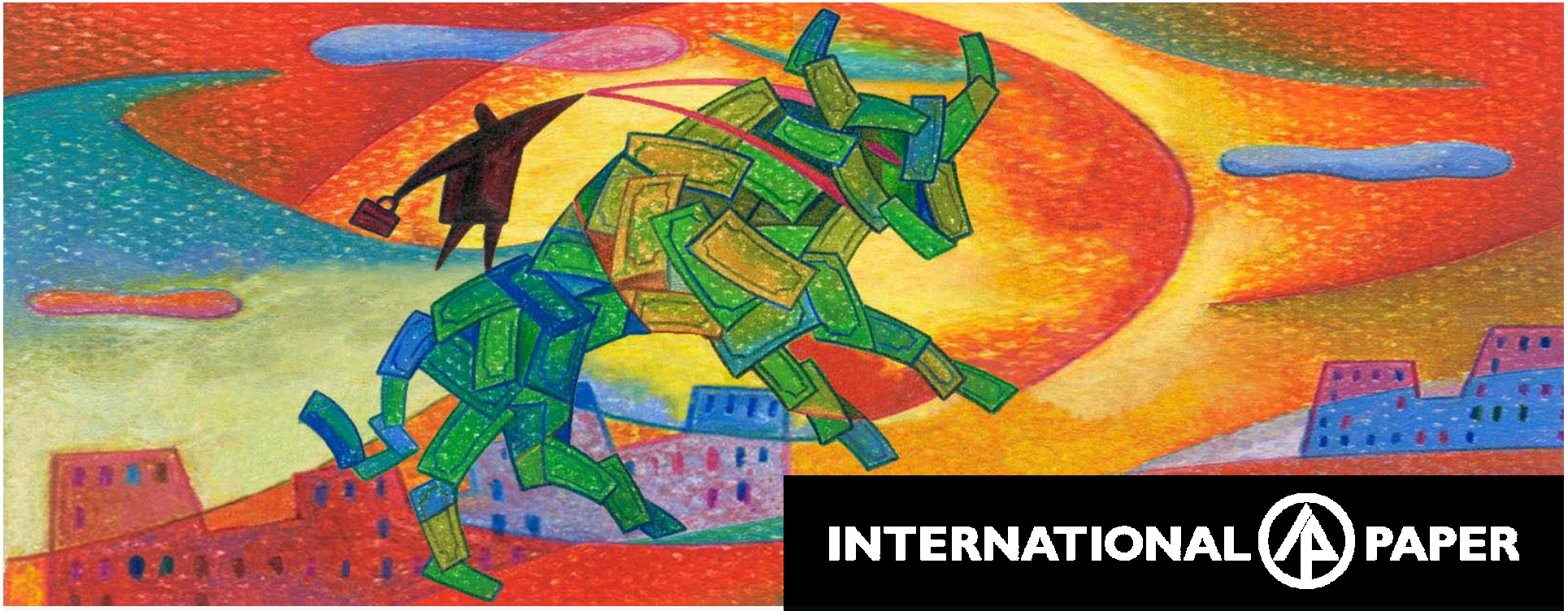


INTERNATIONAL PAPER

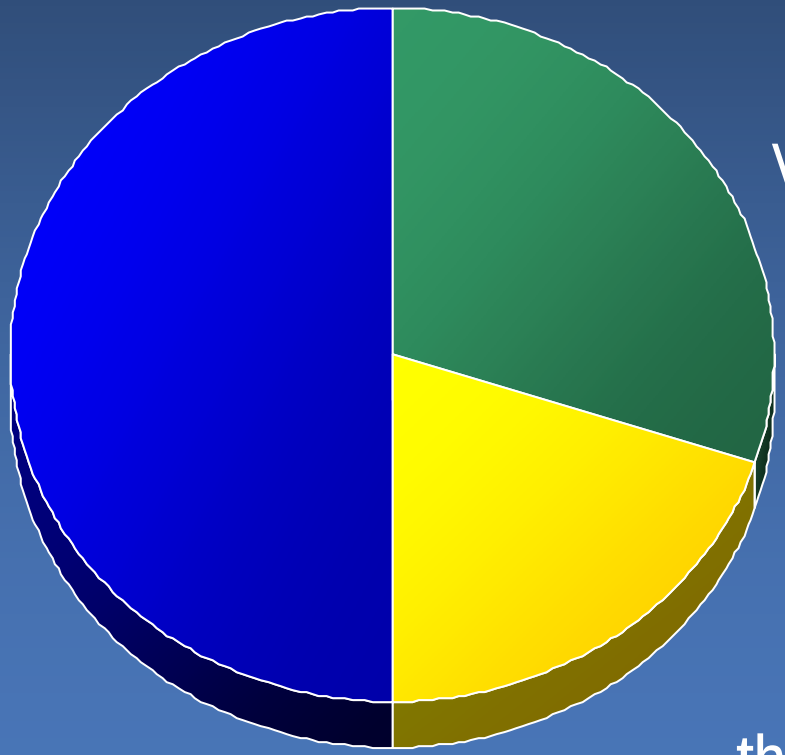
Operational Excellence

Tommy Joseph

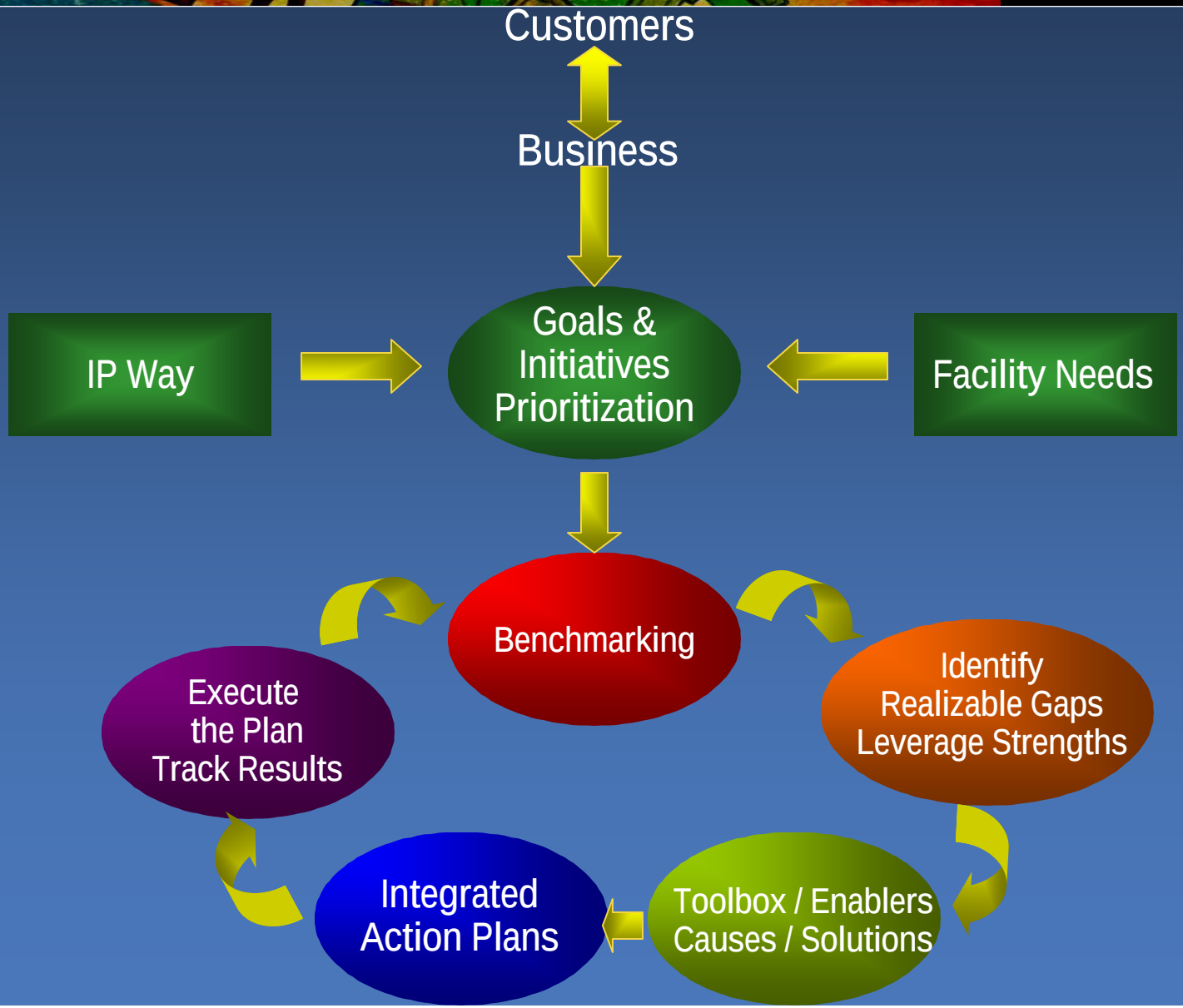
Transformation Plan
Operational Excellence Process

INTERNATIONAL PAPER

Targeting about $400 million of annual profit improvement through three initiatives



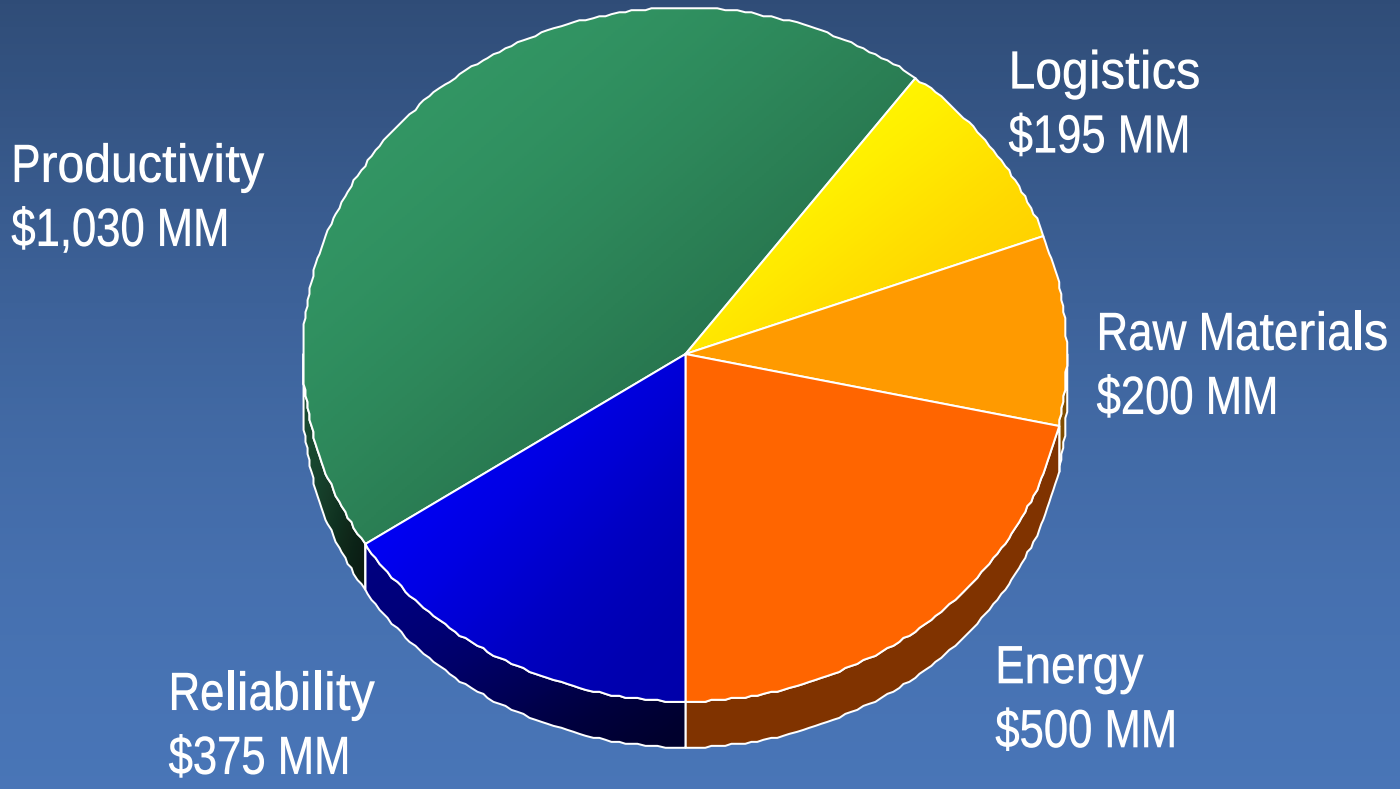
Operational Excellence Process



Company-Wide Margin Improvement Opportunity

INTERNATIONAL PAPER

$2.3 Billion

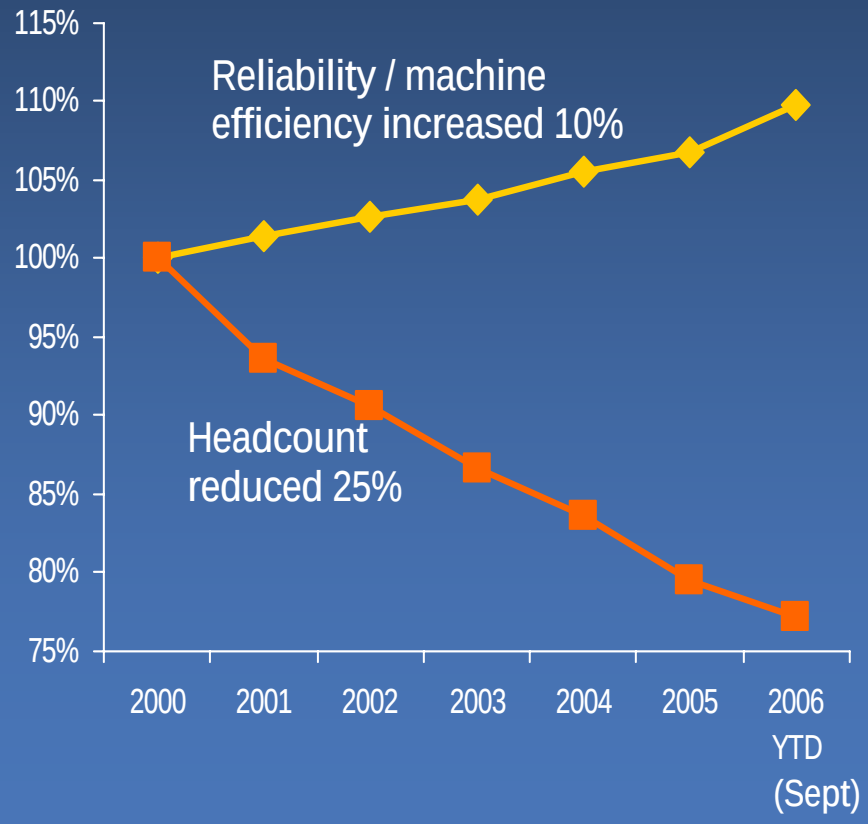


Operational Excellence Achievements

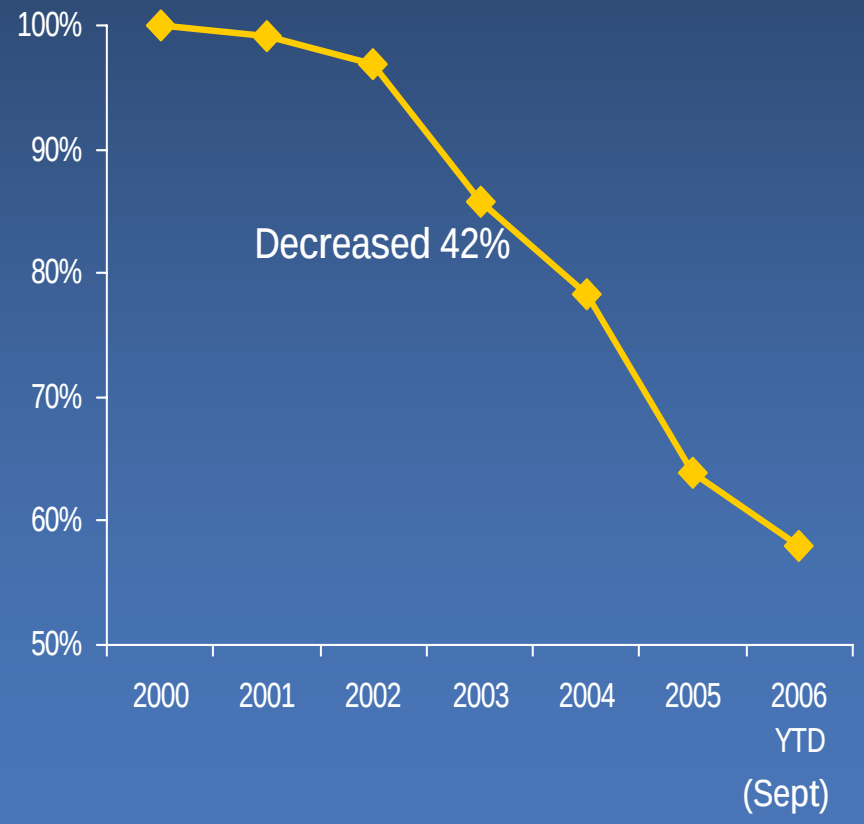
Company-Wide Margin Improvement of $1.3 Billion

INTERNATIONAL PAPER

Productivity and Reliability



Energy Consumption



Operational Excellence

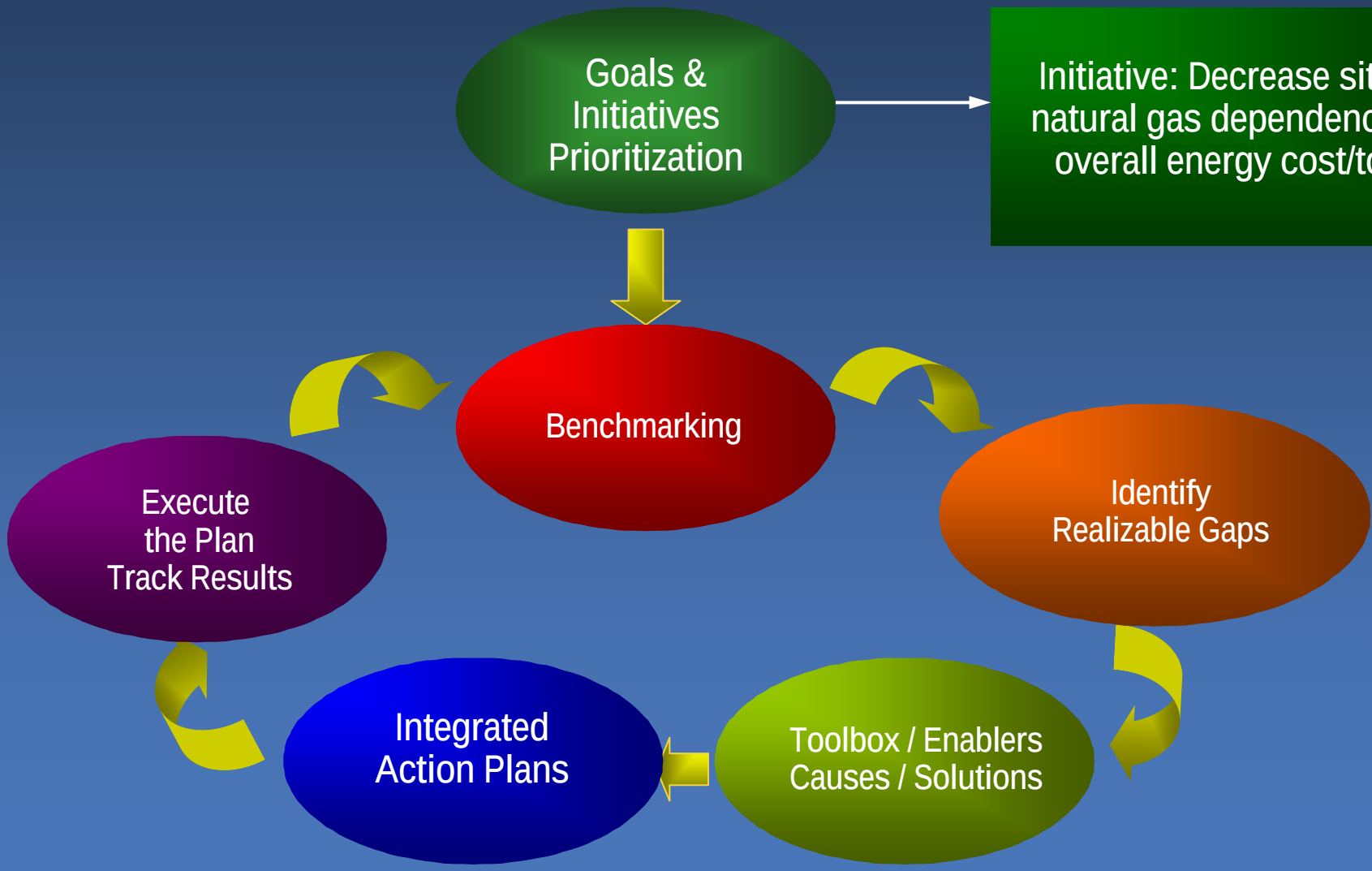
Focus Areas Going Forward – Transformation Period

INTERNATIONAL PAPER

Category	$MM
Productivity	350
Energy	200
Raw materials	150
Reliability	150
Logistics	150
Total	$1 Billion

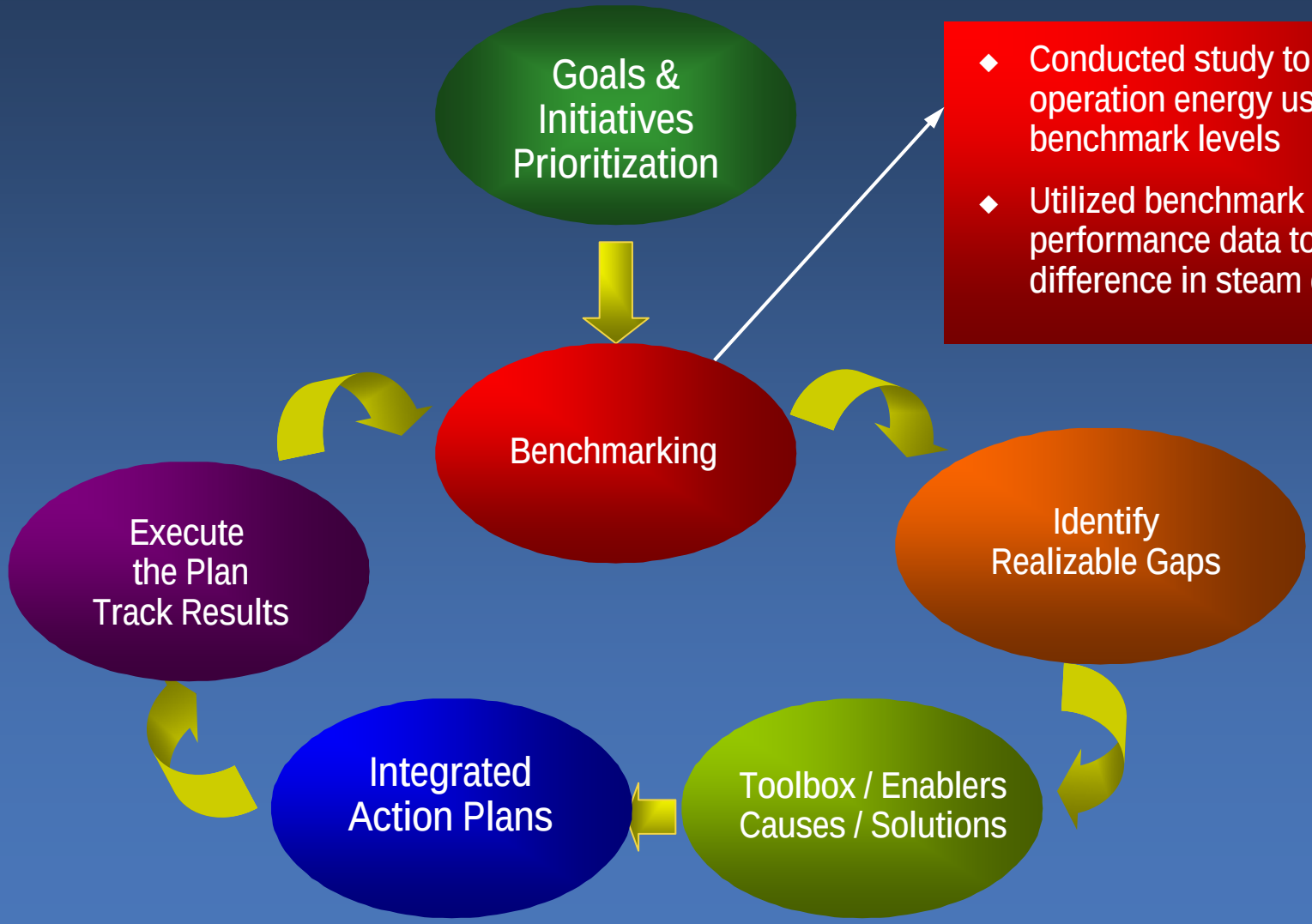
Operational Excellence
Courtland Mill

INTERNATIONAL PAPER



Operational Excellence
Courtland Mill

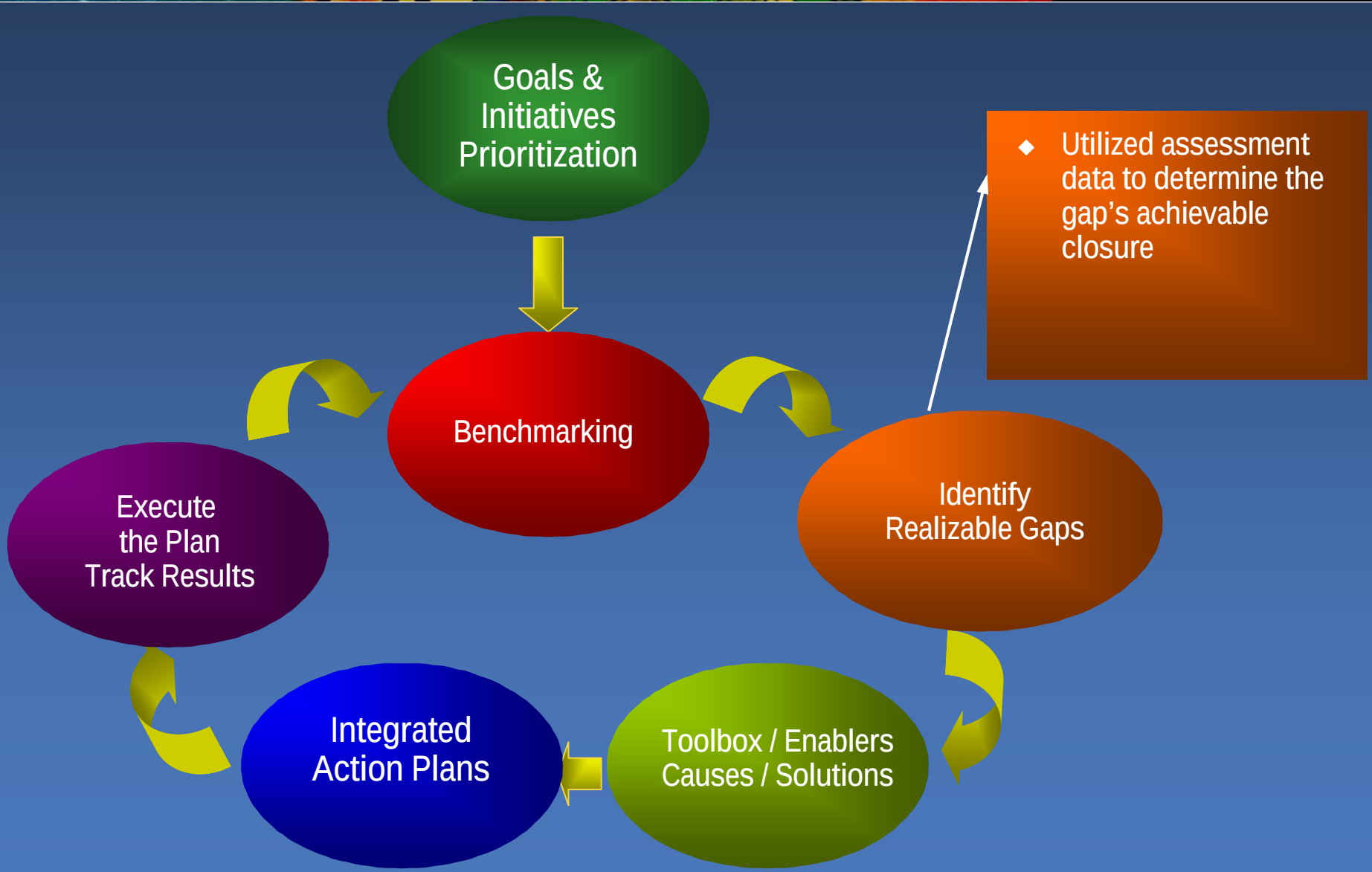
INTERNATIONAL PAPER



- Conducted study to compare unit operation energy usage to benchmark levels
- Utilized benchmark & actual performance data to identify gap difference in steam consumption

Operational Excellence
Courtland Mill

INTERNATIONAL PAPER



Operational Excellence
Courtland Mill

INTERNATIONAL PAPER

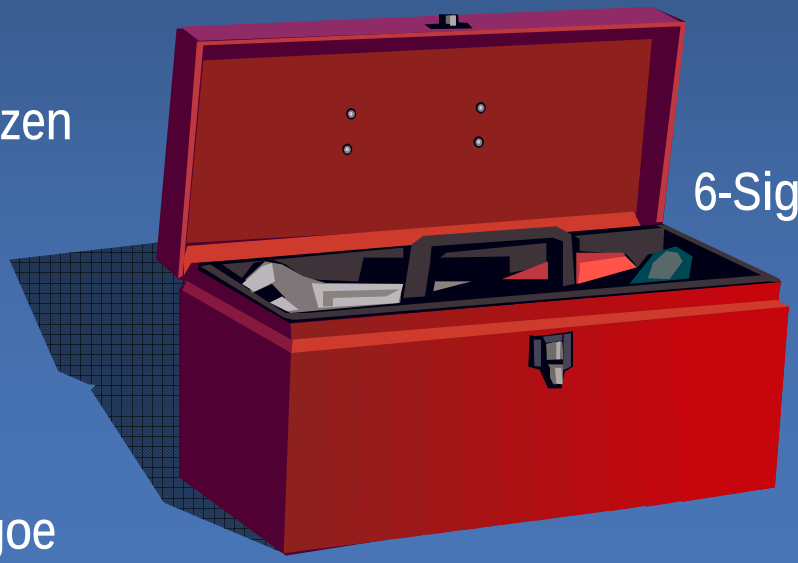


Process Mapping

Kaizen

6-Sigma

Reliability



Kepnor-Tregoe

Root Cause Failure Analysis

Operational Excellence
Courtland Mill

INTERNATIONAL PAPER

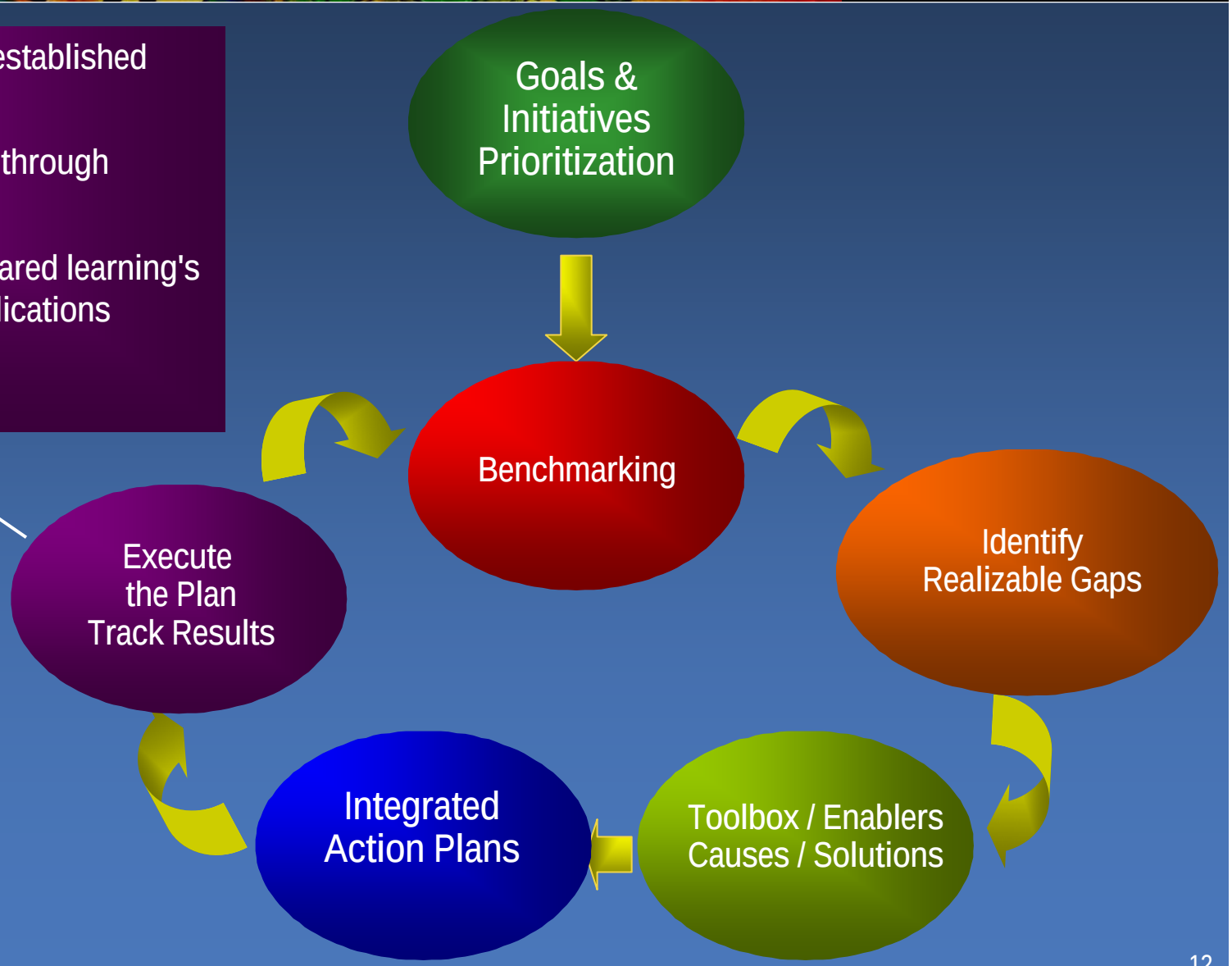


- Non-capital & small capital solutions were prioritized and aligned into a facility action plan

Operational Excellence
Courtland Mill

INTERNATIONAL PAPER

- Implemented the established action plan
- Sustained results through auditing & tools
- Documented & shared learning's for additional applications

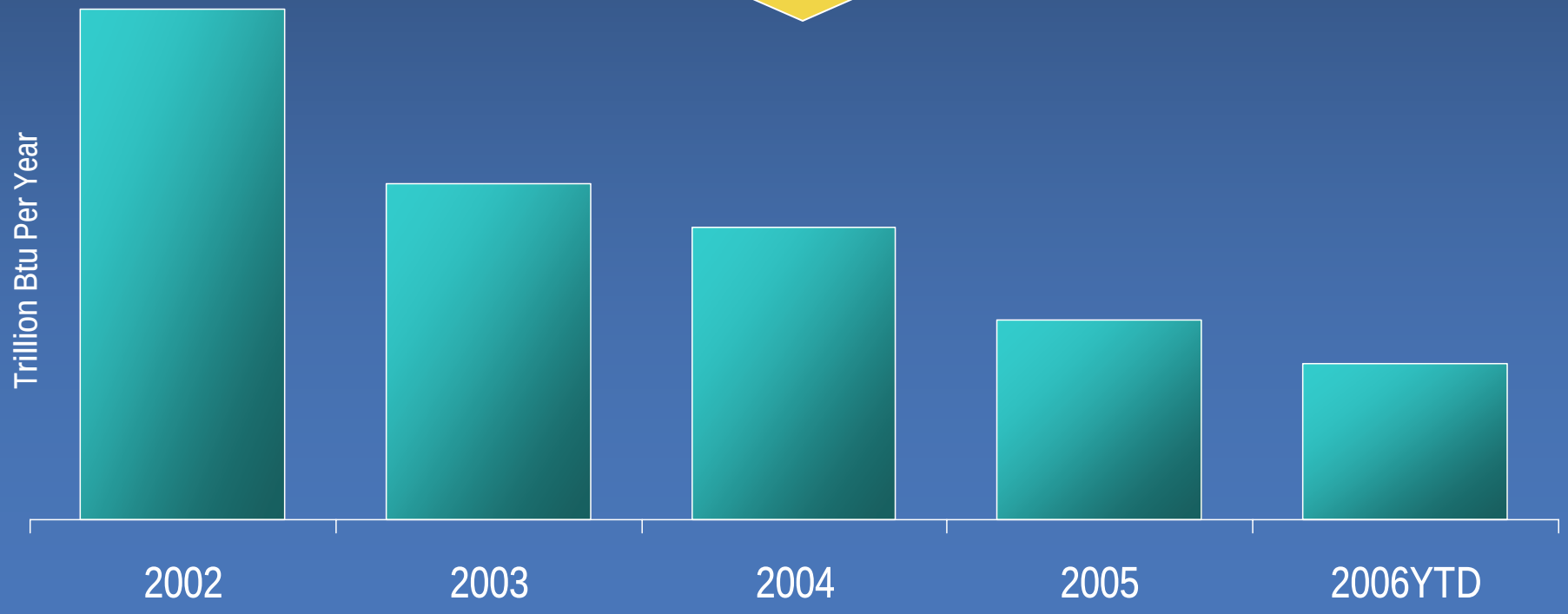


Operational Excellence
Courtland Mill

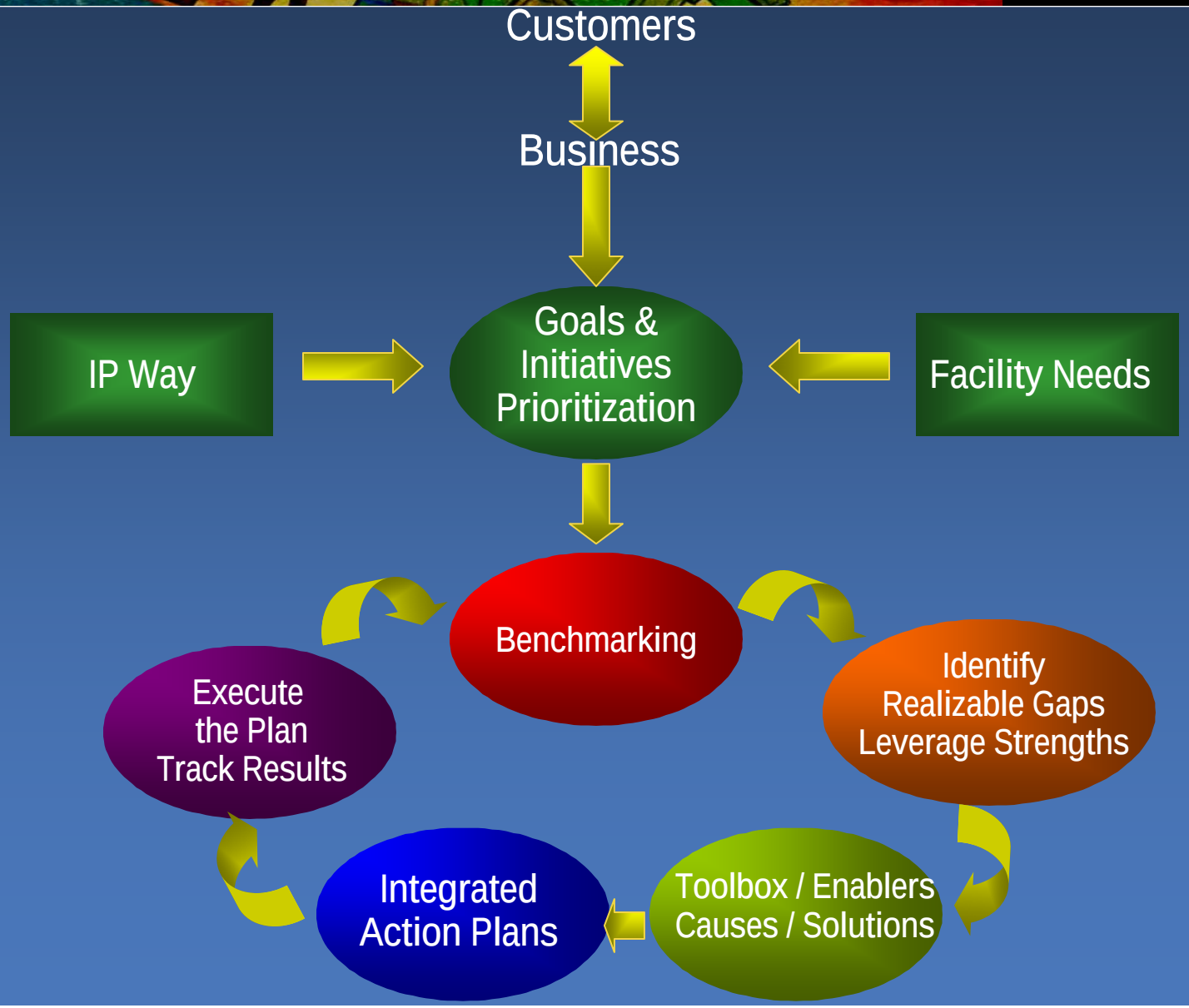
INTERNATIONAL PAPER

Results

Natural Gas usage decreased by 6 trillion Btu/yr (nominally $48 million/yr at $8/MMBtu)



Operational Excellence Process



A Stronger, More Valuable IP

