcapacity of paper, its remote geographic location and its rising costs of energy and fiber costs made the mill less competitive.

In 2003, the entire tissue and converting complex was shut down because of cost positioning within the company. While the mill retained 300 employees in its pulping operations in 2003, more than 300 other employees were terminated at the time of the closure. “The city of Old Town and the entire area was stunned and devastated by the news,” Rodrigue said. “It was a real blow to the economy.”

According to Kelli Manigault, communications manager at G-P, the closing in 2003 was difficult for all concerned. It was for that reason that officials from the company, PACE Local 1-080 and the state collaboratively generated a plan to allow the mill to get up and running again.

Those strategies resulted in reorganization at the mill and the return of 150 laid off workers.

With those employees back in place, the mill has now been able to bring its Number 1 machine to a five-day schedule and, while the Old Town mill is no longer making paper towels, it is running two napkin lines and four tissue lines.

But personnel issues were not the only issue facing Georgia-Pacific’s Old Town mill.

“A major consideration for a mill that operates 24/7 is energy costs,” Manigault said. “When it was learned that a biomass boiler located in Athens (Maine) could be relocated in Old Town and could generate the electricity necessary to run the mill, the plan took shape quickly.”

Key to the plan, however, was the training of the operators, engineers, technicians and maintenance personnel assigned to the energy-saving boiler. That training, plus other training necessary to improve efficiency within the mill, had a hefty price tag.

That’s where the Maine MEP came in. In June of 2003, the U.S. Department of Labor awarded Maine MEP a three-year grant to assist 620 incumbent engineers and scientists update their technical skills to ensure the state retain its quality high-tech work force and to drive innovation within their companies and the state.

One of only a handful of states to receive an H-1B grant, Maine MEP has worked closely with its state partners to facilitate the program.

The Georgia-Pacific project is an excellent example of how the program can effectively be facilitated to retrain and retain personnel, while allowing a company to remain competitive in an area where economic development is considered essential.

“The boiler will make all the difference in the world,” said Manigault. “While it is not yet up to capacity, we expect to save \$6 million a year on energy costs when it is running full time.”

Manigault pointed out the mill has not yet been given permission to burn construction demolition wood chips, which is the cheapest fuel available. At the current time, the mill is burning greenwood chips and bark and the savings are only about half as much as they ultimately will be.

“The Innovation Program was a huge benefit to the mill,” Manigault said. “The strategy behind it and the boiler was remarkable, and life-saving for many of the people here. I think it was great for the state, the company, the Union and Maine MEP to work this out.”

“There are three phases to the Innovation Program,” Doiron said. Maine MEP must conduct an assessment to ensure the company’s strategic and technology plan is linked to the workforce development plan. It also must confirm that the workforce development plan dovetails with the innovation process. And finally, ensure that the innovation process is properly facilitated.”

“The Innovation Program is greatly appreciated,” said Jennifer Johnson, utilities training coordinator for G-P. “The program will allow the facility to conduct training for our workforce that will improve the cost structure and operational reliability of the mill.”

The Maine MEP is an affiliate of the NIST under the U.S. Department of Commerce. The national MEP is a network of manufacturing extension centers that provide business and technical assistance to smaller manufacturers in all 50 states, the District of Columbia and Puerto Rico. Through MEP, manufacturers have access to more than 2000 manufacturing and business “coaches” whose job is to help firms make changes that lead to greater productivity, increased profits, and enhanced global competitiveness. For more information on the Maine MEP program call 1-800-637-4634.