

Since the 1970s, the Oji Group has been expanding overseas in various fields. In this section, we introduce the challenges faced by companies that have expanded their business activities around the world. The following five companies were established in the 1970s and 1980s, at the beginning of the Oji Group's overseas expansion.

- 1** 1971.5 Establishment **Pan Pac** New Zealand
- 2** 1971.12 Establishment **JANT** Papua New Guinea
- 3** 1973.8 Establishment **CENIBRA** Brazil
- 4** 1986.11 Establishment **KSP** U.S.A.
- 5** 1988.8 Establishment **HSPP** Canada



1

since 1971

Pan Pac Forest Products Ltd. (Pan Pac) New Zealand

Oji Group's first overseas lumber and pulp manufacturing company

In the 1960s, the supply-demand balance for domestic chips was tight, and major Japanese pulp and paper manufacturers who had begun importing raw materials from overseas needed to plant forests overseas to secure long-term resources.

Meanwhile, in New Zealand, an international tender was held in 1969 for a national forest in the central part of the North Island that was about to reach the optimum age for logging, and local forest company Carter and Japan's Kokusaku Pulp (now Nippon Paper Industries Co., Ltd.) won the bid. In 1971, three companies, Carter, Kokusaku Pulp, and Oji Paper, launched a large-scale project to produce pulp and lumber, and jointly established Carter Oji Kokusaku Pan Pacific Limited (Pan Pac). Today, Pan Pac is an important base for the Oji Group, operating as a comprehensive forestry company engaged in forestry, sawmilling, and pulp operations.



1 Current Pan Pac. Pulp mill (on the left), lumber mill (on the right), and Pan Pac's own forest (in the back). 2 Pan Pac in 1971. Aerial view of the mill when it was first built. 3 Biomass boilers. Steam is generated from wood chips and other materials produced in the lumber production process and used in the drying process of lumber and for in-house power generation. 4 Logs being delivered by log truck. 5 Warehouse at the port of Napier, a shipping port. Pulp is loaded onto the ship by a clamp lift.

Company Profile	History
Company Name Pan Pac Forest Products Ltd.	1971 Carter Oji Kokusaku Pan Pacific Limited (Pan Pac) was established
Business Forest Operations, Manufacturing and Sales of Pulp and Lumber Products	1973 Napier Mill began operations
Year of establishment 1971	1991 Forest assets and land use rights transferred from Carter Holt Harvey (formerly Carter)
Location Napier, New Zealand	1993 Carter Holt Harvey left the Pan Pac joint venture, and it became a 100% Japanese joint venture between Oji Paper and Sanyo Kokusaku Pulp (Kokusaku Pulp merged with Sanyo Pulp in 1972; this is now Nippon Paper Industries). The company name was changed to Pan Pacific Forest Industries (N.Z.) Ltd.
	1999 Company merged with a forest holding company and name changed to Pan Pac Forest Products Ltd.
	2007 Oji Paper purchased Nippon Paper Industries' stake in Pan Pac, making Pan Pac a wholly owned group company

since 1971

JANT Pty. Ltd. (JANT)

Papua New Guinea

Aiming to cover 100% of the overseas chip production industry through afforestation

After 1965, Honshu Paper was looking for a raw material producing area to prepare for the installation of the L-1 machine (in operation in 1974), boasting the largest production volume in Japan at that time, at its Kushiro Mill. Based on the proposal received in 1968 from the then chairman of the Japan-Australia Economic Committee of Keidanren (Japan Business Federation) to develop Papua New Guinea, which had been the site of fierce fighting during World War II, in 1971, JANT Pty. Ltd. was established with Honshu Paper, Nomura Securities Co., Ltd., The Dai-ichi Kangyo Bank, Ltd., and The Mitsui Bank, Ltd. as shareholders. In 1974, a local wood chip mill was completed and began supplying wood chips to the Kushiro Mill. 1977 saw the establishment of a plantation company and the start of full-scale eucalyptus afforestation. Converting the tree species to Acasia, the company proceeded with afforestation for the production of wood chips. In 2004, the company completed its role and withdrew from the business, but it was a pioneer in overseas afforestation projects undertaken by the Japanese pulp and paper industry to secure raw materials in the future.



1 Chip factory. The produced chips were exported to Japan from the port of Madang. 2 Growing acacia seedlings for afforestation 3 Tower yarder. This was used to collect downed round log. 4 Acacia seedlings before afforestation. Transported to the afforestation site and prepared for planting.

Company Profile

Company Name
JANT Pty. Ltd.

Business
Wood chip production, wood processing, and afforestation (while at the Oji Group)

Year of establishment
1971

Location
Madang Province, Papua New Guinea

History

1968	Received proposal to develop PNG
1969	Establishment of Japan New Guinea Timber Wood Co.Ltd.
1971	Establishment of JANT Pty. Ltd.
1974	Chip mill completed and woodchip production started
1975	Experimental afforestation started
1977	Establishment of Gogol Reforestation Co. LTD. based on a contract with the PNG government
2004	Withdrew from business

since 1973

Celulose Nipo-Brasileira S.A. (CENIBRA)

Brazil

Japan-Brazil National Project

In the late 1960s, Japan's paper industry was seeking a way to secure a stable supply of chips and pulp as production increased. It was in these circumstances that Rio Doce (now Vale), a major Brazilian resource company, expressed to Oji, through Itochu Corporation, its desire to conduct a tree-planting project for the purpose of exporting wood chips, which prompted the Japanese government at the time to recognize this plantation project in Brazil as a national project. In 1971, 11 major pulp and paper manufacturers, including Oji Paper, and ITOCHU Corporation established what is now Japan-Brazil Pulp and Paper Resources Development Co. (hereinafter, JBP). Today, JBP is recognized worldwide not only for its role as a major base for the Group, but also for its ongoing efforts to promote sustainability.



1 Current CENIBRA 2 The current nursery produces approximately 20 million seedlings per year. 3 The line 2 started operations in 1995. Since it was a national project, the completion ceremony was a grand affair, with the then-president of Brazil and the governor of the state invited to attend.

Company Profile

Company Name
Celulose Nipo-Brasileira S.A. (CENIBRA)

Business
Afforestation and Manufacturing and Sales of Wood Pulp

Year of establishment
1973

Location
Minas Gerais, Brazil

History

1971	Japan Brazil Paper and Pulp Resources Development Co.,Ltd. established
1973	CENIBRA established
1977	The line 1 of pulp mill started operation (255,000 tons/year)
1995	The line 2 of pulp mill started operation (700,000 tons/year)
2005	Received Forest Stewardship Council (FSC) and Brazilian Forest Certification Program (CERFLOR) certification
2009	Annual production reached 1,200,000 tons after multiple constructions to increase production
2021	CENIBRA became a wholly owned group company
2022	Awarded the Gold Medal from Ecovadis, a sustainability assessment organization

since 1986

Kanzaki Specialty Papers Inc. (KSP)

U.S.A.

First overseas market-ready project

Kanzaki Paper had been expanding exports of thermal paper and other products to the US market, taking advantage of the depreciation of the yen until 1985, but the appreciation of the yen against the dollar after the Plaza Accord caused export earnings to decline. In 1986, Kanzaki Paper acquired Ludlow's Ware Mill (Thermal paper and Adhesive paper) in Massachusetts, to secure a share of the US market through local production, and established Kanzaki Specialty Papers Inc. (KSP).

After the merger of Oji Paper and Kanzaki Paper in 1993, the technological capabilities of Oji and Kanzaki were integrated within KSP, enabling it to become one of the top thermal technology companies in the US market. Today, KSP continues to respond to changes in the market's demand structure, constantly shifting its focus to high-value-added products and capturing the solid demand for Thermal paper in North America.



❶ #20CM (in operation since 1989). The company has two thermal paper coaters, #20CM and #11CM (in operation since 1972). ❷ Exterior view of the office. Located at about the same latitude as Tomakomai City, the region has very cold winters and heavy snowfall. The area is rich in nature and wildlife such as deer, bears, and skunks can be seen. ❸ Exterior view of Ludlow's predecessor, McLaurin & Jones (1916) ❹ Panoramic view of the company when it was Ludlow (1985) ❺ Panoramic view of KSP (2005)

Company Profile

Company Name
Kanzaki Specialty Papers Inc. (KSP)

Business
Manufacture and sale of thermal paper, etc.

Year of establishment
1986

Location
Massachusetts, U.S.A.

History

1986 Kanzaki Paper acquired Ware Mill and established KSP

1993 Kanzaki Paper and Oji Paper merged

2000 Sold the adhesive business

2006 Construction of new warehouse

2010 Completion of thermal coater modernization work

2015 Upgrading of wastewater treatment facilities

since 1988

Howe Sound Pulp and Paper Limited (HSPP)

Canada

Full-scale Newsprint project in Canada aiming at the Japanese market

After 1985, with the rise of inexpensive imported paper due to the appreciation of the yen and the decline in the cost competitiveness of domestic production bases becoming a major issue, Oji Paper considered producing newsprint directly in North America, the source of its chip supply, and exporting and supplying the paper to Japan.

In April 1988, Howe Sound Pulp and Paper Limited (HSPP) was established as a fifty-fifty joint venture with Canfor, a leading Canadian lumber, chip, and pulp manufacturer that produced kraft pulp in British Columbia. HSPP met the stringent quality and service requirements of Japanese newsprint overcoming cultural barriers and established a stable supply. However, in 2010, the company left the Oji Group due to a combination of factors, including restrictions on deforestation in Canada since 2000, and the increasing requirement for the higher ratio of recovered paper in Japanese newsprint.



❶ Panoramic view of the factory. The mill was surrounded by mountains and the sea.

Company Profile

Company Name
Howe Sound Pulp and Paper Limited (HSPP)

Business
Production and sales of newsprint and pulp (while at the Oji Group)

Year of establishment
1988

Location
British Columbia, Canada

History

1908 The Port Mellon mill began operations (at the time, the British Canadian Wood Pulp and Paper Company started up the mill)

1951 Acquired by Canfor

1987 Howe Sound Pulp and Paper Limited (HSPP) established and modernization work began

1990 Production of commercial pulp started at new facilities

1991 Completion of newsprint facilities and start of production

2001 Company name changed to Howe Sound Pulp and Paper Limited Partnership (HSLP)

2010 Sale of HSLP