

Sonoco Announces Price Increases for Nailed Wood, Plywood Reels

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HARTSVILLE, S.C., Feb 18, 2010 (BUSINESS WIRE) -- Sonoco (NYSE: SON) will increase prices for nailed wood reels by 19 percent and plywood reels by 11 percent effective on shipments as of March 1, 2010, according to James Harrell, vice president and general manager, Industrial Carriers Division, North America. Sonoco is one of the largest domestic suppliers of nailed wood, plywood, recycled wood, polyfiber, molded plastic and steel reels for the wire and cable industry.

"Since the start of the fourth quarter of 2009, random dimension lumber prices have increased by approximately 38 percent, while Southern Yellow Pine plywood increased by 17 percent," said Harrell. "Given that lumber and plywood account for a significant amount of the cost of our reels, it is vital that we address this extraordinary raw material inflation."

Harrell said that lumber and plywood costs have escalated due to unprecedented wet weather, which has kept saw mills struggling to keep adequate supplies, an unprecedented number of mill closures and a growing imbalance between higher and lower grade dimension lumber resulting from reduced housing starts.

"While we understand that a price increase is never welcome news, these raw material price increases are of such magnitude that we can no longer continue to absorb them," said Harrell. "We will continue to source the most economically suitable materials and continue to focus on driving productivity to minimize the impact of these market-driven prices on our customers."

About Sonoco

Founded in 1899, Sonoco is a \$3.6 billion global manufacturer of industrial and consumer products and provider of packaging services, with more than 300 operations in 35 countries, serving customers in some 85 nations. Sonoco is a proud member of the Dow Jones Sustainability World Index. For more information on the Company, visit our Web site at <http://www.sonoco.com/>.

SOURCE: Sonoco

Sonoco
Roger Schrum, 843-339-6018
roger.schrum@sonoco.com