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PRESS RELEASE

Media Contact:

Paul Boyle paul@newsmediaalliance.org 571.366.1150

Printers and Publishers Unite to Launch Coalition to Stop Baseless Newsprint Tariffs

Arlington, VA, March 19, 2018 – Today, members of the printing, publishing and paper-producing industries, which employ more than 600,000 workers, are announcing the formation of Stop Tariffs on Printers & Publishers (STOPP), a coalition to fight proposed countervailing duties (CVD) and anti-dumping duties (AD) on imports of Canadian uncoated groundwood papers including newsprint and other papers. These preliminary duties, which were assessed by the Department of Commerce in January and March, respectively, are the result of a petition filed by one company, North Pacific Paper Company (NORPAC), an outlier in the paper industry that is looking to use the U.S. government for its own financial gain. The STOPP coalition is concerned that these CVD and AD duties, which range up to 32 percent combined, will saddle U.S. printing and publishing businesses with increased costs and threaten thousands of American jobs.

The Coalition is asking the International Trade Commission (ITC) and the U.S. Congress to reject these newsprint tariffs and protect U.S. jobs. With the announcement, STOPP has launched a new website: www.stopnewsprinttariffs.org and is inviting other interested parties to join in the fight to overturn these tariffs.

Members of the STOPP coalition include:

American Society of News Editors, Association of Alternative Newsmedia, Association of American Publishers, Association for Print Technologies, Book Manufacturer's Institute, Catalyst Paper, Inland Press Association, Kruger, Local Search Association, National Newspaper

Association, News Media Alliance, Printing Industries of America, Quad Graphics, Rayonier Advance Materials, Resolute Forest Products, Southern Newspaper Publishers Association, Trusted Media Brands (formerly Readers Digest Association), Valassis Communications, and Worzalla.

The impact of these tariffs on newspapers, paper producers, book publishers and others has the potential to be devastating to entire industries.

"Newsprint is the second largest expense for small newspapers after human resource costs," explained Susan Rowell, publisher of the *Lancaster* (SC) *News* and president of the National Newspaper Association. "A decision by the federal government to impose tariffs on our paper supply would imperil our news-gathering missions and put jobs in jeopardy at our newspapers and at many other organizations and companies in our communities that rely upon a healthy newspaper."

"The bottom line is these tariffs on uncoated groundwood paper would not protect domestic paper producers. Paper manufacturers are not able to absorb the cost of the tariff and have already let it be known that the tariff will be passed on to U.S. consumers," stated Joel Quadracci, chairman, president & CEO of Quad/Graphics. "This will result in driving up the costs of print and force an even faster migration to digital options at a time when our industry is already being severely disrupted. This will result in the loss of U.S. jobs. In the case of rural residents with no broadband access, they will end up underserved with no newspaper either."

Allan Adler, General Counsel and Executive Vice President for the Association of American Publishers stated: "The U.S. International Trade Commission and the U.S. Department of Commerce should consider how protective duties can harm some important U.S. industries while protecting others. AAP joined the STOPP Coalition to address book publishing concerns that unjustified countervailing duties in the pending ITC proceedings regarding Canadian 'uncoated groundwood paper' imports could cause material injury to U.S. book publishing and literacy programs for young readers by raising the cost of papers used to produce inexpensive paperback books for children that help advance early childhood reading development."

"Publishers are already feeling the negative consequences of a tighter newsprint market and higher prices because of these preliminary newsprint duties," stated David Chavern, president and CEO, News Media Alliance. "We will turn over every stone to fight these duties so that there is no disruption in the flow of news and information to the citizens who rely upon printed newspapers throughout the country."

"As the leading producer and employer for uncoated groundwood paper in the United States, we recognize that market erosion, not unfair trade, has caused more than a 75 percent decline in North American newsprint consumption since the year 2000," stated Seth Kursman, vice president of corporate communications, sustainability and government affairs for Resolute Forest Products. "The current investigation by Commerce, at the request of one outlier

company, is causing even more turmoil and job losses in the newsprint and commercial printing paper segments."

Michael Makin, president & CEO of Printing Industries of America (PIA), stated, "As consumers of Uncoated Groundwood (UGW) paper, printing companies — especially those geographically positioned in the Midwest and Northeast — will feel the havoc countervailing duties and antidumping tariffs will bring to the marketplace. Printers will be faced with the lose-lose proposition of absorbing the hit, which will lead to higher operational costs, or passing it on to their customers, many of whom wish to remain in print but have cheaper, electronic alternative methods to deliver content or to advertise."

"In addition to newspapers and directories, UGW grades of paper are used extensively by book publishers," stated Jim Fetherston, president & CEO of Worzalla Publishing Company and current president of the Book Manufacturers' Institute. "Imposing these duties and tariffs will have a devastating economic impact especially on the domestic printing industry and the tens of thousands of Americans employed in the process of making books."

Association for Print Technologies Vice President, Government Affairs Mark Nuzzaco stated "technology suppliers stand shoulder to shoulder with their printing and publishing colleagues in STOPP, the efforts of which comport with APTech's free trade agenda."