



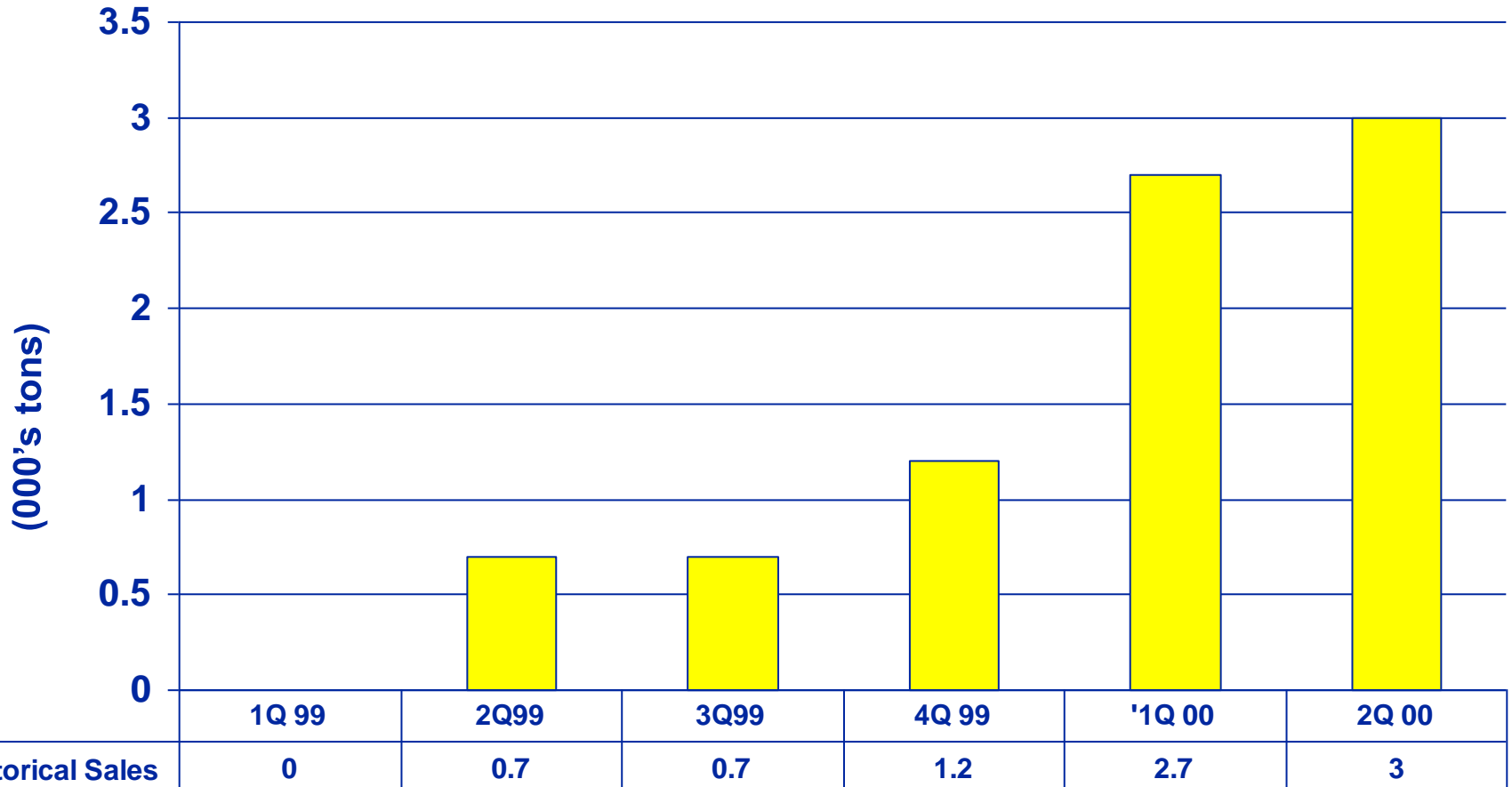
KrafKote Project Update

August 2000



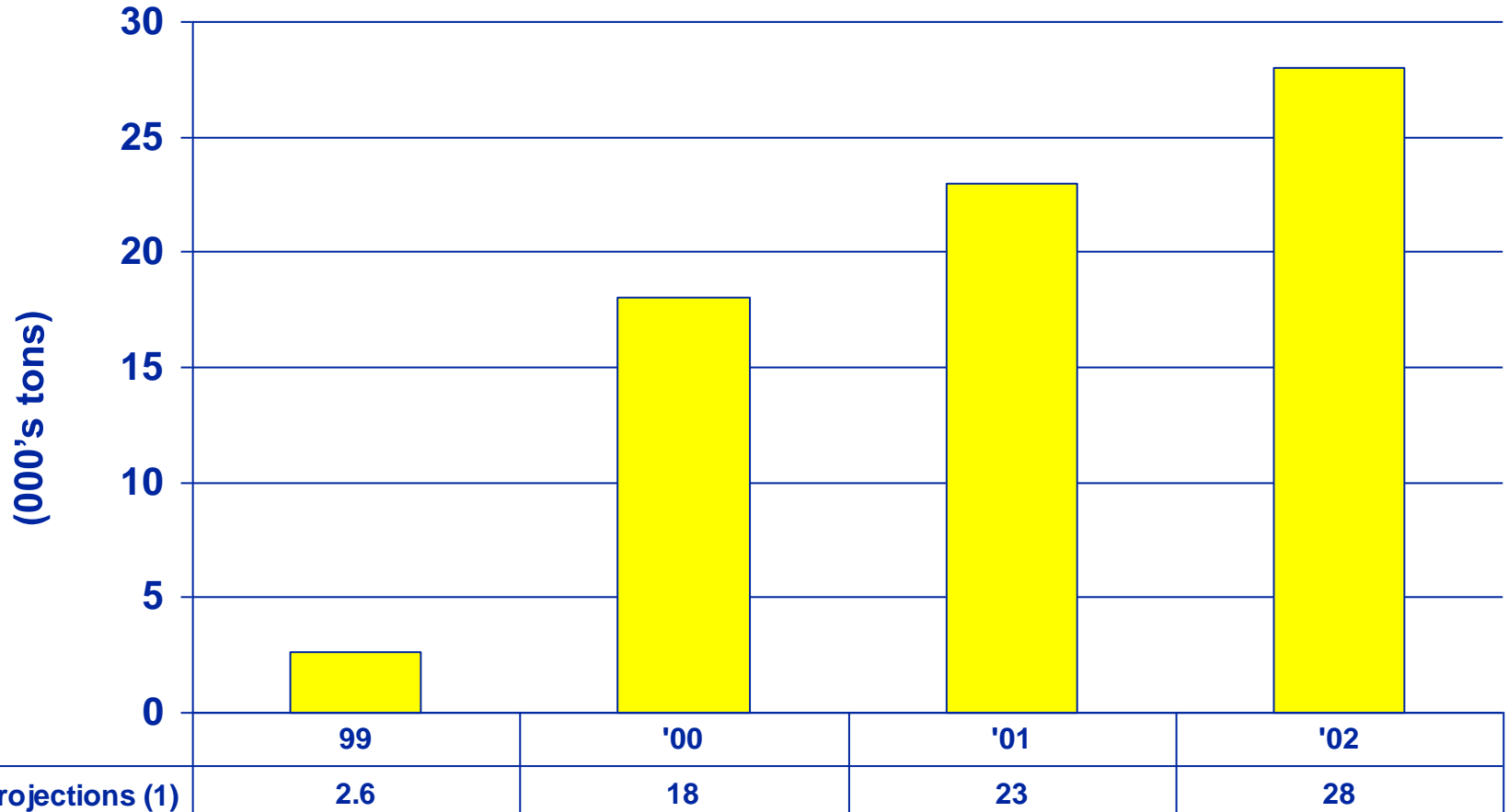


KrafKote Sales Growth





KrafKote Sales Projections

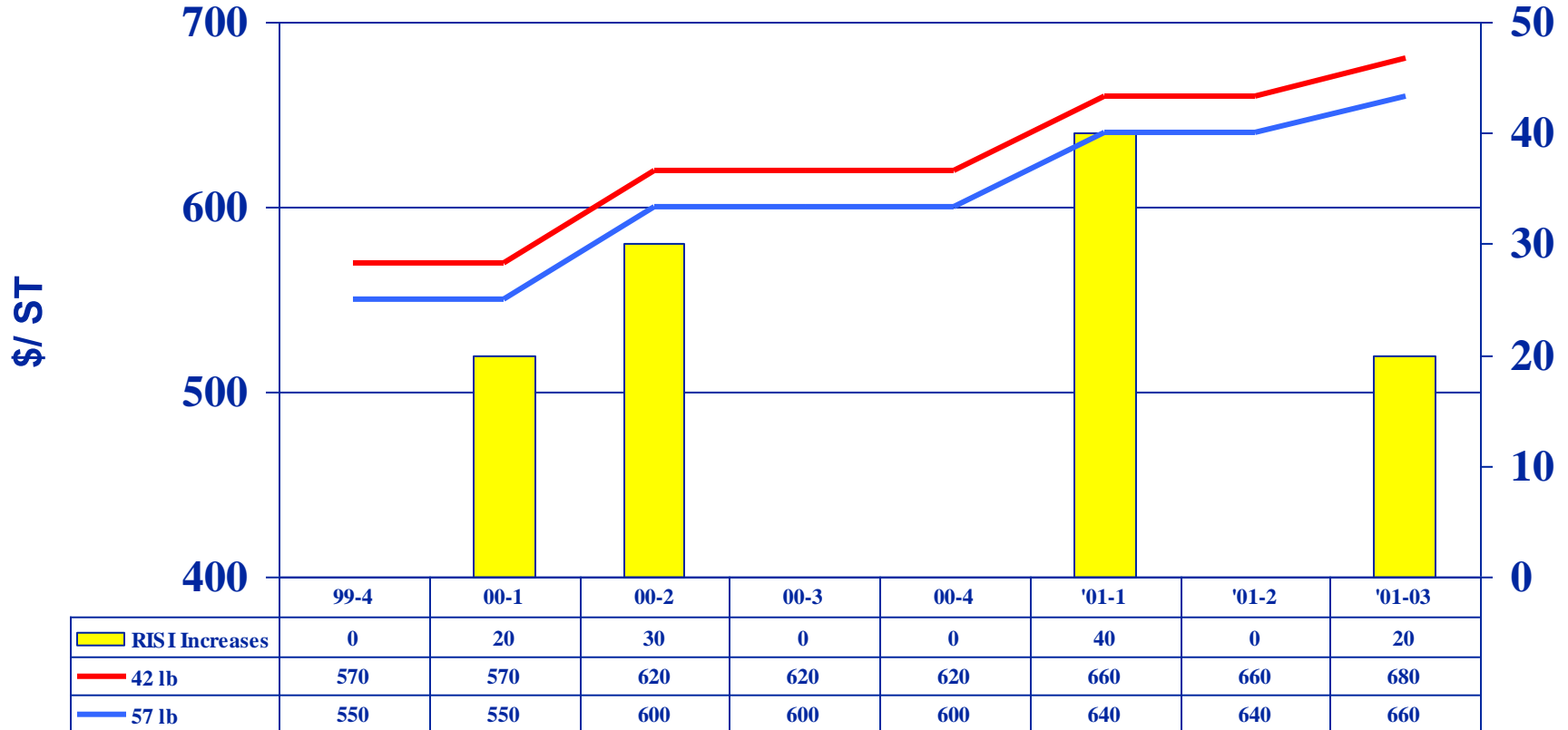


Source: (1) Based on a 25% success rate attacking 34 potential new customers with an average consumption of 200 tons/month. Developmental process takes at least 8 months





RISI Projected Price Increases



Source: RISI Paper Packaging Monitor, July 2000





KrafKote Linerboard Customers Update

- **Trials in progress at 9 plants**
 - ◆ **Three successful trials**
 - ◆ **Six scheduled trials**

- **Trials are aimed at the Latin American market**
 - ◆ **6 trials in Central and South America**





The Communication Strategy ready to launch the product in October

- **New customers will be identified by**
 - ◆ Advertising in a box plant magazine (less than \$4,000/year)
 - ◆ Participating in a produce association trade show in October
- **A direct mail campaign is being prepared**
 - ◆ Samples of boxes made from KrafKote
 - ◆ Post Print presentation, technical guidelines and Specifications have been finished
- **Spanish presentation for the Latin American market**
- **Authorware based saving calculator will be developed for the ONLC segment**





Next Steps

- **Prove that Riverwood is process capable to meet 1.33 CPK in the critical customers specs**
- **Finish and implement the communication plan**
- **Develop KrafKote strategy for K&S customer segment**
- **Finish trials for the new coating formulation**
 - ◆ **Open mottled and white top lineboard market**
 - ◆ **Eliminate the need of a different glue**

