Transcript of Mark Sutton’s interview on CNBC

Chairman and CEO Mark Sutton argues that Trump is listening to his advisors, despite the apparent unpopularity of his decision to relinquish the Paris climate...

Sutton: For International Paper, reducing our environmental footprint has long been a part of our goals and objectives and nothing really changes for us. We have made our commitments publicly and we are working on these commitments. Not only on greenhouse gases but water and other environmental implications. So, for us it is really business as usual. We think it is the right thing to do – to reduce our environmental footprint for our company, our customers and the other stakeholders in our company.

CNBC: You were one of the CEOs I think that met Donald Trump back in February so you’ve had close contact with the man and you’ve heard a little bit about his business agenda. Do you think that he does listen to the feedback from the business community about issues like this and free trade? Because Twitter this morning is full of business leaders criticizing this announcement.

Sutton: I have been on a couple of sessions, I am on the manufacturing jobs initiative council, one of the president’s three advisory councils and my experience in those two in-person meetings was very well-run meetings, lots of input being taken. I also think that it is practical to say that probably no American CEO or any CEO agrees with everything of any politician’s point of view. So I do think the president is listening and trying to manage a lot of different issues for a lot of different constituents. So I am still engaged and think that the business community has a role to play in improving the economy in the US and for a company like International Paper the economy globally.

CNBC: I want to talk with you about the change in tone around this St Petersburg Forum for American business leaders. It seems that now as Obama is no longer in the White House, American business leaders feel a bit more relaxed about coming to Russia in spite of the sanction regime still being in place. I should point out that you are the Chairman of U.S. Russia Business Council.

Sutton: I think that USRBC plays an important role. Business relationships between all companies and all countries can play a role in helping our governments to figure out how to work through issues together. As for our company – we have been in Russia since 1998. It is an important part of our company. It is a part of our company that is for the local market, but a big part of our business in Russia is via a JV and the primary markets for those products are the markets in Asia. We start with renewable natural resources – wood fiber and recovered fiber, – we generate most of our own energy using carbon-neutral biomass and we serve growing consumer markets around the world. This is something we have been in for a while, and we have a very long-term view on these investments. And we recognize that the governments will have issues over time, but our business perspective in time-frame is a lot longer.
CNBC: So you think that there has been a clear change in tone now, that American business leaders are feeling more comfortable about being here.

Sutton: I think that businesses that find opportunities here are definitely more engaged and more interested, and that is the case for us. But again, it has been a long timeframe for us being in business here and other parts of the world.

CNBC: It has been tough few years, partly because of the sanctions and partly because where the oil price has gone, and difficulties in the way that this economy runs. Do you get a sense that business environment is sustainably improving here?

Sutton: I think it is. We have a business which is partly dependent on the Russian economy, as we make products for the domestic market, which has clearly improved, slightly. It’s positive, versus where it was a year or two ago, basically as a recessionary environment. But as I mentioned, a big part of our business is an export position, mainly to the Asian markets. That business has actually been pretty strong, based on our cost position and demand for those products. So for IP, which may not be true for everyone, the experience in Russia – domestically and for our export position – has actually been very strong.