



Gulf Coast: An Opportunity to Ease the Pain of the West Coast

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Leading Positions in Product Segments

Evergreen Packaging maintains leading positions in each of its major product categories, deriving over 70% of its net sales from product segments where it is the #1 or #2 supplier.

Position in Key Product Segments (\$ in millions)



**Gable Top
Bleached Board**

#1

#1

#2

#1



**Gable Top
Cartons**

#1

#1

#3*1

#3

*1 #1 China & #1
Korea #2 Taiwan



**Evergreen
Equipment**

#1

#1

#3

#1

Evergreen Products: Customized Solutions

Evergreen is the only fully integrated fiber-based fresh liquid packaging producer in the world.



focused on **customized packaging** from **forest to fridge**

Packaging and Paper Product Segments

Liquid Packaging Board



Cupstock



PET board



Cartons



Spouts



Printing Papers



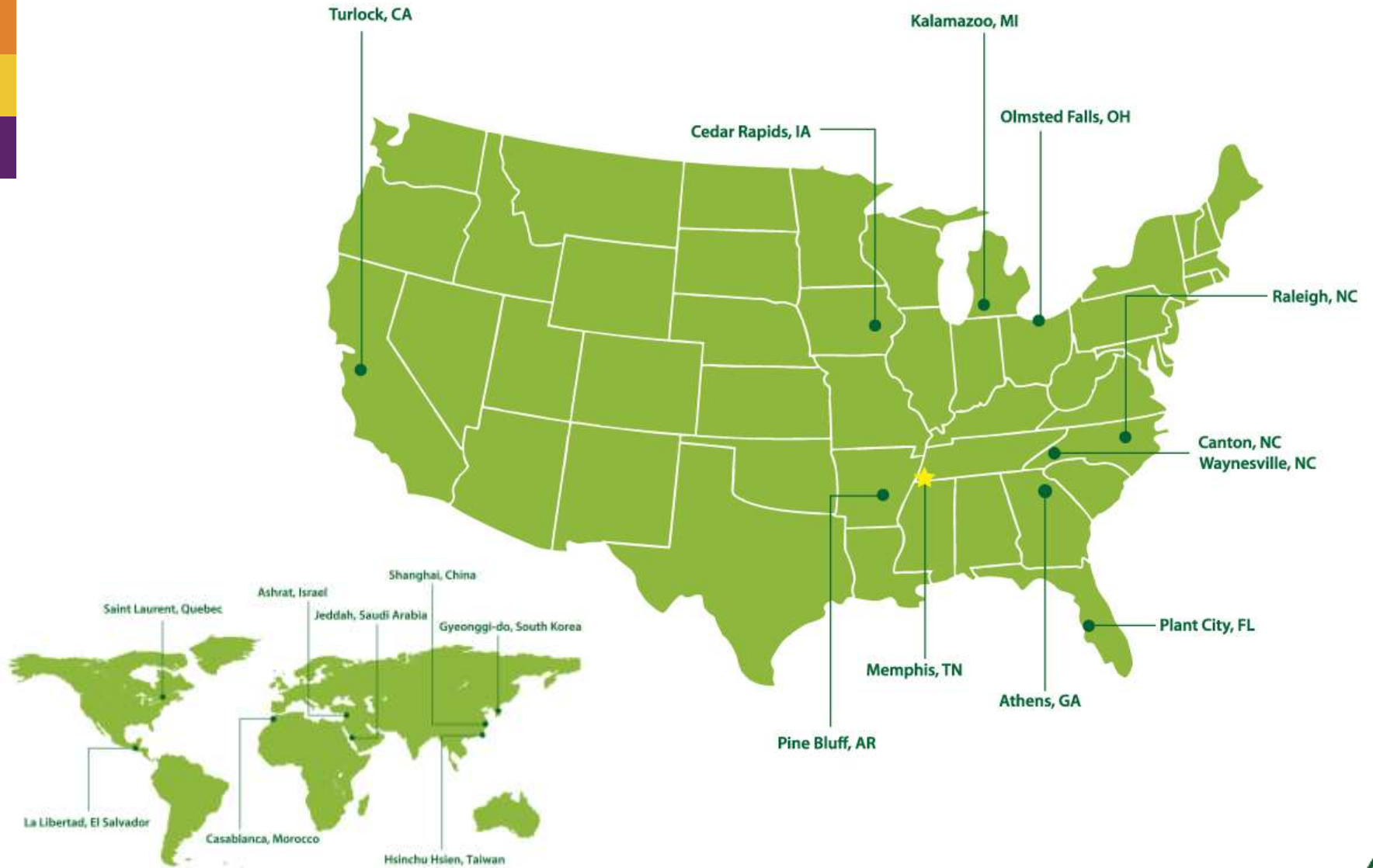
Envelope Papers



Equipment



Evergreen Packaging: Global Facilities



Evergreen's Commitment to Sustainability

ever conscious



- Our focus is on producing products that come from a renewable resource. Over 70% of the material in our cartons is made from paper, all using trees from forests where responsible management practices are used.

ever responsible








- In our paper manufacturing process, over 50% of the energy used comes from biomass from trees. And we keep looking for more ways to reduce our manufacturing environmental impact.

evergreen

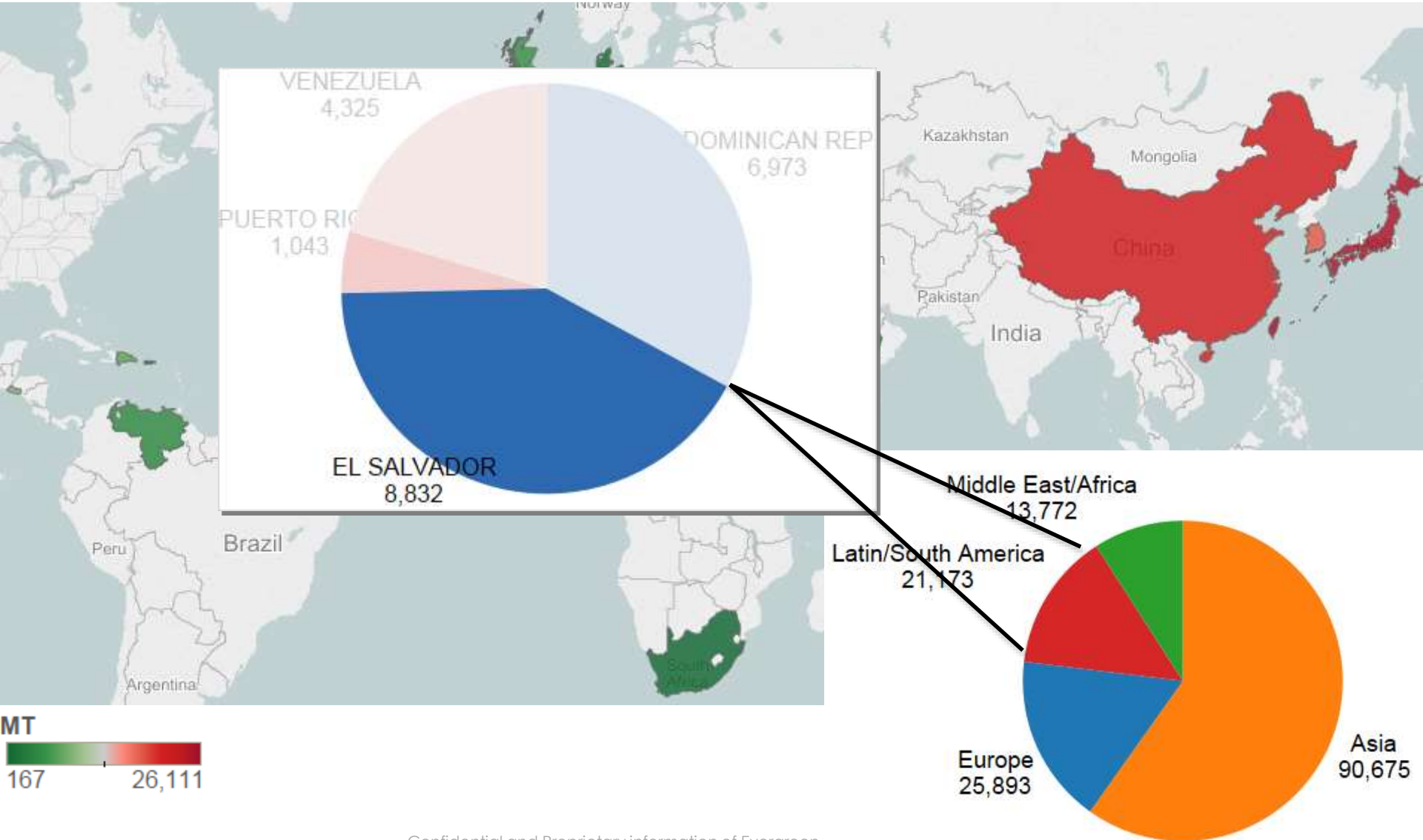


- We're passionate about recycling cartons. As a founding member of the **Carton Council** in the US, we're striving to help remove a growing number of cartons from the waste stream by supporting access to and awareness of carton recycling.

Total Supply Chain

	FTL	43 %
< 	LTL	< 1 %
	Ocean	12 %
	Rail	33 %
	CPU	11 %

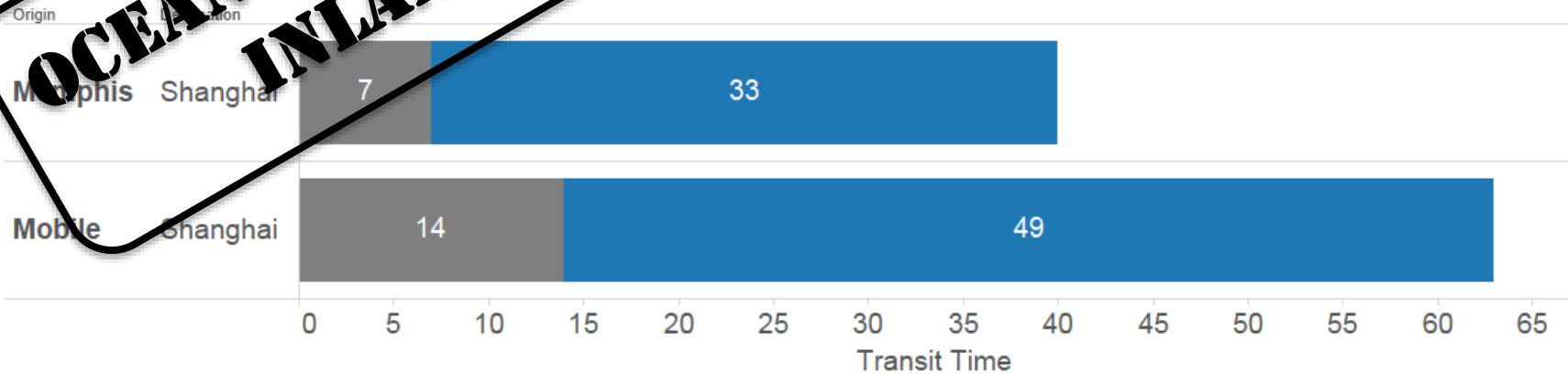
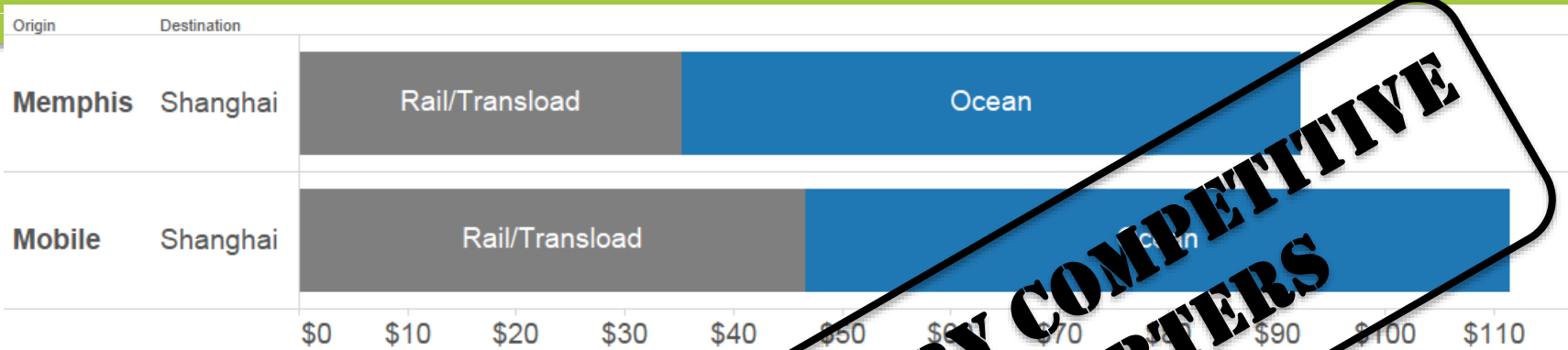
Export MTs by Country



West Coast Meltdown Analysis

<https://www.youtube.com/watch?v=ctr2CPnJs7E>

WC vs Gulf for Asia



OCEAN CARRIERS OFFER VERY COMPETITIVE INLAND SERVICE FOR EXPORTERS

WC vs Gulf for Asia – Contingency Planning – Why Memphis?

- Abundance of Options
 - SSLs
 - 5 Class I railroads (BNSF, UP, NS, CSX, CN)
 - West Coast, East Coast, Gulf, Canada
- Consistent Equipment
- Load heavy in Memphis
- Proximity to the Mill
 - Trucking is an option
 - Roll Repairs
- Gets product to the customer ASAP



At the end of the day, we must go where SSLs want the freight!!!

A note on the future

- “A rocket will never be able to leave the Earth's atmosphere.”
 - *The New York Times*, January 13, 1920
- “What can be more palpably absurd than the prospect held out of locomotives traveling twice as fast as stagecoaches?”
 - *The Quarterly Review*, March, 1825
- “There's no chance that the iPhone is going to get any significant market share.”
 - *USA Today*, April 30, 2007
- “[Voters] approved a \$5 billion plan to widen the Panama Canal...with completion expected in time for the 100th anniversary of the canal's opening in 2014.”
 - *CNN*, October 22, 2006



V-2 Rocket, First man-made object in space, 1943

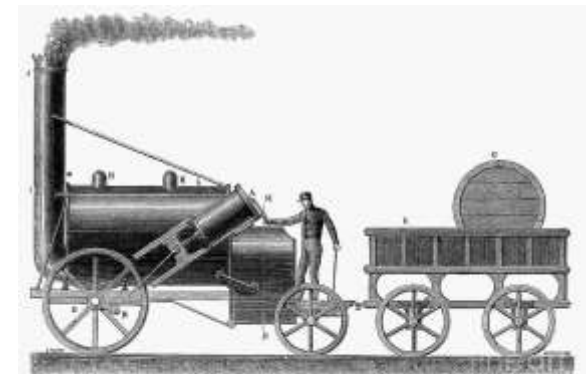


Fig. 486. — La Paine, locomotive de George et Robert Stephenson.

The Rocket, achieving speed of 30 MPH in 1830

Opportunities for the Gulf

- Panama Canal
- Equipment imbalances
- Additional services
- East Coast Congestion?
- West Coast Decline?
- Expanding Population
- Canada? Mexico? Guatemala? Other?





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