

Smurfit-Stone files to Chapter 11 bankruptcy protection

Jan. 26 -- One of the world's largest paper recyclers is filing for Chapter 11 bankruptcy protection and said normal daily operations will continue.

Smurfit-Stone Container Corp., which collects and recycles paper to support its corrugated packaging operations, wants to use the process to restructure debt. Smurfit-Stone, based in Creve Coeur, Mo., near St. Louis, has lined up \$750 million of debtor-in-possession financing to fund continuing operations.

"Over the past decade, we built one of North America's premier containerboard and packaging companies. But, our financial performance has not reflected the full potential of our earnings power due to higher cost operations and burdensome debt levels dating back to the original formation of the company," CEO Patrick J. Moore said.

The company handles more than 7 million tons of recyclables, mostly recovered fiber, each year. The recycled paper goes to make new Smurfit-Stone packaging products and is sold to other companies.

Contact Waste & Recycling News senior reporter Jim Johnson at 937-964-1289 or jjjohnson@crain.com