

# U.S. Sen Baldwin: To Verso Corporation: Sell the mill to a buyer committed to North Central Wisconsin

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*“The shared prosperity of the Wisconsin Rapids community depends on the continued operation of the pulp and paper mill, free from any unreasonable conditions placed on its sale by Verso.”*

WASHINGTON, D.C. – U.S. Senator Tammy Baldwin is urging the Verso Corporation to consider the impact of the sale of its Wisconsin Rapids mill on all the people in North Central Wisconsin. The facility directly supports more than 900 workers in the region, as well as thousands of workers and many small businesses throughout Wisconsin. The Verso pulp and paper mill has been idled since July 31, 2020 as Verso seeks a buyer.

In her letter to Verso Corporation President and CEO Adam St. John, Senator Baldwin encourages the company to sell the Wisconsin Rapids mill to a buyer that is committed to keeping the proceeds from the facility’s operations in the community. The mill was previously sold to New York-based private equity firms.

**Baldwin writes,** *“As Verso considers how it will divest from the Wisconsin Rapids facility it idled at the end of July, I write to encourage you to be a good steward of the paper and pulp assets that have provided good jobs to North Central Wisconsin for over one hundred years. During most of that time, the mill’s owners have been more than just employers, but active members of a vibrant community in Wisconsin Rapids. As such, I ask that you consider the impact of the sale on all the people in the North Central Wisconsin region, and not just your shareholders. The shared*

*prosperity of the Wisconsin Rapids community depends on the continued operation of the pulp and paper mill, free from any unreasonable conditions placed on its sale by Verso.”*

While the mill has been producing paper since 1904, it has been more than just an employer to the people of Wisconsin Rapids. The Mead family, who were the original owners of the Consolidated Water Power & Paper Company, provided assistance for public projects, served in local government, and used the mill’s resources to meet the community’s needs. Unfortunately, after the sale of the company by the Mead family in 2000, the relationship between the owners and the city frayed as the two previous owners, including Verso, went bankrupt while under the control of New York-based private equity firms.

Instead of making long-term investments, private-equity owned companies are more likely to aggressively cut costs and sell off assets to cover their debts. While Wisconsin Rapids was largely spared from these bankruptcies in the past, other cities in Wisconsin weren’t so lucky and lost their mills for good. Since 2000, Wisconsin has lost over 20 paper mills and one-third of its paper mill jobs. A report by the University of Wisconsin estimates more than 1,600 indirect job losses and statewide economic losses of more than \$250 million annually if the Wisconsin Rapids mill were to close.

**In her letter, Baldwin writes,** *“It is with this recent, painful, history in mind that I ask you to consider yourself a steward of these assets as you search for a buyer. In order for the mill to be set up for success, the buyer must be free from any unreasonable conditions on the mill’s operation, specifically any limitations on the paper grades that the buyer may produce at the facility. I would also encourage you to sell the mill to a buyer that is committed to keeping the proceeds from the mill’s operation in the community to the maximum extent possible.”*