

News Release

Opticom International Research



Brand owners are gaining power in the purchasing process – Can mills convince them of the value created by their brand offering?

Stockholm, Sweden, June 26, 2008 - Opticom International Research today announces the results from the 3rd edition of the pan-European "Brand Equity Tracking Survey – Cartonboard for Consumer Packaging".

This study is ranking brands of virgin fiber cartonboard on how well-known they are in the market, how well they meet customers' expectations on a number of quality performance criteria as well as the loyalty towards them. The study further identifies buying behaviour and purchasing power trends. The results are based on interviews with more than 700 professional cartonboard buyers among both converters and brand owners from selected end-use segments in Western Europe: dry food, frozen and chilled food, chocolate and confectionery, cosmetics and beauty care, pharmaceuticals and health care and wine and spirits.

In total more than 26 SBB, FBB and SUB brand families have been tracked, including: Alaska, Avanta Prima/Super/Ultra, Carta Solida, Carta Integra, Chromolux, CKB, CMPC RC, Crescendo, Custom Kote, Ensocoat/Ensogloss, Everest, Frövi White/Light/Carry, Gala X, Gemini, Incada Silk/Exel, Invercote G/Creto/Albato, Neocart, Nova X, Omni-Kote, Pankawhite/Pankabrite, Performa White/Natura/Cream, Printkote, Printocart, Rochcoat/Rochblanc, Simwhite/Simcote, Tamwhite/Tambrite.

KEY FINDINGS

Opticom's Brand Equity Index shows that there are very few strong cartonboard brands in Europe

Iggesund Paperboard is strengthening its position and its brands should be considered to be the two most valuable brands in Europe. Korsnäs continues to climb in the ranking list with Frövi and Stora Enso is both a winner and a loser with Neocart tumbling down while its corporate brand is rising. M-real is gaining with Simwhite/Simcote but is the biggest loser with Avanta falling out of the ranking list.

The 2008 Brand Equity Index ranking list according to 228 leading European converters looks as follows (numbers within brackets indicate 2006 year's position):

Top Brands in Europe according to more than 200 converters

| <i>Rank</i> | <i>Brand</i> | <i>Brand owner</i> |
|-------------|------------------------|---------------------|
| 1. | Invercote (1) | Iggesund Paperboard |
| 2. | Incada (3) | Iggesund Paperboard |
| 3. | Simwhite/Simcote (7) | M-real |
| 4. | Tamwhite/Tambrite (4) | Stora Enso |
| 5. | Frövi (9) | Korsnäs |
| 6. | Ensogloss/Ensocoat (6) | Stora Enso |
| 7. | Stora Enso (Back) | Stora Enso |
| 8. | Neocart (2) | Stora Enso |
| 9. | Rochcoat/Rochblanc (8) | Cascades |

In contrast to the results for converters, it is harder to say who should be considered to be the strongest players among brand owners. Iggesund and Stora Enso do not take a lead that is as strong as among converters, whereas Korsnäs and M-real appear to have succeeded better in reaching out to this important customer group.

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CONCLUSIONS AND REFLECTIONS

- > Although the European market for cartonboard from a branding point of view is less of a blank sheet than it was when the survey was first launched in 2004, there is still plenty of room for improvement for the whole industry and opportunities to differentiate for brand owners realising the value embedded in a clear and concise branding strategy.
- > Comparing the awareness among converters and brand owners, the results prove that the brand owner segment has not been fully explored yet as more than 50 % of brand owners cannot mention one single cartonboard brand.
- > Still, brand owners are gaining more power in the purchasing process and their influence is decisive according to converters.
- > Increasing knowledge among brand owners and focus on value created rather than cost could be an explanation to the notable decrease in the importance of price-related purchasing criteria.

What factors that can make a customer buy a certain brand (or switch to another one for that matter) should be useful information not only to the sales force in various markets, but also for head offices as far as marketing communication and market/business planning is concerned.

ABOUT "BRAND EQUITY TRACKING SURVEY – CARTONBOARD FOR CONSUMER PACKAGING" 2008

This is the 3rd edition of the "The Brand Equity Tracking Survey – Cartonboard for Consumer Packaging" (2008), with an overall purpose to annually identify and track: Brand awareness, brand performance, buying behaviour, brand loyalty and brand equity of cartonboard for consumer packaging among converters and brand owners across Europe.

The fieldwork was conducted in December 2007 - February 2008 and is based on a total of 228 interviews with converters and 483 with brand owners across six European markets; the United Kingdom, Germany, France, Benelux, Spain and Italy. The number of converters interviewed per market depends on the relative size of the market with respect to cartonboard consumption and number of players. Brand owners are from six different end use segments: Cosmetics and beauty care, pharmaceuticals and health care, chocolate and confectionery, dry food, frozen and chilled food and wine and spirits.

Subscription fee

| | 1. Full survey | 2. Executive summary & analysis | 3. Converters | 4. Brand owners |
|---------------------|----------------|---------------------------------|---------------|-----------------|
| CB 2008 Fees (euro) | 27 000 | 13 500 | 10 000 | 10 000 |

The full survey includes both target groups (converters and brand owners) in all six markets with the following deliverables:

- 1 customised, verbal presentation of the findings and 1 CD-ROM with the following:
 - > A number of reports in PowerPoint-format on different levels that present 2008 year's results,
 - **1 total report per target group** (1 powerpoint presentation for each of the target groups converters and brand owners consisting of between 90-100 slides each) where the result from each question is shown as a total and when applicable also per main brand evaluated.
 - > **An executive summary and analysis document** with conclusions per target group (PDF-format of about 80 pages)
 - > **Statistics files** in Excel-format according to the structure of the reports

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Opticom International Research is a leading global market research and consulting firm *with the mission to help our customers make better business decisions*. Since 1987, we have been dedicated to serving clients within the pulp, paper & board industry with customised research services focusing on commercial and marketing related issues. In combining our large global in-house research capabilities, state-of-the-art information technology and our pulp & paper competence we have proven to be a unique partner for a number of leading forest products companies all over the world that value not only speed and quality but also cost effectiveness in surveys and analyses.

Opticom offers experience and in-depth knowledge across a wide range of commercial and market related issues relevant to our customers: *branding, customer and market segmentation, customer satisfaction, concept testing, campaign evaluation, pricing and positioning, channel/distribution strategy*.