

Press release

21 June 2010

Holmen reduces workforce at Hallsta Paper Mill

This week, Holmen Paper will begin negotiations on reducing the workforce at the paper mill in Hallstavik. Around 150 people will be affected.

“As the market for printing paper continues to be weak, we are forced to take steps to maintain our competitiveness and improve profitability,” says Arne Wallin, head of Holmen Paper. “Unfortunately, these measures mean that a number of employees will have to leave the company.”

Holmen Paper has already reduced its staff, improved the product mix and shutdown unprofitable production capacity. In Hallsta the recovered paper operation and one paper machine was shutdown in 2008.

“We’ve succeeded in reorganising production at Hallsta so that we manufacture more improved products such as MF Magazine and book paper. But to achieve acceptable profitability, we also need to lower our fixed costs. Combined with the continuous efforts of further developing our products, among others through a rebuild of PM 11, this lays the foundations for securing a future for the mill that is sustainable in the long term,” says Arne Wallin.

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