

THE VOICE OF THE TIMBER INDUSTRY

# TIMBER BULLETIN

DULUTH, MINNESOTA

SEPTEMBER/OCTOBER 2012

VOLUME 67



**Day by Day  
Banick Logging  
Sun Shines on 59th  
Annual North Star Expo**

THE VOICE OF THE TIMBER INDUSTRY

# TIMBER BULLETIN

Volume 67  
September/October 2012  
Duluth, Minnesota

## IN THIS ISSUE

Day by Day –  
Banick Logging ..... **8**

Sun Shines on 59th Annual  
North Star Expo ..... **12**

Points North: Mills Close,  
But Trees Keep Growing ..... **20**

Timber Talk ..... **22**

TPA's 75th Anniversary:  
The Beginning of the *Timber Bulletin* ..... **24**

Guidelines Revisions Finalized ..... **28**

Classifieds ..... **30**

Advertisers Index ..... **30**

## TIMBER PRODUCERS ASSOCIATION

### President

KIT HASBARGEN

### Past President

MIKE WARREN

### 1st Vice President

SCOTT PITTACK

### 2nd Vice President

DAVE BERTHIAUME

### Secretary/Treasurer

CURT BENSON

### Editor-in-Chief

WAYNE E. BRANDT

Graphic Design, Editorial and Mechanical Production  
STEWART-TAYLOR PRINTING

## ON THE COVER

Lowell Pittack of Bovey displayed this re-furbished 1930 Ford Model AA Truck at the North Star Expo, commemorating TPA's 75th Anniversary. For more on the Expo, please turn to page 12.

The Timber Bulletin is published six times annually, in February, April, June, August, October and December by the Minnesota Timber Producers Association, located at 903 Medical Arts Bldg., 324 W. Superior St., Duluth, Minn. Minnesota Timber Producers Association members receive the Timber Bulletin at an annual subscription rate of \$25 which is included in their membership dues. Periodicals postage paid in Duluth, Minnesota. Advertising rates and data on request. The views expressed in the Timber Bulletin do not necessarily reflect the views or opinions of the Minnesota Timber Producers Association.

Postmaster: Please send address corrections to TIMBER BULLETIN, Minnesota Timber Producers Association, 903 Medical Arts Bldg., 324 W. Superior St., Duluth, Minnesota 55802, Phone 218-722-5013.

Issn: 10973532 – USPS: 016208



No articles may be reprinted without written permission from the Minnesota Timber Producers Association.



Minnesota  
Timber Producers  
Association





**S**ummer heat has finally given way to cooler fall weather. We had great weather for the North Star Expo. I hope you had time to go.

Conditions have been great for logging and the wood yards show it. Fires in the

## President's Column



northwest part of the state have the DNR very busy. We should all thank them for their efforts to protect the homes, private property, and timber that were in the path of those fires. Hopefully the DNR will have time to put up the timber we need for our industry.

Enjoy the fall season and work and play safe.

*All tyranny needs to gain a foothold is for people of good conscience to remain silent.*

—Thomas Jefferson

Remember to vote in November!

Take Care,

*Kit Hasbargen*

### Executive Committee

Mike Warren: 218-244-5722

Kit Hasbargen: 218-634-1628

Scott Pittack: 218-259-8148

Dave Berthiaume: 218-380-9783

Curt Benson: 218-239-1001

### TPA Staff

Ray Higgins: 218-722-5013

Wayne Brandt: 218-722-5013

## Dayton Meets on Industry Issues



**M**innesota Governor Mark Dayton (right) has participated in several meetings with representatives of our state's forest products industry since the August closures of the Georgia Pacific and Verso mills. Dayton met with loggers in Grand Rapids, including several TPA members, as well as here with TPA Executive Vice President Wayne Brandt (left).

DNR Commissioner Tom Landwehr also participated in

the meetings.

Brandt shared a variety of ideas with the governor and commissioner, including maintaining historical volumes of wood offerings, offering higher quality wood, offering more summer accessible sales, and finding ways in which to assist loggers acutely effected by the Verso and Georgia Pacific closures.

Dayton said he would work with agency heads and staff to find ways to help the logging community.

**T**hank you to all of the vendors who exhibited at this year's *North Star Expo*. We appreciate the effort that you put into your displays. Without you there would be no show.

Special thanks to Joan Pomp, Ken Ziemba, Lowell Pittack and Ed Hedstrom for bringing displays and restored equipment to the show in recognition of TPA's 75th Anniversary. Your extra efforts added a lot of interest to the Expo. We appreciate your support.

As always a big thank you to the hard-working Expo Committee and to UPM's committee member Jim Gabriel who puts in countless hours to make the show a success.

## Executive Vice President's Column



The Expo Committee works year round on the show to make it a worthwhile event for everyone. Thanks to all of them again.

I did my "numbers"

column last issue. Unfortunately one number has changed. The number of larger mills that have closed permanently has gone from five to six with the closing of GP's Superwood plant in Duluth. The plant produced hardboard, primarily for automotive applications, and served as a great market for many of our members. It also employed many people in Duluth with the kinds of jobs that let them buy houses, educate their children and go on a vacation once in awhile. As with every job lost, it was a sad and painful blow.

The MN Forest Resources Council finished the latest revision of the *Voluntary Site Level Guidelines for Timber Harvesting and Forest Management* at its September meeting. There are a number of changes that TPA members will be pleased with and that will make the guidelines more workable and make some more sense. Riparian buffers will not count towards the leave tree requirements and the riparian

zone widths and residual basal areas are modified. Economics will now be one of the considerations for selecting leave trees – hopefully this will provide some more logs for our sawmills while still meeting environmental objectives. There are many other changes which you will hear more about.

Many thanks to former TPA President Dale Erickson who serves on the council and on the Site Level committee which did most of the heavy lifting on guideline revisions. Dale put in countless hours at the committee and full council level to make sure the revised guidelines were practical for loggers. Thanks also to MFI VP Forest Policy Tim O'Hara and MLEP Executive Director Dave Chura who provided key information and participated in many of the meetings that were held.

The MN Forest Resources Council also sent DNR Commissioner Tom Landwehr a letter making recommendations on how to

improve the economic vitality of our industry from forest to finished product. Key among these were recommendations to sell more summer operable wood, sell more wood at economic rotation ages and increase the total DNR timber sales program to one million cords per year. The council also went on record in the letter asking the commissioner to provide relief to people who hold timber sales that were purchased to provide wood to Verso Paper and GP.

Commissioner Landwehr had asked the council to provide their recommendations at a meeting earlier this year. Governor Dayton has tasked his department heads with keying in on improving economic conditions for the industries that they deal with.

Many thanks to council members and staff who were very open-minded about this topic.

## Early Loggers in Minnesota

by J. C. Ryan



First-hand recollections by storyteller "Buzz" Ryan of the loggers, loaders, swampers, wood butchers and bull cooks who ruled the woods in the heyday of the pioneer lumberjacks—with dozens of historical photographs.

Enclosed is \$ \_\_\_\_\_ for

\_\_\_\_\_ copies "Early Loggers in Minnesota" Vol. I at \$8.50 each.

\_\_\_\_\_ copies "Early Loggers in Minnesota" Vol. II at \$8.50 each.

\_\_\_\_\_ copies "Early Loggers in Minnesota" Vol. III at \$8.50 each.

\_\_\_\_\_ copies "Early Loggers in Minnesota" Vol. IV at \$8.50 each.

Prices include sales taxes, postage and handling.

**Please make check or money order payable to "TPA Services"**

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**Mail to: Minnesota Timber Producers Assn.  
903 Medical Arts Bldg., 324 W. Superior St., Duluth, MN 55802**

and did an outstanding job. Always cheerful and relaxed Jane came up with many ways to improve our organization and its operations. She was the voice on the other end of the phone for you as she resolved countless issues in a timely manner.

Jane moved to Florida to be closer to family. We miss her and wish her all of our best for the future.



If I'm sick of this year's campaigns I'm sure you are too. I'd like to hear more about why I should vote for someone and less about why I should vote against them. Unfortunately the reason campaigns and their supporters run negative ads is that, historically, they've worked.

We all know the problems that we have in our state and country. It seems that our elected officials have a hard time getting together on solutions to problems.

I think one of the problems is the basic strategy of campaigns. Back when I ran campaigns – before cell phones, the Internet, YouTube etc. – the winning strategy was usually the same. Establish a strong base, occupy the ideological center and, if you were a Democrat, push

your Republican opponent to the right; if you were a Republican, push your Democratic opponent to the left. That won elections. The two masters of this in the past 30 years were Ronald Reagan and Bill Clinton.

These days the winning campaign strategy is to run to the left or right to excite the base of your supporters. This is now the third or fourth presidential election cycle that we have seen this strategy. And, it's been successful.

The problem with the strategy is that once elected you can't govern. Our country is not of one dominant ideological or party mind. So, we elect people who have run to their political bases instead of also occupying the center. And we tend to elect divided governments with presidents and governors of one party and legislative control divided with or among the opposite parties.

Since campaigns have not been about occupying the center in some real way it ends up meaning that they can't forge solutions that can be passed and signed into law once elected. And, we have the gridlock that we have seen for many years.

Both parties are equally at fault with many examples to support

my view with only a few notable exceptions.

And in the end, this all just my opinion.



I was saddened to learn that "Spike" Blegen passed away at age 67. Spike was the long-time State Patrol commercial vehicle enforcement head in the NE Region working out of the Saginaw scale. He had retired in 1999 after 32 years with the Patrol. Spike was a no nonsense guy who called us when he saw problems and we did the same. We worked together to solve those problems and improve our relations, loads and trucks for the benefit of all.



Fall is in the air and many of you are taking to the field. Just like we learned firearm safety when we were young, and review it before we take to the field each year, take the time to review safety before you take to the woods or mill. You won't regret it.

Handwritten signature of Wayne E. Bant.



## Member Feature...



Kevin Banick handles his own slashing and loading with a HanFab slasher and a Barko 295ML loader. It's one of seven slasher/loaders Banick owns.

## Day by Day

***He didn't plan on it, but barely 40 years ago, Kevin Banick started cutting wood and hasn't stopped since.***

by Ray Higgins

It's a warm fall day just west of Nisswa. Kevin Banick's logging crew is working in what he calls an ideal site: nice, level, private land, sandy ground, 500 cords of aspen, birch, and pine on a square, 40-acre site, adjacent to a blacktop road, just 10 miles from Sappi's Baxter wood yard. That's where the aspen

pulpwood is headed, with the pine bolts going to Potlatch's Bemidji mill.

As the crew falls, skids and de-limbs the fallen timber, Banick slashes the wood into 100-inch lengths and loads the trailer on a steady stream of trucks. With only 10 miles to the woodyard, it doesn't take long for his drivers to deliver the aspen and return for more. Banick expects this will be the

crew's worksite for about a week. After that, they'll move to the next job.

"It's a beautiful, sandy sale," Banick says. "Very flat, very level. We'll be able to work fast here."

Where that next job is, Banick isn't sure. He has private landowners who want him to harvest their timber, and he has some stumpage he purchased at auction that could be cut as well. But if Sappi or





**Kevin Banick**

Potlatch wants Banick and his crew to go to work on one of their sites, he'll go there instead.

"I'm not going to worry about it," Banick says. "I'm going to go day by day."

Banick says that's been his philosophy and it's one that has served him well since getting his start cutting wood nearly 40 years ago at age 11.

The genesis of the business is different than most others in the state. Banick's father was a dairy farmer just south of Brainerd, not a logger, and Kevin had no connection with the industry. But when his father cleared a pasture for his cows, he was going to burn the wood. That's when Kevin saw opportunity.

"I asked Dad if I could cut that wood up," Kevin says, "So he let me use a chainsaw. He let me start doing it and I was getting like 20-30 dollars a cord for the wood. I was about 11 years old."

Then as happens in any business, an obstacle arose.

"My grandmother chewed my dad out for using the chainsaw so young," Kevin says, "so I had to quit."

But like the good business person he was to become, Kevin came up with a solution to the problem.

"I had my own tractor already, a little B John Deere," Kevin says. "I put my dad's saw rig on the front of the tractor and he let me use that to cut the wood up. Then I got enough money to get my own \$125 Remington Chainsaw and went from there. I used to cut about a cord of wood every night after school, and then I'd do my farm chores."

Fortunately, there was plenty of wood to cut. Neighboring farmers also had wooded tracts they wanted



**Banick (R) visits with an adjacent landowner at his logging job near Niswau. The landowner stopped by to ask Banick to harvest his timber as well.**

cleared for pasture, so they let Kevin cut it for nothing. Business was good, and he worked that way, through his teenage years. At age 16, Kevin quit Brainerd High School so he could cut wood full time.

"I wanted to go to work," Banick says. "I knew I wasn't going to be a lawyer or something. I quit school when I was 16, and I've been on my own ever since."

Kevin eventually graduated, getting his GED, but the firewood business was good, thanks to hard

work. He was splitting the wood, stacking it, and marketing it.

"I just kept cutting wood and delivering it," he says. "I had a pickup and I'd cut and haul two cords. I'd go out and drag it out with the tractor and cut it, split it, and throw it in there and go out and sell it. That was my day every day. Right from high school I was still cutting firewood and doing odd jobs here and there."

"As I got older, I would do 50-60 cords of firewood with the tractor



**Peter Alexander operates Banick Logging's John Deere 843G feller buncher.**



every year. Then I ended up buying a cheap skidder to pull firewood out."

That was his first step toward going into logging. The skidder allowed him to help out a local logger who supplied Potlatch. When the Bemidji mill was looking for more contractors to harvest timber on their lands, they approached Banick.

That hadn't been the plan. Banick figured he'd end up moving to the Twin Cities and finding a job as a mechanic or maybe running heavy equipment. But now, instead of fixing it or driving it, he owns it.

"Potlatch asked me to come to work for them cutting their wood," he says, "and I've been logging ever since."

Like any budding entrepreneur, Banick had a lot to learn about running a business, but he kept it simple and things have worked out.

"I don't like anything to do with paperwork or stuff like that," he admits. "I hired my sister to help me with that. I just like working with my hands."

He's proven to be good at that, learning from experience how to maintain and repair his trucks and woods equipment.

"When I grew up I just learned it," Banick says. "Mechanic work is just common sense. Some people just have different skills. I catch on to that kind of stuff real quickly."

"I do most of my own repairs," he says. "I have a big shop, 120 by 40 feet wide, with all of the tools I need. I can go in and work on anything in there."

Banick has plenty to work on. Though he has only one active logging operation in the woods, over the years he's accumulated enough for a second operation, and then some. For instance, he currently owns seven slasher/loaders.

"I have back-up everything," he says of his extra equipment. "I bought one or two here and there, 'got a good deal on them, fixed them up, that sort of thing. So I have enough equipment for two operations but I just run one. It's all I can handle."

Doing most of his own maintenance is certainly a cost-saver for the business. So is working as close to his hometown of Brainerd –



**Mark Nelson drags harvested aspen to the landing in a John Deere 648 G3 skidder.**

and the Baxter woodyard.

"I cut my fuel bill in half by working close to where we deliver," Banick says. "Same thing with tires. I really noticed last summer. We stayed home, worked right around here and hauled into Baxter, and my tire bill was really small, my fuel bill was really small, and it made a huge difference in our bottom line."

The biggest key to running a successful business, Banick says, is hard work. Particularly in a logging industry that has seen its ups and downs over the past dozen years. Accordingly, Banick doesn't shy away from hard work.

"I work seven days a week," he says. "I just go day by day. As long as I can make my payments every



**Andy Meyers runs the Lim-mit delimber on a John Deere carrier. Meyers will also hop in a skidder and help with those duties as well.**





Banick's hard working attitude has earned him a reputation around the area as a good logger and a fair business operator. As a result, he's been cutting more timber for private landowners of late. In fact on this day, the owner of a nearby forty stopped by the job site to talk to him about appraising his timber and harvesting it. That's the sort of "word-of-mouth" that helps his business survive.

"I don't know what's going to happen," Banick says. "I can't tell you right now. If business stays the way it is, yeah I'll be here for quite a few years yet."

**Michael Brown heads to Sappi's Baxter woodyard after being loaded with harvested aspen.**

month, keep my bills paid up, I'm just going to keep doing it that way. I'm looking ahead, I'm watching, trying to keep an eye on things. I

look at my wood and make sure I have wood ahead of me to cut, and I'm looking at jobs way ahead, but this operation, I'm going day by day."

# Sun Shines on 59th Annual North Star Expo

**W**arm, sunny conditions made for a sun-splashed 59th Annual North Star Expo, which returned to the Itasca County Fairgrounds in Grand Rapids for the fourth consecutive year.

This year's event was the place to see the latest and greatest in logging, trucking, and sawmill equipment, as well as a chance for those inside the logging and forest products industry to meet, greet, and compare notes. As always, the Expo also gave the general public – including over 100 school kids from Grand Rapids – the opportunity to see firsthand the importance of logging to Minnesota's economy.

All told, this year's displays featured more than \$20 million in equipment, as the community of Grand Rapids and Itasca County embraced the Expo once again.

Filled with various contests, good food, great vendors, and the chance to compare notes on the industry with folks from throughout Minnesota, the 2012 Expo was again an action-packed two days.



For the first time ever, The **Best Outdoor Display** competition was split into two divisions: Large Equipment and Small Lot. Nortrax took top honors in the **Large Equipment Division**. ZieglerCAT finished second, with Ponsse North America claiming the third spot.



In the **Best Outdoor Display – Small Lot Division**, Expo Committee Chair Joan Pomp and committee member Nathan Heibel present Petro Choice/Rapids Hydraulic with the Blue Ribbon. Diamond Industrial Cleaning was runner-up, and Laona Machine Supply received third place honors.





TPA Expo Committee member Nathan Heibel (L) and Committee Chair Joan Pomp (R) present Mid-States Equipment with the top award in the **Best Indoor Booth** competition. Badger Truck Refrigeration received the second place award, and Sun Source placed third.



For the fourth year in a row, Matt Lundberg (C) of Lundberg Forest Products in Solway posted the fastest time in the **Loader Contest**, with a time of 3:03.36. Finishing second was Matt's father Dan Lundberg (R) at 3:21.81, while Tony Kowitz of McGregor completed the checkerboard in 3:34.12, good enough for third place.



Dick Samuelson, customer support adviser from the Duluth Nortrax location, serves pancakes and sausage at the annual Saturday Morning Logger's Breakfast. The John Deere dealer once again sponsored the free feast, which also included coffee and juice, helping Expo attendees get their day started right courtesy of the great folks at Nortrax.



Dave Berthiaume of Berthiaume Logging poses with his winning entry in this year's **Best Load Competition**. Berthiaume's entry was sponsored by Sappi Fine Paper. Haley Logging provided the second place entry, while Greg Cook Logging finished third. This year's best load competition featured a total of seven entries!



Duane Barrow of the Northstar Draft Horse Association shows Grand Rapids school children how logs were skidded in days gone by. It's part of the Expo's popular horse logging demonstration, which serves as a contrast to today's highly modernized machines that are also on display. Ed Nelson of Wood "En" Horse Logging also coordinated the demonstration.



Savanna Hadrava of LaPorte shows her winning entry and blue ribbon in the Ages 6 and under division of the annual **Expo Coloring Contest**. Along with the ribbon, Hadrava also received an art kit. Second place went to Asher Soukup, while Seth Barton of Cohasset received third prize. For kids aged 7-9, Nashwauk's Jazlyn Svaleson captured top honors for the second consecutive year, followed by Kendra Frandsen of Cohasset and Hallie Rootkie of Brook Park. In the category for kids aged 10 to 12, Corrine Dahl won the blue ribbon, followed by Erika Hufnagle and Ian Lindblad. The top three in each category received ribbons, while each winner was awarded an art kit.

In the **Guess the Weight Competition**, Matt Lundberg of Solway's guess of 89,550 pounds was the closest to the actual weight of 89,890 to capture the \$50 prize.

In other competitions, the **Wood Identification Contest** was won on Friday by Shawn Linder and by Robert E. Morris of Duluth on Saturday. Each won \$25.

## Next Year

The TPA Expo committee is already working on plans for next year, and we look forward to seeing you there!





While seeing all of the equipment displays at the Expo, sometimes it's necessary to find a handy place for a quick rest.



Potlatch Bemidji Mill manager Pete Aube topped some stiff competition in this year's **Celebrity Loader** competition. His time of 1:49.33 topped an august group of contestants: (L-R) Aube, Boise Woodlands manager Dan Toivonen, state Sen. Tom Saxhaug (DFL-Grand Rapids), Minnesota DNR Commissioner Tom Landwehr, Northland's NewsCenter Iron Range reporter Jennifer Austin, and state Rep. Carolyn McElfrick (R-Deer River). Toivonen finished second, while Landwehr placed third.



This year's Expo was visited by more than 100 6th-graders from Grand Rapids schools. Here, UPM Blandin Forester Adam Sutherland shows the kids a cut-to-length harvester while explaining the logging process and the important role the logging community plays in proper forest management.



As is Expo tradition, Friday was capped off with a delicious dinner, this year featuring delicious teriyaki pork chops and all of the fixins'. More than 250 tickets were sold, while the Grand Rapids Curling Club staffed the Beer Garden. In addition, more than 100 door prizes were donated by generous vendors and companies, making it an evening of great food, cold beverages, and lively conversation, the fitting end to day one of the North Star Expo.



## Celebrating TPA's 75th



To help celebrate TPA's 75th Anniversary, TPA members restored old equipment for display at the Expo. This John Deere MC Crawler was restored by Ken Ziemba of Littlefork. Also on display was a 1930 Ford Model AA truck, which was used for hauling logs, restored by Lowell Pittack of Bovey (as seen on the cover of this issue of the *Bulletin*).



TPA Board Member Ed Hedstrom of Hedstrom Lumber in Grand Marais, brought several antique chainsaws as well as a large aspen wood cookie to the Expo. Hedstrom says a count of the rings indicates the tree was roughly 105 years old. He also provided a model of how a logging camp operated back during the 19th century and the early part of the 20th century.



Also to commemorate TPA's 75th Anniversary, TPA Expo Chair Joan Pomp of Land O Lakes Wood Preserving displayed photos of vintage logging operations, courtesy of the Fellows Family Museum in Tenstrike. Above, Russ Kingsley of Palisade reviewed the pictures of logging operations from days gone by.



# Thank You!

The Minnesota Timber Producers Association would like to thank the following companies and organizations for their donations toward making the 59th Annual North Star Expo a huge success:

## North Star Expo Sponsors:

Bell Timber  
Boise, Inc.  
Hedstrom Lumber Company  
Minnesota Forest Industries  
MN SFI® Implementation Committee  
Norbord Minnesota  
Potlatch Corporation  
Sappi Fine Paper  
UPM Blandin

Loader courtesy of Northern Timberline Equipment  
Kids' Mini-Loader provided by Ed Nelson  
Forklifts courtesy of Nortrax Equipment and M & R Chips, Inc.  
Two-Way Radios courtesy of Northern 2-Way  
Fire pit and firewood courtesy of Adam Sutherland and Itasca Outdoors  
Signage Courtesy of Dick Distributing, Grand Rapids

## Barbecue Door Prizes were provided by:

Boise Paper  
Don Evans Insurance  
Don Dens Trailer  
Mid-States Equipment  
Fleet Pride Truck Parts  
Land O'Lakes Wood Preserving  
Ainsworth  
Enbridge  
UPM Blandin  
Ponsse North America  
Rihm Kenworth  
Skubic Brothers  
Rapids Hydraulic and Machine  
Fluid-Tech  
AgStar Financial Services  
Northern Star Co-op/Cenex  
Titan Machinery  
ZieglerCAT  
Sappi  
MLEP  
Lockhart's Firewood Grippers  
Northwest Tire  
Nortrax  
Two Harbors Machine

TPA would also like to thank Dave Chura for taking the Expo photos you see in this issue of the *Bulletin*.



The Minnesota Timber  
Producers Association  
would like to thank

**NORTRAX**

For again sponsoring the  
**Pancake Breakfast**  
at the  
59th Annual North Star Expo

*Great Job!*

# Georgia Pacific's Duluth Superwood Plant Closes



**A**fter weeks of rumors, Georgia-Pacific announced in August its Duluth facility would be closed permanently. The move results in the layoff of roughly 140 workers, as well as closes a market for several Northland loggers.

The closure came less than a month after Verso Paper announced it would permanently close its Sartell mill, which hadn't operated since a May explosion and fire that killed one employee and injured four others.

The GP plant made Superwood, a thin hardboard product used in the auto industry. The company is continuing to make the product at other facilities. The Atlanta-based company also manufactures tissue, pulp, paper, packaging, building products and related chemicals.

"We realize this is a difficult decision and it is going to impact the community," said GP spokesman Eric Abercrombie in a statement. "The decision was made after a thorough review to optimize the business. That was based on the long-term vision for Georgia-Pacific wood products."

The closure at GP and Verso bring to six the number of Minnesota mills that have closed since 2006. Ainsworth closed facilities at Cook, Grand Rapids, and Bemidji in 2006 and 2007, and Weyerhaeuser closed its Trus Joist plant in Deerwood in 2007.



# NewPage Reaches Agreement on Chapter 11 Plan

**N**ewPage Corporation announced that it has reached an agreement in principle with all of its major creditor groups concerning the terms of its Chapter 11 plan.

"This is a very important step for NewPage, and assuming satisfaction of certain conditions, this agreement should allow us to emerge from Chapter 11 in the near term," said George F. Martin, president and CEO of NewPage.

NewPage operates a mill in Duluth, producing several grades of supercalendered paper used for catalogs, magazines, advertising inserts and other commercial printing.

The agreement was reached as part of court-ordered mediation conducted by the court-appointed mediator, Bankruptcy Judge Robert D. Drain. At the request of certain parties participating in the mediation, the mediator did not provide any of the term sheets proposed by the parties to the mediation (or any of their material terms) to certain other parties participating in the mediation. Rather, the mediator served as an intermediary, facilitating discussion among the parties and encouraging

the parties to make concessions in an effort to reach agreement upon a consensual Chapter 11 plan.

NewPage is the leading producer of printing and specialty papers in North America with \$3.5 billion in net sales for the year ended Dec. 31,

2011. NewPage is headquartered in Miamisburg, Ohio, and owns paper mills in Kentucky, Maine, Maryland, Michigan, Minnesota and Wisconsin. These mills have a total annual production capacity of approximately 3.5 million tons of paper.

# Points North: Mills Close, But Trees Keep Growing

by Shawn Perich

*Shawn Perich is editor/publisher of the website Northernwilds.com and is a veteran writer and editor well-known for his many books and outdoor stories. A native of Duluth and longtime North Shore resident, Perich is a member of the Minnesota Forest Resources Council, representing Game Species Management Organizations. This opinion piece first appeared in the Outdoor News and is reprinted with permission.*

**T**his summer, Minnesota lost the Verso paper mill in Sartell and the Georgia-Pacific hardboard plant in Duluth. Both appear to be permanent losses. The Sartell mill was destroyed by fire and the Duluth plant is being dismantled. They are not the first to go.

Minnesota Public Radio recently reported the state's forest industry has lost six mills in the last five years – a stunning swing of the timber harvest pendulum. Just five years ago the state was faced with an aspen shortage as industrial demand exceeded the available supply of this common tree.

Stumpage prices for logging sales soared as competing companies outbid one another to secure the raw material for their operations.

Then the housing market collapsed. Demand for Minnesota-made building products dried up. Plants first cut back production and then started closing their doors. Across the northern forest, timber that was fetching record prices just a couple of years before now went begging for buyers.

The effect of the forest industry downturn rippled through the northwoods economy. The plant closures were hard blows for the communities that depended upon them for employment and economic stability. People lost jobs. Main street businesses shut their doors. The pendulum completed its swing.

Out in the woods, trees continue to grow. Northern Minnesota's forest is relentless. Vigorous saplings pop up in any cleared area, quickly starting a new forest.

This cycle of renewal is the forest's response to disturbances ranging from natural events such as wildfire and wind throw to human activities such as timber harvest. As most hunters know, the various stages of forest regeneration provide changing habitat for wildlife.

Most game species prefer a young forest. Ruffed grouse are associated with 10- to 20-year-old aspen stands. White-tailed deer thrive in the dense, brushy growth of young forests. Along waterways, regenerating aspen provides beavers with a wealth of good eats. Moose are attracted to large openings created by fresh disturbance. As the forest ages, trees grow larger and their canopy shades out the undergrowth. Less food and cover is available for game species.

Not so many years ago, during a prior pendulum swing, mature forests covered much of northern Minnesota, creating a conundrum for wildlife managers who wanted to increase the abundance of game species. In the late 1970s, there was little market for aspen, so wildlife managers hired contractors to bulldoze mature aspens to create wildlife openings. The deer population was so low many hunting units were restricted to bucks-only hunting in hopes of protecting does to bolster the herd.

During the 1980s the pendulum swung again. The forest products industry began to utilize aspen and ramped up production capacity to make use of the abundant resource. By the end of the decade, clear-cutting was so widespread some began to wonder if we were overharvesting the forest. During the early 1990s, the state completed a Generic Environmental Impact Statement on the cumulative impacts of timber harvest and forest management, which led to harvesting guidelines and better forest management.

Timber harvest and the industry stayed strong through the 1990s and into the 2000s. It isn't coincidence that this was a period marked by a record abundance of beaver, deer and wolves in northern Minnesota. The present decline in deer abundance may be related to the



swing in the harvest pendulum as well.

What the future holds for northern forests and wildlife is uncertain. The harvest pendulum is bound to swing again, but exactly how or when the timber industry will recover is uncertain. Experts quoted in the MPR story said pulp and paper production will likely continue to be an industry mainstay. New uses are being found for pulp, including making cellulose to produce rayon. It may be years before the demand for building products returns.

Declining timber harvests will lead to less young forest habitat in the foreseeable future, and thus likely somewhat diminished abundance of forest game species. For hunters, this may mean more restrictive bag limits for deer in some hunting units, especially following hard winters. A reduction in beaver numbers would be welcome by the many Minnesotans who contend with nuisance problems, since their present abundance far exceeds the number of trappers available to control them.

While we are growing trees much faster than we are cutting them down, a harvest downturn doesn't mean we are returning to the forest primeval. While the original forest consisted of vast pine stands and conifers, the forest has changed so much since then that we are unlikely to ever return to that original condition. In fact, as the climate changes, so will the forest.



A bigger concern is that less demand for forest products may mean we pay less attention to forest management. We are already seeing staffing and budget reductions in state and federal forestry agencies. Fewer loggers in the woods means we have less capacity to actively manage forests, leaving the woods more vulnerable to insects and disease or unwanted wildfire.

Someone wiser than me once remarked that you need a healthy forest industry to have a healthy forest. But what sounds like unabashed industry propaganda is very true. A healthy industry creates a demand for a sustainable supply of trees, thus encouraging sound forest management. A healthy industry also attracts political attention, leading to greater public investment in forest management and research. Crazy as it sounds, a healthy industry even creates a healthy climate for conservationists, allowing them to work with industry for the betterment of the forest as well as play a counterpoint on controversial issues.

The MPR story mentioned that with the closure of the Sartell mill, loggers in the Bemidji area no longer have a market for balsam fir. A logger quoted in the story says his company has some balsam timber sales they likely won't harvest because they have no place to sell the wood. Balsams are a short-lived tree species prone to die-offs during periodic outbreaks of spruce budworm. Dead balsam burns like gasoline. To say the loss of the Sartell mill will lead to increased fire danger in the Bemidji area is a vast overstatement, but you get the drift. Regardless of timber harvest, the forest's cycle of renewal continues. And Mother Nature never takes humans into account when she goes to work in the woods.

# St. Louis County Maintains \$1 Million Insurance Requirement

In September, the St. Louis County Board voted unanimously to maintain the insurance liability requirements for timber sale contracts at \$1 million.

The board last considered the issue in 2009, in response to a measure passed at the Minnesota

## Timber Talk

statewide. At that time, the county board maintained the \$1 million insurance requirement but said it would monitor the situation and revisit the issue at a later date. In

Legislature that increased tort liability requirements to \$1.5 million for all county contractors

revisiting the issue in September, the St. Louis County Board acknowledged that a pertinent claim hadn't been filed in any county in the state and made the policy permanent.

Since the legislation passed, TPA has appeared before several county boards urging them to maintain the \$1 million requirement. A higher requirement would result in a significant additional expense due to the fact that insurance companies that sell these coverages only offer policies in \$1 million increments. As a result, timber permit owners would have had to purchase \$2 million in coverage, an increase in premiums of thousands of dollars per year.

## DNR Offers Extensions To Those Working in Blowdown

The DNR is granting one-year, interest-free extensions on state permits to loggers working to salvage blow-down timber from this year's July 2 and July 4 windstorms.

Extensions will be granted even for those doing salvage work on county or federal land. The DNR will offer an extension on one existing permit for every "salvage" permit the logger is harvesting.

Questions on the extension policy can be directed to the area office where the permit was purchased.



# TPA Celebrating 75th Anniversary in 2012

## Forming TPA

**T**he Minnesota Timber Producers was founded in 1937, making 2012 the organization's 75th anniversary year. In commemoration, over the course of the year the *Timber Bulletin* will look back on TPA's history and that of Minnesota's timber industry, based on the 50th Anniversary edition of the *Bulletin*, written by Bill Beck and published in 1987.

### The Beginnings of the *Timber Bulletin*

When TPA was formed in 1937, Executive Secretary Fred Bessette began communicating with members with a printed newsletter. The earliest editions were typed and mimeographed, with "Timber Producers Association" across the top and "Bulletin" at the left margin. The newsletters were typically three to four pages in length and were sent monthly.

But during 1944, Bessette fell ill and along with the difficulties of business during wartime, the *Bulletin* was published only sporadically.

Sadly, Bessette passed away on New Year's Eve of 1944. When John Hoene took over as executive secretary in 1945, he created a vision for a new and improved *Timber Bulletin* that would not only inform TPA members, but also generate revenue for the association.

The new "Monthly Bulletin" debuted in September of 1945 and featured eight pages on coated magazine stock, and included both photographs and, for the first time, advertising. "With the rapid changes that have been taking place in the past few years it is more necessary than ever to have the space to devote to the full explanation of them," Hoene wrote.

Of course, the advertising revenue was not only needed to help fund the association, but to also pay for the additional expense of the increased cost of printing the new design. Hoene was able to solicit many advertisers, including those that supplied logging businesses like Clyde Iron Works and Harvey Oil Company, but also some with a less direct connection to the industry such as WEBC Radio and Duluth's Holland Hotel. Thanks to the support of advertisers, each issue of the *Bulletin* was increased to 20 pages

within two years.

As the years went by, the *Bulletin* continued to be the voice of Minnesota's timber industry, featuring the latest advancements in equipment, chronicling association events like annual meetings and the North Star Expo, and most importantly, detailing the latest developments in the public policy and legislative arenas, and staff activities in all of these areas.

Today, the *Timber Bulletin* is full color, and is sent not only to TPA members but also to school and community libraries across Minnesota, media outlets statewide, and policy makers in county, state, and federal agencies, keeping all interested parties informed on the state of our industry and the latest developments.



A collection of *Timber Bulletins* through the years.

# From Bulletins Past

## A sample of topics covered by *The Timber Bulletin* through the years

### From the June, 1943 *Bulletin*:

A great deal of time and space is being devoted to discussion of after-the-war planning. Some planners apparently want Uncle Sam to play Santa Claus to all the world outside of the U.S.A., leaving native Americans to pay the bills and work out their own salvation as best they can. There are others who believe we should first make sure of winning the war and then attack each future problem as it comes up for solution. Between these two viewpoints, there is undoubtedly a field wherein sensible men can meet and lay plan for the future that will result in a just peace and fair play for all people under certain conditions.

At a recent meeting held in St. Paul, attended by 250 Northwest businessmen, Jay C. Hormel of Austin told the audience that to start with, post War planning should be just the ordinary kind of planning which prudent people always do; that is, they try to think out a plan before they are forced to act, and that it is now incumbent on every good businessman and citizen to look ahead and plan sensibly for the future if this country is to make permanent the freedom for which it is now fighting.

### From the October-November 1972 *Bulletin*:

"The supply-use relationship for certain kinds of wood is becoming increasingly critical for the Minnesota forest products industry," according to George

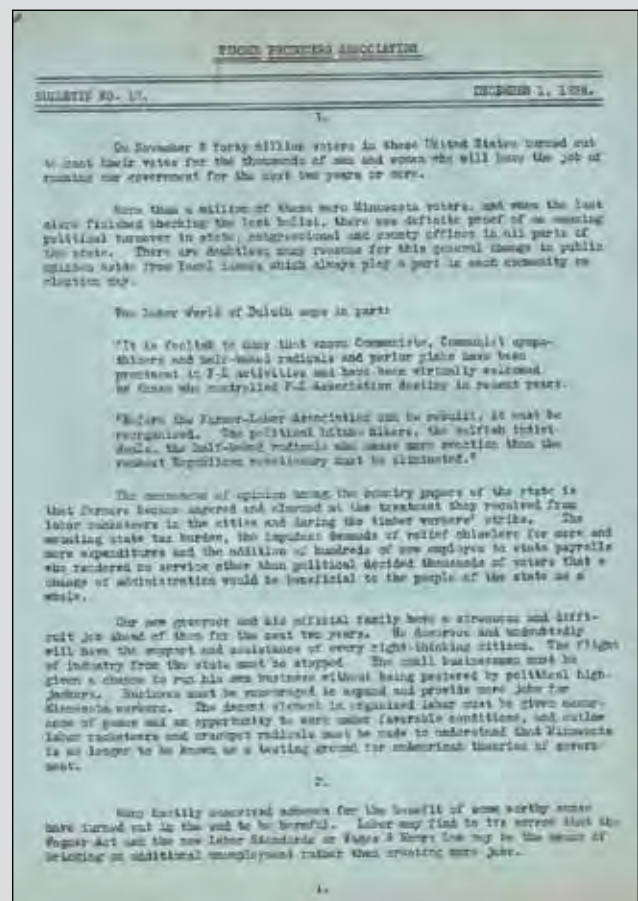
B. Amidon, Boise Cascade forestry executive.

Speaking before the Hibbing Lions Club, Amidon pointed out that the industry's need for wood has been undergoing considerable expansion. "This expansion was based upon what has been publicized since 1966 as an apparent surplus of available Federal timber in the Superior National Forest," he said. "Now that the need is here, new estimates and new pressures for more wilderness have significantly reduced the apparent surplus, and Boise Cascade and others will be facing severe raw material shortages."

Amidon stated that about 65 percent of the over two million acres administered by the U.S. Forest Service in the Superior National Forest was available for commercial timber production. The remaining 35 percent, mostly within the Boundary Waters Canoe Area, is totally restricted

to recreational or wilderness use.

"While the final timber survey will not be completed for over a year, forest service estimates indicate 28 percent less wood available now than was reported just five years ago. Withdrawal of additional lands for restricted use and excessive mortality due to old age and insects seemed to be the most likely explanations for the overall loss in wood availability."



An early issue of the *Timber Bulletin*, photocopied on blue paper and mailed to members in December, 1938.



# On the Markets

The *Timber Bulletin* publishes information regarding results of a sampling of recent timber sales and other market indicators, as well as other market-related news items.

## Recent Timber Sales Average Prices, as reported by each agency

Agency      Regular      Intermediate

### Aitkin County

*August 22 – Sealed Bid*

Aspen	\$25.74	NA
Maple P/B	\$15.76	NA
Mixed Hdwd		
P/B	\$12.36	NA
Red Pine P/B	\$34.66	NA

*24 of 26 tracts offered during the sale were purchased.*

### Beltrami County

#### Blow Down-Storm Damage

*August 27 – Sealed Bid*

Aspen	\$14.96	NA
Birch pulp	\$ 7.80	NA
Mixed Hdwd		
P/B	\$12.36	NA
Red Pine P/B	\$34.66	NA

*6 of 8 tracts offered during the sale were purchased.*

### DNR – Sandstone Area

#### Marked Hardwoods

*August 28 – Oral Auction*

Aspen Species		
(WC)	NA	\$24.88
Red Oak		
(WMP)	\$11.55	\$19.84
Maple Species		
(WC)	\$ 6.40	NA

*2 of 18 tracts offered during the sale were purchased.*

### Cass County

*August 30 – Sealed Bid*

Aspen	\$27.33	\$29.91
Red Oak	\$37.00	\$36.21
Birch	\$16.36	\$21.99

*7 of 9 tracts offered during the sale were purchased.*

### DNR – Park Rapids Area

*September 17 – Sealed Bid*

Trembling Aspen		
(WC)	NA	\$29.27
Jack Pine		
(WMP)	NA	\$32.40
Paper Birch		
(WC)	NA	\$ 9.37
Oak Species		
(WMP)	NA	\$26.33

*All 8 tracts offered during the sale were purchased.*

### Hubbard County

*September 17 – Oral Auction*

Aspen	\$17.00	NA
Aspen Pulp	\$25.01	NA
Balsam Fir	\$11.02	NA
Jack Pine		
Mixed	\$14.25	NA
Norway Pine		
Mixed	\$36.97	NA

*All 8 tracts offered during the sale were purchased.*

### DNR – Park Rapids Area

*September 18 – Oral Auction*

Trembling Aspen		
(WC)	NA	\$27.04
Pine Species		
(WMP)	NA	\$24.75
Norway Pine		
(WMP)	NA	\$26.93

Red Oak      NA      \$25.32  
*23 of 26 tracts offered during the sale were purchased.*

### DNR – Little Falls Area

*September 20 – Sealed Bid*

Trembling Aspen		
(WC)	\$23.09	\$20.84
Aspen Species		
(WC)	NA	\$20.83
Red Maple		
(WC)	\$ 8.50	\$ 8.50
Norway Pine		
(PB)	NA	\$21.40

*Of the 27 tracts on the sale, 8 were purchased.*

### Cass County

*August 30 – Sealed Bid*

Aspen	\$27.86	\$25.76
Red Oak	\$25.57	\$31.09
Tamarack	\$ 3.80	NA

*6 of 10 tracts offered during the sale were purchased.*

Products:

PB= Pulp and Bolts

WMP= Woodsrun mixed Products

WC= Woodsrun cordwood

ST=Sawtimber

WST=Woodsrun Sawtimber

PW=Pulpwood

# Guideline Revisions Finalized

**A**fter a nearly three year process, the Minnesota Forest Resources Council approved the latest round of revisions to the state's *Voluntary Site Level Guidelines for Timber Harvesting and Forest Management*.

Among the input the council received during the revision process was from TPA members who were surveyed on what changes they'd like to see made. In addition, two focus groups were held to further gather thoughts on how the Guidelines could be improved.

Former TPA president Dale Erickson, the Forest Resources Council's logger representative, served on the Council's Site Level Committee, provided valuable insight and was a strong voice in support of revisions that would benefit the logging community.

Among the revisions:

- Economics can be considered when selecting leave trees
- Infrastructure (landings and roads) can be increased on larger harvest sites
- RMZ widths and residual basal areas have been modified.

The revision process included not only input from loggers and industry, but also from the Minnesota Logger Education Program, University of Minnesota experts, conservation and environmental groups, and from land managers like the DNR and county land departments.

"The process was thorough," Erickson said. "The input we received from TPA members was invaluable. The site level committee and the Council were responsive to our concerns and I'm pleased with how the revisions turned out."

Here's a more detailed look at the revisions:

## Change to infrastructure guideline

- 1) Create 3-tier allowable infrastructure amount based on harvest size

Harvest area	Infrastructure area
< 20 acres	1 acre
20-30 acres	5% of harvest area
>30 acres	3% of harvest area

## Changes to leave tree guidelines

- 1) Allow scattered and clumped leave trees to be used in conjunction
- 2) Emphasize utilizing a distribution which achieves a desired future condition
- 3) Allow RMZ area to count towards recommended 5% leave tree area
- 4) Allow consideration of economic value when choosing which trees to leave

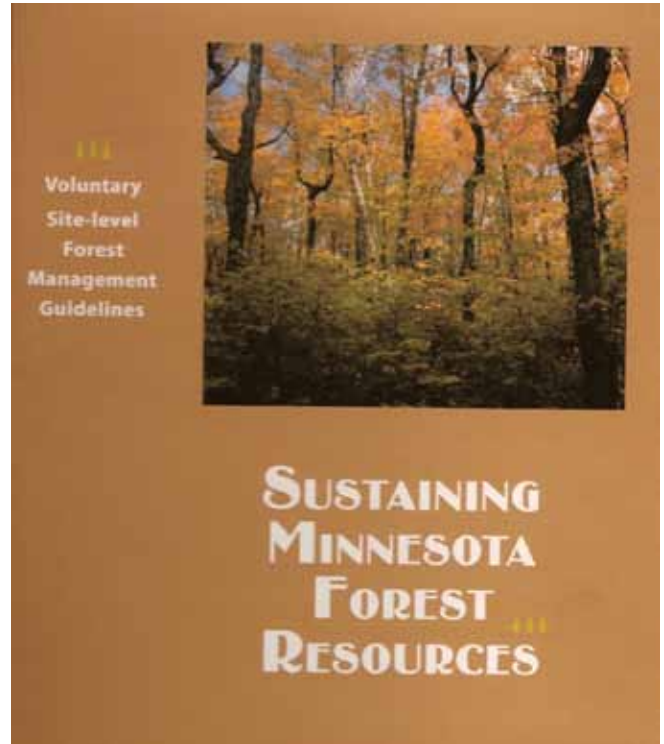
## Changes to biomass guidelines

- 1) Modify existing guideline to adjust FWD retention if incidental breakage differs from the assumed amount (10-15%).
- 2) Allow deviation from recommended FWD retention to achieve Silvicultural objectives
- 3) Reconcile slash retention language to conform with biomass guidelines.

## Changes to riparian management zone (RMZ) guidelines

- 1) Modification of RMZ widths
- 2) Modification of RMZ residual basal area (standardized to 60 ft<sup>2</sup> for all RMZ's)

Water body characteristics	RMZ width (ft)
Designated trout streams, tributaries, and lakes	165
All non-trout streams ≥ 3 ft. wide, and lakes and open water wetlands ≥ 1 ac. in size	120
All non-trout streams < 3 ft. wide and lakes and open water wetlands < 1 ac. in size <sup>1</sup>	50
<sup>1</sup> these recommendations do not	



apply to seasonal ponds.

## Clarifications of existing guidelines

- 1) Clarification that deviation from retention of conifer regeneration guideline is acceptable for insect and disease considerations, or in some instances when natural disturbance regimes are altered.
- 2) Add in additional language clarifying when erosion control "is needed and necessary" (>2% slope, potential impact to water quality, etc.)
- 3) Add in additional language related to petroleum spills clarifying what to do when spills occur, reporting requirements, and conditions necessary for thin spreading of contaminated soil.

## Informational items to be added in general guideline section

- 1) Consideration of overall watershed condition when planning management activities. Provides links to several online resources for assessment (e.g., DNR's Watershed Assessment Tool).
- 2) Background on the threat of invasive species, existing laws related to their control, and reference to related resources.



# Classifieds

To serve our readers better, the Timber Bulletin offers free classified ads of up to 85 words to all members and associate members of the Minnesota Timber Producers Association. All ads must be submitted in writing to the Association office. The MTPA assumes no responsibility for ad contents and accepts free ads on a first-come, first-served basis within space limitations.

## WANTED

Barrel stave logs – White Oak and Burr Oak butt cuts 12-inch diameter and up – random lengths  
For more information call  
Robert Staggemeier at  
Staggemeier Stave Co. Inc.  
Caledonia, MN 55921  
Office: 507-724-3395  
Cell: 608-792-7598

**UNITED STATES POSTAL SERVICE** (All Publications Except Requester Publications)  
Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314**  
E-mail: **wayne@staggemeier.com**  
Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314** E-mail: **wayne@staggemeier.com**  
Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314** E-mail: **wayne@staggemeier.com**  
Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314** E-mail: **wayne@staggemeier.com**

Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July / August 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314** E-mail: **wayne@staggemeier.com**  
Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July / August 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314** E-mail: **wayne@staggemeier.com**  
Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July / August 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314** E-mail: **wayne@staggemeier.com**  
Publication Title: **Timber Bulletin - The Voice of the Timber Industry** Issue Date: **July / August 2012**  
Frequency: **3x Monthly** Number of Issues Published Annually: **3** Annual Subscription Price: **\$12.00**  
Publication Location: **524 W. Superior St., Ste 802, Duluth, MN 55802** Mailing Office: **Wayne Francis**  
Telephone: **218-722-3314** E-mail: **wayne@staggemeier.com**

## ADVERTISERS INDEX

AgStar .....	26
Cass Forest Products .....	14
Central Power Distributors .....	19
Corporate 4 .....	30
Don Evans Insurance Agency, Inc. ....	19
Fryberger, Buchanan, Smith & Frederick, P.A. ....	21
Great Lakes Trailers .....	7
Hedstrom Lumber Co. ....	29
Industrial Fluid Technologies, LLC .....	11
Itasca Greenhouse .....	23
Lumbermen's Underwriting Alliance .....	18
Northern Engine & Supply .....	29
Northern Timberline Equipment .....	27

Nortrax .....	23, 31
Otis-Magie Insurance Agency .....	4
Petro Choice .....	13
Pomp's Tire .....	22
Prairie Trailer .....	21
Rice Blacksmith Saw & Machine .....	2
Rihm Kenworth .....	17
Road Machinery & Supplies .....	32
Schaefer Enterprises .....	11
Stewart-Taylor Printing .....	29
Vermeer .....	27
Wausau Sales Corp. ....	26
Ziegler .....	5