



Projected Hourly Staffing Reduction Related to CP 1: Lines of Progression
March 2, 2009

- Projected impact: Reduce hourly headcount by 26 through attrition (Mill Trainee Pool will temporarily increase)
- Distribute work equitably and appropriately among remaining workforce
- Develop a transition plan that incorporates appropriate training so we minimize impact on paper mill operations
- Use capital judiciously to support job eliminations.
- Establish a clear understanding of what work flexibility means at Escanaba
- The new structure prepares operators to be successful as they move up their perspective line of progression

Note: Plan details are not intended to be all inclusive and are subject to additional input. Management reserves the right to add, delete or adjust plans accordingly.

- When necessary, will try and complete required training prior to capital equipment installation.
- In general, we will stagger implementation of job reductions within a complex.
- Exact implementation time period will depend on complexity of task redistribution but would estimate that it will generally take two months from date of job elimination.
- Despite our best efforts there will undoubtedly be a need to make changes to how tasks are distributed based on what we learn during the implementation phase.
- Rate adjustments will be handled In accordance with Article 14 of the current contract. We are not prepared today to review potential wage adjustments.
- Clothing change guidelines will need to change.

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Jobs being eliminated:

- Beater Helper (4)
- 5th Hand(4)
- Guillotine(4)
- Supercalender Operator (4)

New Positions:

- General Utility- New job at bottom of machine line of progression(4)

Net Reduction of 12 positions in E1 Complex.

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Beater Helper Job Elimination

Capital Required:

- Install piping to get Swd from PMD
- Dye System Automation

Current Responsibilities:

- Housekeeping stock prep area, filter cleaning, manual valving, Hydra pulper operation, Dye make down, Additives testing and outage activities.

Task Redistribution:

- Housekeeping, filter cleaning, process valving duties shared by Beater Engineer and General Utility.
- Hydrapulper operation eliminated by Swd from PMD area.
- Dye makedown automated.
- Testing to wet end lab.
- Outage duties shared primarily by Beater Engineer and General Utility

Tentative Implementation Timing:

- Training complete, Capital equipment installed and job elimination started in March 2010.

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5th Hand Job Eliminations

Capital Required:

- Cognex Defect Detector with Rereeler Autostop
- Reel Control Relocation

Current Responsibilities:

- Housekeeping, filter cleaning, Log and Mandrel management, Turnup duties, Rereeler tasks, PM Break cleanup and tailing and outage tasks.

Task Redistribution:

- Housekeeping , filter cleaning, and Log/mandrel management tasks shared by PM crews which now includes a General Utility position.
- Turn Up tasks shared by 3rd, 4th and Backtender.
- Rereeler tasks simplified by Cognex with autostop. Other tasks shared by 3rd and 4th Hand. Some Log and Mandrel movements shared by coater crew.
- Break cleanup and threading duties shared by PM Crews.
- Outage duties done by General Utility.

Tentative Implementation Timing:

- Training complete, Capital equipment installed and job elimination started in March 2010.

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Guillotine Job Elimination

Capital Required:

- None

Current Responsibilities:

- Guillotine Pulper and Trim Vac System operation, broke handling, housekeeping, paper machine shutdown activities, and Fork Truck care.

Task Redistribution:

- Guillotine pulper and Trim Vac. system operation by Winder Utility.
- Broke handling shared by PM, OMC, and Super crews.
- Housekeeping duties shared by Winder Utility and General Utility positions.
- Fork Truck care by General Utility.
- PM Shutdown duties to General Utility.

Tentative Implementation Timing:

- Training complete and job elimination started in March 2010.

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Supercalender Operator

Capital Required:

- None

Current Responsibilities:

- Operation of E1 supercalenders.

Task Redistribution:

- Crew size to be reduced from 4 to 3. Work to be redistributed among remaining crew members.
- Maintenance to assist with roll changes.

Implementation Timing:

- Immediately following completion of new labor agreement.

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Jobs being eliminated:

- Wet End Additives(4)
- Guillotine Operator(4)
- 5th Hand(4)

New Positions:

- E3 Material Handler (Increases from 2 to 4)

Net Reduction of 10 positions in E3 Complex.

*Note: Plan details are not intended to be all inclusive and are subject to additional input.
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E3 Wet Additives

Capital Required:

- Swap Plastic Pigment Tank for HydroGloss 90 Tank. (Pumps, piping, unloading line mods.)
- Incorporate Loop Pressure Alarms into Fox I/A (minimal capital required).
- Install a larger Alum Tank.
- Automate Dye Make down controls.
- Relocate Retention Aid Makedown Systems to Stock Prep.

Current Responsibilities:

E3 Additive:

- Housekeeping , Dye and Starch make down, filter changes, Retention Aid and Alum Unloading, wet additive equipment/process monitoring, additive testing and outage tasks.

Task Redistribution:

- Capital equipment will allow E3 and E4 Stock Prep operators to assume management of Dye and Retention Aid systems.
- Stock Prep also to manage AKD system, do some additive area process monitoring, filter changes and outage activities.
- All unloading and remaining activities will be done by E3 Material Handler.
- Material handler position will now be manned around the clock.

Tentative Implementation Timing:

- Training complete, Capital equipment installed and job elimination started in December of 2009.

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Guillotine Operator E3

Capital Required:

- Dedicated Fork Truck for E3 SCs and WDs to handle slabs.
- Guillotine knife modifications to handle large diameter rolls.
- Improve instrumentation and controls for E3 Guillotine Pulper.
- Alarm indications for Guillotine, Trim and Slab Pulpers in multiple locations.

Current Responsibilities:

- Include collecting slabs from Winders, SCs, and Coater basement, emptying broke baskets and dumpsters , operating Slab /Guillotine / Trim pulpers and slab elevator, area housekeeping, collecting and cutting culled and narrow rolls, and emptying spent core racks.

Task Redistribution:

- Responsibility for collecting and delivering slabs to guillotine shared by areas, Core Room Helper empties spent core racks, Emptying broke baskets and dumpsters move to the areas, Narrow rolls from Reprocessing moves to Warehouse personnel.
- Other job duties will be done by the Guillotine Operator E4.

Tentative Implementation Timing:

- Training complete, Capital equipment installed and job elimination started October 2009.

Note: Plan details are not intended to be all inclusive and are subject to additional input. Management reserves the right to add, delete or adjust plans accordingly.

5th Hand Job Elimination

Capital Required:

- Auto-Stop system for Rereeler. Drive upgrades and marker equipment required.
- Fox I/A required in Stock Prep to allow SPO to be on the floor during PM breaks.

Current Responsibilities:

- Housekeeping, filter cleaning, Log and Mandrel management, Turnup duties, Rereeler tasks, PM Break cleanup and tailing and outage tasks.

Task Redistribution:

- Housekeeping , filter cleaning, and Log/mandrel management tasks shared by PM crews.
- Turn Up tasks shared by 3rd, 4th and Backtender.
- Rereeler tasks simplified by Cognex with autostop. Rereeler tasks shared by 3rd and 4th Hand with limited assistance from Backtender. Some Log and Mandrel movements shared by coater crew.
- Break cleanup and threading duties shared by PM Crews.
- Outage duties distributed to others on PM Crews.

Tentative Implementation Timing:

- Training complete, Capital equipment installed and job elimination started in February 2010.

Note: Plan details are not intended to be all inclusive and are subject to additional input. Management reserves the right to add, delete or adjust plans accordingly.

Jobs being eliminated:

- 5th Hand(4)

* Guillotine Operator E4 position now assumes duties of Guillotine Operator E3.

Reduction of 4 positions in E4 Complex.

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5th Hand Job Elimination

Capital Required:

- Electric fork truck for basement possibly with special bucket to better pick up broke.
- Rereeler: “Jog Forward/ Jog Reverse/ Stop” buttons on unwind by catwalk on both front and back.
- E-Stop cable by Mt Hope roll if threaded conventionally.
- Buttons to widen out with wet end tail cutter from the dry end of the machine.

Current Responsibilities:

- Housekeeping, filter cleaning, Log and Mandrel management, Turnup duties, Rereeler tasks, PM Break cleanup and tailing and outage tasks.

Task Redistribution:

- Housekeeping , filter cleaning, and Log/mandrel management tasks shared by PM crews.
- Turn Up tasks shared by 3rd, 4th and Backtender.
- Rereeler tasks shared by 3rd and 4th Hand with limited assistance from Backtender.
- Break cleanup and threading duties shared by PM Crews.
- Outage duties distributed to others on PM Crews.

Tentative Implementation Timing:

- Training complete, Capital equipment installed and job elimination started in January 2010.

Note: Plan details are not intended to be all inclusive and are subject to additional input. Management reserves the right to add, delete or adjust plans accordingly.

Curtailed and New Jobs



Curtailed Jobs (32) <i>* Net 26 jobs eliminated</i>	Tentative Curtailement Dates	New Jobs (+6)
E-1 5 th Hand (4)	Mar. '10	E-1 General Utility (+4)
E-1 Beater Eng. Helper (4)	Mar. '10	E-3 Material Handlers (+2)
Guillotine Operator #1 (4)	Mar. '10	
Super Operator #11 or #12 (4)	May '09	
Additive Operator #3 and #4 (4)	Dec '09	
Guillotine #3 (4)	Oct '09	
E-3 5 th Hand (4)	Feb '10	
E-4 5 th Hand (4)	Jan '10	