

Gov. Walker: Midwest paper group committed to hiring up to 321 jobs, \$30 million investment to reconfigure the former Appleton Coated paper mill in Outagamie County

Posted on Monday, Jul 30, 2018

>> WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)

FOR IMMEDIATE RELEASE

July 30, 2018

Contact: Amy Hasenberg, (608) 266-2839

Governor Walker announces \$1.8 million in state tax credits to support job creation in the Fox Valley

COMBINED LOCKS – Governor Scott Walker joined Midwest Paper Group today as the company announced it is committed to creating up to 321 total jobs and investing \$30 million in the former Appleton Coated mill. Midwest Paper Group’s parent companies – Industrial Assets and Maynards Industries – purchased the former Appleton Coated facility at a court-approved receivership auction shortly after the mill closed in September 2017. At the time, the two companies were looking for a buyer for the plant, but after going months without finding one, they made the decision to run the mill as an ongoing operation.

“We commend Midwest Paper Group for having the foresight to realize that the old Appleton Coated mill, which has been a vital part of the community for generations, has the potential to remain a major employer for generations to come,” said

Governor Walker, who joined company officials and local leaders. “Wisconsin’s paper-making industry has a long legacy in the Fox Valley, and we’re supporting the Midwest Paper Group to ensure that legacy continues.”

Wisconsin Economic Development Corporation (WEDC) is providing Midwest Paper Group with up to \$1.8 million in state tax credits to support the company’s efforts to modernize the former Appleton Coated paper mill in Combined Locks.

The company restarted one of its three paper machines for production in December 2017 and begin rehiring former Appleton Coated workers. Today, all three paper machines are in operation around-the-clock, and about 310 workers – the vast majority of whom had worked at Appleton Coated – are back on the job.

“We have received overwhelming support and encouragement to restart this mill – support and encouragement from the owners, community, customers, suppliers, government officials, contractors, and most importantly, our employees,” said Kyle Putzstuck, president of Midwest Paper Group. “The additional support from the state of Wisconsin being announced today is further affirmation that we are on the right path and represents a significant investment in continuing the 129-year old papermaking tradition in Combined Locks.”

In addition to reopening the mill, Midwest Paper Group is spending millions to convert the facility from one that produces printing and writing grades of paper (white paper) to one that produces packaging grades (generally brown paper). The project entails installation of equipment needed to convert waste paper to medium and linerboard used in corrugated and other packaging.

Midwest Paper Group will produce both grade lines initially, but it plans to increase production of its packaging grades of paper. The company says there is growing demand for packaging papers because of online shopping and shipping, and the mill’s conversion will help meet that demand and keep the paper manufacturing in Combined Locks.

To support the conversion of the mill, WEDC is awarding Midwest Paper Group with up to \$1.8 million in state income tax credits over a three-year period. The actual amount of credits the company receives is contingent upon the number of jobs it creates during that time. To receive the full amount of credits, Midwest Paper Group must create 321 jobs by 2020 and maintain them through at least 2022.

Local officials and industry leaders congratulated Midwest Paper Group on its early success.

“The initial stages of the Midwest Paper Group pivot to a new, growing line of paper products has successfully provided the rebirth of legacy jobs in the community,” said Jerry Murphy, executive director of New North, Inc. “Company ownership and leadership should be applauded for their willingness to take a risk and make this investment. This truly is an amazing story of how economic development can occur when people think outside the box and collaborate, and we are really excited to have it happen in the New North.”

“Appleton Coated had very talented employees and we are grateful that Industrial Assets and Maynard Industries recognized that talent by investing in the company’s transformation,” added Peter Thillman, vice president of economic development for the Fox Cities Regional Partnership. “What you see today is what happens when talent is combined with strategic investment. Congratulations to all who were part of this company’s rebirth.”

“The Wisconsin Paper Council would like to congratulate Midwest Paper Group for making Wisconsin’s paper industry even stronger due to its bold investment in our state’s economy,” stated Scott Suder, president of the Wisconsin Paper Council. “We also want to thank Governor Walker and the WEDC for their wise decision to dedicate state resources to this strategic investment, which will create over 300 good-paying jobs in the Fox Valley and bolster Wisconsin’s growing economy.”

In addition to the 321 jobs created by Midwest Paper Group, an economic modeling study estimates the project could indirectly generate 594 additional jobs in the region. Those 915 new jobs are expected to generate about \$9 million in state income tax revenue over a five-year period.