

Pixelle Specialty Solutions to Close Mill in Jay, Maine Q1 2023

September 20, 2022

Jay, ME -- <u>Pixelle Specialty Solutions</u> LLC ("Pixelle"), a leading manufacturer of specialty papers in North America, has announced the mill located in Jay, ME will close in the first quarter of 2023. The mill employs approximately 230 people who will be affected by the closure. The mill produces specialty label and release papers, as well as industrial and packaging solutions for eCommerce and food service. Its two paper machines have a capacity of 230,000 tons annually.

"The dedicated and skilled paper making employees in our mill in Jay, Maine have worked tirelessly to achieve financial sustainability in challenging economic times," said Timothy R. Hess, President and CEO of Pixelle. "They have produced products of the highest quality and maintained a safe work environment. Economic forces beyond our control have combined to make profitable operations at the mill unsustainable. We are grateful for the efforts of the employees and are committed to assisting them with offers of continued employment at other Pixelle locations or outplacement support."

The mill has endured significant business and financial challenges that were compounded by the April 2020 rupture of one of its pulp digesters and catastrophic damage impacting the continued operability of the entire pulp mill. No one was injured in the event, and the mill subsequently transitioned into higher margin specialty products and invested capital to increase operational efficiencies while operating on purchased pulp. The company intends to work with its customers where possible to transition their products to other Pixelle mills or to plan for volumes of orders in the limited production leading up to mill closure.

"Pixelle will continue to manufacture high-quality specialty solutions for our valued customers at our three specialty mills in Wisconsin, Pennsylvania and Ohio," said David E. Dickerhoof, Sr. Vice President of Sales and Marketing. "Business conditions and the strength of our broad range of products will offer us continued growth opportunities in serving our customers in the specialty labels, food packaging, industrial specialties and premium printing markets."

About Pixelle Specialty Solutions

Headquartered in Spring Grove, PA, Pixelle Specialty Solutions is the largest and fastestgrowing manufacturer of specialty papers in North America with one of the most comprehensive portfolios in the industry. Through innovation, quality and expertise, Pixelle delivers highperformance solutions that help customers boost brand appeal and improve customer experience while supporting sustainability goals. For more information, visit <u>www.Pixelle.com</u>.

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