

INDEPENDENT RESEARCH FINDS COTTONSOFT PRODUCTS COME FROM PLANTATION SOURCES

Independent testing of three of Cottonsoft's mainstream New Zealand retail products has determined that the fibre in the products comes from plantation sources. The data from Covey Consulting, a world leader in technical investigation with expertise in pulp and paper, shows that the products contain hardwood species (acacia and eucalypt) and softwood material, including spruce and Douglas fir. These are standard pulpwood plantation species.

Cottonsoft commissioned the testing in October following allegations by Greenpeace that the company's products contain fibre from 'trashed Indonesian rainforest'. The products tested comprise a representative range of mainstream New Zealand retail brands. These products were not provided by Cottonsoft but sourced directly, by an independent party, for Covey Consulting, which then blind-tested all samples. All products are manufactured from material provided by Cottonsoft's supplier APP.

Cottonsoft's corporate affairs director Steve Nicholson says, "Greenpeace based its misguided and misleading campaign against Cottonsoft on a single premise: it had commissioned tests which proved that APP products contained fibre from what Greenpeace called "trashed Indonesian rainforest". The company Greenpeace employed to carry out the tests, Integrated Paper Services, has since stated categorically in a letter that there is no scientific basis for this claim.

"Our own testing has further disproven Greenpeace's allegation, and its assertion that the presence of mixed tropical hardwood proves that the products come from protected rainforest. In fact, mixed tropical hardwood fibres can come from sustainably-managed forests in several tropical regions. Both PEFC and FSC-certified products can contain traces of mixed tropical hardwood, as recent tests in Australia have confirmed.¹

¹ Tests conducted by [Covey Consulting](http://www.coveyconsulting.com) on FSC-certified products, February 2011. (<http://www.itsglobal.net/sites/default/files/itsglobal/Mixed%20Species%20-%20Assessing%20FSC.pdf>)

“We think Greenpeace owes Cottonsoft an explanation: it has campaigned to stop New Zealand retailers doing business with us, and consumers buying our products, on the basis of a completely unsubstantiated claim that is so erroneous even the company commissioned by Greenpeace cannot stand behind it. Furthermore, our own independent testing refutes it.

“We welcome Greenpeace’s explanation to consumers as to why it has chosen to mislead them in this way, and endanger 130 Kiwi jobs in Cottonsoft’s two manufacturing plants.”

Katherine Rich, Chief Executive of the NZ Food & Grocery Council, says Cottonsoft, like a number of other FGC members recently, has been unfairly scapegoated by activists who use such campaigns to gather large amounts of money in donations.

“We aren’t alone in drawing this conclusion. Only last week the Wall St Journal put it so eloquently in an article commenting about recent Greenpeace attacks on tuna companies around the world,

It's about fund raising, and Greenpeace has discovered a recipe for success: Target something that's easily recognizable (like tuna), make some scary claims in the media, parade around in funny costumes—and start raking in the donations. It's a recipe that Greenpeace has perfected over the past two decades.

“It’s a formula that has worked, particularly in New Zealand. Unfortunately, long after radicals have bullied retailers into dropping New Zealand-made goods, the collateral damage of Kiwi men and women losing their jobs and livelihoods goes unseen and often unreported.

“I’ve visited the Cottonsoft factory in Dunedin and shaken hands with the staff there. They are hard-working men. Many staff I met had served the Kiwi company more than two decades. Some workers said that they were deeply hurt by activist attacks on their work and that they understood the grim reality that they risked losing their jobs over these false claims.

“This case raises issues for all New Zealand-based manufacturing sourcing product internationally. Because New Zealand is at the bottom of the world, our member companies have no choice but to rely on various international certification programmes for sourcing products to assure themselves that their sourcing is appropriate, ethical and sustainable.

“It’s unfortunate that when New Zealand companies like Cottonsoft make significant efforts to use international independent certification processes to certify transparent sourcing through each step of the supply chain, that’s still not enough to shield them from activist attacks.

“It’s a difficult issue for New Zealand manufacturers and retailers. If independent certification is not enough it leaves a great number of products on retail shelves which could be equally politicized to the detriment of New Zealand jobs.

“I have no doubt that this company and other FGC members have been scapegoated because they are New Zealand businesses. Activists know full well that they can’t command the same media headlines, when a product says “Made in China” or “Made in Vietnam”, which is more often the case after so many New Zealand manufacturers have shut down over the last few decades.

“The FGC’s hope is that the additional step Cottonsoft has taken in commissioning independent testing will be sufficient to reassure retailers and consumers that the products are appropriately certified.”

NB Summary of independent test results from Covey Consulting is available upon request.

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About Cottonsoft

Cottonsoft Limited has been in business for 25 years in New Zealand. It is a tissue-converting company which manufactures toilet tissue, paper towels and serviettes for New Zealand’s supermarkets and commercial organisations. Its products include Tuffy Paper Towel and Paseo, CottonSofts and KiwiSoft Toilet Tissue.

For more on Cottonsoft's environmental policy:

<http://www.cottonsoft.co.nz/pdf/CottonsoftEnvironmentalPolicy.pdf>

About APP

Asia Pulp & Paper Group (APP) is brand umbrella for paper products manufactured by a number of mills in Indonesia, inter alia PT. Indah Kiat Pulp & Paper Tbk, PT. Pindo Deli Pulp and Paper Mills, PT. Pabrik Kertas Tjiwi Kimia Tbk, PT. Lontar Papyrus Pulp & Paper Industries, PT. Ekamas Fortuna and PT. The Univenus in Indonesia. APP markets its products to over 120 countries. The majority of APP's production facilities hold Chain-of-Custody certification from LEI and PEFC.

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