BC Announces Support for Cellulose Filaments Research

Canada first in international race to develop game-changing technology and eco-friendly materials of the future

Vancouver, BC – April 23, 2014 – FPInnovations is proud to support the Government of British Columbia’s contribution of $2.25 million to cellulose filaments (CF) research, as announced today by the Honourable Steve Thomson, Minister of Forests, Lands and Natural Resource Operations. Details of the contribution were revealed at a press conference held in Vancouver, in the presence of the Honourable Andrew Wilkinson, Minister of Technology, Innovation & Citizens’ Services and Mr. Pierre Lapointe, President and CEO of FPInnovations.

This important research and innovation project represents investments to date totaling $43.1 million, including funding from Natural Resources Canada, through the Investments in Forest Industry Transformation (IFIT) Program, as well as a grant from the Québec Ministry of Natural Resources, a loan from Investissement Québec, a contribution from Kruger Inc. and funds from FPInnovations’ pulp, paper and bioproducts industry members.

The $2.25 million investment of the Province of BC will be used as part of an existing R&D program focused on non-traditional applications of CF that are of interest to, and most beneficial for BC – specifically for the province’s northern bleached softwood kraft (NBSK) pulp producers. BC companies produce 80% of Canada’s NBSK pulp and are an integral link in the forest sector economy of British Columbia. As FPInnovations’ research progresses, we are seeing real synergy between NBSK pulp and CF – the best quality CF is made with superior kraft pulp.

A highly innovative wood-fibre based biomaterial, CF is expected to have an immediate impact on Canada’s forest industry due to its capacity to be integrated into other materials and to its high strength, light weight and flexibility. CF will be used in a wide range of applications as a lightweight strengthening additive to produce lower cost commercial pulps, papers, packaging, tissues and towels. Looking to the future, CF may be combined with many materials to create high value products ranging from flexible packaging and films to structural and non-structural panels in building construction.

“This announcement is a shining example of how collaboration and targeted investment in research and development can positively impact traditional markets while leading to the development of innovative new products,” said Pierre Lapointe, President and CEO of FPInnovations. “Cellulose filaments are set to become a key element in the transformation of the Canadian pulp and paper industry enabling the industry to gain a foot-hold in non-traditional markets while building on its existing manufacturing capacity in forest-dependent communities across BC.”

BC’s pulp and paper industry is constantly under threat from the digital transformation – BC has the largest production of market pulp in Canada and will be most affected by reduced demand for pulp going into traditional products such as printing and writing papers. Any impact on market pulp capacity
in BC will also affect demand and value of wood chips, in turn affecting the financial stability of sawmills and wood products. Product diversification is essential to maintain pulp market share, generate additional revenue and maximize total value of fibre from BC’s forests.

Canada is now well-equipped to compete with global industries in the USA, China, Finland, Brazil and Sweden to develop the next generation of cellulose-based bio-materials. In addition, FPIInnovations’ five Patents on the process and product secure the technology for the advantage of the Canadian industry while providing conditions to bring this game-changing technology to commercial reality.

The potential initial market for CF as a strength reinforcing agent for traditional pulp and paper products is conservatively estimated at 125,000 tons per year in North America alone. In addition, a similar-sized, non-traditional market is forecast for thermoplastics, reinforced plastics, thermosets, adhesives, and non-woven fabric and coatings, representing a total revenue potential of $500 million per year for companies that make use of CF.

**About FPIInnovations**

FPIInnovations is a not-for-profit world leader that specializes in the creation of scientific solutions in support of the Canadian forest sector’s global competitiveness and responds to the priority needs of its industry members and government partners. It is ideally positioned to perform research, innovate, and deliver state-of-the-art solutions for every area of the sector’s value chain, from forest operations to consumer and industrial products. FPIInnovations’ staff numbers more than 525. Its R&D laboratories are located in Québec City, Montréal, Thunder Bay, Hinton and Vancouver, and it has technology transfer offices across Canada. For more information about FPIInnovations, visit: [www.fpinnovations.ca](http://www.fpinnovations.ca).

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