

# Brattleboro Development Credit Corporation Newsletter

Number Seven

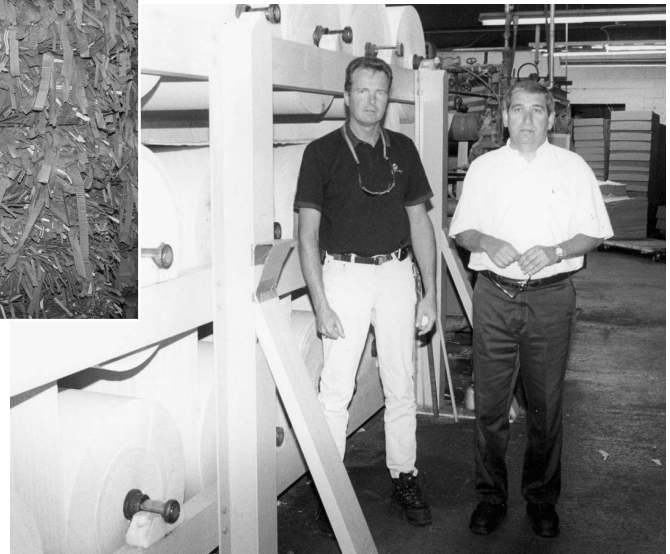
Summer 2001

## Putney Paper Flourishes On Recycling

The paper napkins, paper towels and wrapping tissue used by consumers in New York and elsewhere on the east coast could well have come from the paper trash that southern Vermonters bring to local recycling bins. Putney Paper, located near Exit 4 of I-91, manufactures paper products from recycled materials. Local trash is a major part of their recycling stream.



*Above: Putney Paper President Frank Tarantino by a pile of waste paper that will become recycled napkins, towels and wrapping tissue. At*



*right, Putney Paper plant general manager Dennis Chaffee (left) and company president Frank Tarantino stand beside one of the huge rolls of recycled paper produced at its plant.*

Putney Paper is flourishing. So strong is its business, says company president Frank Tarantino, that the plant operates seven days a week, 24 hours a day. "Paper mills run all the time, its very capital intensive," he noted.

"We have a niche business which is recession proof and can keep in full operation 356 days a year," he said. (The plant averages 9 days down time each year for maintenance.)

Putney Paper employs 150 workers with an annual payroll of \$4.8 million. Most of the employees are local residents with many years of employment here. "There is not a lot of turnover here," said Tarantino. "We've never had a layoff and have a very good benefit package and safety program."

Putney's workforce produces 60 tons of paper products daily. The plant processes 30,000 tons of waste paper annually. Waste paper recycling, a complicated chemical process requires the removal of ink from paper, a tightly

guarded company secret. Recycled materials are useable six times before becoming too weak to be used again.

According to Tarantino, each year Putney Paper takes the contents of 1500 truckloads of waste paper out of the waste stream. This trash would otherwise wind up in landfills.

Annual sales are \$24 million. In 1984, when parent company APC purchased the plant, sales were \$10 million. Tarantino attributed growth in sales to "major capital investment."

Putney Paper is a small plant, said Tarantino but this has advantages. "We

can turn things around fast for customers...they don't feel like they are a number here," he explained.

The site has long been associated with

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### Company News

Do you have news of interest to the Brattleboro area business community? Has your company expanded, introduced a new product, won an award?

Send your information to:

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Or fax it to us 257-0294 or email us BDCC@sover.net

### News From BDCC

By Bill McGrath

**W**e're in a changing economy and the future is uncertain. Local companies are not experiencing the growth that typified the past four years.

I see this slowdown reflected in the delayed ordering patterns of companies who are moving their ordering delivery dates out further in time. Shipping orders are now being held back for several months. This trend reflects a more sluggish economy. What baffles me, however, is that unemployment is still low. Currently (as of May) unemployment is 2.6 percent in our area.

Indications are we'll see the start of job layoffs in the fall. This will hold, especially if current trends in orders, and the economy as a whole, continue its present slowdown.

On the positive side, not all industry here is showing signs of economic weakness. For example, our lead article on Putney Paper reports that the paper producer has yet to start its busiest season and already operates three shifts. Also, FiberMark reports it is still having strong sales and a continued bright future.

Local tourist-related businesses are gearing up for an expected strong tourist summer. Indications are people will stay closer to home, take shorter vacations, and will therefore be visiting regions such as southern Vermont more. This could give a solid boost to the local economy in the next few months.

Winter 2002 tourism will suffer from



the loss of the week long X Games held 2000 and 2001 at Mt Snow Ski area in February. The games contract went to an undisclosed site for 2002. The loss of the games translates into a \$3 million loss to the local economy, as 80,000 to 100,000 tourists visiting the games will not attend.

Currently I am working with three out of state companies interested in relocating here. They are a machine shop, a distribution company and an e-commerce business. The projected employment for all three companies is 120 people.

Finally, we continue to seek tenants at the BDCC Business Park. (See ribbon cutting page 4.) Currently the building has 200,000 square feet of space with parking for 1100 vehicles. There is space for manufacturing, and e-commerce business. This building boasts 24-foot ceilings. Rents range from \$4 to \$4.15 a square foot for manufacturing and warehouse space, and \$6.50 to \$7 per square foot for office space.

## Michael Obuchowski Looks At 2001 Legislative Session

“We should have accomplished more given the time we spent,” says Michael Obuchowski, D-Windsor-Windham 1-1, of the 2001 legislative session. Obuchowski, who found himself in the unfamiliar role of member of the minority party after six years as Speaker of the House, said this year was “one of the longest with the whole legislature in session.”

Obuchowski should know. He’s been in the House for 30 years, entering as a 19 years old. Today he is co-dean of that legislative body along with Cola Hudson, R-Lyndon.

He said this year’s legislature “could have done the budgets in a lot less time.” And, he adds, concerns about health care and educational financing were not addressed.

Obuchowski is adamant about changing health care in Vermont. “I want universal coverage for all Vermonters. Not just to maintain the stability of the present broken system.”

On education funding he is also clear. “Rather than improving Act 60, we need a successor.”

“I have a vision...more reliance on income and to do away with the local property tax.” He said he would institute a local income tax and a property tax on non-residential property including second homes. He calls his plan, “a more income-based system.”

By instituting his plan for educational funding, Obuchowski said we can “do away with the sending and receiving resentment,” (caused by the Act 60 funding method.)

According to him it is the responsi-



Michael Obuchowski, D-Windsor-Windham 1-1

*“I have a vision...more reliance on income and to do away with the local property tax.”*

bility of the legislature, “to anticipate and solve the problems of the future and raise the bar in solving problems. We need a longer vision,” he argues.

Obuchowski said the recent legislative session did produce positive results for his constituents. The sum of \$300,000 was allocated for the Latchis Theater in Brattleboro for renovations. Also, there is now funding for replacing the Main Street Bridge in Brattleboro.

He said the Senate was able to stave off a House Republican attempt to increase the sales tax

to six percent, which will help businesses along the Connecticut River.

Also, there is now an additional \$1 million in funding for areas designated as “downtowns.”

A ten percent increase in childcare subsidies will have beneficial effects as will the seven percent increase in higher education funding. He also favors the changes in Act 250, which provides a mediator and facilitator to guide parties through the process.

Obuchowski said the change from Speaker to Member of the House was not all negative. “Things are a little bit slower and less busy. There is a favorable effect on my district as I can spend more time on local issues.”

## Putney Paper

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paper production. Papermaking here began in 1818. The mill Putney operates in Putney Village on Sachetts Brook, first churned out paper in the early 1800s.

In 1869 a predecessor to today's company began producing tissue paper. Historic records refer to the plant as the oldest U.S. manufacturer of high-grade toilet tissue, a product still produced here.

The plant has been using recycled materials since just after the Second World War, said Tarantino. It has been known as Putney Paper for 45 years.

Tarantino, whose family was in the paper mill business in New York State, says he likes being located in southeast Vermont. "The local vendors are good suppliers," he noted.

"We're happy buying here — it's a good place to do business."



*The Grand opening of the Book Press Building, now called the BDCC Business Park was held June 7. Molly Lambert, Secretary of the Agency of Commerce and Community Affairs attended the ribbon cutting. According to BDCC executive director Bill McGrath, "Secretary Lambert expressed gratitude for BDCC's forward thinking in purchasing the building." Pictured from left are Phil Steckler BDCC President, Molly Lambert, Bill McGrath, Kevin Meyer, Vice President BDCC.*

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