

2003 - 2004

Board of Directors

President

Marc Marsilio

Shipmaster Containers Ltd.

1st Vice President

Scott Andrews

Moore Packaging Corp.

2nd Vice-President &

Warren Pearce

Pearce Containers Ltd.

Immediate Past President

John Franciosa

Gerrity Corrugated Paper Products Ltd.

Region Eleven Director & AICC International Director

Kim Nelson

Royal Containers Ltd.

Associate Director

Mike Rizzuto

Atlantic Packaging Products Ltd.

Director's at Large

David Briggs

TenCorr Packaging Inc.

Dave Buck

Bird Packaging Ltd.

Neil Fyfe

Shipmaster Containers Ltd.

Mike Johnson

Hughes Containers Ltd.

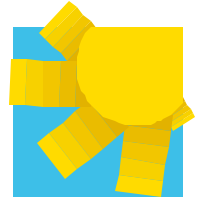
Kevin Sharkey

Bird Packaging Ltd.

President's Message

John Franciosa

What a year! We faced continual pressures within our business climate to make us stay on our toes; The rise in the Canadian dollar, state of the economy, geo-political uncertainty with an unstable peace process, fluctuating paper prices, an increase in installed and planned converting capacity, etc. How many more factors can we take? Yet our industry members have been able to deal with these pressures and maintain successful businesses with long term futures.



This year has been a very successful for AICC Region 11 – High turn-out to our regular events – Jana Marmeï, our new administrator director, performed an exceptional and seamless role, and the talented and cohesive board of directors that make things happen efficiently. We enjoyed a wonderful night together celebrating the Christmas season and ended this year's function with a better than ever golf day. Mohawk College was supported in their corrugated design competition – a great source of future employees for our industry. An Olympic motivational speaker put into perspective the commitment and dedication we need to achieve our destiny in this industry. And proudly, we recognized one of our own – Don Lumb for the great service and leadership he has given our industry over the years. The annual golf trophy awarded at the recent tournament was established in his honour. Personally, it was a full and rewarding year.

The best part of all is that AICC Region 11 is alive and well to promote the wellbeing of the independent corrugated converter to pursue their potential. *This year we welcome Mike Johnson from Hughes Containers as the newest member of the Region Eleven Board.*

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We wish to Thank the
2003 Golf Classic Sponsors

Smurfit-Stone Container Corp.
Norampac Inc.

Add Ink

Atlantic Packaging

American Corrugated Machine

Applied Stretch Technology

Atlas Containers

Bird Packaging Ltd.

Central Graphics and Containers

Colmar Inks

Corrpar Industries Ltd.

Cristini Corrugator Belts

Fabri Packaging

GMF Flexo Prepress Inc.

Gerrity Paper Products

Greif, Inc.

Independent Corrugator Inc.

Kruger Inc. Ontario Packaging

Matcom Industrial Installations

McKinley Machinery

MHI Mitsubishi Heavy Industries

Moore Packaging

Morphy Containers Ltd.

New Generation Steel Rule Die

Pamarco Global Graphics

Pearce Wellwood Inc.

Pine Valley Packaging Ltd.

Propak Inc.

RBC Investments

Royal Containers Ltd.

Shipmaster Containers Ltd.

TenCorr Packaging Inc.

Young Flexographic Ltd.

AICC (Canada) Region Eleven's 24th Annual Golf Classic & First "Education Fund" Auction

Held Monday June 9, 2003

Region Eleven's 24th Annual Golf Classic and First "Education Fund" Silent Auction was a great success. Our 160 players enjoyed a wonderful day of golf, meeting with colleagues, a great meal followed by an awards ceremony and the introduction of the 2003 - 2004 board.

This year we saw some well received format changes which included a first "Education Fund" Silent Auction and the replacement of individual player prizes for a premium Player Gift Boxes filled with golf goodies.



Marc Marsilio presented John Franciosa, with the outgoing President's plaque commemorating his term in Office.

The idea for the Education Fund Silent auction came together while again recognizing the need to support corrugated student programs which are vital to filling our businesses with a talented, educated and professional workforce. We are pleased to say the silent auction raised \$1700 dollars towards our fund.

Like many of our programs, we have a great number of sponsoring companies who support our efforts. The day would not have been the same without the stellar support of those companies listed to the left. Thank you for making the 24th Golf Classic better than ever.

Annual Salary Survey Special Thanks to

Kevin Sharkey
Bird Packaging
for help with the
2003 Salary Survey.



**Congratulations to our
Golf Tournament Winners!**

Winning Team

Craig Andrews
Mikah Thorne
Art Wiseman

2nd Place

Warren Pearce
John Franciosa
Mark Marsilio
Mike Rizzuto

3rd Place

Larry Cooper
Brian Wildfang
Tara Hennigar

Women's Longest Drive

Kim Nelson

Men's Longest Drive

Larry Cooper

Closest to the Hole

Steve Dane
Pat Szany



**Thank you
to all
for participating
in a great day!**



Our Appreciation to the 2002 - 2003 Region Eleven Committee's

Program Committee: John Franciosa, Chair
Committee: Neil Fyfe, Marc Marsilio, Warren Pearce, Scott Andrews

Education Committee: Scott Andrews, Chair
Committee: John Franciosa, Kevin Sharkey

Membership Committee: Neil Fyfe, Chair
Committee: Dave Briggs, Kim Nelson, Kevin Sharkey, Jana Marme

Golf Committee: Warren Pearce, Chairperson
Committee: Marc Marsilio, Mike Rizzuto, Dave Briggs, John Franciosa

Christmas Frolic: Marc Marsilio, Chairperson
Committee: Kim Nelson, Dave Briggs, John Franciosa, Jana Marme

PPEC: Paper and Paperboard Environmental Council

PPEC is the recognized voice of the Canadian Paper Packaging Industry representing the environmental interests of the paper-based packaging industry - PPEC works with other industry and environmental associations - develops practical solutions to the municipal solid waste challenge as it affects paper-based packaging and aims to become the recognized source for the best data available covering all aspects of the paper packaging industry in relation to environmental issues.

PPEC continues to operate at a high level of performance thanks to professional management and the support and financial contributions of its founding members: Packaging Mills Association of Canada, The Canadian Corrugated Case Association, The Canadian Paper Box Manufacturers Association and The Association of Independent Corrugated Converters - AICC (Canada) Region Eleven.

PPEC plays an important role in all aspects of the environment and currently has various projects underway:

- *Making sure that stewardship levies on paper packaging are fair and equitable between materials.*
- *Ensuring that fair recognition is given to current recovery rates for paper-based packaging in any levy formula.*
- *Representing the industry on the Waste Diversion Ontario Board of Directors to ensure our interests are protected.*
- *Liaising with other industry associations in other provinces on similar stewardship issues.*
- *Continuing to lobby with other industry associations against Extended Producer Responsibility (EPR) when it means Industry pays 100% of the cost to divert materials put into the marketplace. We prefer "Shared Responsibility" where the costs are shared between key players (governments, consumers and industry).*
- *Continue to write letters to various publications when there is a need.*

Over the years, a number of our Sheet Plant members and their subsidiaries have supported the efforts of PPEC through monetary donations.

We wish to acknowledge and thank the following members who supported PPEC in the 2002 - 2003 year

Central Graphics & Containers Group Ltd.	Mr. Richard Eastwood
Coleman Containers Ltd.	Mr. Richard Ciupak
Coyle Corrugated Containers Ltd.	Mr. Wm. Coyle & Mr. Gordon Coyle
Brown Packaging Inc. (Div. of Coyle)	Mr. Arthur Murdoch
McLeish Containers (“)	Mr. John Coyle
St. Catharines Corrugated Containers (“)	Mr. Doug Clendening
Guthrie Containers Co. Ltd.	Mr. Bob Guthrie
Hughes Containers Ltd.	Mr. John Hughes
Kruger Inc.	Mr. Tony Lapenna
Mid-North Containers Ltd.	Mr. Steven Edwards
Morphy Containers Ltd.	Mr. Brad Morphy
Pearce Wellwood Inc.	Mr. Warren Pearce
Pinto Packaging Ltd.	Mr. Peter DiPinto
Royal Containers Ltd.	Mr. Ross Nelson
Shipmaster Containers Ltd.	Mr. Neil Fyfe

By Scott Andrews

Recently, at the AICC Region 11 Golf Tournament we introduced our first sponsorship to raising funds towards Mohawk's College ambitious plan to build a new Packaging Centre of Excellence.

The corrugated industry in Ontario continues to grow and expand its manufacturing facilities and new technological equipment is being added. This new technology requires a skilled labour pool to draw from so that our customers increased demands for creative structural and graphic designs are met.

Mohawk's plan to build this new \$15 million dollar facility will require the help from industry to raise the capital to ensure that future graduating students have the training and education to step right into our facilities.

AICC Region 11 will continue to find ways to support future graduating students who will someday manage our industry. Please help AICC Region 11 with our efforts at future fundraising events.

AICC International Update

By Kim Nelson

If you attended the Spring Convention in San Antonio, I am sure you would agree, the ideas presented by Jim Collins on how to go from "Good to Great" are more important now than ever. The theme rang loud and clear; "we face challenging times, a changing world and uncertainty, we can't just be GOOD, we need to be GREAT to survive, grow and evolve."

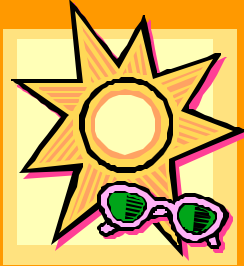
The upcoming fall convention, September 17 – 20, 2003, will be held at the Westin St. Francis hotel in San Francisco, CA. It promises to be jam-packed with more great ideas focused on Sales and Marketing. Register now at www.aiccbox.org

The Innovator of the Year Award, The Annual Design Competition and the Student Design Competition are all on the agenda for the Fall Convention. Make sure your company has the opportunity to participate by entering online at www.aiccbox.org. Watch for details or email knelson@royalcontainers.com.

Don't forget to check out the AICC website for dates on upcoming Training courses. Where else can you get corrugated-specific training from experts in our own industry? One of AICC Region Eleven's priorities is to ensure courses are held in the Toronto area, keep an eye out for training courses coming our way:

Sept. 17 - 20, 2003	San Francisco, CA	AICC 2003 Fall Meeting
October 21-22, 2003	Toronto, On	Line Leadership Courses at Royal Containers
Spring 2004	Palm Springs, CA	AICC 2004 Spring Meeting
Nov. 8 - 12, 2004	Atlanta, Georgia	AICC / TAPPI SuperCorr Expo
April 21-24, 2004	Palm DESERT, CA	AICC Spring Meeting
October 26-29, 2005	Boston, MA	AICC Fall Meeting

For more information, log onto www.aiccbox.org To login under the member section enter Login: **member** Password: **aicc2003** or contact Kim Nelson at knelson@royalcontainers.com



AICC Canada
Region Eleven
Board of
Directors
Wishes you
A WARM,
Fun Filled
and
Safe Summer!

Membership Fees Update

Your board of directors is pleased to announce no increase in the 2003 - 2004 Membership Fees.

Membership Renewal Notices were sent out on June 18 - We look forward to receiving your membership renewal.

Jana Marme
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- Sept 11 **General Members Meeting:**
The State of the Nation: Update on the Corrugated Industry
Mississauga Convention Centre - 8:30 am - Please RSVP
- Sept 17-20 **AICC 2003 Fall Meeting & 11th Intl Pkg Design Competition**
San Francisco, CA
- Oct **General Meeting: TBA**
- Oct 21 - 22 Royal Containers host AICC's popular: Line Leadership I & II
Courses for Production Managers. Ask for details.
- Nov 29 Region Eleven's Annual Christmas Frolic

Watch for our regular (e) mailings..

- | | | |
|------------------------------|------------------|------------|
| • Membership Renewals | Mailed | June 2003 |
| • Summer Newsletter | Emailed / Mailed | Aug 6 |
| • Member Directory | Emailed / Mailed | Sept / Oct |
| • Product & Services Listing | Emailed / Mailed | Sept / Oct |

The Box King

Anyone who manages other people's money, or anyone who invests for himself or herself, should have a box king in his or her life. I have a box king named Herbie. Herbie is on his fourth marriage. He give each wife a nickname of a town in which he gambles. He calls his current wife Vegas because it's his favorite gambling town. The other three wives in descending order, he calls, San Juan, Atlantic City, and Tahoe. Herbie is my client, and he has a very good eye for companies that should thrive in the future. But better than that, Herbie's business can almost infallibly predict that direction of interest rates over a one- or two- year period.

Herbie manufactures boxes. And all of his customers ship their goods in Herbie's boxes. His customers include manufacturers of all kinds, from computer makers, to machine tool manufacturers, to retailers of all sorts. His clientele is extremely broad based and really mirrors society as a whole.

Every three months, I call Herbie and ask him, "How's business?" Herbie tells me, "I'm flat out. We're on double shifts, six days a week, and I can't keep up with it", I know that five or six months down the line, interest rates are going to move up and the stock market will be in trouble. Conversely, when he tells me, "I haven't seen business this bad in ages. Everyone is complaining. Our biggest competitor is down to four days a week, and liner board prices are plunging." That's when I buy bonds heavily, for sure as spring used to mean the circus is coming, when Herbie's business turns soft, five or six months down the road, interest rates are declining. The corrugated box business is a leading economic indicator, one the I find valuable.

Chances are, there is a box king in or near your town. In some cases, you can be honest about it, call the boss and ask him or her yourself, "How's business?" "As market predictors, they're a lot more reliable than economists. And, at least with Herbie, my box king, they're a lot more fun. So when the box business is bad, buy bonds and when it's hot, sell them.

AICC 2003 Fall Meeting & 11th Packaging Design Competition



ASSOCIATION OF INDEPENDENT
CORRUGATED CONVERTERS

September 17-20, 2003
San Francisco, California

For more information, visit www.aiccbox.org

*How do you stand out above the crowd,
separate yourself from the pack,
distinguish yourself from all the others?*

In a crowded, competitive, over-capacitized marketplace, there's a critical need for all independent converters to connect with their customers to create a loyalty beyond price, to establish a relationship based on value. This statement is what AICC has built our upcoming fall meeting in San Francisco on, to provide you – box makers and suppliers alike – with ways to **“Bridge the Gap from Marketing to Sales.”**

From September 17-20, a variety of experts and AICC member speakers will gear up to present their perspectives on our industry and improving our futures in a series of sessions that will focus on the critical importance of marketing your company and creating an *experience* for your customers that translates into a better bottom line. In San Francisco, you'll learn how to:

- *market for better sales results*
- *develop strategic alliances*
- *establish generational continuity*
- *use customer relationship management tools to improve sales*
- *conduct effective customer surveys*
- *understand the current containerboard and corrugated industry economic environment*
- *create an experience for customers*
- *provide new solutions to customers*
- *market and sell to different generations*

If you've been listening to the latest buzz about AICC's 2003 Fall Meeting, you would have heard that ***this meeting is the one you can't afford to miss.*** Here are a few reasons why:

1. **Joseph Pine**, our opening keynote speaker, will set the stage for the meeting and its theme by discussing how independent converters can rise above the commodity mindset and deliver lasting value to their customers by creating an *experience*. Pine is co-author of *The Experience Economy: Work is Theatre & Every Business a Stage*. His book demonstrates how companies --- across a myriad of industries --- increasingly find their goods and services commoditized, and how many companies are now staging unique and memorable experiences. Following his presentation, meeting attendees will be able to develop and ask questions and participate in an **Open Forum Discussion** with Pine and other meeting speakers and fellow members.
2. We're bringing back one of our most respected and well-received speakers ever, **Anton Schifffenhaus**, Chairman of Schifffenhaus Packaging Corp. He will talk about the excellence and passion of independents that differentiate their companies from a field of competitors and cement relationships with their customers.

Continued on next page

AICC 2003 Fall Meeting & 11th Packaging Design Competition



ASSOCIATION OF INDEPENDENT
CORRUGATED CONVERTERS

September 17-20, 2003

San Francisco, California

For more information, visit www.aiccbox.org

Continued.

3. Can new growth opportunities in a closely held company respect the traditions and principles of the founders in a changing industry? **Ernesto Poza**, Professor of Business Administration at the Weatherhead School of Management at Case Western Reserve, will address strategic growth and next generation leadership development in privately-held businesses.
4. Your sales efforts not only have to focus on fulfilling the needs of your customer, you now have to know how to deliver the message to a new group of buyers in your marketplace. In a highly competitive and evolving marketplace, marketers must be able to reach out to four distinct generations. But what works for one generation of customers won't necessarily work for another. **Lynn Lancaster** and **David Stillman** of Bridgeworks LLC will talk about marketing to the generations.
5. **Roger Dow**, Senior Vice President at Marriott International, rose from the ranks for hotel lifeguard to oversee a worldwide sales force of 5,000. In San Francisco, he will share his insights based on his 30 years experiences at Marriott, along with practices from the best and brightest organizations.

In addition to education benefits, this meeting will provide chances to network and learn from each other, as well as participate in a dynamic, thought-provoking and yes, entertaining environment with people who are facing the same business challenges you do. And, on top of that, you'll be able to do all this in one of the most beautiful and exciting cities in the world. These are just a few reasons to come to San Francisco, but there are many others – as outlined in the spring meeting brochure available online at www.aiccbox.org/meeting or from AICC – that have all been designed to help you succeed in these challenging, changing and uncertain times.

This September, you really can't afford to miss this meeting. Sign-up for the meeting by going to www.aiccbox.org/meeting or contact the Region Eleven offices at (416) 759-9117 or AICC International at (877) 836-2422.

Hope to see you in San Francisco!