



## Supply of Office Papers into the UK

We are being asked if it is true that there is a serious shortage currently of paper in the UK?

Yes, this is absolutely correct that supply coming into the UK is very tight, and likely to remain this way for the foreseeable future, as well as serious further price increases in the cost of manufacture.

Some reasons for this are:

- The UK paper mills are geared up to make different grades of paper to regular copier & laser so the UK is dependent on imports for our office copier / laser paper
- In the years prior to the pandemic, with demand dropping and very low returns for these factories on copier paper, there have been several factory closures or repurposing of the paper machines to make other grades & paper products which contribute higher returns for the mills
- With the increased demand for paper packaging in preference to plastic (especially in the food industry) this has sped up the change even further
- During the pandemic there has been further disruption & delay to the manufacturing process, along with reduction in supply capacity
- Now with user consumption returning, creating increased demand, delivery times have lengthened as well as production costs increasing
- Transport costs have soared due to global container shipping lines being heavily booked and charging high prices and there is a shortage of global container availability also causing delays in delivery times
- The massive increases in energy charges in very recent months has hit some mills so badly that they have even temporarily ceased production until the cost of electricity / gas comes down to a point where they can produce paper at a price that they can sell it at
- In addition, there have been industrial labour strikes in some of the factories in Scandinavia resulting in further delays to deliveries, so merchant & wholesaler stocks have been severely impacted until these factories recommence production
- A joint venture paper mill just inside Russia which supplied a significant amount of low-cost paper into Europe has now suspended production.



## Our position:

### Maple Leaf have stock & reliable sources of supply

We do not make light of the situation as it is impacting us also, but we are maintaining as high stocks as we are able to obtain & store, but please be aware of the points below:

- Whilst all existing call off orders will be honoured and stock has been reserved and allocated to cover this, to give fair treatment to all our customers, we are suspending taking on any new extended period call off orders for the moment. Any customers wishing to order larger amounts will need to take delivery in 1 load
- Even though we are placing orders well ahead, we are not receiving exactly when planned, nor getting the mix of brands / grades, so at times we may be asking our customers to accept a different brand of equal quality and performance than their usual brand
- All pricing is effectively subject to change at any time, but if there is a difference, we will notify you prior to despatching goods on your order. Any written quotation is only valid for acceptance for 48 hours from date of quote
- Responsible purchasing - we source our papers from reputable mills with good environmental & organisational credentials
- Price changes out of our control - we can't stop what is happening in the market but do use a balanced mix of sources to remain competitive within the marketplace.

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