

Capitalizing on Skyrocketing Recovered Paper Demand

With global demand for recovered paper predicted to double during the next five years, Weyerhaeuser says the U.S. needs to step-up its recovery rate. And, the Washington-based company is poised to process its share of the growing load.

For 107 years, Weyerhaeuser Company has been the archetypal forest products company, managing, harvesting and planting trees across North America for use in building materials and pulp and paper products.

The company also is one of North America's largest collectors, processors and consumers of recovered paper, producing high quality recycled-content products for thousands of customers.

Each year, Weyerhaeuser's 19 recycling facilities, nationwide brokerage system and national accounts business recover seven million tons of the approximate 50 million tons of paper collected in the U.S. Approximately three and a half million tons of that recovered paper is used internally at eight containerboard mills and at the company's NORPAC joint venture newsprint mill in Washington. The rest of the recovered paper is sold to a variety of mill customers in the U.S. and globally.



“Within the next five years, the world’s new paper mills will require the industry to double the amount of recovered paper we collect today.”

—Doug Schwartz, Weyerhaeuser

The company has been quietly going about its recycling business since 1974. Weyerhaeuser has built a strong reputation of supplying high quality recovered paper to paper mills worldwide. Traditional company plus basic materials recovery equals boring, right? Not on your life.



Delivering the goods. Weyerhaeuser works with thousands of sources to deliver quality recovered paper.

“Between the dynamic growth we are facing in our target markets globally and the ever-changing landscape of the collection side, our recycling business is an exciting, fun place to be,” says Doug Schwartz, Weyerhaeuser’s managing director of containerboard, recycling and sheets operations.

Schwartz and a new leadership team are shaking up a once moribund business to deal with rising international demand for recovered paper and the ensuing price escalation in order to maintain a cost-effective flow of recovered paper to Weyerhaeuser and third-party mills.

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recycling matters

paper we collect today,” says Schwartz. “Currently, the recovery rate in the U.S. is a solid 51 percent. Our industry has set a new U.S. recovery goal of 55 percent, which is good, but pales in comparison to Europe’s 66 percent recovery rate. It’s a cultural challenge, but we can make a difference. At Weyerhaeuser, we’re building a re-energized culture to meet this challenge.”

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E.U. Consulting and Moore & Associates project that the global mill community will demand 9.5 million tons of new recovered paper annually for each of the next five years. In the 1990’s the new annual demand globally averaged six million tons a year. And during that period thousands of new municipal residential recycling programs came on line, which recovered millions of tons of new paper. Now the challenge is to meet an even larger demand curve with very few large new sources being developed. The modernization of Asia and Eastern Europe and, to some degree, Russia is driving higher paper consumption, which is creating the demand for new volumes of recovered paper.



Successful Recovery. Weyerhaeuser recovers seven million tons of the approximate 50 million tons of paper collected in the U.S.



That’s a wrap. OCC is compressed into bales at one of Weyerhaeuser’s 19 recycling facilities.

“Our sourcing representatives and brokerage and national accounts team work with thousands of sources to deliver quality recovered paper,” says Schwartz. “As well, we work closely with municipalities and state and national recycling associations to help design collection programs and encourage business and residential recycling.”

Schwartz points out the high recovery rates of such cities as Charlotte and Seattle. “We try to share their techniques with other regions, such as the Rockies and Southeast, where recycling rates are quite low,” he says. “Meeting global demand for recovered paper is likely going to be our industry’s largest challenges in this decade.” Schwartz estimates that there are 35 million tons of recyclable paper disposed of in the U.S. annually. “Our trade associations are going to need to work diligently to assist the industry in educating every American to recycle,” he says.

“These are exciting times for our recycling business. Demand is outstripping supply and we have a great opportunity to grow,” says Schwartz. “We provide recycling solutions to generators of recovered paper and other recyclable commodities and we’re a global supplier of recovered paper to recycle mills. We have the right people, an innovative attitude and a tight organization. It will be great to see what our group can accomplish.” ■