



## **Sonoco Announces Base Price Increase and Surcharges for Reels**

March 4, 2011

HARTSVILLE, S.C., Mar 04, 2011 (BUSINESS WIRE) -- Sonoco (NYSE: SON) will increase the base price of its nailed wood reels by 23 percent, effective April 3, 2011. For most customers, however, the net impact will be 4 percent vs. 2010 prices. The additional 19 percent increase in base price is derived from a surcharge on lumber implemented in March 2010 which will now be rolled into the base price.

In addition to the increase in the base price, Sonoco has implemented a 1 percent fuel surcharge and announced it will leave surcharge mechanisms in place through 2011 to recover rising costs associated with lumber and plywood. The fuel surcharge will be effective with reel shipments made on or after March 7, 2011.

"Fuel, lumber, steel and plywood prices have all been increasing steadily," said James Harrell, vice president of Sonoco's Industrial Converting Division. "These materials comprise the majority of our reel costs and we've only been able to partially offset these inflationary expenses through continuous productivity improvement. We have little choice now but to adjust our price and cost recovery mechanisms to reflect recent inflationary trends."

Sonoco Reels is the most comprehensive provider of reels produced from nailed wood, plywood, poly-fibers, molded plastic and steel materials. Reels produced by Sonoco are used by the wire and cable industry to serve the power transmission and distribution; telecommunications; commercial and industrial building; oil and gas; mining and marine industries.

For more information about Sonoco's complete line of reels or to learn more about current pricing, please visit the Company's Web site or contact Sonoco Reels at +800/633-3962.

### **About Sonoco**

Founded in 1899, Sonoco is a \$4.1 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 [www.sonoco.com](http://www.sonoco.com).

SOURCE: Sonoco

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