

Commonwealth of Virginia Office of Governor Terry McAuliffe

FOR IMMEDIATE RELEASE

September 27, 2016

Office of the Governor

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Governor McAuliffe Announces 50 New Jobs in Isle of Wight County

~ ST Tissue LLC to invest \$35 million to expand manufacturing operation ~

FRANKLIN – Governor Terry McAuliffe announced today that ST Tissue LLC, a manufacturer of high-quality tissue, towel and napkin products, will invest \$35 million to expand its operation in Isle of Wight County. The company will add a new tissue machine and hard wound towel line that will increase existing capacity by more than 45,000 tons annually. Virginia successfully competed against Wisconsin for the project, which will create 50 new jobs.

"In 2013, ST Tissue resurrected a former paper mill and converted it into a leading paper products manufacturing facility that continues to grow and thrive in Isle of Wight County," said Governor McAuliffe, speaking at the event. "We are proud that this important corporate

partner put citizens back to work and has made the decision to further invest in its operation and workforce. Growing the advanced manufacturing sector in the Commonwealth is a fundamental part of our efforts to diversify and build a new Virginia economy, and ST Tissue's expansion is a great testament to our ongoing success."

"ST Tissue is an important manufacturer and corporate partner on Virginia's roster," **said Secretary of Commerce and Trade Todd Haymore**. "The company has breathed new life into its retrofitted Isle of Wight facility, and is positively contributing to the resurgence of manufacturing in the Commonwealth, an industry that employs more than 240,000 and represents over \$118 billion in direct annual economic output in Virginia."

ST Tissue, a minority-owned business, is North America's premiere outsourced tissue manufacturer for Away From Home (commercial) tissue. The company provides bath tissue, paper towels and napkins, which are sold to channels such as food service, lodging, and office buildings. The company provides its customers with a quality source for commercial tissue, offering vast product breadth and guaranteed deliveries. ST Tissue's facilities are on the leading edge of sustainable manufacturing processes, producing its own 100 percent-recycled fiber, and have the capability to manufacture products with very high post-consumer fiber content. Over the past five years the company has also leveraged its success in rebuilding old manufacturing sites to revitalize low-income communities.

"Virginia is one of the most forward-thinking states in terms of cultivating its business ecosystem," **said Vice President of ST Tissue Sahil Tak**. "We witnessed it first-hand as we built our mill in Isle of Wight in 2013 – the location, the workforce, the incentives from the state and local communities – it all adds up to a big advantage for Virginia when vying to attract new business. The state, and especially the community in Isle of Wight and Franklin, welcomed this opportunity with open arms and ushered this project forward against some very tough odds. Together we have proven that we can create manufacturing jobs here in the country, given there is broad level support from the state, local communities and entrepreneurs willing to make it happen."

The Virginia Economic Development Partnership worked with Isle of Wight County and the City of Franklin to secure the project for Virginia. Governor McAuliffe approved a \$167,500 grant from the Commonwealth's Opportunity Fund to assist Isle of Wight and Franklin with the project. The company is eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development. ST Tissue will also be eligible to receive sales and use tax exemptions on manufacturing equipment. Funding and services to support the company's employee training activities will be provided through the Virginia Jobs Investment Program.

"We in Isle of Wight County, together with our neighbors in the City of Franklin, heartily embrace the expansion of ST Tissue," **said Rex Alphin, Chair of the Isle of Wight County Board of Supervisors**. "This multi-million dollar investment and the addition of many excellent jobs underscores the confidence business leaders have in the Hampton Roads region, and bodes well for the future of our communities."

"We are thrilled to be supportive of the expansion of ST Tissue," **said Franklin Mayor Frank Rabil**. "This level of collaboration between Isle of Wight County and the City of Franklin is historic and necessary for both of our communities to grow and thrive. ST Tissue is an outstanding corporate citizen and we look forward to their continued success in the region."

"I would like to welcome ST Tissue to the City of Franklin and Isle of Wight County and congratulate them on their new expansion," **said Senator Louise Lucas**. "You will find the people here in our communities are resilient and will play a significant part in making ST Tissue a success. I feel profound gratitude for the opportunity to represent the citizens of the City of Franklin and Isle of Wight County. I look forward to seeing the company become one of the leading employers in our communities and for the Virginia economy."

"New job opportunities in the manufacturing industry were declining in our rural communities," said Delegate Roslyn Tyler. "I am pleased that ST Tissue will expand their operations in the City of Franklin and Isle of Wight County, creating new 50 jobs that will benefit many families and our communities."

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