

HIGH-END HOLMEN PAPER HANDLED WITH THE *Touch of Personal Service* *Only Wilmington*



DSPC welcomes Holmen Paper and Star Shipping on *m/v Star Grindanger's* inaugural voyage to the Port of Wilmington. In the photo on the left are (left to right): Henry W. Olsson, president of Holmen Paper, Inc.; Gene Bailey, executive director of the Port of Wilmington; Brian Wyly, cargo operations manager of Star Shipping; Grethe Hoyvik, Star Shipping's director North Atlantic Trades, and the Master of the *m/v Star Grindanger*.

The photo on the right shows the first rolls of Swedish paper discharged at Wilmington.

Forest products have been handled at the Port of Wilmington since the Port first opened for business. In fact, wood pulp bound for Maryland paper mills was the first cargo to arrive at the Port in 1923. And for the last several decades, Wilmington has been a predominant export gateway for a heavyweight paper commodity known as kraft linerboard (KLB) that is ultimately used to package tropical fruit bound for the U.S. from Central America.

Today, the Port of Wilmington is handling a different, fragile type of forest product as a result of winning a five-year contract with Holmen Paper, Inc., the U.S. division of Holmen Paper AB of Norrköping, Sweden.

The 400-year-old Swedish company selected the Port of Wilmington to be its Mid-Atlantic distribution hub to handle the logistics coordination, inventory management, and truck and rail loading of its rolls of high quality newsprint, catalog and magazine stock.

Holmen initially plans to ship over 50,000 tons of various types of printing paper to Wilmington and to gradually increase that volume to 100,000 tons annually. Rolls vary in size and can be as large 49 inches in diameter, 100 inches high, and can weigh up to 6,800 lbs.

In June, *m/v Star Grindanger* arrived and discharged 3,278 rolls of Swedish paper at Wilmington. This ground-wood printing stock,

much thinner than white "wood-free" sheet paper, is sold to end users for printing a variety of publications such as Wilmington's *The News Journal* daily newspaper, *TV Guide* weekly magazine, Verizon telephone directories, and various catalogs – all of which require a large roll of thin delicate paper that is fed and run through a high-volume, very fast, web printing press.

Since a slightly bent or damaged roll could hinder pressroom operations, the careful handling of this cargo became one of several major factors considered by Holmen Paper in awarding its business. To win the contract, the Port of Wilmington assembled its team of experts to provide an unbeatable logistics

Can Deliver

solution with its unique touch of personal service. This covered everything needed—from specialized handling and storage, customer service, distribution management, and information technology (IT) support.

To prepare for its first shipment, the Port sent its Director of Operations Fred Fitzgerald to Sweden to gain first-hand knowledge of Holmen's paper production process and to observe its warehousing, distribution and ship loading operations.

In addition, the Port's IT team, under the leadership of Dr. Inigo Thomas, installed and implemented a paper industry-specific logistics software package known as Papinet. Using this very specialized software, the Port completed the exchange of critical EDI logistics information with Holmen in Sweden several weeks before the arrival of the first cargo. The Port's responsive IT expertise impressed its newest customer!

Delaware River Stevedores (DRS), which partnered with the Port in winning the Holmen contract, sent its cargo handling team to the South Atlantic to observe first-hand a Holmen Paper discharge from one of Star Shipping's specialized forest product carriers.

New forklift trucks with specialized paper handling clamps were

acquired by the Port. And for specialized rail service, Norfolk Southern Corp. (NS) added customized hi-cube boxcars to its railcar fleet to carry Holmen's paper to the end users.

"We are very confident in the Port of Wilmington's ability to handle our product and service our customers," said Holmen Paper, Inc. President Henry W. Olsson.

He noted that although the Port did not have recent experience in handling their particular type of paper, the Diamond State Port Corp. (DSPC) aggressively pursued Holmen's business "and presented a thorough and professional operating plan

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which impressed and convinced our key decision makers. With the Port's investment in equipment, training and technology solutions to prepare for our business," Olsson added, "the Port of Wilmington not only met our expectations, they exceeded them!"

While the Port and other stakeholders were finalizing all preparations for the new program, NS was completing an extensive renovation of the Shellpot Bridge, a key railroad swing bridge which links the Port to NS' Edgemoor rail yard. Re-establishing service over this bridge equates to a quantum level improvement in rail service and pricing to and from the Port. Moving Holmen's paper to inland destinations via the Shellpot has significantly improved delivery time.

Holmen has contracted with Star Shipping of Bergen, Norway to provide the ocean transport from its mill in Norrköping on the East Coast of Sweden to Wilmington. It is anticipated that a monthly shipping schedule will increase to 18-24 arrivals per year. Star Shipping operates more than 40 specialized open-hatch vessels that are designed primarily for the transport of forest and paper products.

"We are very excited about our new partnership with Holmen," said Gene Bailey, executive director of the Diamond State Port Corporation (DSPC). "We look forward to helping Holmen grow its market share by providing the very best in logistics support and customer service to this world-class paper producer," he added. 



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