

THE INTERNATIONAL FINANCE FORUM FOR THE PULP, PAPER AND ALLIED INDUSTRIES

Managing Stakeholder Aspirations Through Innovation

18 - 19 February 2003, Institute of Paper Science and Technology
at the Georgia Institute of Technology, Atlanta, GA, USA

Early Bird Discount
Book by 18th December 2002

Keynote Addresses

Jim McNutt, *Center for Paper Business
and Industry Studies*

Tom Brown, *Caraustar Industries*

Conference Highlights

- ❖ Benchmarking Global Performance of the Paper Industry
- ❖ Long-Term Competitive Advantage Issues
- ❖ Performance of Companies in Emerging Markets
- ❖ Enhancing Shareholder Value through Effective Capital Management
- ❖ Structuring for Success through Financial Engineering
- ❖ Enterprise Risk Management – How Risky is the Forest Products Industry?
- ❖ Environmental Risk Management
- ❖ Energy Management & New Opportunities
- ❖ Efficient Supply Chain Management

Conference Chairs

Jim McNutt, Executive Director, Center
for Paper Business & Industry Studies
Sunil Shahaney, Editor, Papercast

Speakers Include

Rich Alfano, **Stern Stewart**
Roy Salameh, **Goldman Sachs**
Don Roberts, **CIBC World Markets**
Pat McCarthy, **Georgia Tech**
John Prescott, **University of
Pittsburgh**
Dan Cenatempo, **Jacobs Consultancy**
Christine Ries, **Georgia Tech**
Gary Helik, **Tradition Financial**
Steven C. Voorhees, **Rock Tenn**
Kirsten Vice, **NCASI**
David Ashcraft, **North Carolina State
University**
Del Raymond, **Weyerhaeuser**
Scott McLean, **Norske Skog**
Bob Eamer, **Domtar (Retired)**
Jay Epstein, **National Bank of Canada**
Bill Rafael, **ConAgra Foods**
Don Sorenson, **AMEC**
Eugene Comiskey, **Georgia Tech**
Charles Mulford, **Georgia Tech**

The International Finance Forum – organised by **PaperCast** and supported by the **Center for Paper Business and Industry Studies** (CPBIS) – is the 4th in the series for the pulp, paper and allied industries.

Reaching out to understand stakeholder aspirations and how to use constructive innovation to both manage and meet these demanding expectations could not be more important in today's tough and dynamic business climate.

This conference will explore and probe a number of key issues that are essential for your better understanding of critical factors that impact stakeholder aspirations in our fast changing paper and allied products business sector. This view of key issues will include essentials of industry and firm performance measures, price and capital management, supply-chain management, effective energy and environmental management – and many more interesting stops in between.

The conference will address issues of industry performance, competitiveness, financial engineering, capital management, price volatility, environmental risk mitigation and effective operations management, including energy and the supply-chain.

Bringing together decision makers and expert academics from across the supply chain spectrum, the conference is an unrivalled opportunity to hear the views of opinion leaders and to participate in the important debate on how to succeed in the ever-volatile business environment.

We look forward to welcoming you and your colleagues to the Forum.

The Center for Paper Business and Industry Studies

The CPBIS is a unique collaboration between the Institute of Paper Science & Technology, Georgia Institute of Technology, the Alfred P. Sloan Foundation and the Pulp & Paper Industry.

The mission of this collaboration is to form a globally recognised and industry-valued academic centre, creating knowledge and tools that support paper industry decision-makers, and producing inter-disciplinary graduates who contribute to the long-term success of the paper industry.

THE INTERNATIONAL FINANCE PAPER AND ALLIED Managing Stakeholder Aspirations

Day 1 - February 18, 2003

9:00 **Conference Breakfast & Registration**

10:10 **Chair's Opening Remarks**
Sunil Shahaney, Editor, PaperCast, UK

10:20 **Keynote Address:**
Stakeholder Aspirations – A View From Outside the Box
Jim McNutt, Executive Director,
Center for Paper Business & Industry Studies, USA

10:50 SESSION 1 – Benchmarking Global Performance
Hosted by: **Sunil Shahaney**

10:55 **Global Performance: The Ranking of Industries**
• EVA – MVA Assessment as Measures of Industries Performance
• Paper Industry Versus Other Capital Intensive Industries/Businesses
• Paper Industry Performance Across Regions/Markets
Rich Alfano, Senior VP, Stern Stewart, USA

11:25 **Advanced & Emerging Economies: Competitive Benchmarks & Emerging Issues**
• Comparative Issues & Performance
– Advanced Economies & Emerging Markets
• Paper Companies Comparative Financial Performance
• Advanced Economies Companies — North America, Europe & Japan
• Emerging Markets Companies – China — Indonesia – Brazil
• Cross Economies/Markets Differences In Financing Options, Shareholder Expectation
• Comparison With Other Industries
– Cross Industries & Cross Economies/Markets
• Long-Term Competitive Advantage Issues & Problems
– Cross Economies/Markets
Don Roberts, Managing Director, CIBC World Markets, Canada

11:55 Questions and Discussion

12:25 Lunch

13:35 SESSION 2 – Capitalising on Capital and Financial Engineering
Hosted by: **Pat McCarthy, Head, School of Economics,**
Georgia Institute of Technology, USA

13:40 **Financial Engineering: Accounting and Its Role in Damaging/Advancing Stakeholders' Values**
• Creative Accounting Practices - How Have Stakeholders been Misled?
• What Are Some Of The More Common Creative Accounting Practices?
• How Pervasive Is The Problem & How Does It Damage Stakeholders' Value?
• Is Cash Flow A More Reliable Metric Than Earnings to Measure & Advance Stakeholders' Value?
Charles Mulford & Eugene Comiskey, Professors of Accounting,
DuPree College of Management, Georgia Institute of Technology, USA

14:10 **Capital Intensive Industries: Is There A Stakeholders' Tomorrow?**
• A Comparative Assessment – The Steel And Paper Industries
• What Are The Issues, And What Are The Options?
• What are the Implications Going Forward for Stakeholders' Value Creation in a Capital Intensive Industry?
John Prescott, Director, Sloan Steel Industry Center,
Carnegie Mellon, University of Pittsburgh, USA

14:40 Refreshment Break

15:10 **Capital Intensity: Are We Nudging Stakeholders' Values Towards Their Grave?**
• Where is the Paper Industry Today in Terms of Capital Intensity and CAPEX Management?
• What Are The Issues & What Is The Problem?
• What Are The Options & Solutions?
Dan Cenatempo, Managing Director, Jacobs Consultancy Inc., USA

15:40 **Capital Management: Innovative Potentials for Stakeholders' Value Creation**
• What Is Effective Capital Management?
• What Are The Critical Capital Management Issues Faced Today?
• How Do Successful Companies Manage Capital Assets & Enhance Shareholder Value Across Time?
Don Sorenson, Vice President, Forest Industry Consulting, AMEC, USA

16:10 Questions and Discussion

16:40 **Summary of Proceedings – Sunil Shahaney**

16:50 Adjourn

17:00 **Conference Cocktail Reception**



CE FORUM FOR THE PULP, ED INDUSTRIES ations Through Innovation

Day 2 - February 19, 2003

- 7:45 Conference Breakfast
- 8:40 Chair's Opening Remarks
Jim McNutt, Executive Director,
Center for Paper Business & Industry Studies, USA
- 8:50 Keynote Address:
Stakeholder Aspirations – A View From Inside the Box
Tom Brown, President & CEO, Caraustar Industries, USA
- 9:20 SESSION 3: Managing Enterprise Risk
Hosted by: Prof. Christine Ries, School of Economics,
Georgia Institute of Technology, USA
- 9:30 Risk Management as a Strategy: Managing Risk in Forest Products
• Why Managing Price Risk is Important
• Financial Risk Management in the OTC Market
• Developing the Appropriate Risk Management Strategy for Your Company
• Building a Balanced Hedge Book
• Dynamically Managing This Critical "Asset" Over Time
Roy Salameh, VP & Head of Energy,
Metals & Forest Products Sales, North America, Goldman Sachs, USA
- 9:55 Value at Risk: How Risky is the Forest Products Sector?
• Measuring "VaR" Exposures for P&P and Other Industries
• Portfolio Risk Assessment Applied to a Forest Products Portfolio
Jay Epstein, Manager, Global Commodity Risk Management Group
National Bank of Canada, Canada
- 10:20 Refreshment Break
- 10:45 Optimizing Profitability: The Role of Transparent Open Market Pricing
• Markets – Physical and Financial
• Proxy vs Real Transparency – Forecasts vs Forwards
• Price Dynamics – Yesterday, Today, Tomorrow
• What's the Right Recipe To Optimise Profits?
• The Industry Culture of Pricing – Helping or Hurting?
Gary Helik, Director N.A. Pulp & Paper Division,
Tradition Financial Services, USA
- 11:10 Enterprise Risk Management: A Corporate Approach
• Understanding, Measuring and Managing Risks
• Enterprise Risk Management in a Traditional Corporate Culture
Steven C. Voorhees, EVP & CFO, Rock Tenn, USA
- 11:35 Value Risk Management:
Packaging Risk Management – Customer Needs & Expectations
• What Changes are Driving Customer Needs?
• What do Customers Want?
• Why the Status Quo is a No Go
Bill Rafael, Director, Packaging Commodity Risk Management,
ConAgra, USA
- 12:00 Questions and Discussion
- 12:30 Lunch

13:30 SESSION 4: Managing The Operations' Risks
Hosted by: David Ashcraft, Professor, College of Natural Resources,
North Carolina State University, USA

- 13:40 Environmental Risk Management: Today's Playing Field
• Policy Impacts On The Paper Industry – Risks, Threats & Opportunities
• Taxation - Emissions, Recycling - Regional Differences -
Impact On Competitive Advantages
• Emerging Risk Mitigation Opportunities – Carbon Trading
Kirsten Vice, Vice President, Canadian Operations,
National Council for Air & Stream Improvement (NCASI), Canada
- 14:05 Energy Business Risk Mitigation:
A Case for Energy Risk Management – Cost-Benefit Analysis of
Spent Pulping (Black) Liquor Gasification
• Need for Reduced Business Risks Through Improved Energy Efficiency,
Reduced Emissions & Enhanced Competitiveness
• The Pulp & Paper Industry and Department of Energy (DOE)
Co-operative Efforts – The Technology Vision for Improved Energy
Performance – Breakthrough Technologies & Utilization Efficiency
• Generation – The Business Case for Biomass/Black Liquor Gasification
• The Industry's Future Potential as a Renewable Energy Supplier
Del Raymond, Director, Strategic Energy Alternatives, Weyerhaeuser, USA
- 14:30 Supply Chain Management: Driving Cost Efficiencies
• Key Issues, Critical Understandings & Implications
• A Working Paper Industry Supply Chain Management System
• A Workable Path Forward for the Paper Industry
Scott McLean, VP Supply Chain Management, Norske Skog, USA
- 14:55 Questions and Discussion

- 15:25 Refreshment Break
- 16:05 Capstone Panel Session: Solutions To Industry's Woes
• Capital Intensity / Shareholder Returns / Impact Of Global Economy
• Price Volatility / Cost Management / Fragmentation / M&A /
Product Innovation
• Customer Led Issues / Role of Technology / Capacity
Management
Bob Eamer, Domtar/Retired, TAPPI Board, Canada
- 17:05 Summary of Proceedings – Jim McNutt
- 17:20 Close of Conference

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This unique forum will bring together senior executives from all corners of the globe and from all sectors of the pulp, paper and allied industries. More importantly these people are your company's potential clients!

A limited number of sponsorship and exhibition packages are available which will help you capture these opportunities and which will provide your company with the perfect platform to promote your products and services. **As a sponsor or exhibitor you will reach the industry leaders who can, and do, make the decisions to purchase your products or services.**

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Registration Form

Please register the following delegate/s for:

International Finance Forum

18-19 February 2003,
Georgia Institute of Technology, Atlanta, USA.

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Conference Fee

| | No. | Fee | Total |
|--|-----|---------|-------|
| Early Bird Rate <small>(registration by 18th December)</small> | | US\$875 | |
| Standard Rate <small>(registration from 19th December)</small> | | US\$975 | |
| CPBIS Sponsors (see notes) | | | |

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Accommodation

Hotel accommodation is not included in the conference fee. Papercast and CPBIS have negotiated a special rate at the Courtyard Marriott, Atlanta Midtown.

To reserve your room, please contact the hotel directly, quoting

The Institute of Paper Science and Technology.

Tel: +1 (800) 321 2211 / +1 (404) 607 1112

Please note that the cut-off date for reservations is February 3rd 2003

Conference Information

Date

18-19 February 2003

Venue

Institute of Paper Science and Technology,
The Kress Auditorium,
Room 109
500 10th Street, N.W. Atlanta,
Georgia 30318, USA
Tel: + (1) 404 894 1488
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The organiser will not be held liable for non arrival of registration information. All invoices and registrations processed must be honoured in full, unless cancellation has been received under the terms stated below.

Cancellation

Refunds will be made for cancellations received in writing before 20 January 2003, subject to a US\$120 administration charge. It is regretted that refunds cannot be made after this date but substitute delegates are permitted, if notified in advance.

Standard Rate

US\$975 per delegate. The fee includes lunches, refreshments, cocktail reception and copies of conference documentation, as available. If you are paying by credit card, the amount will be deducted in GBP. Please note that the programme and speakers featured are subject to change.

Early Bird Rate

A Special Rate of US\$875 applies to registrations received with full payment by 18th December 2002. From 19th December 2002 the Standard Rate will apply.

CPBIS Members

CPBIS sponsor's employees can claim a further 10% discount off either Early Bird or Standard Rate.

Cannot Attend?

Of course, nothing compares with being there, but you do not have to completely miss out just because you cannot fit the conference into your schedule. You can purchase the conference proceedings at US\$320 per copy. Simply tick the box below, return this form together with your payment and your copy will be on its way after the event. Please send me set(s) of conference papers @ US\$320 per set