

THE VOICE OF THE TIMBER INDUSTRY

TIMBER BULLETIN

DULUTH, MINNESOTA

MAY/JUNE 2008

VOLUME 64



Legislative Success
Details of the
2008 Session inside

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TIMBER BULLETIN

Volume 64
May/June 2008
Duluth, Minnesota

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ON THE COVER

Loggers in Minnesota are now exempt from using biodiesel in their woods equipment, thanks to a law passed by the Minnesota Legislature and signed by Gov. Pawlenty. For detailed coverage of this year's legislative session, please see page 12.

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Minnesota
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Scott Pittack Recognized as 2008 Logger of the Year

The last column isn't any easier than the first one. My term as president started out with mills taking downtime and that is what we are still talking about. There have been some bright spots. The Governor's Task Force

President's Column



brought legislative action to help our industry and it also gave the public some insight into our industry.

This past winter was a lot more like a normal one. It was nice to have

a long working season. As we finish up repairs this spring and get ready to get back to the woods, remember to be safe.

There is good news on bio-fuel, at least for the next few years, with our exemption that Wayne so ably got for us.

By now the annual meeting, along with the golf and fishing outing, is history. Thanks to the staff and the PR Committee for making it happen.

Make sure the Expo is on your calendar. It will be in Bemidji again, with much warmer weather!

Thanks for the support you have given to the MTPA the last two years.

Thomas C. Mecke



Scott Pittack of Pittack Logging (L) receives the 2008 Logger of the Year award from Terry Worthman, chair of the MN SFI Implementation Committee.

Scott Pittack of Bovey has been named 2008 Logger of the Year by the Minnesota Sustainable Forestry Initiative® (SFI) Program Implementation Committee.

This achievement recognizes exemplary work in timber harvest and management in Minnesota's forests.

By receiving this award, Pittack Logging is recognized for its adherence to safe and professional logging operation in addition to its commitment to ethical, environmentally sensitive, and aesthetically appropriate harvesting practices.

"Scott has shown leadership in this state, and is a very valuable asset to the forest products industry in Minnesota", said SFI® Implementation Committee Chair and Boise Forester Terry Worthman.

Pittack has been active in his local community as well as the logging community. He's a Minnesota Certified Master Logger, is a member of the TPA board of directors, and conducts timber harvest demonstrations for local schools and landowner education events in an effort to inform the public about the important role loggers play in

managing our forests.

Pittack was nominated for this awarded by Jim Berkeland of UPM-Blandin Forestry. In his nomination Berkeland stated, "The name Pittack is synonymous with integrity and quality in the timber and business community."

The SFI Implementation Committee represents the SFI Program that guides forest management activities of forest products companies in Minnesota. The objective of the award is to recognize performance of outstanding independent logging contractors, as well as to increase the visibility of competent professional logging contractors within the forestry community in Minnesota.

The State Legislature was good to us this year. TPA had an initiative to exempt logging equipment from the state mandate to use bio-diesel. We were successful in passing this as we worked closely with ag groups and rural members of the House and Senate. More progress was made on truck weights as we succeeded in extending the current "six axle"

Executive Vice President's Column



provisions to finished products including lumber, OSB, paper and barrel staves. On the forestry front, we succeeded in protecting the DNR Division of Forestry from any General Fund cuts even though the

state had a \$935 million deficit.

Special thanks on the bio-diesel exemption go to Rep. Rukavina, Rep. Al Juhnke (Willmar) and Senator Saxhaug. Rep. Anzels was tireless in advocating for truck weights and was helped greatly by Rep. Hornstein (Minneapolis). Senator Saxhaug was a leader on truck weights and got key support from Senator Skoe. Senator Bakk, Rep. Solberg, Rep. Sertich, Senator Tomassoni, Rep. Dill and others provided key support and leadership. We are grateful to each of these legislators and to all of the others who helped us.

If you would like more specifics on these issues check the story elsewhere in this issue of the *Timber Bulletin* or contact the TPA office.



Some issues never go away. The State of Minnesota Board of Water and Soil Resources (BOWSR) has embarked on a major rewrite of the Wetlands Conservation Act (WCA) rules. They have established a stakeholder group which we are participating in. It has always rankled some in the state bureaucracy and the green groups that exemptions exist for silvicultural activities and forest roads. They verbally state their belief that the exemptions are being

abused. We always make two points: document the alleged abuses and prosecute the violators. There have been over 100,000 individual logging sites since the passage of the WCA and less than a few dozen documented violations related to them. I think that we can all agree that's an admirable record. I think that we can also all agree that willful violators of the exemptions should be dealt with.

Nonetheless, there are persistent efforts to require us to appear before some bureaucrat to have our exemptions blessed. We will continue to oppose this – vigorously.



The draft DNR Division of Forestry work plan for Fiscal Year 2009 is out. It shows an expected timber sale offering level of 900,000 cords with some additional volume coming from thinnings. This target would continue the progress being made by the division to improve forest health and productivity while providing additional volumes to the marketplace. The great staff and leaders in the division are committed to this target and we should help them achieve it every way that we can.



I don't know how many businesses have an extra two grand laying around that they want to give to the government. That is exactly what it cost one logger recently for not having a drug and alcohol testing in place for his truck drivers.

There are no forestry exemptions to this requirement. If you are driving commercially or hire drivers, you must be in a program. No exceptions. No exemptions.

We offer an easy and affordable program through TPA Services. Call Jane at our office to get you and your drivers enrolled. Or, get out your checkbook and get ready to write one to the government.



We were in the U.S. District Court in St. Paul again for another Sierra Club vs. the U.S. Forest Service lawsuit. This one is a challenge to the Forest Plan. The plaintiff's contentions are that there should have been a separate

chapter in the plan on the BWCAW and that the USFS should have used the enviros' forest road data. The BWCAW issues are dealt with by the plan as every resource was evaluated – just not in a separate chapter. The enviros' road data came in after the USFS had signed the Record of Decision and completed the plan. So, the USFS spent six plus years putting the plan together and the enviros can't submit their information. Seems pretty thin to me.

The interesting part of the court hearing was that the judge dispensed with presentations by the respective attorneys and went straight to questions. Usually these hearings take about an hour and fifteen minutes. This one took a bit more than two and half hours. I give the judge credit for being well prepared and asking tough questions to understand the parties' positions and reasoning. We should see a decision in the next several months.



The TPA Insurance Committee continues to work on health insurance issues. We recently surveyed members on a number of topics. Of the respondents, 87% indicated interest in a TPA program; 79% said they provided benefits to their employees, with health insurance being the most frequently provided benefit, and 72% were paying some or all of their employee's health insurance premiums.

Health insurance is a difficult issue with not easy solutions. The committee will continue to work on the issue, explore options, and seek solutions for TPA members.



With all the rain that we've had this spring and the housing crisis curtailing production, there haven't been a lot of wheels turning in the woods. The breather that we've had is a good time to review safety issues for the summer season. Take a minute to review things with your employees. And think about safety as it relates to your own work. We don't want anyone to get injured.

Member Feature...



Hand Made

East Dhu River Mill Built From Ground Up

by Ray Higgins

Conrad Jacobsen thought starting a sawmill would be a pretty good hobby.

"When I first started," Jacobsen says, "I told my wife, 'if the mill starts up and runs, I'll be happy.'"

It runs, alright. And 30 years later, East Dhu River Sawmill is still running, manufacturing paneling, flooring, molding, and other building products, oftentimes custom-made to the purchaser's wishes.

The mill sits just south of

Mountain Iron on the land where Jacobsen grew up. His dad was a dairy farmer and did some carpentry on the side. That's where Conrad started to learn about wood. But starting the sawmill was still a long way off.

After high school, Jacobsen spent a little more than a year at Mesabi Community College and then took a job at US Steel as an equipment operator, among other things. After about five years, he grew tired of that, and went to work for

a local general contractor,

"Dad taught me carpentry a little, and I took it from there," Jacobsen says. "I quit working at the mine on a Friday, and I went to work as a carpenter on a Monday. In two weeks, I was the general foreman. I didn't realize how much I knew, but I guess I knew more than the other guys."

He enjoyed building so much he eventually decided to build the mill and saw some wood on the side.

"In the winter time," he says, "I wouldn't be so busy with my contracting work. I thought between work and sawing, I'd be able to make a living. I'd be fine."

Jacobsen bought an old sawmill, but it needed a lot of fixing. He was able to handle the repairs himself, put a diesel motor on it, and get the business off the ground, sawing pallet material to make pallets. East Dhu River Sawmill was born. That was 1990.

The name of the mill comes from the river that adjoins the property. Sort of.

The official name of the river is the East Two River. But Jacobsen says an old-timer told him the original name was East Dhu because 'dhu' means 'dark water' in Norwegian. As the story goes, the gentleman who surveyed and mapped the river wasn't Norwegian, but of another Scandinavian background and changed it to East Two on the map.

"I'm not Norwegian," Jacobsen says, "but I like the old name. It's a piece of history."

He had the right name, but Jacobsen still didn't have the mill quite the way he wanted it. So he decided to build his own mill. From scratch.

"Being raised on a farm," Jacobsen says, "of course we knew how to weld and build things. I guess I can look at something and visualize what it should do and how to do it. So I started building this mill here out of steel. When I finished, I was completely broke," he says. "I mean, I was broke. I had to scrape enough money together just to buy one load of wood."

"And then it just got out of hand, because I'd look at things and say to myself, if I just do this, that would be better."

That led to a complete new building for the mill, which Jacobsen also built himself. And a kiln and a separate building for finishing products which doubles as a showroom. All of which he built from the ground up by himself.

"I didn't build the band saws," he says. "I bought those and re-fabricated them. Same thing with the sander. I bought it down at a mill in Wisconsin and it was in pretty bad shape. We took it all apart, refurbished it, and got it going."

Eventually, the sawmill became Jacobsen's full-time job. He's still sawing pallet parts and also makes products for the Occupational Development Center in Buhl. But the major portion of the business – and the part Jacobsen enjoys most – is the paneling, trims, flooring, cabinet parts, and other special orders East Dhu River makes out of basswood, tamarack, aspen, cedar, white pine, red pine, black ash, birch, or oak.

"I can do anything the customer wants," he says. I carry the common, basic styles, but people come here for the out of the ordinary things. I had a guy come with a piece of paneling, an older style piece he wanted matched. I don't know if he had a lodge, or what he was doing. I needed to make knives to get it right, so Lehman's Machine in Iron made me a template and I ground the knives and I made him something.

"We just did a trim load of wood for a guy, a contractor. A very nice lady wants birch. So the contractor comes and we fill a pick-up box load, right to the top. She knew what she wanted and she came in and looked and said I want this, this, and this. And she was happy.

"The other thing that helps our business," Jacobsen says, "is the end matching of paneling. No one does that. We tongue and groove the ends of the boards. If you're doing a ceiling or even a wall, you don't have to end on a stud. Everything is inter-locked. We also do the wider baseboards, beaded paneling, wider casings. We actually do a piece of siding. These are some of the things we do.

"What sells my wood is its dryness, Jacobsen says. "Typically, with construction boards, the standard is 19% water content. We dry our pine down to 6%. Our hardwoods are going 5 ½ percent.

"I sell a lot of cabinet material to different cabinet makers around here," Jacobsen says. "They'll tell you they like my wood because it's dry."

When the boards come out of the mill, it's 50% water. They're then stacked outside and air-dry for 60

days. Typically in the summer, that brings the percentage down to 12-14%. Then the wood goes into the kiln for eight days, finishing the drying process.

"Air-drying is a must," Jacobsen says, "because it cuts down on energy consumption and time in the kiln."

Jacobsen uses wood from all over. Some of it is wood milled at Cusson Camp in Orr and is dried here. He also gets bolts delivered by loggers like Cliff Shermer,



Brett Zadra feeds a board through the edger. B.A. Jacobsen (left) and Brett Kippola wait on the other end.



Samples of paneling in the East Dhu River Saw Mill showroom, including different species, widths, etc.



Two six-head molders used at East Dhu River.



Black ash, delivered by Gheen logger Cliff Shermer, waiting to be milled at East Dhu River.

Gordy Dobbs, and Bruce Kainz, among others.

"They're all loggers I respect because of the way they handle their wood," Jacobsen says. "It all goes down to the cleanliness of the logs and the lengths of the logs. These guys take extra care. Not every stick is a sawable bolt, and the sooner someone understands that, they can get their quality up."

Cleanliness is important in more than just the logs. The mill itself is swept and cleaned every night, something Jacobsen says is a necessity.

"If you're having customers come in," he says, "you have to present yourself in a presentable way. I have so much repeat business. I don't advertise, so if I

don't treat my customers well, I wouldn't have any business. Keep the place clean is part of it. You can eat an egg off the floor."

The way Jacobsen built the mill helps keep it clean. He uses air-pressure rather than hydraulics to run the machinery.

"The only thing that is run hydraulically is the carriage drive," he says. "Everything else is air operated. With hydraulics, you have a mess with oil. I don't have to worry about that. And environmentally it's a good thing to go with air, too."

Jacobsen meets all of those customers personally. He doesn't sell his wood through retailers. They have to come to the mill personally to select what they

want.

"We deal directly with contractors and homeowners," he says. "I always like to meet my customers, because eventually they become my friends."

It's also important to have support, and Jacobsen couldn't do this on his own. He has two full-time employees, Brett Zadra and Brett Kippola, both of whom have worked here for over a decade. Cousin B.A. Jacobsen also helps out part time. And while wife Mary doesn't work at the mill, Conrad says he couldn't do it without her.

"She understands what I do," Jacobsen says. "She understands the business aspect of things, how things go. She's very supportive."

He also gets support from



The stockroom at East Dhu River is nearly 140 feet long, with examples of the different paneling, flooring, and molding kept in stock. Jacobsen will also custom-make products to suit customers' needs.



An example of custom molding made at East Dhu River. A customer brought an old piece of paneling and asked Jacobsen to make a molding that would match. This is what he came up with.

businesses in the area.

"You can't run an operation without having people to back you up," Jacobsen says. "Lehman Fabricating in Mountain Iron made the cab for the mill. Lehman Machine does all my machine work, and Vermilion Saw does all my hammering. They're all perfectionists, and I like that."

Jacobsen says there are plenty of challenges. He's planning to expand, adding a scragg mill this summer. Taxes and insurance are always major expenses. And even though stumpage prices have come down, fuel costs are off-setting those savings. Then there was the prostate cancer doctors found in January 2007. The good news is, after surgery nearly a year ago, the cancer is gone.

"I seriously thought about expanding," Jacobsen says about the future. "I thought about buying a piece of land and really building a big facility. That was before I got sick last year. But I'm happy doing what I do. I love what I do. Why create more problems?"

Success in St. Paul 2008 Legislative Session Recap

When the gavel fell on the 2008 legislative session at the end of May, it proved to be another successful year for TPA members, and for the industry as a whole. Increased truck weights, an exemption for the use of bio-diesel in logging equipment, and no decrease in funding for the DNR were among the key accomplishments.



“The biodiesel exemption is huge. That’s one every logger is going to notice in terms of savings in filters and downtime,” said TPA President Tom McCabe. “It’s great to see state government willing to work with us. Ultimately, the solution to the industry downturn lies with each of us, but it’s heartening to have our governor and legislators do their part, as well.”

The following is a rundown of legislative issues considered this year and their outcomes:

Truck Weights

In a very significant victory we were able to secure enactment of increased truck weights for finished forest products. The new provision allows an additional 10,000 pounds of finished products to be hauled with a sixth axle, a permit and other conditions. (Under the new law, timber and finished products can be transported on vehicles not exceeding 99,000 lbs. when seasonal increases are in effect.)

This victory was the product of several years of work and helps

continue the momentum to increase truck weights generally on all types of roads. It also came in the aftermath of the I-35 bridge collapse last summer, which complicated management of this issue. The provision was originally in the 2007 Omnibus Transportation Policy Conference Report, which was not acted on in 2007. The Conference Committee was reconvened in 2008 and produced a new report that was passed by the House and Senate but vetoed by the governor because of provisions dealing with the federal Real ID program.

The language of the 2007 bill, minus the Real ID provision, was then amended onto another bill, with the chief Senate author being changed, dealing with International Fuel Tax deposits. This bill was subsequently passed by the Senate and House and signed into law by the governor.

Biodiesel Exemption – Logging Equipment

Logging equipment was exempted from all biodiesel mandates by a new provision in the Omnibus Agriculture bill. This victory was achieved through sound presentation of the facts on the issue, careful work with relevant legislators and partnering with agricultural groups, including the Minn. Soybean Growers. The exemption sunsets on May 1, 2012, and does not apply to trucks used in logging.

Transportation Funding

Legislation was passed and a gubernatorial veto was overridden that increases transportation funding. The fuel tax will increase in steps by \$0.05 per gallon permanently; a temporary \$0.035 fuel tax increase will pay for highway bonds; a metro sales tax of \$0.025 to pay for transit was authorized; and license tab fees were increased.

Implements of Husbandry

Legislation was enacted specifically including vehicles used exclusively for timber harvesting as an eligible implement of husbandry.

Paved 9 Ton Roads

Legislation was enacted that increases the combined weight limit on paved 9 ton routes to 80,000 pounds

Bonding

\$3 million was provided for state land reforestation; \$1 million for state forest roads and \$3 million for conservation easements. The amounts for reforestation and roads were the amounts proposed to the legislature by the administration.

DNR Appropriations

With the state being confronted by a nearly \$1 billion deficit we were successful in preventing any General Fund cuts to the DNR Division of Forestry. Language was included requiring the DNR to report to and consult with the chairs of jurisdiction in the House and Senate regarding changes in amounts being spent through the Forest Management Investment Account (FMIA). This provision was added when the DNR informally reported decreases in revenues in the FMIA that were resulting in decreases in certain expenditures.

Two Division of Forestry General Fund appropriations riders were modified to provide more flexibility to the division.

\$250,000 in new General Fund appropriations were enacted. \$53,000 in one-time funds were provided to the MN Forest Resources Council (MFRC) for a portion of the cost of studying and providing recommendations on different policy and fiscal tools that can be used, and where best to use them, to maintain the productive forest land base.

\$197,000 in annual ongoing appropriations were provided to the Interagency Information Cooperative at the University of Minnesota. Both this and the MFRC study funding were recommendations from the Governor’s Task Force on the Competitiveness of the Primary Forest Products Industry.

Forest Management Investment

Account Unallotments

The DNR is now required to notify the chairs and ranking minority members of the House and Senate Environment and Natural Resources Finance committees 30 days before implementing "unallotments" from the fund. This provision came about due to actions being considered by the DNR in response to projected decreases in revenues flowing into the fund.

Minnesota Forests for the Future

Legislation was enacted creating the Minnesota Forests for the Future program. These provisions create the legal authority and policy framework for state conservation easements.

Minnesota Forests for the Future Revolving Account

This account was set up but not funded. It provides the framework for the purchase and re-sale of land after the placement of conservation easement on the parcel. The easement would need to meet the requirements of the Minnesota Forests for the Future program.

Alternative Recording of State Forest Roads

This provision modifies and clarifies the process by which the state establishes its use of forest roads for forest management and recreational access. It also further defines the appeal process that property owners can use.

Timber Permit Extensions

The DNR Commissioner is allowed, but not required, to grant a five-day extension to the 60-day time limit by which a timber purchaser must sign the permit, return it to the DNR and pay the balance of the bid guarantee. This provision is retroactive to Jan. 1, 2008.

Expedited Land Exchanges

The DNR and counties will be allowed to exchange land to improve timber management without doing full appraisals. The parties will be allowed to exchange land based on equivalent timber values (but not necessarily land values).

Permanent School Trust Fund Advisory Committee

The committee membership is expanded to include more legislative representation along with people with specific areas of expertise, including forestry. The committee is also charged with preparing a report recommending how school trust lands can be managed to secure the best long-term economic return for the trust fund. This may end up being a significant piece of legislation depending on the recommendations and their subsequent implementation.

Forestland Taxation

Legislation was enacted establishing a new 2b forestland classification with a rate of .65 when certain requirements are met.

SFIA Payments

The minimum payment for lands enrolled in the Sustainable Forest Incentive Act was increased to \$7/acre.

Statewide Building Code

Legislation was enacted extending the state building code statewide. A clause was included to "grandfather" in certain sales of un-graded lumber in non-metro areas.

Greenhouse Gas Cap & Trade

Legislation to enact a state "cap & trade" program was substantially modified. We worked with and played a significant role in achieving this result. Our efforts included significant lobbying contributions by the Wood Fiber Employees Joint Legislative Council. The legislation enacted includes economic studies of the issue and other provisions.

Issues Not Enacted Into Law

JOBZ

Efforts to eliminate or substantially curtail the JOBZ program were not successful. The program remains intact.

Logging Equipment

Tires Sales Tax

Legislation to eliminate the sales tax on replacement tires for logging equipment was not enacted. This

provision was passed in the 2007 tax bill which was vetoed due to other provisions contained in the bill.

Loader Trucks

An amendment to redefine "special mobile equipment" was drafted but not adopted. The amendment would have eliminated "truck mounted log loaders" from the definition.

DNR Auctions

Language that would have modified DNR auctions if an ineligible bidder was discovered after the auction was concluded was not enacted.

County Timber Sale

Liability Insurance

No provisions were enacted dealing with this issue. Previously enacted legislation increased liability exposure for counties and municipalities to \$1.2 million on Jan. 1, 2008. This liability will increase to \$1.5 million July 1, 2009. In response to this change some counties have begun requiring timber permit holders to increase their liability insurance to meet these limits. This increases costs significantly since insurance policies are only sold in \$1 million increments. We worked on this issue but it is complicated in that it deals with tort liability, insurance, public property and timber sales. We will continue to work on this issue but it may need separate legislation in 2009.

California Clean Car Requirements

Legislation to adopt the "California Clean Car Requirements" was not passed. This legislation may have limited the availability or increased the cost of pick up trucks according to the Minn. Auto Dealers Associations. The requirements have caused some problems with logging operations and equipment according to the California Forestry Association.

Kiln Drying Short Course Offered

The 31st Annual Kiln Drying Short Course will be held August 11-14, 2008, at the University of Minnesota, St. Paul Campus. The course is designed to provide basic training for dry kiln operators and supervisors, but anyone desiring to learn more about kiln construction, kiln operation and wood-moisture relations is welcome and encouraged to attend. No previous drying experience or training is necessary.

Timber Talk

Instruction will include lectures, demonstrations, and "hands on" kiln drying experience. Conventional kiln drying of hardwood lumber will be emphasized; however, dehumidification drying, solar drying and air-drying will also be covered. Ample time will be available for group interaction as well as individual consultation.

The U of M Department of Bioproducts and Biosystems Engineering sponsors the course in cooperation with the University of Wisconsin-Madison's Department of Forest Ecology and Management.

For further information contact: Harlan Petersen, Department of Bioproducts and Biosystems Engineering, University of Minnesota, 2004 Folwell Avenue, St. Paul, MN 55108; Phone: (612) 624-3407; Fax: (612) 625-6286; E-mail: harlan@umn.edu; Website: <http://www.bbe.umn.edu/extens/shortcourses/kdsc.html>

Two Join Nortrax

Nortrax Equipment Company has added two people to its team: Kevin LaJoie, parts manager; and Matt Orr, inside sales representative.

"Both of these individuals, with their great customer service skills, as well as their energy and enthusiasm, will make an immediate contribution to our construction and forestry customers," said Dale Gessell, general manager of Nortrax's Duluth and Grand Rapids branches.



Kevin LaJoie

LaJoie joins Nortrax from Total Tool Supply where he served as customer service representative and Inside sales person. He will be responsible for the parts department staff, inventory and product merchandising for the Nortrax store in Duluth.



Matt Orr

Orr joins Nortrax from Michigan Sales and Equipment where he served as a sales representative. Orr will be responsible for machine inventory, providing assistance in the sale of all equipment and accessories, and implementing daily operating procedures.

Ploof Brothers Named Minnesota Tree Farmers of the Year



Bob Pereleberg of the DNR (L) presents the Outstanding Minnesota Tree Farmer of the Year Award to the Ploof family of Little Falls, including (L-R) Doug Ploof, Tom Ploof, Peter Ploof, and Galen Ploof. At right is Bob DeRoche of NewPage, chair of the Minnesota Tree Farm committee.

The Ploofs' tree farm is situated on 770 acres on eight different parcels. Doug is a teacher at Little Falls High School, teaching forestry; Galen is a landscaper; Tom works for the Morrison County Sheriff's Department; and Peter is retired from the National Guard and currently works at Camp Ripley as a civilian.

Tree Farm's mission is to promote the growing of renewable forest resources on private lands, while protecting environmental benefits and increasing public understanding of all benefits of productive sustainable forestry.

Lessons from Losses

To help TPA members avoid accidents resulting in injury or damage to property, *The Timber Bulletin*, in association with Lumbermen's Underwriting Alliance, will publish details of actual incidents and what can be done to avoid such occurrences in the future. By sharing this information, TPA and LUA hope to make our industry as safe as possible.

Forwarder Bursts into Flame Idling at the Log Landing

The mobile equipment involved in this fire situation was a forwarder with approximately 10,000 operating hours. Maintenance and housekeeping would be rated as fair. Most maintenance is completed inhouse with the large-scale maintenance completed by a local heavy equipment mechanic shop. No immediate maintenance problems were needed or completed prior to this fire emergency. This equipment was last power-washed within six weeks. Daily cleaning in hot areas was completed during the morning pre-operation check. During the warm weather season the pre-plan is to power-wash every two to four weeks and/or as needed. Also, this operation utilizes compressed air to clean weekly and/or as needed.

Temperature at the time of this fire loss reached 70. The skies were clear, sunny, and windy conditions were increasing as the day progressed. This was the first warm day during the spring thaw.

The owner/operator of this equipment is considered fully trained in operation. This individual has operated logging mobile equipment for 35 years.

Incident and/or injury:

In early afternoon the involved equipment burst into flame during operation. This incident occurred approximately 45 minutes after lunch break. During the lunch break the equipment was shut down.

The owner was operating the equipment and was idling at the log landing when he answered a telephone call while seated in the cab of this equipment. About the

time he finished the phone call he smelled something hot coming from the engine compartment. The smell wasn't electrical or wood burning. We wondered if it could be something hot/fuel.

Investigating the engine compartment, he opened the hood cover and the engine area was on fire and immediately burst into higher flames. By the time he responded with the on-board hand-



The forwarder from this incident after it was gutted by fire.

held fire extinguisher (a 10-lb. extinguisher) the flames were high on the engine near the top. As he started to extinguish the fire, the on-board starter assist canister burst and flew past, narrowly missing him. The first extinguisher slowed the fire but did not extinguish the fire. He immediately got help from his son, called 911, and gathered the extra fire extinguisher from the company pick-up to attempt to control the fire. The fire was out of control and all they could do was use the extra forwarder to blade the surrounding area to stop a possible forest fire until help arrived from the responding fire department. The fire department responded in approximately 45 minutes and extinguished the fire. The cab area, engine compartment and front tires were completely burned. There was some salvage value in the rear bunks, loader, and rear axles/tires.

Unsafe act and/or condition:

It is speculated that the fire started near the engine top and spread from that area. It is uncertain, but in that area the initial cause may have been from fuel, oil, and/or possibly debris in the manifold turbo area (fuel igniting from the hot turbo). The turbo/exhaust is partially covered with a heat resistance wrap to control excess heat. Opening the hood cover gave the fire fresh air creating a fast-growing fire situation. The following suggestions can help prevent problems of this caliber when working with mobile equipment.

Preventive measures:

1. Enforce frequent operator self-inspections for housekeeping and maintenance, especially in dirty timber. Completing these preventive maintenance repairs quickly (electrical, hydraulic/fuel hoses, part replacement, etc.) before the fact will help keep your operation profitable.
2. Install fire port holes in equipment side panels for fire extinguisher use during fire emergencies. This needs to be part of employee training and a refresher training program for emergency response.
3. Maintain all side panels on mobile equipment with quick

- opening fasteners. Fast access is very important in an emergency.
4. Review the hood tops to prevent debris from entering the engine compartment. This should include blocking of all openings or problem areas (rear hood, canopy openings, etc.).
 5. Train employees on proper use of fire extinguishers in an emergency situation. Utilizing the extinguisher hose to direct the flow to the base of the fire so the extinguisher is not wasted in a panic situation.
 6. Always shut down the electrical disconnect (master switch) on mobile equipment in an emergency situation. Refresher training for all employees needs to be reviewed regularly.
 7. Complete refresher of employee training for proper operation, service, emergency response, etc., for new and existing employees. Weekly tool box safety meetings work well in reviewing all equipment. Cross training all employees is very beneficial.
 8. Install an on-board fixed self-suppression system on all mobile equipment. Additional protection is always very beneficial in a fire emergency situation. Always follow the owner's maintenance manual for service and inspection of these systems. This is a very important factor in the performance of this protection.

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

Note: On state sales, the DNR does not calculate price per cord on individual auctions. Price per cord information on these sales is done by TPA staff. This average is for "trembling aspen" and "aspen species" combined, unless otherwise noted.

Koochiching County

May 7 – Oral Auction

Species	Avg. Price
Aspen pulp/bolts	\$28.10
Balsam pulp/bolts	\$15.88
Spruce pulp/blots	\$18.75
Balm pulp/bolts	\$28.33

Average prices are for the combined regular and intermediate auctions. The county summary reports that the average price of aspen "includes some balm."

Carlton County

May 8 – Oral Auction

Species	Avg. Price
Aspen	\$35.62
Black Spruce	\$29.40
Balsam	\$33.57
Birch	\$17.76

Sale contained 12 tracts with a total of 8042 cords offered (all species). One tract didn't sell the day of the auction. Aspen base price on most tracts was \$26.

Aitkin County

May 12 – Oral Auction

Species	Avg. Price
Aspen P/B	\$26.15
Paper Birch P/B	\$10.94
Maple P/B	\$ 8.81
Tamarack P/B	\$ 8.06

DNR – Aitkin Area

May 12 – Oral Auction

Species	Avg. Price
Aspen	\$23.70

Hubbard County

May 13 – Oral Auction

Species	Avg. Price
Aspen	\$32.16
Jack Pine Mixed	\$26.84
Tamarack	\$ 9.73
Balsam	\$24.11

St. Louis County

May 15 – Sealed Bids

Species	Avg. Price
Aspen pulpwood	\$30.62
Birch pulpwood	\$13.72
Black Spruce	\$27.77
Balsam pulpwood	\$19.94
Red Maple pulpwood	\$10.78

DNR – Park Rapids Area

May 20 – Oral Auction

Species	Avg. Price
Aspen	\$30.12

DNR – Blackduck Area

May 27 – Oral Auction

Species	Avg. Price
Aspen	\$27.61

DNR – Bemidji Area

May 28 – Oral Auction

Species	Avg. Price
Aspen	\$27.70
Tamarack	\$ 3.86
Pine Species	\$31.31

Averages for tamarack and pine species were also included for this auction due to volumes that were comparable to aspen. Base price for tamarack was \$2.00. Pine species were listed as both "woodsrun cordwood" and woodsrun mixed products."

DNR – Baudette Area

May 28 – Oral Auction

Species	Avg. Price
Aspen	\$23.52
Jack Pine	\$35.61

Average for jack pine is also included for this auction due to volumes that were comparable to aspen.

Cass County

May 29 – Oral Auction

Species	Avg. Price
Aspen	\$30.06
Birch	\$18.73
Red Oak	\$23.97
Maple	\$14.88

DNR – Deer River Area

June 3 – Oral Auction

Species	Avg. Price
Aspen	\$26.98

DNR – Hibbing Area

June 4 – Oral Auction

Species	Avg. Price
Aspen	\$18.86

This sale included 16 tracts on the regular auction and 31 tracts on the intermediate portion. A total of 18,332 cords of aspen were offered, with 17,757 being sold. Average price for aspen includes "targettooth aspen," as well as "trembling aspen" and "aspen species."

Housing Downturn Affects Operations at North American Mills

Several sawmills across North America, mostly in Canada, have announced downtime since May 1. Among them, Tembec has said it will extend shutdowns at two mills in British Columbia. That's in addition to four sawmills and one value-added facility in eastern Canada that are indefinitely idled, while nine other facilities, including six in eastern Canada and the three British Columbia sites are either taking periodic downtime or running at reduced rates. The sites affected represent annual production of more than 600 million board feet.

In Ontario, Buchanan Forest Products plans to shut down sawmills at Nakina and Longlac in July. A company spokesperson said higher lumber prices and lower energy costs will be necessary before the mills could restart.

West Forest Products has curtailed its log harvesting in British Columbia by about one-third in order to align log harvesting with the company's reduced sawmill needs. The curtailed logging will occur during May and June.

The Carrier Lumber sawmill in Prince George, B.C., began a shutdown on May 5 that will last a minimum of five weeks. The company also reduced planer operations to one shift. The downtime removes roughly 25 million board feet of lumber from the market.

Conversely, The J.D. Irving Pinkham sawmill in Nashville Plantation, Maine, is reopening June 3. The mill had shut down in February due to market conditions.

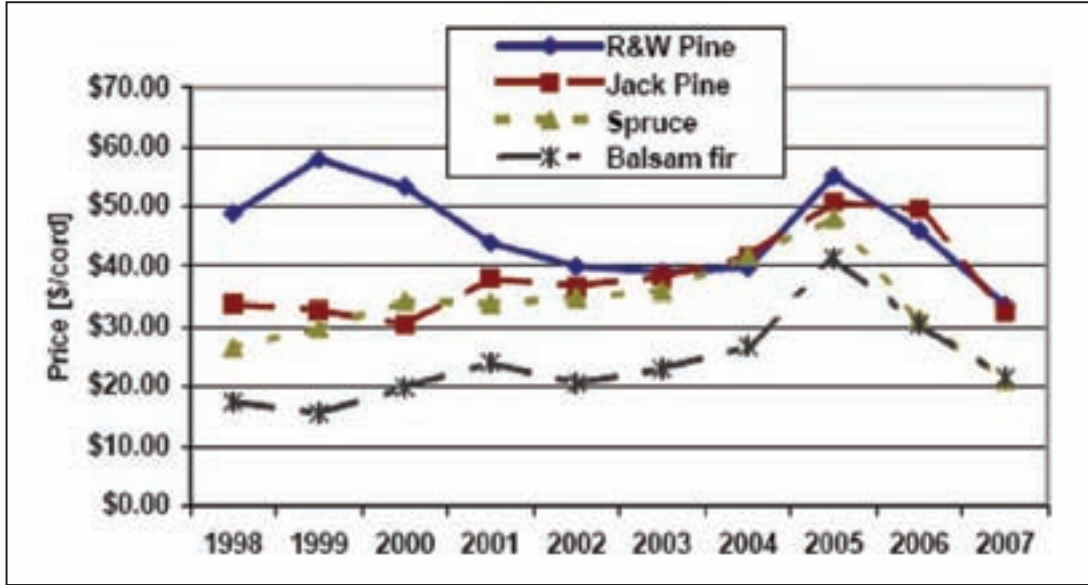
DNR Releases Public Stumpage Review

The Minnesota DNR has assembled information regarding stumpage pricing across all public agencies – federal, state, and

county – including historical data, showing trends over the past several years. The following are graphs and information compiled

by the DNR, including a sample of graphs for selected individual agencies.

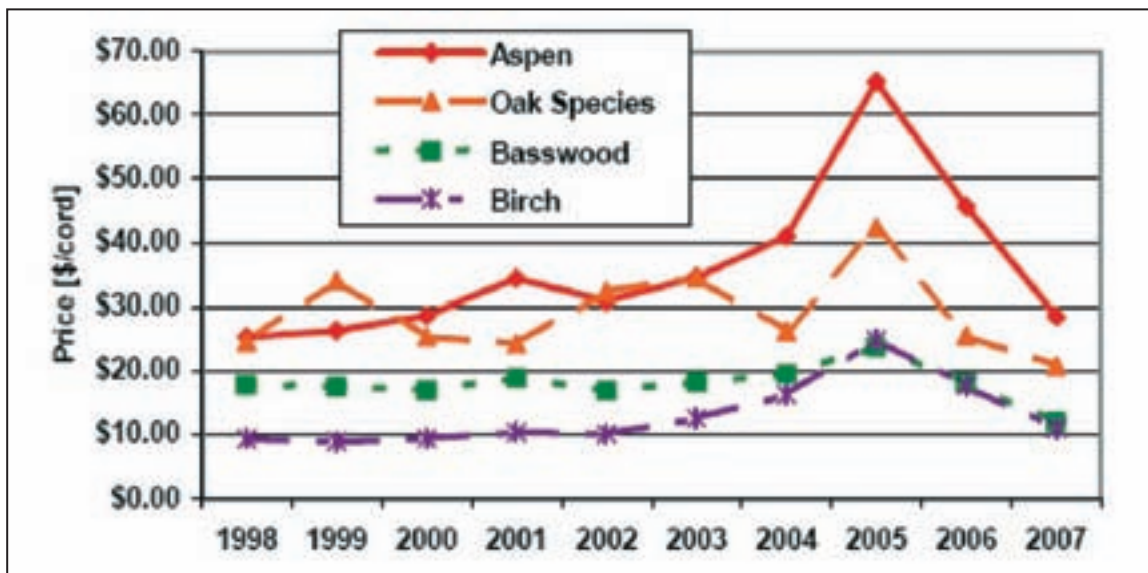
Softwood Pulp & Bolt Stumpage Prices – All Agencies, 1998-2007



In 2007, a total 1.9 million cords of pulpwood and sawbolts were sold by Minnesota’s public agencies as compared to 1.5 million cords in 2006. Average stumpage prices received for all-species pulpwood & sawbolts dropped from \$36.36 per cord in 2006 to \$23.13 per cord in 2007, a year-to-year decrease of 36%.

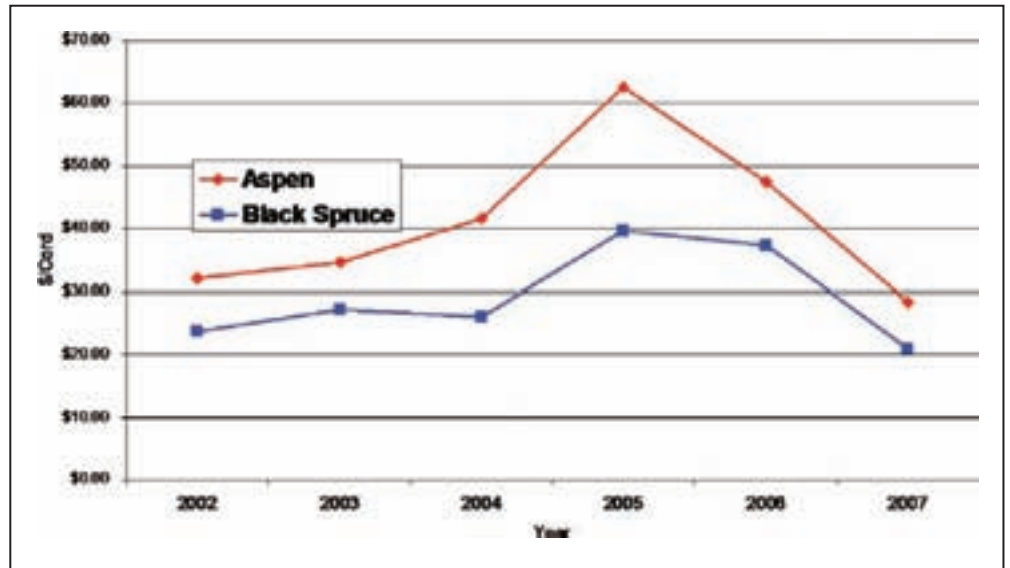
In 2007, average R&W and Jack Pine stumpage prices received for pulpwood and sawbolts ranged from \$27.37 to \$33.52 per cord.

Hardwood Pulp & Bolt Stumpage Prices – All Agencies, 1998-2007

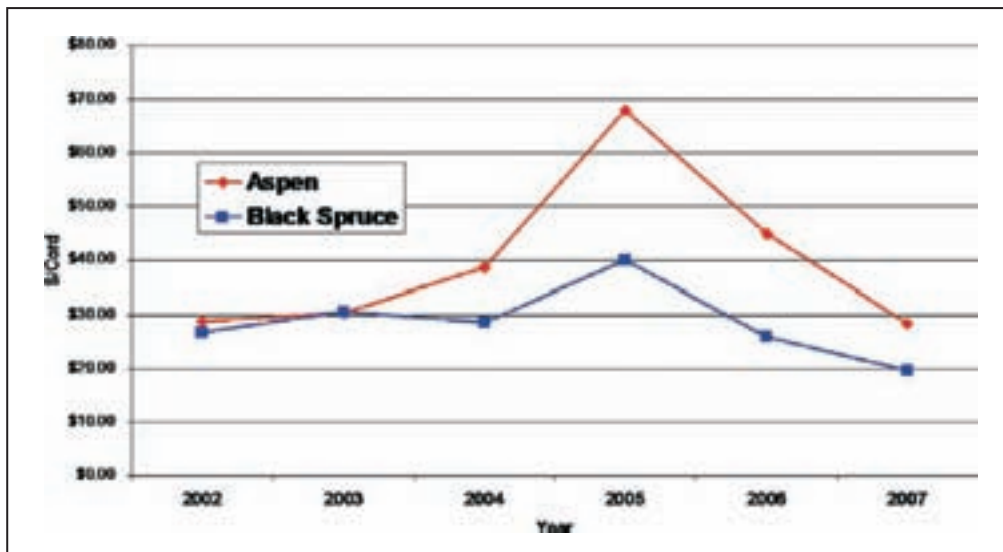


Average aspen stumpage prices received for pulpwood and sawbolts ranged from \$27.01 to \$28.44 per cord. Average oak stumpage prices received for pulpwood and sawbolts ranged from \$17.46 to \$20.85 per cord.

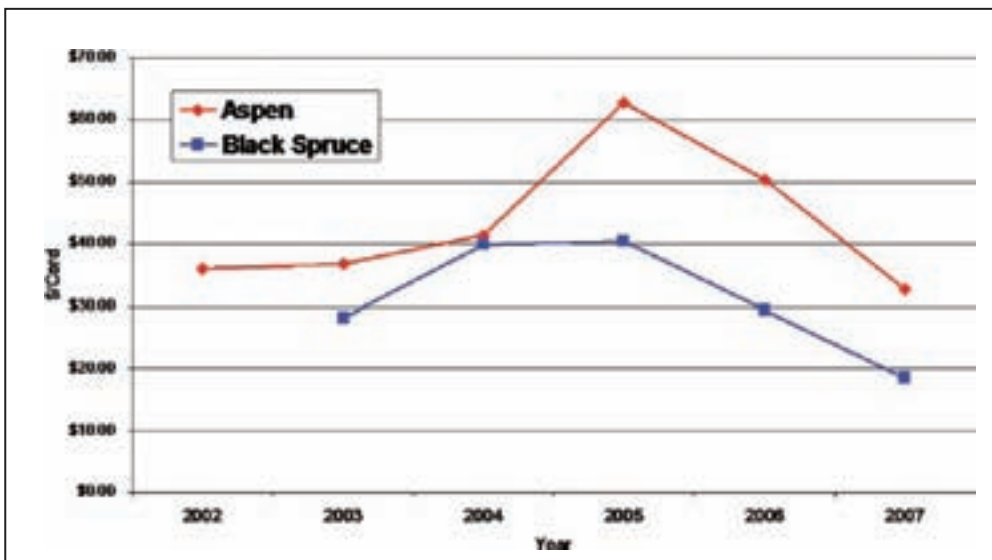
Pulpwood Sold Value - All Public Agencies



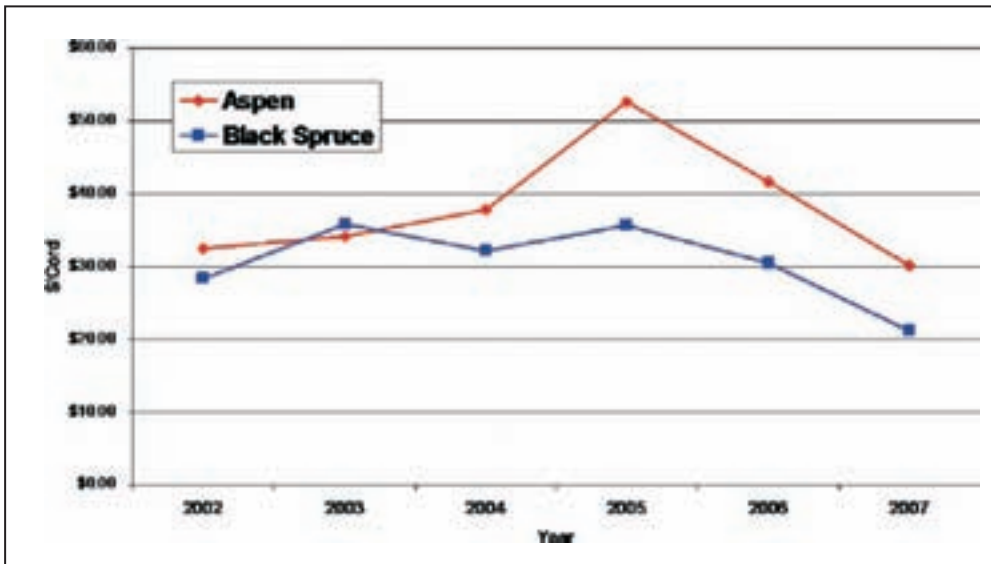
Pulpwood Sold Value - DNR



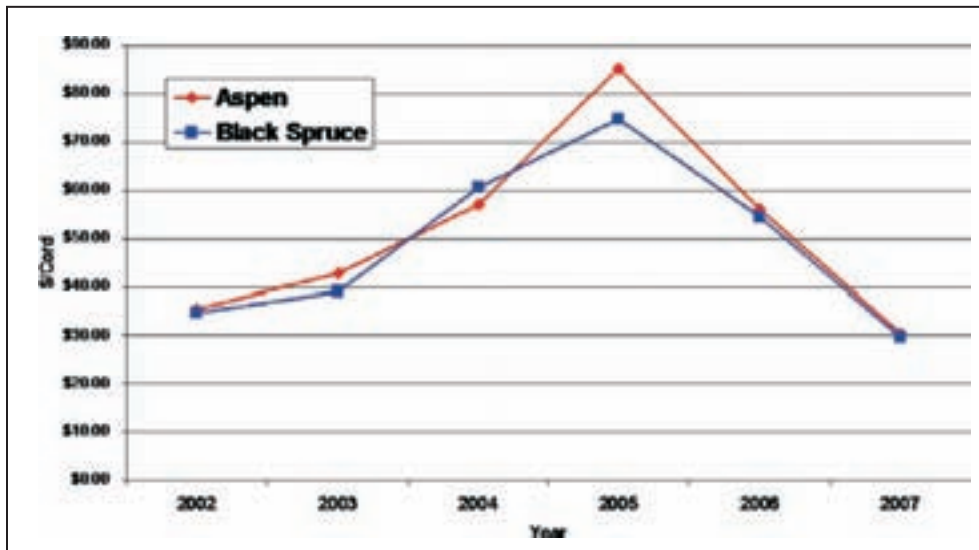
Pulpwood Sold Value - Beltrami County



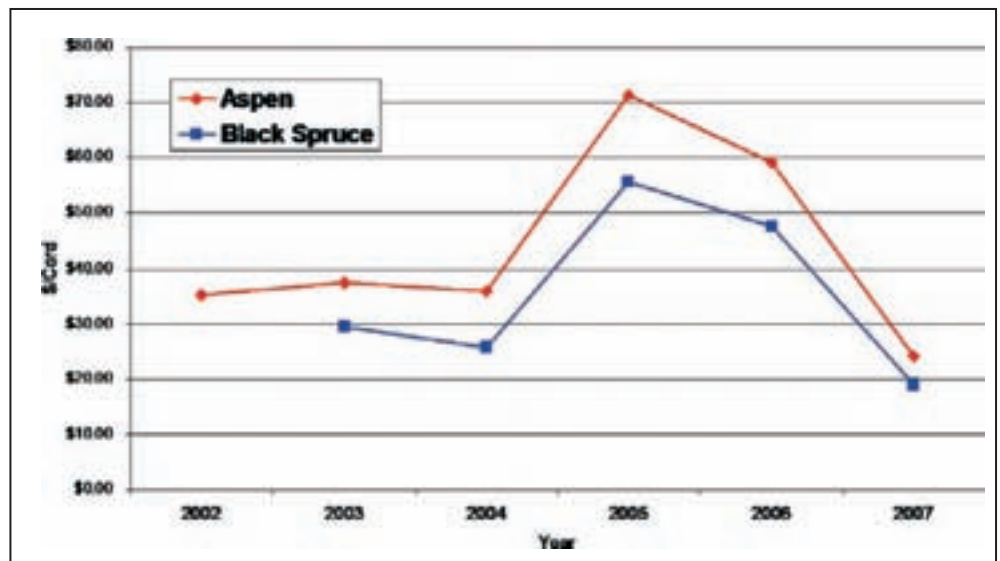
Pulpwood Sold Value - Koochiching County



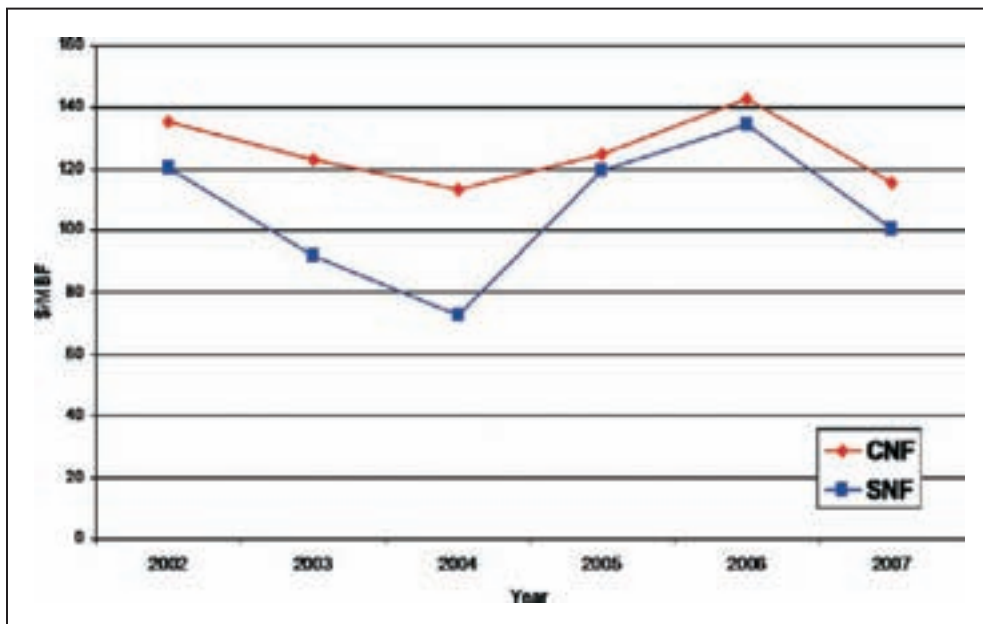
Pulpwood Sold Value - St. Louis County



Pulpwood Sold Value - Superior NF



Red/White Pine Sawtimber – Chippewa NF



Twin Cities Analyst Sees “Light at the End of the Tunnel” of Housing Downturn

The improving stock market of late indicates that the housing market may bottom out this year, an expert told the Minneapolis Star Tribune in May.

Keith Tufte, president and CEO of Longview Wealth Management in Eden Prairie, told the news paper, “Housing activity, homes on the market and

other leading indicators have stopped getting worse. Homebuilding stocks have started to outperform the overall stock market. Mortgage rates are down about one percent since last summer. Housing affordability has improved significantly over the past six months [thanks to falling prices]. Home refinancings are up significantly. And applications recently jumped all the way back to the highest level since 2004.”

According to the Star Tribune, The S&P 500 dropped nearly 19 percent from its peak last Oct. 9 until March 9. It had since risen 11 percent through early May.

“Things are still gloom and doom right now and housing prices could go lower,” said Tufte, a one-time hedge fund manager and director of equity research at Ameriprise Financial. “Markets overdo on the upside and downside,” he said.

“There are funds being formed right now to buy mortgages [at a discount] and eventually the housing market will be within balance, sometime within a year,” he told the Minneapolis paper. “The Federal Housing Administration has raised the limit on the size of mortgages it will insure. The Federal Reserve bailed out Bear Stearns and that put a floor on how bad things will get,” he said. “The overall market took a cue from that and it has had a nice rally.”

April Housing Starts Fall from 2007

According to figures released by the U.S. Census Bureau, housing starts in April fell 30.6% from 2007. The seasonally adjusted rate was 1.032 million units in April. However, that represents an increase of 8.2% over March 2008.

Builder Confidence Index Falls in May

Home builders remained considerably downbeat as market conditions continued to erode in May, according to the National Association of Home Builders/Wells Fargo Housing Market Index (HMI). The HMI fell a single point to 19, bringing it within one point of the record low of 18 set in December 2007 (the series began in January of 1985).

“With the HMI hovering in the historically low two-point range that’s prevailed over the past nine months, the message is very clear: The single-family housing market is still deteriorating and Congress and the administration must move immediately to enact legislation that will help reverse the

trend,” said NAHB President Sandy Dunn, a home builder from Point Pleasant, W.Va. “A temporary home-buyer tax credit is just the incentive that many prospective home buyers need to go forward with a purchase and help kick-start a housing and economic recovery.”

Both the House and Senate have approved bills creating a temporary home buyer tax credit of up to \$7,500 for qualified buyers, but the legislation has yet be crafted into a comprehensive bill that can be sent to President Bush for his signature.

Derived from a monthly survey that NAHB has been conducting for more than 20 years, the NAHB/Wells Fargo HMI gauges builder perceptions of current single-family home sales and sales expectations for the next six months as “good,” “fair” or “poor.” The survey also asks builders to rate traffic of prospective buyers as either “high to very high,” “average” or “low to very low.” Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view sales conditions as good than poor.

Drug and Alcohol Testing for Commercial Drivers – Overview

Federal Regulations mandate that all with a commercial drivers license (CDL) are to participate in a drug and alcohol testing program. According to figures compiled by MLEP, over the past five years the most common violations by logging companies that resulted in fines were for “failing to implement a random drug/alcohol testing program,” and for “using a driver before receiving a pre-employment test result.” Fines levied to logging companies for these infractions over this five year period totaled more than \$156,000. The fines for not having a drug and alcohol testing program have been as high as \$15,000. Companies can be cited during a DOT audit, or on a roadside compliance check.

TPA administers a drug and alcohol testing program for its members who employ truckers to help them comply with the federal regulations and keep our roadways safe for all users. The following is an overview of current law and the obligations of drivers and trucking company owners.

Who is Affected? Federal regulations require employers to conduct drug and alcohol testing of all employees who operate a commercial motor vehicle in the performance of their job duties. The term “commercial motor vehicle” includes vehicles that hold 16 or more passengers, have a gross vehicle weight rating of 26,001 or more pounds, have a gross combination weight rating of 26,001 or more pounds (inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds), or any size vehicle that transports hazardous materials. An employer is covered by the new regulations even if it employs a single employee who operates a commercial motor vehicle, even if the only driver is an owner/operator.

Testing. The rules require pre-employment drug testing, random drug and alcohol testing, reasonable suspicion drug and alcohol testing and post-accident drug and alcohol testing. If an employee tests positive, the employer must remove the

employee from safety-sensitive functions and provide the employee with a list of available alcohol and chemical dependency resources. In addition, before the employee returns to duty, he or she must be evaluated by a Substance Abuse Professional and must pass a return-to-duty test. Finally, the driver must undergo “follow-up” testing after returning to duty.

Pre-Employment Testing. All potential employees who operate a commercial motor vehicle in the performance of their job duties must undergo a pre-employment drug screening and potential employer must receive a negative test result prior to hiring. A pre-employment test is not required if:

- Driver participated in a controlled substance testing program that meets the requirements of Part 382 within the previous 30 days; and while participating in that program either:
- Was tested for controlled substances within the past 6 months (from date of application with employer), or
- Participated in the random controlled substances testing program for the previous 12 months (from date of application with employer); and
- Employer ensures no prior employer of the driver of whom employer has knowledge has records of a violation on this part or the controlled substances use rule of another DOT agency within the previous six months.
- Verification paperwork must be on file prior to hiring.

****Note**** – Pre-employment screenings are valid for 30 days only. If you test a potential employee but don’t make a decision to hire until after 30 days a new pre-employment test is required, along with receipt of negative results, before you can hire the potential employee.

Penalties for non-compliance. DOT considers compliance with its anti-drug program a high priority. Review of compliance with the drug testing requirements has been added to all safety and compliance reviews conducted on motor carriers’ operations. Firms that

violate the provisions of the DOT anti-drug program may be subject to civil and criminal penalties, including being declared out-of-service and fines as high as \$10,000 per violation. Failure to properly test employees may also give rise to lawsuits alleging that the employer negligently hired or retained an employee with chemical dependency problems. Statistics show that as many as 1 in 12 full-time employees reports use of illicit drugs. Seventy percent of all illegal drug users are employed either full or part time.

Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol Testing Program Checklist.

1) Establish a written policy clearly detailing your company’s drug and alcohol testing program. Be sure to include specific information about the employment consequences of a positive test result or other program violation(s). Federal law does not contain requirements for employment consequences to employees and employer’s rules and regulations regarding consequences must be separately established under the applicable state law.

2) Select and establish an account with a SAMHSA certified laboratory to provide the DOT-required testing. DOT requires a DOT 5-panel drug screen that tests for five classes of drugs: marijuana (THC), cocaine, opiates, amphetamines, and phencyclidine (PCP).

3) Select and establish an account with a qualified Medical Review Officer (MRO) to review and report your company’s drug test results.

4) Select and establish an account with a collection site(s) to perform urine specimen collections in accordance with the DOT’s 49 CFR Part 40 drug screen collection procedures.

5) Select and establish an account with alcohol testing service provider(s) to perform alcohol testing in accordance with the DOT’s 49 CFR Part 40 alcohol-testing procedures.

6) Designate a qualified, competent individual within your

company to be responsible for implementing, maintaining and managing your company's DOT drug & alcohol testing program.

7) Designate an individual or set or individuals as authorized to receive confidential drug and alcohol test results from the MRO and your alcohol test sites.

8) Train all driver supervisors. Ensure that each driver supervisor has received 60 minutes of training on alcohol misuse and 60 minutes of training on controlled substance use in accordance with 49 CFR Part 382.603.

9) Educate your drivers. Provide each of your drivers with a copy of the following materials and obtain a signed certificate of receipt for each. Be sure to explain to your drivers what is expected of them under the DOT testing program and the employment consequences of a positive test result or other program violation.

- a) A copy of your company's written drug and alcohol testing policy.
- b) Post-accident procedures and instructions as required by 382.303(d).
- c) Establish a record-keeping system that complies with the requirements of 49 CFR Part 382.401.

10) Establish or enroll in a random drug and alcohol selection pool.

11) Establish procedures to ensure you are performing all required drug and alcohol testing under each of the DOT-required testing categories:

- a) pre-employment,
- b) random,
- c) reasonable suspicion,
- d) post-accident,
- e) return to duty,
- f) follow-up.

12) Ensure that your program includes DOT-required blind performance testing.

13) Designate a qualified Substance Abuse Professional (SAP) that you can refer your drivers to for evaluation in the case of a positive drug/alcohol test result or other program violation.

TPA Services has developed a consortium for random drug and alcohol testings. TPA Services also provides information, educational materials and other information. Contact TPA Services for additional information at 218-722-5013.

Loggers Conferences



TPA Board Member Rick Jensen (R) chats with Jay Eystad of Lumbermen's Underwriting Alliance between workshops at the Tower Loggers Conference.



MLEP Executive Director Dave Chura opens the morning session of the Tower Loggers Conference. Both of this year's conferences included training on Minnesota's New Biomass Harvesting Guidelines (BHG). The presentation included a background and overview of the guidelines and three separate breakout sessions on wildlife and biodiversity, soil productivity, and water quality and riparian management zones. The final presentation addressed biomass harvest planning, design, and operational considerations. An online version of the training should be available this fall.

Understanding Additional Insureds

by Bill Dupont
LIG Insurance Agency, Inc.

Some agencies and mills are asking to be named as “additional insureds” on the insurance policy of timber producers. As the practice becomes more common, TPA wants to inform its members of the ramifications of this practice and asked Bill Dupont of Lumbermen’s Underwriting Alliance to provide the following article.

There are a variety of business relationships that involve one party requesting coverage under another party’s insurance policy. For example, let’s assume that John runs a company that manufactures widgets. The individual widgets come in packages of 10, and the packages are sealed at John’s factory and then sold to retail stores. A major retail chain wants to stock John’s widgets, and as part of negotiating the sale with John, the retailer wants to be named as an Additional Insured on John’s Commercial General Liability policy. Similar methods of substituting one party’s insurance protection to the benefit of another party are common in the business world.

One other example would be a logging business that purchases from government-sponsored timber sales. The governmental entity (usually a county) requires being named as an Additional Insured by the logging business, for claims that may arise from the logging activity on the government land. The insurance agent for the logger then issues a Certificate of Insurance, showing the government entity as an Additional Insured on the logger’s Commercial General Liability policy. The certificate usually makes specific reference to the timber sale contract, which thus narrows the scope of protection being provided to the government entity under the logger’s policy. At that point, if the government entity is sued over actions of the logging business, they will simply turn the defense and handling of the claim over to the liability carrier for the logging business. Since the Additional Insured protection is specific, if the government is sued

over some unrelated problem, there’s no protection under the logger’s liability policy.

Additional Insured status means that the policyholder’s insurance is being extended to provide protection from liability to another party, who in this case is the “Additional Insured.” The extension of protection isn’t blanket of course, and the “Additional Insured” still needs to maintain their own insurance program. Still, when a claim arises which is covered by an Additional Insured provision, the defense and indemnity on that claim can be passed along by the “Additional Insured” without damage to their operations or claims record.

It all starts with a request – one party asks to be named as an Additional Insured on another party’s policy or policies. The professional insurance agent understands how to apply Additional Insured status and can advise their customers both when to request that on their own, as well as when requests by others should be granted.

Mark Your Calendar

Here are some of the events in the coming months you’ll want to make sure are on your calendar:

- Sept. 4-6 **63rd Annual Lake States Logging Congress**
Great Lakes Timber Professionals Association
Shopko Hall and Lambeau Field
Green Bay, Wisconsin
www.timberpa.com
- Sept. 12-13 **2008 North Star Expo** in Bemidji
- Oct. 9 **Workshop: “How to Prepare for DOT Audit”** in Grand Rapids

For information further information on these events, please call the TPA office at 218-722-5013.

Lubricants and Petroleum Seminar



Todd Monroe, Regional Lubricant Representative for Cenex, spoke with loggers and truckers at a seminar sponsored by Northern Star Cooperative in Deer River. Monroe brought seminar attendees up to speed on the CJ-4 specifications for the '07 and newer model trucks. The seminar also touched on petroleum markets, supply, and other issues.

LOGGERS OF THE PAST . . .

"The Logging Camp Auditor"

by J. C. Ryan

This story is reprinted from an earlier *Timber Bulletin*—one of the first of "Buzz" Ryan's ever-popular contributions to these pages. The *Bulletin* will continue to reprint selected stories from the memories he recorded for us.—*Editor*



During the early days of Minnesota logging camps, along the St. Croix and in the southern part of the pine region, the camp foreman was timekeeper and ordered all the supplies. Most orders for

supplies were made only once or twice during the logging season, and the tote teamster brought the supplies to camp at regular intervals.

When a man quit or left camp, the

foreman would write out a slip showing how many days he had worked and the rate of pay less his wage advance account. He would take this slip to the company office and get his pay either in cash or check.

Very few men left before the end of the season, so very few time slips were made out by the foreman until the camp broke in the spring and the walking boss on his trips from camp to camp went over the supply list with the foreman and helped with the supply orders.

However, by the 1880s, when the camps were larger, most camps of 50 men or more had a clerk who tended the wagon, did whatever book work was done, ordered the supplies, kept the men's time and made out their checks when they left camp.

With the coming of the workman's compensation law and accident reports, the clerk's job became very important and he was kept quite busy on paperwork.

For many years the foreman had a free hand in determining the cost of the operation. The only figures the logging companies wanted were the total cost of the logging operation—and the cheaper the total the better the foreman.

Snow conditions, miles of roads, etc. all figured into the total cost per thousand of the entire winter's work. However, by the time of the First World War in 1914 some of the officials of the companies started to figure cost of different phases of the logging operation and most of the larger companies developed a distribution of labor record in which the camp clerk recorded daily what each man was working at so as to determine the costs of each phase of the logging operation.

These costs were on cutting, skidding, hauling, feeding and every type of work performed during the operation of the camp. This greatly aided the work of the camp clerk, as he sometimes had to visit the crews in the woods in order to check on where the men were working. However, as a rule the straw bosses in charge of the crews would report to the clerk each evening on their men.

To cope with the added work of the camp clerk and to explain the working of the labor distribution system, most of the



Skidding with daisy north of Two Harbors, unloading near Grimsen, both 1910.



companies hired auditors to visit the camps at regular intervals and audit the books of the camp clerks.

At first it meant explaining the system to the clerks and then auditing the labor distribution sheets as well as all the books of the camp clerks. Most of these auditors had been clerks for a number of years and knew all the dates involved. In fact, the auditors were more or less the supervisors of the clerks and had much to do with the hiring or placing of the clerks in the camps.

For many years the clerks had been under the supervision of the camp foremen, and some of the foremen resented the fact that they did not have a peep into over the clerks. Some hard feelings developed because of this.

While the distribution of labor sheets did bring about a lot of figures for the experts in the main offices of the companies to play with, I doubt very much if it brought about any more efficiency in the logging operation. However, the regular visits of the auditors did bring about a more uniform check on the clerks with the result that a better type of camp clerk developed.

It was only the larger logging companies which operated a number of camps that had traveling clerk auditors. Some of the auditors I remember included Gus Brennan of the International Lumber Co., who worked in the 1910 to 1920 period in the camps east of Northome and Johannes Lahtinen, who worked the Crankstan Lumber Company camps in the Kelliker area.

The combined Weyerhaeuser Companies of Cloquet, who operated up to 25 camps some winters, employed two auditors. Tommy Lightfoot from Cloquet and Louis McDonald of Duluth were two of them. The Virginia and Rainy Lake Company, which operated many camps out of Ussin, had at least two auditors. The ones I remember best were two named Johnson and Campaigne. Johnson made regular trips to the camps, while Campaigne only made trips to the camps about once a year, as his job was more or less the supplying of the camps and informing the clerks on the methods of ordering.

James Hallinan of Duluth was one of the men who set up the distribution of labor forms for the Cloquet Companies and made regular trips to the camps to audit these forms.

The regular camp auditors made their rounds to the camps about once a month and they would spend a day or two going over all the forms and book work. During slack times when only a few camps would be running, these auditors would be back clerking in the camps.

The logging camp clerk auditor was not a part of the early logging operations, but of the later days of the logging camps.



From left, Two camp clerks for Cloquet Lumber Co., Rollie Vibert and Otto Oheson by boarding car at Stroud, 1924; Al Johnson, camp auditor for Virginia and Rainy Lake Company; Bob Gratton, clerk at Camp 115, Northern Lumber Co., 1922.



Above: A group of "jacks" near Northome, 1926. Below: A small jobber camp near Deer River, 1930. Note the log construction; building with doors open is blacksmith shop.



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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.

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