



January 12, 2009

To: WPG Shippers Association Members

From: WPG Shippers Association

Subject: **Wisconsin Paper Group, Inc. Approves First Rate Increase Since 2006**

The Board of Directors of the Wisconsin Paper Group, Inc. has approved a rate increase for services provided by its subsidiary, WPG Shippers Association. This will be the first rate increase taken by WPG since the beginning of 2006.

In order to stay in compliance and meet the legal requirements of a not-for-profit corporation, it has become necessary to budget an approximate 1% increase in operating income to offset escalating operating expenses of distribution and handling. This will require a rate increase that could have a net impact of 2% or more in shipping services provided by WPG in order to cover related transportation and industry costs. Due to an extensive analysis and balance of our cost and pricing structure, the overall impact of the increase can vary per shipment and/or destination. WPG's goal is to minimize and control all costs, and be the low cost provider for our Members. Applicable rate changes will go into effect on February 1, 2009.

WPG will continue to offer the excellent service and competitive rates expected by our membership. We will uphold our commitment to control costs and pass the savings along to our Members. While we regret to raise rates at this time, we take pride in being able to hold rates for our Members at 2006 levels the past 3 years.

WPG thanks the Members for the loyalty and business it has entrusted us with. We look forward to 2009 and plan to grow our overall volume which in turn, helps to control costs. We also look to our Members in assisting with our growth plan.

In 2009, Wisconsin Paper Group, Inc. will celebrate its 75<sup>th</sup> Anniversary. We applaud the vision of our founding fathers and sincerely thank all involved in making this Member-driven business a long standing success.

The Wisconsin Paper Group was established in 1934, uniquely formed as a not-for-profit shipper's association. Now after 75 years, WPG continues to offer its members reduced transportation cost, improved service, logistics support, value-added services and the distribution management of various products to points across North America.

Thank you,

*WPG Shippers Association*

634 Muttart Road  
P.O. Box 746  
Neenah, WI 54957-0746  
[www.wpg.org](http://www.wpg.org)

Phone: 920-729-4343  
Fax: 920-720-5455

