

# IMPROVED NEWSPRINT FOR HIGH-VALUE PRODUCTS

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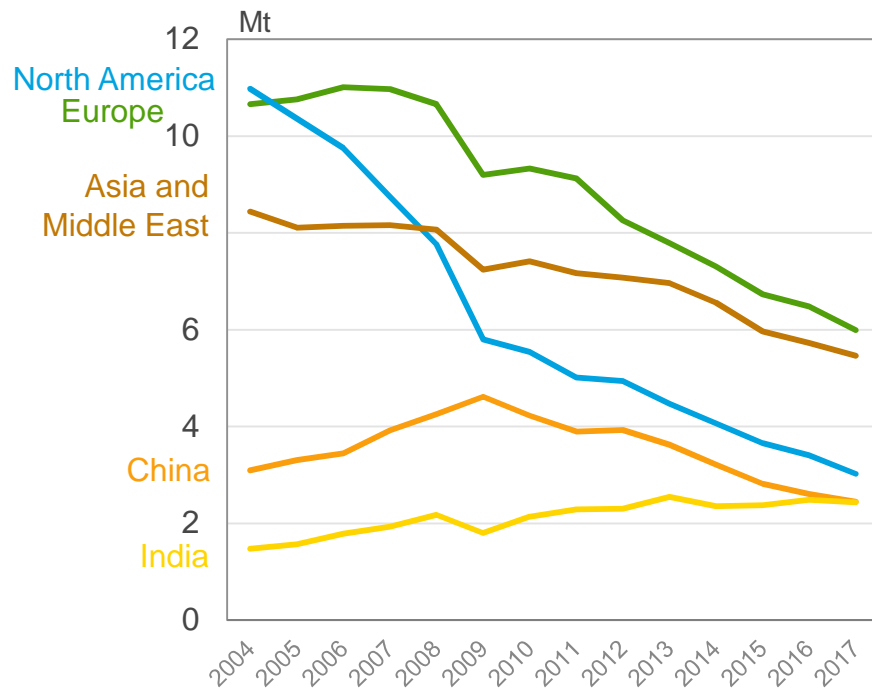
# CHANGE IN **MEDIA** WORLD – CHANGE IN **PAPER** WORLD

*The papermaker's view*

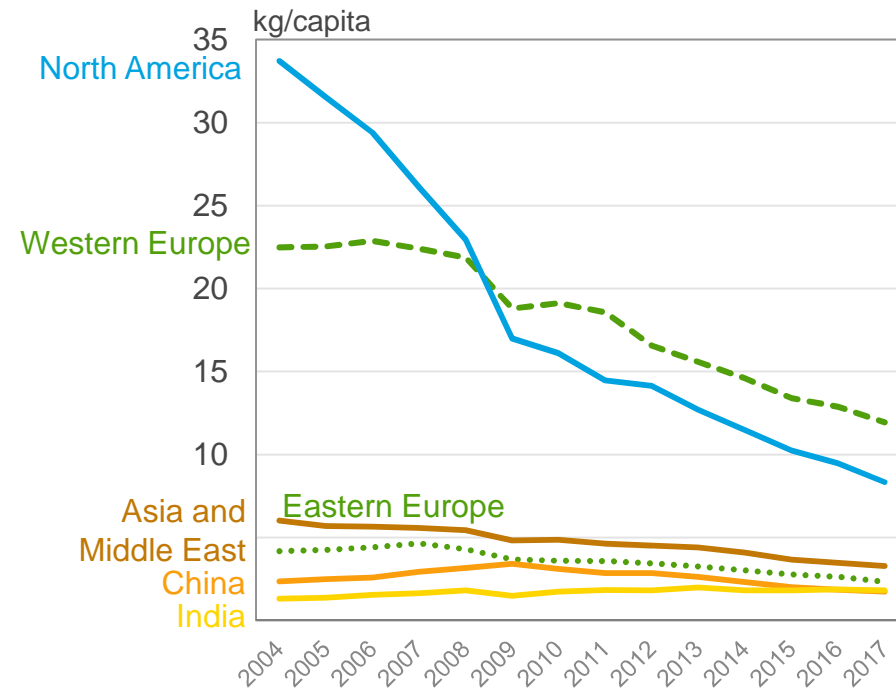


# Newsprint demand development

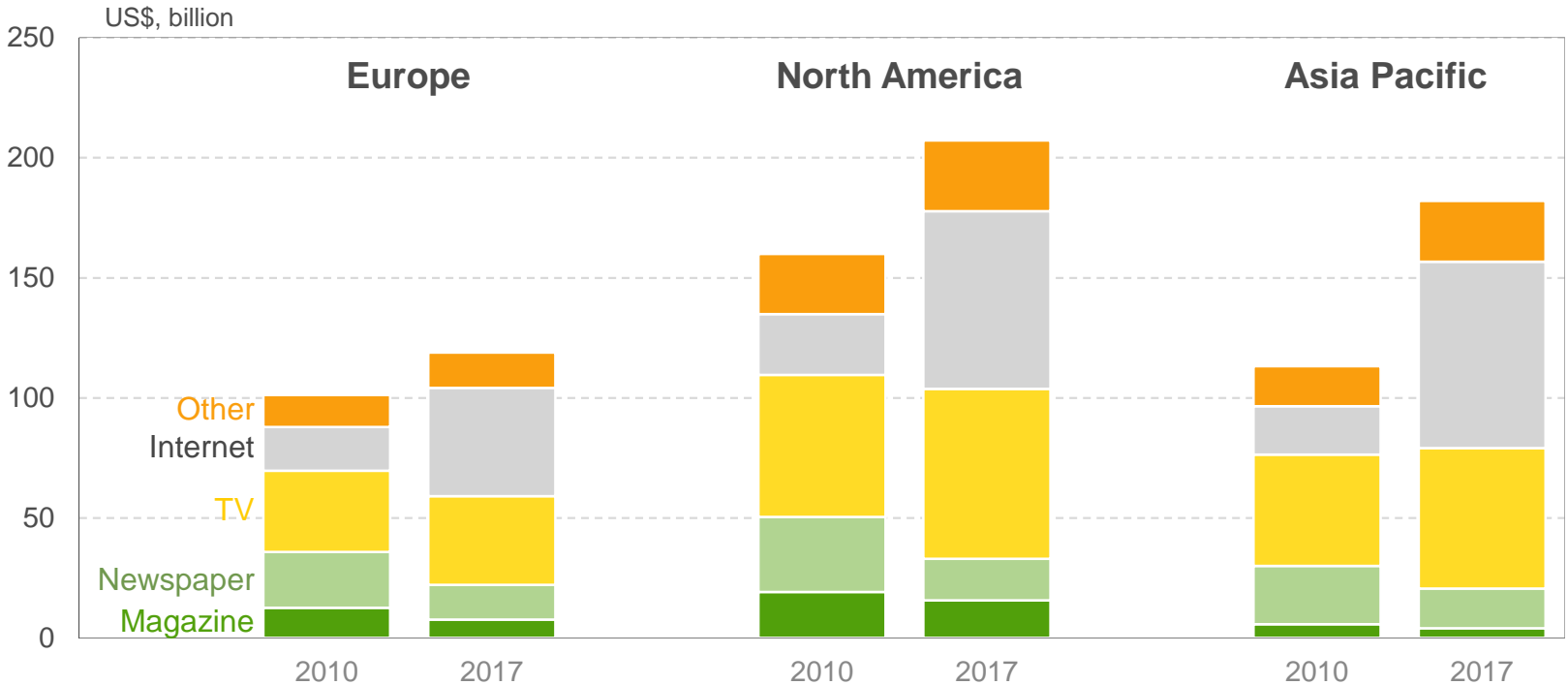
## Demand development



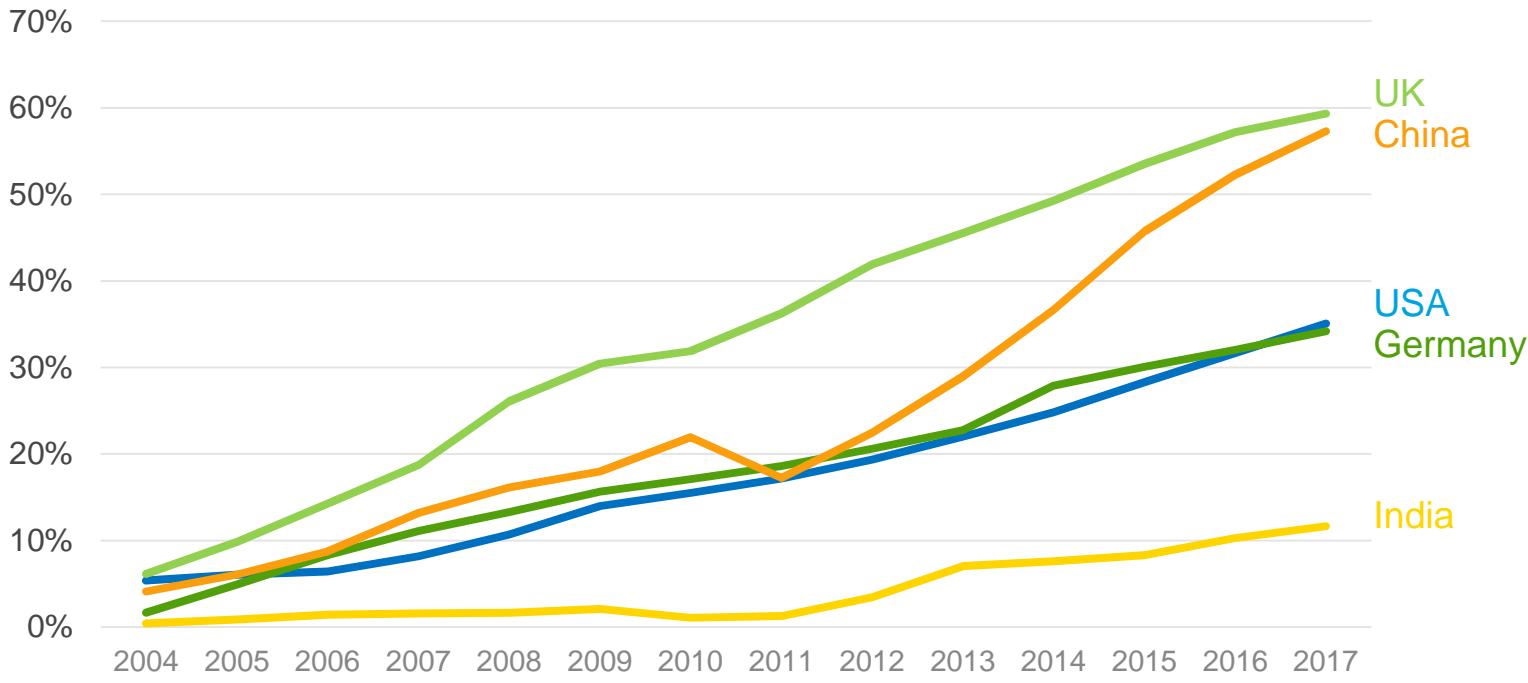
## Demand per capita



# Advertising expenditure development

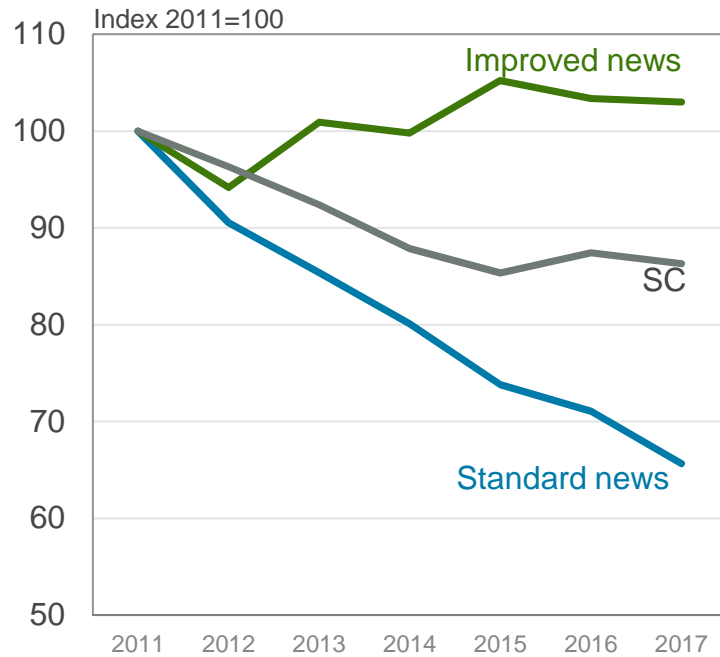


# Internet share of advertising expenditure

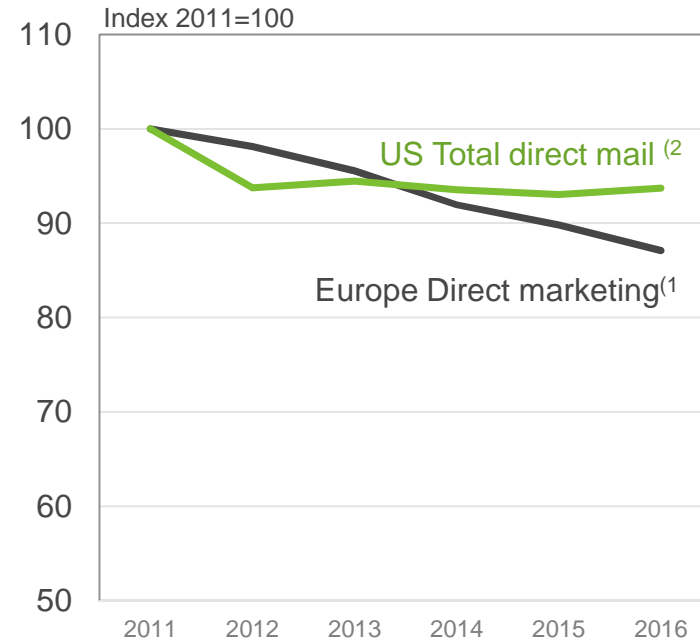


# Newsprint demand and direct marketing

## Demand development in Europe



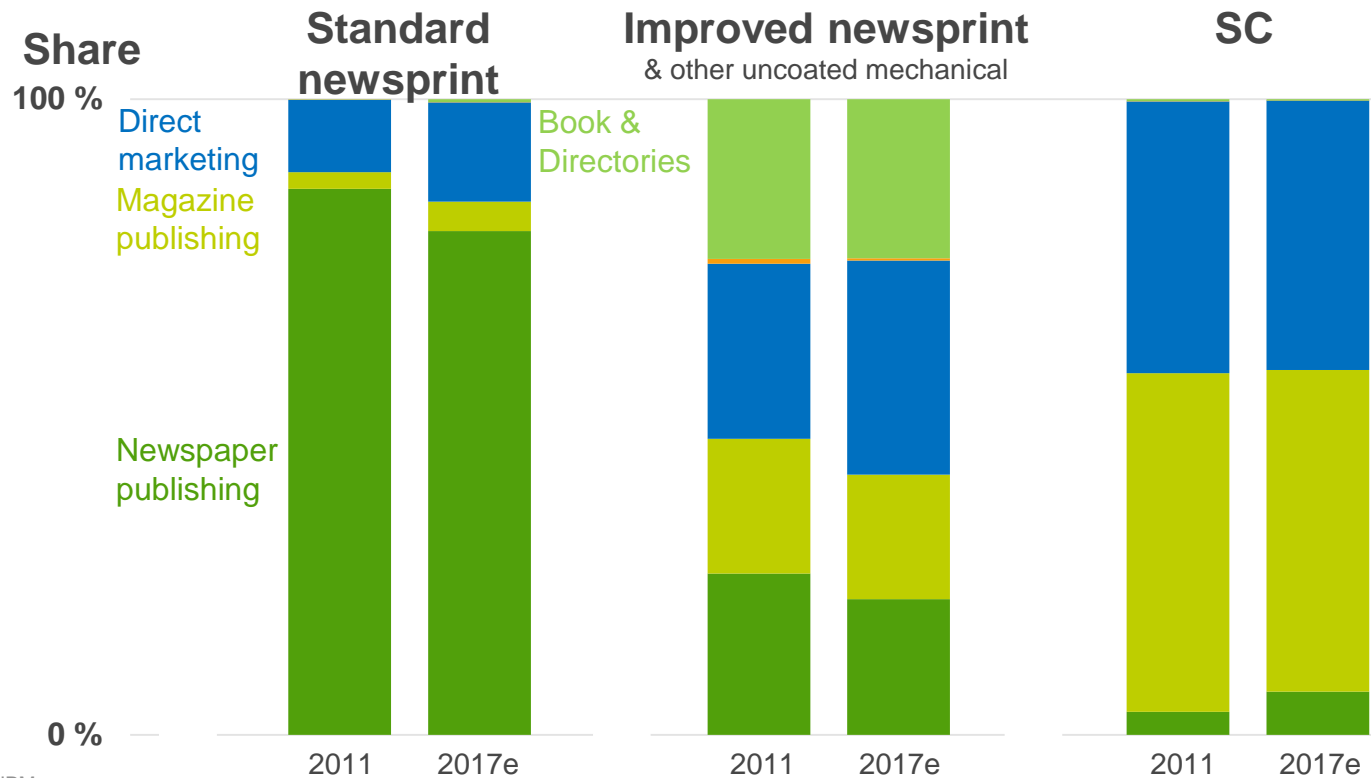
## Direct marketing development



1) Source: Eurograph, UPM, Paper demand for direct marketing

2) Source: DMA Statistical Fact Pack 2017 & USPS, Total number of Direct mail pieces in the US

# Paper grades by end uses in Europe





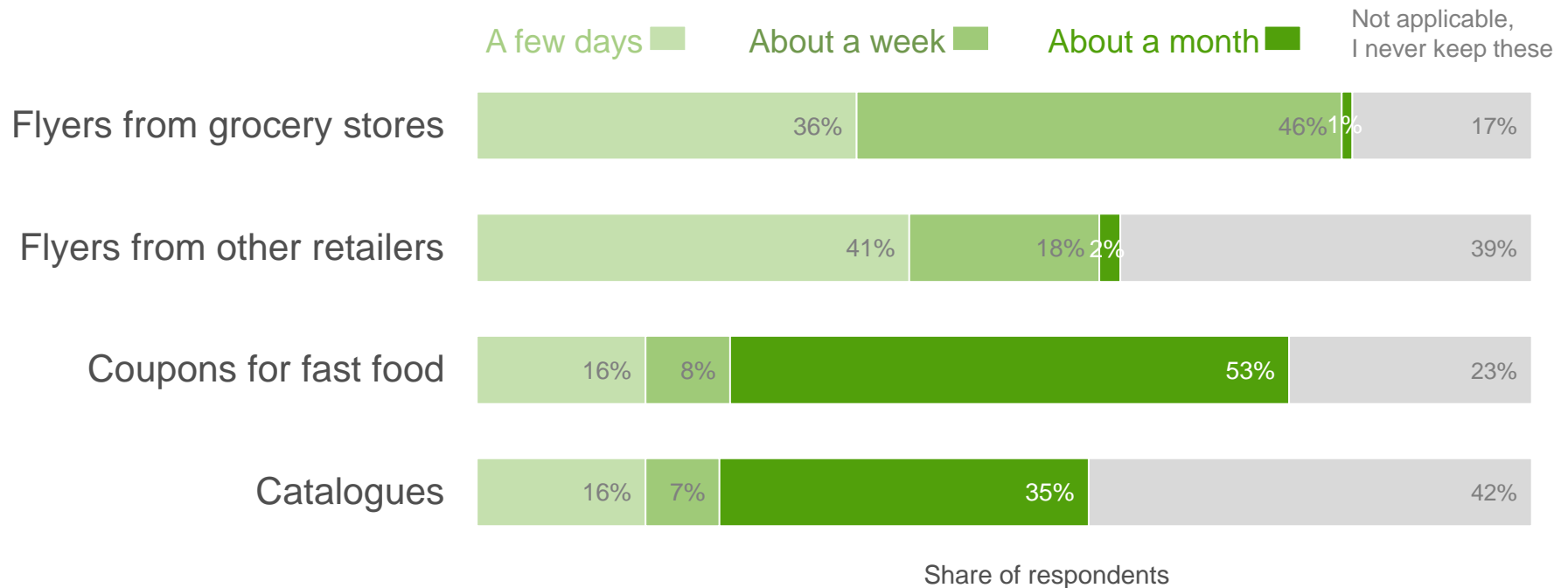


The Biofore Company  UPM

PULL FOR **PAPER**

# Direct mail gives people time to think

Length of time direct mail advertising is kept at consumers' homes



## Print media – the most sustainable choice

- ICTs have been estimated to contribute 2 to 2.5% of the global greenhouse gas (GHG) emissions.<sup>[1]</sup>



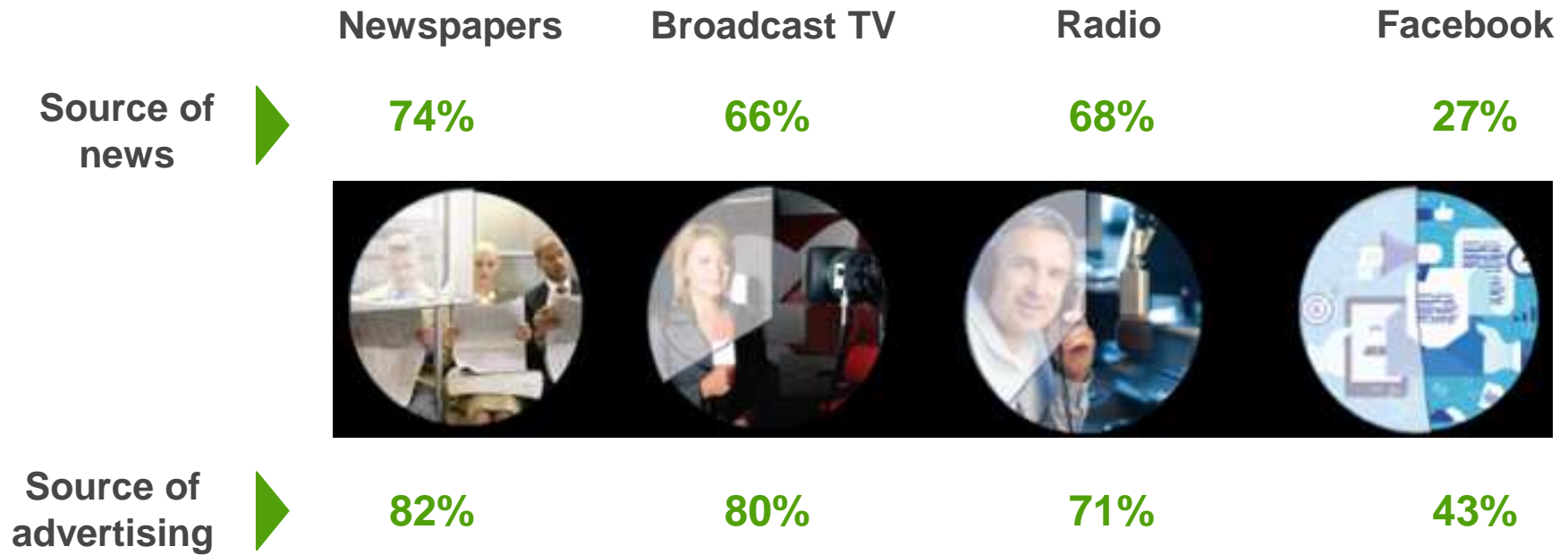
- With 1% of the emissions, the value chain of pulp, paper and print is one of the lowest industrial emitters.<sup>[2]</sup>

- Reported e-waste recycling rate varies between the regions: 35% in Europe, 17% in Americas and 15% in Asia.<sup>[1]</sup>



- The global paper recycling rate stands at about 58%.<sup>[3]</sup> The European recycling rate for paper has reached 72,5%.<sup>[4]</sup>

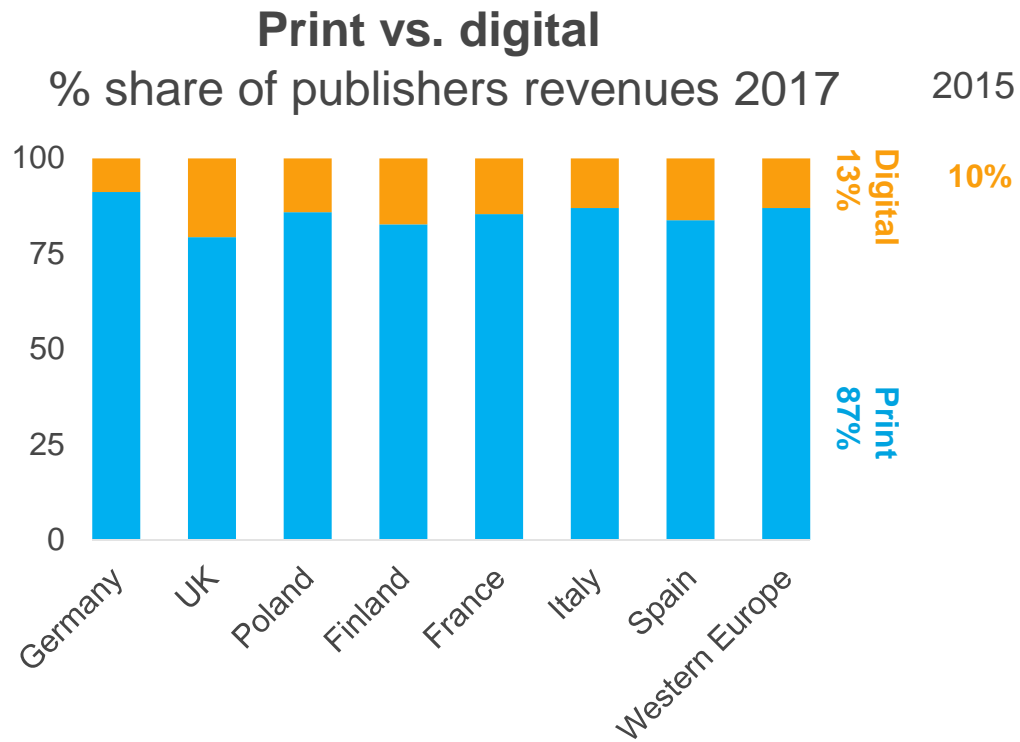
# Print is trusted





# PUSH FOR **PAPER**

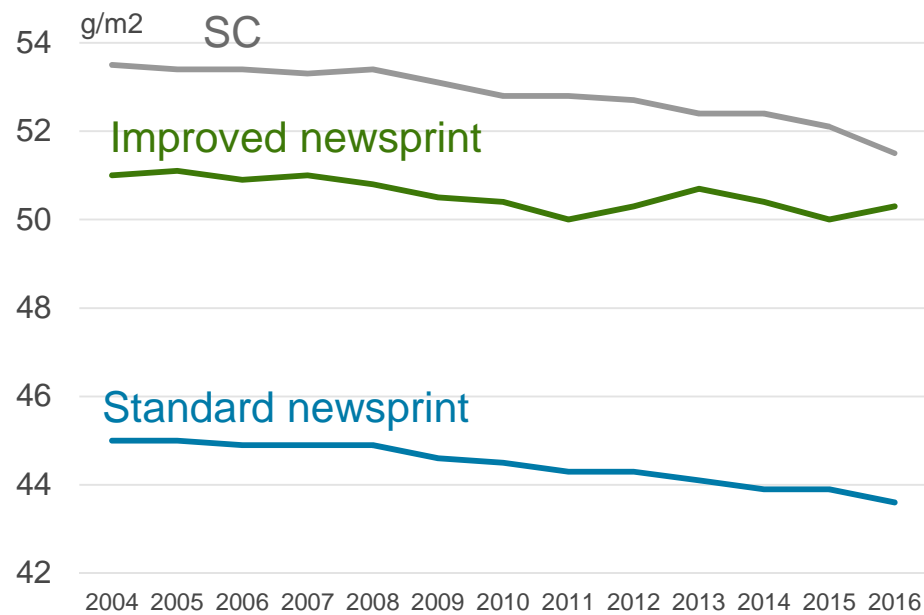
# Newspaper publishers' print vs. digital revenues



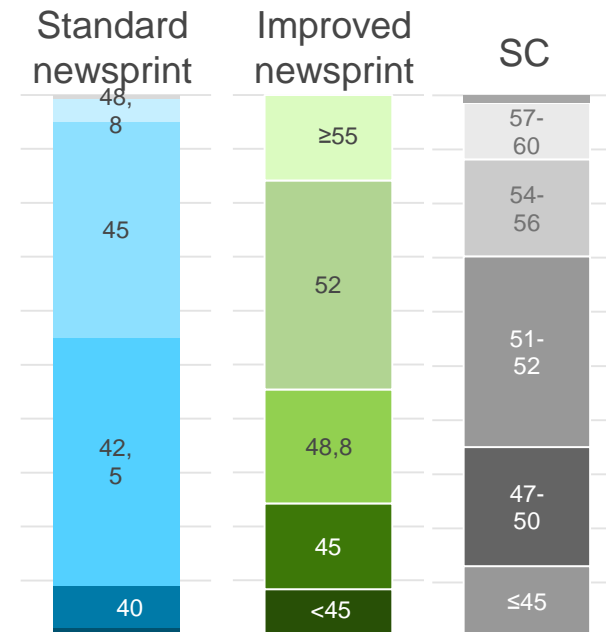


# Basis weight development

### Average basis weight, Western Europe 2004-2016

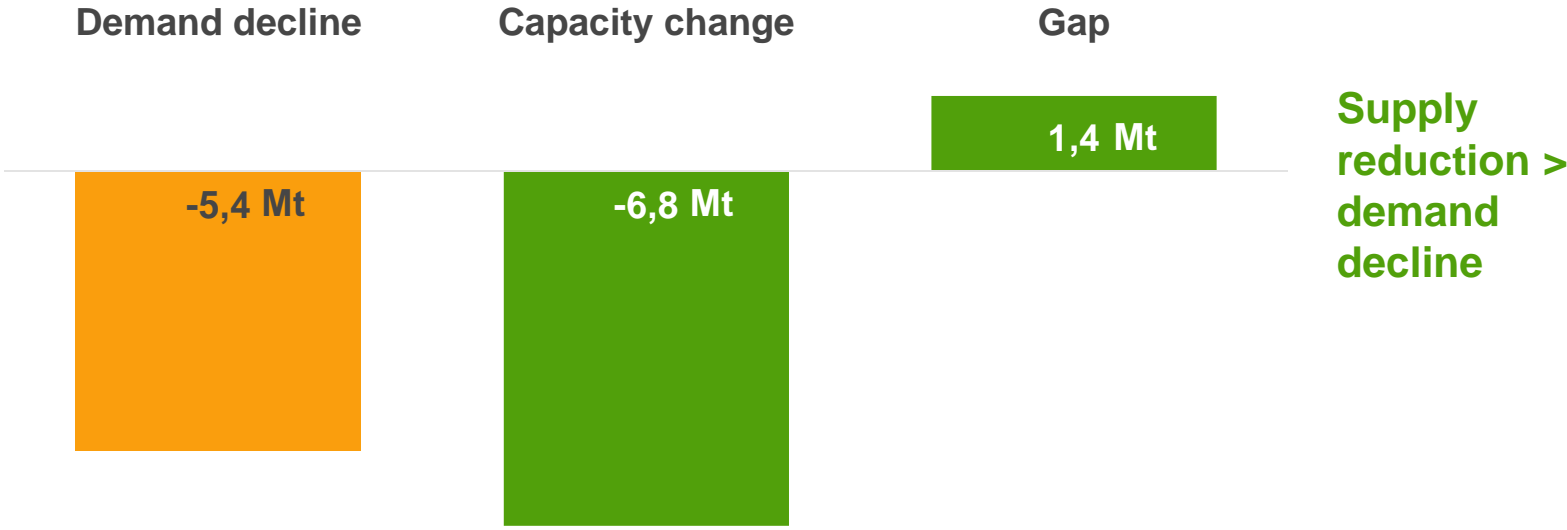


### Basis weight distribution, Western Europe in 2016, g/m²



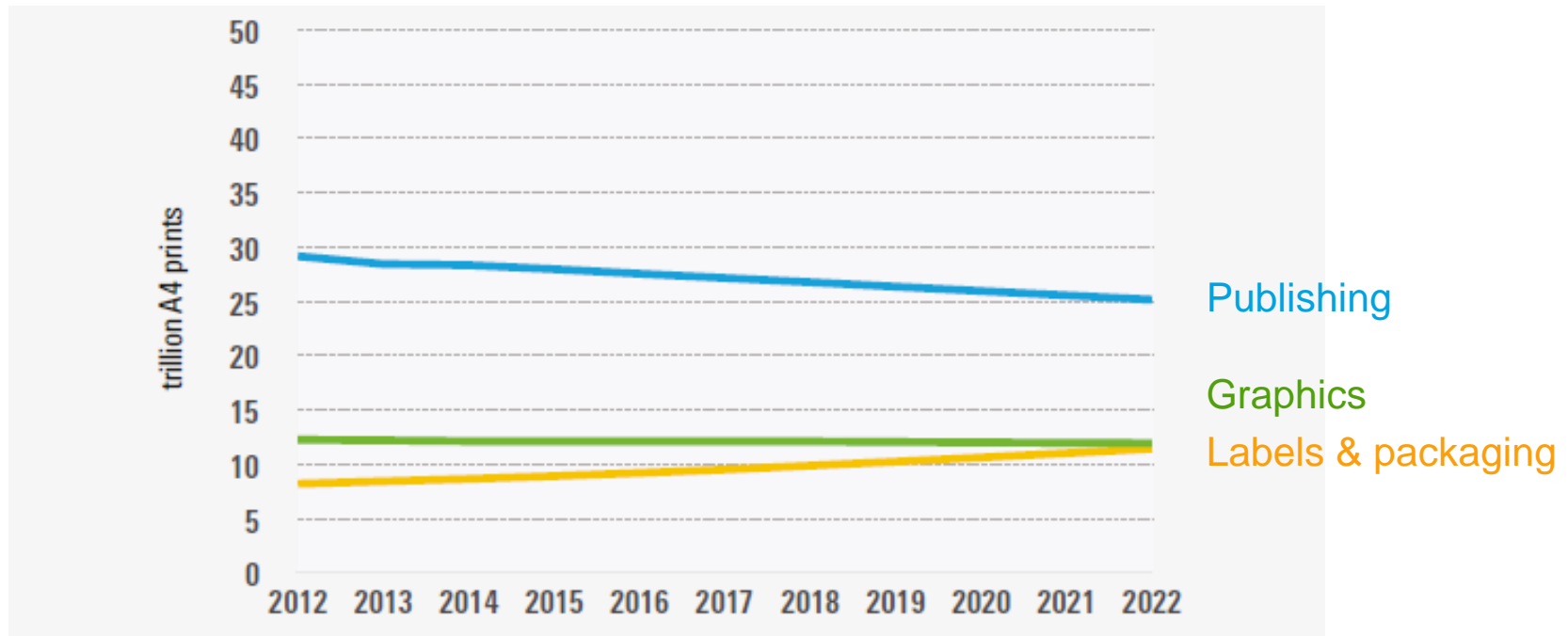
# Impact of recent newsprint capacity closures

*Newsprint volume change in Europe and North America 2010-2017, million tons*



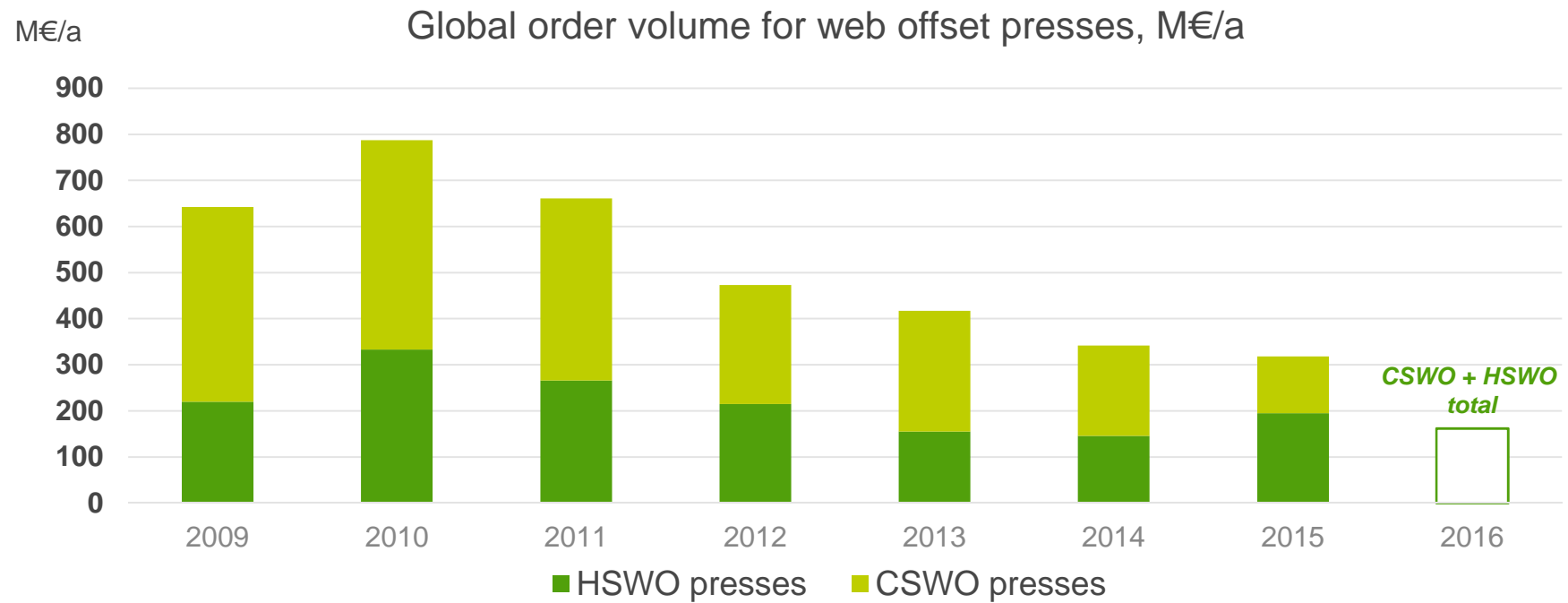


# Global printing output development



Source: Smithers Pira 2017

## Huge decline in investments – CSWO being hit the hardest



## Improved newsprint – Value added CSWO papers

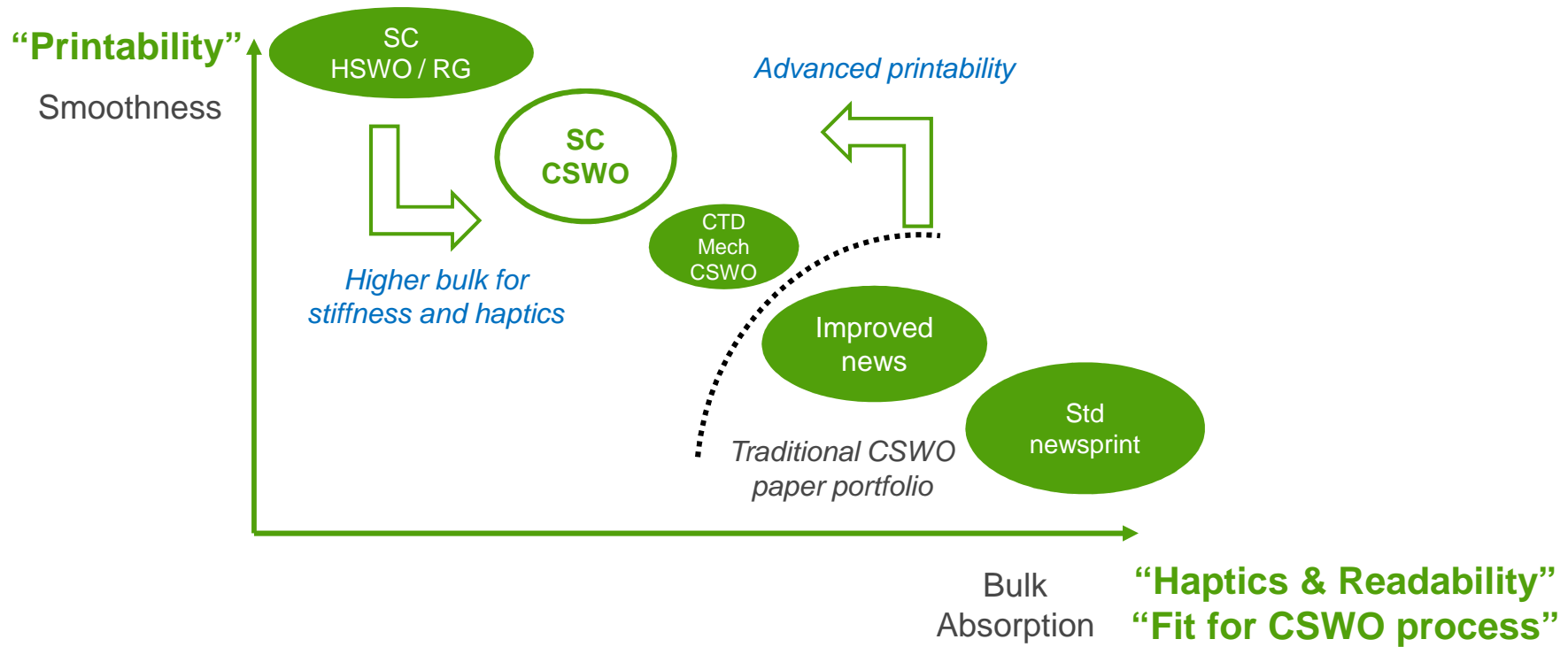
### Case: Super bright **UPM Brite**



- De Telegraaf switched their supplements from standard newsprint to super bright improved newsprint in magazine format.
- What did they achieve?
  - The former insert become a real magazine
  - The new magazine has a longer life cycle
  - De Telegraaf was able to create a well-known and separate brand



# CSWO paper range is expanding and crossing traditional borders





WHAT DOES **IT TAKE?**

# Incremental is enough!





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