



WISCONSIN LEGISLATURE

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Krug and Testin to Verso: “Get Serious”

Wisconsin Rapids area lawmakers call on papermaker to step up for the community

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Rep. Scott Krug (R-Nekoosa) and Sen. Patrick Testin (R-Stevens Point) today called upon the leadership of the Verso Paper Company to “get serious” about their plans for the Verso paper mill in Wisconsin Rapids.

Verso closed the Wisconsin Rapids mill in July 2020, ceasing production of paper at the location and putting the mill up for sale. In response Krug and Testin formed a legislative task force (the Wisconsin Rapids Together task force, www.rapidstogether.com). The task force met today by conference call, and it was learned that Verso is now suspending the active search for a buyer for the mill.

“I realize that this is a business decision,” Rep. Krug stated. “And I realize that the economic difficulties stemming from COVID and the pandemic helped Verso decide to close the mill and now are making it hard for Verso to find a buyer. However, there are 900 families in our area who are affected by this. These people need to know that they – and their community – matter, and are not just side-effects of a dollars-and-cents decision by an Ohio company.”

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A Wisconsin-based effort has been launched by the Great Lakes Timber Producers Association of Rhinelander to form a cooperative which would buy and operate the mill. This effort would reestablish the mill as a local employer and would provide an outlet for the sale of Wisconsin softwood for use as paper. The Verso mill formerly purchased around one-quarter of the softwood cut for paper pulp annually in Wisconsin, and was an important source of work for loggers and truckers in the timber industry as well as for the employees of the mill itself.

“The Timber Producers Cooperative is a serious potential buyer for this mill,” said Sen. Testin, “and we on the task force think it is the best avenue we know of for getting the mill operating again. However, today we learned that Verso is putting efforts to sell the mill on the back burner. Our community deserves better.”

The task force learned today that attempts by the Timber Producers Cooperative to discuss a sale with Verso have been met with unresponsiveness. “Verso has employed a consultant, Moelis and Company, to market and sell the mill,” noted Rep. Krug, but he added that “What we had been hearing was that inquiries to Moelis were being referred to Verso, and inquiries to Verso were being referred to Moelis. Now today we learn that the whole effort to sell the mill – to let someone buy it and return it to being an active part of our economy – are simply being sidelined.”

“We want two things,” said Sen. Testin. “We want Verso to get serious about selling this mill. No more run around. We want them to tell us, who can a buyer talk to? What is it going to take?” Testin added that if Verso is waiting for a better economy to sell the mill, then the community needs to know what benchmarks would need to be met in order to convince Verso to make a sale.

“We also want to know what it’s going to take to help make the cooperative a reality,” said Rep. Krug. “Verso closed the mill and said it’s for sale. Well, the Timber Cooperative is a likely, informed, and interested potential buyer. What is it going to take to get this done? What assurances might Verso want? When might they be willing to move on this?”

Krug and Testin have pledged that they will be working with the organizers of the Timber Cooperative and with the Wisconsin Economic Development Corporation (WEDC) to do whatever is necessary to assist in the sale and re-start of the mill. Sen. Testin stated that “If legislation is needed, if loans are what’s called for, we want to make sure these things happen. We represent the community. We want this deal to happen.”

Rep. Krug thanked the members of the Rapids Together task force for their work on the situation and for their unified stance in support of the mill workers and their families. “We have 900 families who are waiting to see how this comes out,” Rep. Krug noted. “Our whole community needs something to happen here. We have the ingredients. We ask Verso to get serious about working with us, with all of us, to make a better reality for tomorrow in Wisconsin Rapids.”

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