

Letter of Intent Signed For Grays Harbor Paper Mill

Local News

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HOQUIAM, Wash. - Greater Grays Harbor, Inc. announced this morning that a letter of intent to purchase Grays Harbor Paper has been signed. This is the result of extensive negotiations led by Dick Hooper and Marcia Frey of Pivotal Solutions, Inc., Grays Harbor Public Utility District, US Bank and representatives of the buyer, Elliott Rust Holdings, LLC. GGHI offered many thanks to the willingness and the cooperation of U.S. Bank and the Grays Harbor PUD, the two senior secured creditors, a preliminary agreement has been reached. While more work remains to be done to see the paper mill fully sold and restarted, this is a large first step for the Harbor.

Cesar Scolari, the CEO of Elliot Rust Holdings, LLC commented that the Tacoma-based company is "proud and excited to be a part of bringing the paper company and the family-wage jobs back to the Harbor. The parties must complete their due diligence, a formal Purchase and Sale Agreement has to be completed and submitted to the court for approval. This process will take approximately 60 days. The new Company will be led by former CEO and industry veteran, John Begley. "We are looking forward to completing the sales process and again doing what the mill does best-making paper," states Begley. "We could not be more excited for the Harbor," said Leonard Barnes, Deputy Director of the Port of Grays Harbor, and Randy Ross, Account Executive for The Durney Agency, in a joint statement. The two co-chairs of Greater Grays Harbor, Inc. "We know that this is a crucial employer in the Harbor, in an industry that is our local heritage, and it is a point of pride to us how hard Tim Gibbs (GGHI CEO) has worked to help make this deal come to fruition. "Many people worked very hard for a long time to make this a successful outcome," said Jack Durney, Hoquiam Mayor. "Personally, I can hardly wait to see steam once again coming out of the stack and the parking lot full again with cars of people who have been put back to work!" Greater Grays Harbor, Inc. has worked tirelessly with our partners to reach this point; we will continue to stand with this new company to ensure its success, and to ensure the employment opportunities for the residents of Grays Harbor County.