

## New paper-import deals for the Phila. port

**Increase in tonnage, which had dropped the last three years, will add jobs.**

By Linda Loyd  
Inquirer Staff Writer

After annual paper imports to the [Philadelphia](#) port fell by more than 600,000 tons in three years, piers on the [Delaware](#) River stand to recoup almost a third of that lost cargo, with new paper deals.

Finnish paper supplier M-real Corp. signed a long-term contract Wednesday with Penn Warehousing & Distribution Inc. to bring 125,000 tons and 18 to 24 ships a year to Piers 78 and 80 at the foot of Snyder Avenue.

Because M-real will be transitioning out of [Baltimore](#), another paper importer, Myllykoski Corp., plans to leave Baltimore also, and a month ago, it began importing 30,000 tons a year of glossy magazine paper through the Philadelphia port.

A third firm, [Sappi Fine Paper North America](#), will start exporting, in the next 30 days, another 30,000 tons a year of coated magazine paper - from mills in [Maine](#), through the Philadelphia port, to Australia. The paper will arrive by rail and truck, to be shipped from Packer Avenue Marine Terminal in South Philadelphia.

"It's a big event for the port. It really makes us much stronger," said [John Brown](#) Jr., president of Penn Warehousing, which runs the terminal handling paper products.

The economy, the weak value of the dollar, sharply reduced demand for paper, and the Internet had caused "the perfect storm" for paper imports, Brown said.

Total paper tonnage at the port here dropped from 811,452 tons in 2006 to 215,619 tons last year, said [Robert Blackburn](#), the Philadelphia Regional Port Authority's senior executive deputy director.

The new paper coming here - totaling 185 tons annually - will add 82 direct and 165 total port-related jobs, said the port authority.

M-real, which imports coated liner board that's used in retail and consumer packaging, still has a contract in Baltimore until January 2012, but as of May 7, it will send most of its North America imports on Wagenborg Shipping B.V. steamship vessels to Philadelphia.

"This is a good deal for us financially and, we believe, will be a good deal in the long term," said Jorma Sahlstedt, M-real USA's president, in Philadelphia on Wednesday to sign the contract.

"We were in Philadelphia for many, many years," he said. "We had a very good relationship here."

M-real left for Baltimore in 2006 because it wanted to consolidate port operations, and Philadelphia "was not able to service the volume we had at that time," Sahlstedt said. Since then, the company sold its magazine and catalog paper business. "After we sold our printing paper business, the situation has changed," Sahlstedt said.

"Also, the facilities in Philadelphia have now been updated. We'll now have a brand-new warehouse where our goods will be going."

Currently, Transatlantic Steam Ship Co. is the only shipper bringing paper into the port, much of it for [Stora Enso](#), a Finnish-Swedish paper manufacturer.

Stora Enso has told the port it planned to grow next year and would bring in 25 percent more paper volume, Brown said. Until now, "Transatlantic was the only carrier. It made it very dangerous for us from a survival standpoint" in terms of jobs.