



Sappi North America

**Shared Service Center
South Portland**

179 John Roberts Road
ME 04106 South Portland
UNITED STATES OF AMERICA
Tel +1 207 854 7000

www.sappi.com

Michael Segal
Director, Logistics and Operations
Planning
Mobile +1 207 776 5853
Mike.segal@sappi.com

The Honorable Pete Buttigieg
U.S. Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Rear Admiral Ann C. Phillips
Maritime Administrator
Maritime Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

24 April 2023

**RE: Duluth Seaway Port Authority Grant Application - MARAD Port
Infrastructure Development**

Dear Secretary Buttigieg and Rear Admiral Phillips:

On behalf of Sappi North America, please accept this letter of support for the Duluth Seaway Port Authority's (DSPA) application for \$30M in funding through the Port Infrastructure Development Program to help fund the 2023 Duluth Port Intermodal Terminal Expansion project.

The DSPA owns and operates Clure Public Marine Terminal, which is located within the Port of Duluth-Superior. Improvements to port infrastructure and capabilities made by DSPA have been critical to the success of our operations. The 2023 Duluth Port Intermodal Terminal Expansion project includes the construction of 100,000 square feet of on-dock, rail-served warehouse space, the demolition of dilapidated grain elevators to allow for more than seven acres of outdoor material laydown area, and the purchase of a new hybrid-electric mobile harbor crane to enhance port operations.



Located on the banks of the St. Louis River since 1898, our integrated pulp and paper mill in Cloquet, Minnesota is one of the most modern and sustainable pulp mills operating in North America. The mill produces dissolving pulp for the textile market and bleached kraft pulp used for papermaking. Cloquet is in the top 100 exporters for its brand of Verve dissolving pulp to the global economy. The paper mill manufactures graphic papers used in annual reports, advertising brochures, fine art books, direct mail, labels and point-of-purchase displays.

The Cloquet Mill is a leader in sustainability through innovations in energy usage, water reclamation and waste reduction.

The mill directly employs over 700 highly skilled workers, and as one of the largest employers in the area, the mill also supports the local economy through the engagement of contractors, suppliers and small businesses, as well as charitable contributions to community organizations.

The impact that the Cloquet mill has on the community and the region from an economic standpoint is significant. For every dollar of that Cloquet spends on wood, there's an additional \$41 of economic activity in the region—that's a \$4.6 billion impact just from the mill's wood buy.

Sappi North America uses the local port for warehousing and shipping of our products. We are very interested in this effort to invest in the local infrastructure, as it is consistent with our desire to expand our utilization of these resources further. The initiatives within this grant application support these business goals, and the improvements are needed to support not only the current demand, but also the anticipated growth within our business to move product from Cloquet to the global economy.

We appreciate your consideration of this application.

Yours sincerely,



Michael G. Segal
Director, Logistics and Operations Planning

CC: S. Manchester
T. Radovich

About Sappi North America, Inc.

Sappi North America, Inc., headquartered in Boston, is a market leader in converting wood fiber into superior products that customers demand worldwide. Our four diversified businesses – high-

quality Graphic Papers, Dissolving Pulp, Packaging, and Specialty Papers deliver premium products and services with consistent quality and reliability. Our high-quality Coated Printing Papers are used for premium magazines, catalogs, books, direct mail and high-end print advertising. We are a leading manufacturer of Dissolving Pulp, which is used in a wide range of products, including textile fibers and household goods. We deliver sustainable Packaging and Specialty Papers for luxury packaging and folding carton applications with our single-ply packaging brands and for the food and label industries with our specialty papers. We are one of the world's leading suppliers of Casting and Release Papers with lines for the automotive, fashion and engineered films industries.

Sappi North America is a subsidiary of Sappi Limited (JSE), a global company headquartered in Johannesburg, South Africa, with more than 12,000 employees and manufacturing operations on three continents in seven countries and customers in over 150 countries. www.sappi.com

