BOISE INC.
Form 424B3
November 12, 2009
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The information in this preliminary prospectus supplement and the accompanying prospectuses is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectuses are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-157881
Registration No. 333-155595

Subject to Completion. Dated November 11, 2009

17,000,000 Shares

Boise Inc.

Common Stock

This is a public offering of common stock of Boise Inc. All of the 17,000,000 shares of our common stock are being offered by the selling shareholders identified in this prospectus supplement. We will not receive any proceeds from the sale of the shares of common stock by the selling shareholders.

Our common stock is listed on the New York Stock Exchange (NYSE) under the trading symbol BZ. The last reported sale price of our common stock on the NYSE on November 10, 2009 was $5.47 per share.

Investing in our securities involves a high degree of risk. See *Risk Factors* *beginning on page S-12 of this prospectus supplement for a discussion of information that should be considered in connection with an investment in our securities.*

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public Offering Price	$	$
Underwriting Discount	$	$
Proceeds to Selling Shareholders (before expenses)	$	$

Boise Cascade Holdings, L.L.C., one of the selling shareholders, has granted the underwriters a 30-day option to purchase up to an additional 2,550,000 shares on the same terms and conditions as set forth above if the underwriters sell more than 17,000,000 shares of common stock in this offering.

The underwriters expect to deliver the shares against payment on or about November , 2009.

Sole Bookrunner:	*Co-Lead Manager:*
Goldman, Sachs & Co.	**Lazard Capital Markets**

Co-Managers:

Wells Fargo Securities	**Sterne Agee**

Prospectus Supplement dated , 2009

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You should rely only on the information contained or incorporated by reference or provided in this prospectus supplement or the accompanying prospectuses. We, the selling shareholders and the underwriters have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We, the selling shareholders and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectuses, the documents incorporated by reference or any other offering material is accurate only as of the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

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Prospectus Supplement

Prospectus dated February 12, 2009

Prospectus dated March 27, 2009

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectuses are part of registration statements that we filed with the SEC utilizing a shelf registration process. This document contains three parts. The first part consists of this prospectus supplement, which provides you with specific information about the shares of our common stock that the selling shareholders are selling in this offering and about the offering itself. The second and third parts, the accompanying prospectuses dated February 12, 2009 and March 27, 2009, provide more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectuses, you should rely on the information in this prospectus supplement.

Of the 17,000,000 shares of our common stock offered by this prospectus, 15,000,000 shares are being offered by Boise Cascade Holdings, L.L.C. pursuant to registration statement file number 333-155595 and 2,000,000 shares are being offered by the Jason G. Weiss Revocable Trust and the Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000 pursuant to registration statement file number 333-157881.

This prospectus supplement and the accompanying prospectuses include or incorporate by reference important information about us, our common stock and other information you should know before investing in our common stock. Before purchasing any shares of common stock, you should carefully read this prospectus supplement and the accompanying prospectuses, together with the additional information described under the heading Where you can find more information and Incorporation by reference.

You should rely only on the information contained or incorporated by reference in this prospectus supplement. We, the selling shareholders and the underwriters have not authorized anyone to provide you with information different from that contained in this prospectus supplement. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information provided in this prospectus supplement, the accompanying prospectuses, the documents incorporated by reference or any other offering material is accurate as of any date other than the date on the front of those documents, as applicable. Our business, financial condition, results of operations and prospects may have changed since that date.

The selling shareholders and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

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FORWARD-LOOKING STATEMENTS

Some of the information included in this prospectus supplement, the accompanying prospectuses and the other public filings incorporated by reference herein or therein constitute forward-looking statements. You can identify these statements by forward-looking words such as may, expect, anticipate, contemplate, believe, estimate, intends and continue or similar words.

There may be events in the future that we are not able to accurately predict or over which we have little or no control. The following factors, among others, may cause actual results to differ materially from the expectations described by us in our forward-looking statements:

- paper and packaging industry trends, including factors affecting supply and demand;
- our continued ability to meet the requirements of our credit facilities and other indebtedness;
- cost of raw materials and energy;
- legislation or regulatory environments, requirements or changes affecting the businesses in which we are engaged;
- our customer concentration;
- labor and personnel relations;
- successfully realizing the benefits of operational restructurings and capital investments;
- changing interpretations of generally accepted accounting principles;
- credit or currency risks affecting our revenue and profitability;
- continued compliance with government regulations;
- general economic conditions; and
- those factors identified in Risk factors in this prospectus supplement and in the documents incorporated by reference herein.

You should not place undue reliance on these forward-looking statements, which speak only as of the date of this prospectus supplement or the applicable document incorporated by reference herein.

All forward-looking statements included or incorporated by reference herein attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable laws and regulations, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

MARKET AND INDUSTRY DATA

This prospectus supplement includes information with respect to market share and industry conditions, including the size of certain markets and our position and the position of our competitors within these markets, which are based upon internal estimates and various third-party sources, including RISI, Inc. (RISI). While we believe that such data is reliable, we have not independently verified any of the data from third-party sources, nor have we ascertained the underlying assumptions relied upon therein. Similarly, our internal research is based upon management s understanding of industry conditions, and such information has not been verified by any independent sources. Accordingly, such data involve risks and uncertainties and are subject to change based on various factors, including those identified under the heading Risk factors in this prospectus supplement.

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NON-GAAP FINANCIAL MEASURES

The SEC has adopted rules to regulate the use in filings with the SEC and in public disclosures of non-GAAP financial measures , such as net income (loss) before interest (interest expense, interest income and change in fair value of interest rate derivatives), income tax provision (benefit) and depreciation, amortization and depletion (EBITDA). This measure is derived on the basis of methodologies other than in accordance with GAAP. SEC rules govern the manner in which non-GAAP financial measures are publicly presented and prohibit in all filings with the SEC, among other things:

- exclusion of charges or liabilities that require, or will require, cash settlement or would have required cash settlement, absent an ability to settle in another manner, from a non-GAAP liquidity measure;
- adjustment of a non-GAAP financial measure to eliminate or smooth items identified as non-recurring, infrequent or unusual, when the nature of the charge or gain is such that it has occurred in the past two years or is reasonably likely to recur within the next two years; and
- presentation of non-GAAP financial measures on the face of any pro forma financial information.

EBITDA is the primary measure used by our chief operating decision makers to evaluate segment operating performance and to decide how to allocate resources to segments. We believe EBITDA is useful to investors because it provides a means to evaluate the operating performance of our segments and our company on an ongoing basis using criteria that are used by our internal decision makers and because it is frequently used by investors and other interested parties in the evaluation of companies with substantial financial leverage. We believe EBITDA is a meaningful measure because it presents a transparent view of our recurring operating performance and allows management to readily view operating trends, perform analytical comparisons, and identify strategies to improve operating performance. For example, we believe that the inclusion of items such as taxes, interest expense, and interest income distorts management s ability to assess and view the core operating trends in our segments. EBITDA, however, is not a measure of our liquidity or financial performance under generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income (loss), income (loss) from operations, or any other performance measure derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of our liquidity. The use of EBITDA instead of net income (loss) or segment income (loss) has limitations as an analytical tool, including the inability to determine profitability; the exclusion of interest expense, interest income, change in fair value of interest rate derivatives, and associated significant cash requirements; and the exclusion of depreciation, amortization, and depletion, which represent significant and unavoidable operating costs, given the level of our indebtedness and the capital expenditures needed to maintain our businesses. Management compensates for these limitations by relying on our GAAP results. Our measures of EBITDA are not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation. For a presentation of net income (loss) as calculated under GAAP and a reconciliation to EBITDA, see note 6 in Summary Summary historical condensed consolidated financial data.

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SUMMARY

This summary contains a general summary of certain information contained in this prospectus supplement or the accompanying prospectuses. This summary is not complete and does not contain all of the information that is important to you. It is qualified in its entirety by the more detailed information that is included elsewhere in this prospectus supplement, the accompanying prospectuses and the other documents and the financial statements, including the notes thereto, that are part of the reports Boise Inc. files with the SEC and that are incorporated by reference in this prospectus supplement. You should carefully consider the information contained and incorporated by reference in this prospectus supplement and the accompanying prospectuses, including the information set forth in the section entitled Risk factors beginning on page S-12 of this prospectus supplement. Except where otherwise indicated or the context otherwise requires, the words we, us, our and similar terms, as well as references to the Company, Boise or Boise Inc., refer to Boise Inc. (formerly Aldabra 2 Acquisition Corp.) and all of its consolidated subsidiaries.

Company overview

On February 22, 2008, we completed the acquisition (the Acquisition) of Boise Paper Holdings and other assets and liabilities from Boise Cascade, L.L.C. (Boise Cascade) for $1,252.3 million in cash, $58.3 million in a subordinated promissory note and 37.9 million shares of our common stock. The business we acquired is referred to in this prospectus supplement as the Predecessor.

We are a large, diverse U.S.-based manufacturer of packaging products and papers, including corrugated containers, containerboard, label and release and flexible packaging papers, imaging papers for the office and home, printing and converting papers, newsprint and market pulp. We own pulp and paper mill operations in the following locations: Jackson, Alabama; International Falls, Minnesota; St. Helens, Oregon; and Wallula, Washington, all of which manufacture uncoated freesheet paper. We also own a mill in DeRidder, Louisiana, which produces containerboard (linerboard) as well as newsprint. We also have a network of five corrugated container plants located in the Pacific Northwest, a corrugated sheet plant in Nevada and a corrugated sheet feeder plant in Texas. We are headquartered in Boise, Idaho and have approximately 4,100 employees. For the nine months ended September 30, 2009, we had sales of $1,487.9 million and net income of $98.1 million. See Summary historical condensed consolidated financial data.

We operate our business in three reportable segments Paper, Packaging and Corporate and Other (support services). We present information pertaining to each of our three segments in Business in this prospectus supplement.

Nine months ended

September 30, 2009 sales,
by reporting segment(1)

(1) Excludes Corporate and Other sales and intersegment eliminations of $24.3 million.

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Paper segment

Through our Paper segment, we manufacture and sell uncoated freesheet paper (including commodity and premium cut-size office papers); a range of packaging papers (including corrugating medium, label and release papers and flexible packaging papers); commodity and premium printing and converting papers (including commercial printing papers, envelope papers and form-related products); and market pulp.

Packaging segment

Through our Packaging segment, we manufacture and sell containerboard (linerboard) and corrugated containers and sheets as well as newsprint. In 2008, we consumed approximately 72% of our linerboard and medium production (including industry trades and the medium production from our Paper group) to make corrugated containers and sheets in this segment.

Company strengths

We believe our principal strengths include the following:

Leading provider of office papers and containerboard packaging. We believe we are the third largest uncoated freesheet manufacturer in North America and a leading manufacturer of packaging products. We operate to maximize our profitability by focusing our two largest uncoated freesheet paper manufacturing machines on cut-size commodity office paper while dedicating our smaller machines largely to the production of premium office papers and specialty packaging papers. We believe our uncoated freesheet market positions are aligned with end markets and niches that offer more favorable trends than the industry overall. We also believe our lower cost virgin linerboard mill, complemented by a strong regional corrugated box position, provides us competitive strength in the containerboard market. Our positioning in these markets has benefited from significant industry consolidation. According to RISI, the North American market share of the top three producers by capacity in the uncoated freesheet and linerboard industries has risen from 36% and 31%, respectively, in 1994, to 70% and 59%, respectively, in 2008. This consolidation has resulted in the divestiture of non-core manufacturing facilities and equipment. We believe the sharpened focus derived from these divestitures will benefit both the uncoated freesheet and containerboard markets, as the industry relies on generating returns on invested capital with fewer core assets.

Transformation has created a focused position in attractive markets with additional strategic optionality. Prior to 2005, our businesses were a small part of a larger diversified company, which derived only 16% of its revenue from paper and packaging products. Today, through acquisitions and targeted capital investments, and an ongoing commitment to cost reduction, supply chain efficiency and operational excellence, we have transformed into a strategically focused paper and packaging company with both the scale and flexibility to react to rapidly changing markets and customer needs. We believe this transformation has positioned us with an attractive growth platform for further growth in commodity and specialty packaging.

Industry leading value proposition in office paper channel. We have a long-term supply relationship with OfficeMax Incorporated (OfficeMax), which is one of the largest and most efficient suppliers of office papers to large office environments through its contract stationer business. This relationship allows us to utilize our largest uncoated freesheet paper machines to produce cut-size office paper in long, high-volume production runs, increasing our capacity utilization and reducing our costs. In addition to improving the profitability of our production assets, our integrated supply chain with OfficeMax and other customers enables us to better align our

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sales and merchandising efforts with our customers so as to improve their profitability on our products. We operate a national distribution network that provides OfficeMax with industry leading inventory turns and exceptional on time delivery. This relationship is supported by a long-term agreement to supply OfficeMax with all of its North American requirements for cut-size office paper. Additionally, we offer a complete suite of premium cut-size office papers, and we believe we are the largest producer of recycled cut-size office papers, which is an important product offering to our customers whose consumers have become increasingly environmentally sensitive. We believe our value proposition will position us to continue to capture the operational benefits of stable demand and build and improve relationships with our customers.

Cost competitive position with improved margins. The focus of our two largest uncoated freesheet paper machines is on the manufacture of commodity, cutsize office papers, where demand has proven more stable than other uncoated freesheet grades, such as printing and converting papers. The recent restructuring of our St. Helens mill, the increased integration in our packaging business, and the other operational and cost improvement programs we have undertaken have increased our cost-competitiveness and improved our operating margins.

Strong growth potential as the market recovers. We expect to benefit from several industry trends, including permanent capacity reductions in uncoated freesheet and containerboard, stabilizing demand with growth in premium product areas and favorable pricing trends. In addition to these industry dynamics, we have taken actions that should further support our ability to capture this opportunity. We spent approximately $80 million in the aggregate in 2006 and 2007 to modify our uncoated freesheet paper machine at our Wallula, Washington mill, which historically produced a variety of commodity paper grades, to enable it to produce pressure sensitive (label and release) papers as well as commodity grades. We are continuing to fine tune our production processes at Wallula to reduce costs while maintaining or improving product quality. In 2008, we completed an investment of approximately $23 million for a new shoe press for our linerboard machine in DeRidder, Louisiana, increasing our annual capacity by approximately 36,000 to 50,000 tons, depending on grade mix, extending our product range capabilities and reducing our per ton energy usage rates. Additionally, we restructured our St. Helens, Oregon mill in the fourth quarter of 2008, discontinuing production of the least profitable uncoated freesheet papers, eliminating a significant number of products and the associated sales and marketing overhead, improving our system-wide product loading and reducing working capital and ongoing capital investment needs. We are also receiving benefits from pulp integration with the Wallula mill.

Strong management team. Our management team benefits from strong global insight and domestic experience and combines outside perspective with industry expertise. Our management has led our transition from an asset-focused company to a market and customer-focused company. While our management has been able to increase profitability by cutting costs and making investments in projects with high return potential, management has also increased employee engagement and our commercial excellence, which continues to be an important part of the transformation process, driving productivity, cost savings and safety improvements. On average, our senior management team has over 20 years of experience in the industry.

Strategy

Our business strategy is to continue to align our capital investments and assets with end markets with favorable trends and to lower our costs to improve our overall financial performance and returns on capital.

Grow premium office papers and specialty packaging papers We are increasing our presence in the premium office papers and specialty packaging papers markets, while simultaneously reducing our exposure to more mature and lower margin markets. Specialty packaging papers, such as label and release and flexible packaging, have not been as sensitive to electronic substitution, have greater customer focus on specifications and product quality and offer a price premium to other, more commodity-like uncoated freesheet grades. We have improved the Wallula #3 paper machine and structured our sales and marketing teams to profitably and organically grow our market share in these niche, less commodity-like markets. Sales volumes of premium office papers and specialty packaging papers grew 14% during 2008 compared with 2007.

Increase integration and explore strategic growth in containerboard We operate our containerboard business to optimize cash flow through direct and indirect integration between our containerboard and converting operations, as we believe our system earns a higher return selling corrugated boxes to end customers, as opposed to selling containerboard to converters. We will continue to evaluate opportunities for strategic and organic growth. In the last three years, we purchased Central Texas Corrugated (CTC), a sheet feeder plant in Texas, for $43.8 million and a sheet plant in Sparks, Nevada for $0.8 million to further improve integration.

Increase energy self-sufficiency We believe we can improve our energy self-sufficiency should natural gas and other fossil fuels increase in cost. We have identified a number of potentially high return projects to reduce energy consumption and utilize lower cost renewable sources. We expect to further evaluate and implement these projects if an appropriate return on capital can be achieved.

Pursue opportunities to enhance returns on newsprint paper machines Newsprint currently represents approximately 5% of our total revenues, and our limited newsprint production has a low delivered cost to the southern U.S. markets. We have the ability to restart the currently idled DeRidder #2 machine to produce packaging grades when markets warrant, with a capital investment of approximately $25 million.

Industry

The markets in which we operate are large and highly competitive. Our products and services compete with similar products manufactured and distributed by others both domestically and globally. Many factors influence our competitive position in each of our operating segments, including price, service, quality, product selection, convenience of location and our manufacturing and overhead costs.

The North American uncoated freesheet market had 12.5 million tons of demand in 2008 and has four major manufacturers that account for approximately 68% of capacity, according to RISI and our estimates, as of August 31, 2009. We believe we are the third-largest producer of uncoated freesheet paper in North America. Our largest competitors include Domtar Corporation, International Paper Company and Georgia-Pacific LLC.

Major uncoated freesheet producers, including Boise, have responded to recent declines in demand by closing or significantly curtailing capacity to match lower demand. According to RISI, demand for uncoated freesheet in North America has declined by 1.0 million tons, or 16%, for the first

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half of 2009 compared to the same period in 2008, while prices of Standard Number 4 92 Brite Xerographic uncoated freesheet paper have increased by $5 per ton from $1,060 per ton in June 2008 to $1,065 per ton in June 2009. During this time period, our sales volumes of uncoated freesheet paper have declined by 17%, in large part due to our restructuring of our St. Helens, Oregon paper mill, and net sales prices for our uncoated freesheet paper have increased by 8%.

The North American containerboard (corrugating medium and linerboard) market had 31.6 million tons of demand in 2008 and has five major manufacturers that account for approximately 72% of capacity, according to RISI and our estimates, as of August 31, 2009. Our largest competitors include International Paper Company, Smurfit-Stone Container Corporation, Georgia-Pacific LLC, Temple-Inland, Inc. and Packaging Corporation of America. Our corrugated container operations in the Pacific Northwest have a leading regional market position and compete with several national and regional manufacturers. According to RISI, the containerboard industry serves a number of end markets, some of which have been impacted by negative real GDP growth in North America. Our corrugated product pricing has remained steady, as packaging demand in agriculture, food and beverage markets, which have historically been less correlated to broad economic activity, have remained relatively stable. These markets constitute over half of our packaging product end-use markets. According to RISI, demand for containerboard in North America has declined by 2.2 million tons, or 13%, for the first half of 2009 compared to the same period in 2008, while prices of eastern U.S. 42 lb. unbleached kraftliner have remained flat at $570 per ton. Through the first half of 2009, our sales volumes of corrugated boxes and sheets declined 8% while sales volumes of linerboard declined by 19%. During the same time period, net sales prices for corrugated boxes and sheets increased 7% while net sales prices for linerboard declined by 18%.

Recent developments

9% Senior Notes Offering

On October 26, 2009, Boise Paper Holdings, L.L.C. (Boise Paper Holdings) and Boise Finance Company, a new entity created to facilitate the debt issuance (Boise Finance), our indirect wholly owned subsidiaries (together, the Issuers), issued $300 million aggregate principal amount of 9% Senior Notes due 2017 (the Notes) through a private placement that was exempt from the registration requirements of the Securities Act. The Notes will mature on November 1, 2017, and bear an interest rate per annum of 9%, payable semiannually in arrears on May 1 and November 1, commencing on May 1, 2010.

The Notes were issued under an indenture, dated as of October 26, 2009 (the Indenture), among the Issuers, the Guarantors (as defined below), and Wells Fargo Bank, National Association, as trustee (the Trustee). The Indenture contains covenants which, subject to certain exceptions, limit the ability of the Issuers, BZ Holdings (as defined below), and its restricted subsidiaries (as defined in the Indenture) to, among other things, incur additional indebtedness, engage in certain asset sales, make certain types of restricted payments, engage in transactions with affiliates, and create liens on assets of the Issuers or Guarantors. Upon a change of control, the Issuers must offer to repurchase the Notes at 101% of the principal amount, plus accrued and unpaid interest. If the Issuers sell certain assets, and the Issuers do not use the proceeds from such sale for specified purposes, they must offer to repurchase the Notes at 100% of the principal amount, plus accrued and unpaid interest.

The Issuers may redeem all or a portion of the Notes at any time on or after November 1, 2013, at a premium decreasing to zero by November 1, 2015, plus accrued and unpaid interest. In addition,

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prior to November 1, 2012, the Issuers may redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 109% of the principal amount thereof, with the net proceeds of one or more qualified equity offerings.

The Notes are the Issuers senior unsecured obligations and will rank equally with all of the Issuers present and future senior indebtedness, senior to all of the Issuers future subordinated indebtedness and effectively subordinated to all present and future senior secured indebtedness of the Issuers (including all borrowings with respect to the First Lien Credit Agreement (as defined below)) to the extent of the value of the assets securing such indebtedness.

The Notes are jointly and severally guaranteed by our subsidiary BZ Intermediate Holdings LLC (BZ Holdings), direct parent of Boise Paper Holdings and direct subsidiary of Boise, and all of the domestic majority-owned subsidiaries of BZ Holdings except for the Issuers (the Guarantors). The guarantees of the Notes are senior unsecured obligations of the Guarantors and will rank equally with all of the Guarantors present and future senior indebtedness, senior to all of the Guarantors future subordinated indebtedness and effectively subordinated to all present and future senior secured indebtedness (including all borrowings with respect to the First Lien Credit Agreement) to the extent of the value of the assets securing such indebtedness.

The Indenture contains customary events of default.

In connection with the issuance of the Notes, the Issuers and the Guarantors entered into the Registration Rights Agreement, dated as of October 26, 2009 (the Registration Rights Agreement). The Registration Rights Agreement requires the Company to register under the Securities Act 9% Senior Notes due 2017 (the Exchange Notes) having substantially identical terms to the Notes and to complete an exchange of the privately placed Notes for the publicly registered Exchange Notes or, in certain circumstances, to file and keep effective a shelf registration statement for resale of the privately placed Notes. If the Issuers fail to satisfy these obligations in the time frame required, the Issuers will pay additional interest to holders of the Notes.

Credit Agreement Amendments

Following the sale of the Notes, the Issuers used the net proceeds of the sale, as well as cash on hand, to retire a portion of the existing term loan indebtedness under Boise Paper Holdings senior secured credit facilities pursuant to the previously announced amendments to its credit facilities (Credit Agreement Amendments). Pursuant to the Credit Agreement Amendments, which became effective on October 26, 2009, Boise Paper Holdings repaid $75 million of outstanding secured debt under its Credit and Guaranty Agreement among Boise Paper Holdings, BZ Holdings, certain subsidiaries of BZ Holdings, various lender parties, and Goldman Sachs Credit Partners L.P., as administrative agent (the First Lien Credit Agreement). In addition, pursuant to the Credit Agreement Amendments, Boise Paper Holdings used proceeds of the issuance to repurchase, in its entirety, the indebtedness outstanding under its Second Lien Credit and Guaranty Agreement among Boise Paper Holdings, BZ Holdings, certain subsidiaries, various lender parties, and Lehman Commercial Paper Inc., as administrative agent (the Second Lien Credit Agreement). In consideration of the repurchase of indebtedness under the Second Lien Credit Agreement, Boise Paper Holdings paid to the lender parties thereto 113% of the amount outstanding under the Second Lien Credit Agreement, plus accrued and unpaid interest. Upon the repurchase of all of the indebtedness outstanding under the Second Lien Credit Agreement by Boise Paper Holdings, such indebtedness was cancelled and the Second Lien Credit Agreement terminated.

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Securities Purchase Agreement

On August 4, 2009, we entered into a Securities Purchase Agreement, which allowed us the option to repurchase our 15.75% subordinated promissory note or any portion thereof from the noteholder.

Pursuant to the Securities Purchase Agreement, on October 26, 2009, we used cash on hand to repurchase our outstanding unsecured subordinated promissory note, in its entirety. The Securities Purchase Agreement allowed us the option to purchase a portion or all of the promissory note in one or more transactions during the 181 days after the date of the Securities Purchase Agreement. Pursuant thereto, we purchased the sole promissory note outstanding at a purchase price of 70% of the outstanding value of the promissory note, plus accrued and unpaid interest. Following the purchase of the promissory note, the note was cancelled.

In connection with the repurchase of our second lien term loan and promissory note, we anticipate recognizing a loss on the extinguishment of debt in our fourth quarter 2009 operations of approximately $44 million.

Boise Inc. is incorporated in Delaware, and the address of our principal executive office is 1111 West Jefferson Street, Suite 200, Boise, Idaho 83702-5388. Our telephone number is (208) 384-7000. Our Internet address is www.boiseinc.com. Information found on our Web site is not incorporated into or otherwise part of this prospectus supplement.

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THE OFFERING

Common stock offered by the selling shareholders	17,000,000 shares
Common stock to be outstanding immediately after this offering	84,434,691 shares*
Selling shareholders	Boise Cascade Holdings, L.L.C. (Boise Cascade Holdings). Boise Cascade Holdings, which is controlled by an investment fund managed by Madison Dearborn Partners, LLC (MDP), is our largest shareholder and currently owns approximately 35.9 million shares or 42.5% of our common stock.

Jason G. Weiss Revocable Trust. Jason G. Weiss serves as a trustee and is a beneficiary of the Jason G. Weiss Revocable Trust. Mr. Weiss has served as a director of our Company since its inception and serves as a designee of the Aldabra Majority Holders (as defined in the Investor Rights Agreement) pursuant to the Investor Rights Agreement. He served as Aldabra 2 Acquisition Corp. s chief executive officer and secretary, and has served as a member of our board of directors since inception.

Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000. The children of Mr. Weiss are the beneficiaries of the Murray Sprung Trustee Weiss Family Trust U/A DTD 8/7/2000.

Underwriters option	Up to 2,550,000 shares to be offered by Boise Cascade Holdings if the underwriters sell more than 17,000,000 shares of common stock in this offering.
Use of proceeds	We will not receive any proceeds from the sale of shares of common stock by the selling shareholders in this offering. Please see the section entitled Use of Proceeds.
NYSE symbol	Our common stock is listed on the NYSE under the trading symbol BZ.

* The number of shares of common stock to be outstanding immediately after this offering is based on the number of shares outstanding at November 10, 2009. This figure does not include the 1,689,791 shares underlying outstanding restricted stock units. This figure also does not include 44,400,000 shares issuable upon exercise of outstanding warrants with an exercise price of $7.50 per share.

Risk Factors

In considering whether to purchase our common stock, you should carefully consider all of the information we have included or incorporated by reference in this prospectus supplement and the accompanying prospectuses. In particular, you should consider the section entitled Risk Factors

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beginning on page S-12 of this prospectus supplement as well as the risk factors described in our periodic reports filed with the SEC, including those set forth under the caption Risk Factors in our annual report on Form 10-K for the year ended December 31, 2008 and in our quarterly reports on Form 10-Q for the quarters ended March 31, 2009 and September 30, 2009, which are incorporated by reference in this prospectus supplement.

SUMMARY HISTORICAL CONDENSED CONSOLIDATED FINANCIAL DATA

The following table sets forth summary historical condensed consolidated financial data for Boise Inc. and our Predecessor operations for the periods ended and as of the dates indicated below. We have derived the historical condensed consolidated financial data of the Predecessor as of December 31, 2007 and for the years ended December 31, 2006 and December 31, 2007 and the period from January 1, 2008 through February 21, 2008 from the Predecessor s audited consolidated financial statements incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data of the Predecessor as of December 31, 2006 from the Predecessor s audited consolidated financial statements not incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data of Boise Inc. as of December 31, 2007 and December 31, 2008 and for the period from February 1, 2007 (Inception) through December 31, 2007 and the year ended December 31, 2008 from our audited consolidated financial statements incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data as of September 30, 2009 and for the nine months ended September 30, 2008 and September 30, 2009 from our unaudited consolidated financial statements incorporated by reference in this prospectus supplement. We have derived the historical condensed consolidated financial data as of September 30, 2008 from our unaudited consolidated financial statements not incorporated by reference in this prospectus supplement. In the opinion of management, the unaudited financial data appearing below reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of the results as of and for those periods. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The following summary historical consolidated financial data should be read in conjunction with Management s discussion and analysis of financial condition and results of operations and the consolidated financial statements and the accompanying notes thereto in our Annual Report on Form 10-K for the year ended December 31, 2008 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2009, each of which is incorporated by reference herein.

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(Dollars in thousands)	Predecessor Year Ended December 31, 2006	Predecessor Year Ended December 31, 2007	Predecessor January 1 Through February 21, 2008	Boise Inc. February 1 (Inception) Through December 31, 2007	Boise Inc. Year Ended December 31, 2008	Boise Inc. Nine Months Ended September 30, 2008	Boise Inc. Nine Months Ended September 30, 2009
Statements of income (loss) data:							
Net sales	$ 2,221,957	$ 2,332,603	$ 359,920	$	$ 2,070,632	$ 1,479,513	$ 1,487,917
Costs and expenses (1)	2,128,138	2,172,126	336,784	334	2,030,778	1,451,074	1,276,428
Income (loss) from operations	93,819	160,477	23,136	(334)	39,854	28,439	211,489
Interest expense (2)			(2)	(6)	(91,220)	(65,064)	(64,979)
Other, net (3)	483	1,881	215	10,422	(2,929)	845	2,971
Income (loss) before income taxes	94,302	162,358	23,349	10,082	(54,295)	(35,780)	149,481
Income tax (provision) benefit (4)	(1,381)	(2,767)	(563)	(4,590)	8,772	5,742	(51,359)
Net income (loss)	$ 92,921	$ 159,591	$ 22,786	$ 5,492	$ (45,523)	$ (30,038)	$ 98,122
Other financial data:							
Depreciation, amortization and depletion (5)	$ 116,398	$ 84,649	$ 477				