



PRESS RELEASE

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Felix Schoeller Group plans to invest more than \$100 million in expanding its capacity in North America by 2025

- **Capacity expansion of the existing paper machine in Drummondville (Canada) to over 40,000 tons per year.**
- **Construction of a new silicone coater in Pulaski, New York for local supply to the North American release liner market.**
- **New construction of a second paper machine to service the Decor and Release Liner markets.**

The Felix Schoeller Group is systematically implementing its growth program for North America. Starting in 2023, capacities at the company's sites in the USA and Canada will be significantly expanded in three steps.

In the first step, a new silicone coater will be installed at the Pulaski, NY site in mid-2023. This will enable the Felix Schoeller Group to supply the North American market with domestically produced siliconized papers and films. In doing so, the company is relying not only on solvent-free silicone technology, but adding solvent-based silicone technology to their portfolio – while utilizing particularly energy-efficient and environmentally friendly technological solutions.

The second step is the expansion of the paper machine capacity in Drummondville, Canada, from currently 32,000 tons to over 40,000 tons per year. This increase is scheduled to be completed in the fourth quarter of 2023. And finally, the specialty paper manufacturer plans to invest in the construction of a second paper machine for the North American market. The plan is to add up to 50,000 tons of capacity for the decor and release liner markets. During project planning, the location and details of the technical equipment will be determined. The total investment for the production of high-quality decor papers and release liners in the North American sites is expected to exceed 100 million US dollars.

"With the significant expansion of our product capabilities and capacities in North America, we are following the plan of consistently expanding our local supply strategy. We are and always want to be present with our own productions in the markets where our customers are at home," says Hans-Christoph Gallenkamp, CEO of the Felix Schoeller Group. The decor paper market in North America is showing consistently good momentum and will continue to grow in the coming years, partly due to population growth, the resulting demand for housing and the associated investments by the wood-based materials industry. "With the project for a new paper machine, we are opening a new chapter for Felix Schoeller in North America. In the future, we will be able to offer reliable supply with local service not only to our customers for high-quality decor papers, but in addition to our key market for release liners." emphasizes Michael Szidat,



who as CEO of Felix Schoeller North America, is responsible for the business in North and South America. "The COVID crisis has proven the importance of domestic manufacturing for the flexibility and reliability we promise our customers," Michael Szidat continues.

About the Felix Schoeller Group

The Felix Schoeller Group develops, manufactures, and markets high-quality specialty papers for a wide range of applications and market segments in numerous industries and markets worldwide. The diverse product portfolio includes photographic and digital printing papers, decor papers for the furniture and wood industries, release papers for medical products and industrial applications, wallpaper nonwovens, sublimation papers for fashion, sportswear and home furnishings, and flexible paper composites for packaging. The world market leader for photographic and decor papers produced in 2021 with more than 3,700 employees, about 545,000 tons of specialty papers for about 1,800 customers in over 65 countries. Sales rose for the first time in the company's more than 125-year history to over 1 billion euros (1,048.6 million).

An integral part of the philosophy of the family-owned company, founded in 1895, is the combination of ecological action and economic principles for sustainable business. The Felix Schoeller Group is certified for quality, safety, and the ecological use of resources, for climate-neutral paper production. Among other things, the company has recently received the gold award in the global sustainability rating EcoVadis three times in a row. With a rating that rose again in 2022 to 68, it is among the top 5% of all companies assessed.

Since 2018, Hans-Christoph Gallenkamp has been the fifth generation to head the family-owned company, which was founded in 1895 and operates 19 sites in eleven countries, including Pulaski and Anaheim, USA, and Drummondville, Canada, as central photo and decor locations for the important North American Market.

The company's home and headquarters are in Osnabrück, Germany. The Felix Schoeller Group also has five production sites in Germany, joint ventures in Russia, India and China and representative offices in Sao Paulo, Tokyo, Shanghai, Kuala Lumpur, Melbourne, Moscow and Paris. Production, supply and service in the regions are key success factors in meeting local market and customer needs quickly and effectively. www.felix-schoeller.com

About Felix Schoeller North America Inc. and Technocell Canada Inc.

In 1960, Felix Schoeller founded the "Lee Schoeller Paper Co." in **Pulaski**, NY North America, and began producing photographic base paper there four years later. In 2002, the factory was converted into a central converting site. Today, 122 employees work at North America's main sales and distribution location on a total of 13 modern, highly flexible, fully automatic machines for converting and packaging.

The second location in the USA is **Anaheim**, CA. Since taking over the site founded in 1978 as the Alameda Company in 2018, Felix Schoeller North America Inc. has concentrated its converting, customer service, sales and distribution activities here, focusing on the West Coast. Fifteen employees work on modern paper and film converting and packaging systems.

The acquisition of a majority stake in the Kunz Group's decor paper mill in Drummondville, Canada, by the Felix Schoeller Group in 2001 heralded the internationalisation of Technocell Dekor. Twelve years later, they took over the paper mill founded in 1989 and now employs 113 people. On one paper machine, they produce more than to 30,000 tons of high-quality decor papers annually for the North American market.

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www.felix-schoeller.com**Picture 1:****Caption 1:** Technocell Inc., Drummondville Canada, site overview**Photo Credits:** Felix Schoeller Group

Picture 2:



Caption 2: Felix Schoeller North America Inc., site overview
Photo Credits: Felix Schoeller Group