Testimony to the Subcommittee on Public Lands and Forests of the Senate Committee on Energy and Natural Resources

Old-Growth Forest Science, Policy, and Management in the Pacific Northwest Region

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Chairman Wyden, Senator Smith, members of the committee, good afternoon and thank you for inviting me here today; my name is Paul Beck and I am the Timber Manager for Herbert Lumber Company in Riddle Oregon. I am a fourth generation sawmill worker. The Forests of the Umpqua and the Rogue have not only been my office of thirty years, they have been my home and my recreation for over fifty three. I am here today representing Herbert Lumber, Douglas Timber Operators (DTO) and American Forest Resource Council (AFRC). My goal here today is to help you better understand our company, our industry, our community, our forests, and the true history of those forests. There are many myths surrounding all of these things. My desire is to dispel those myths.

Herbert Lumber Company was founded in 1947 by Milton Herbert near Lowell Oregon. The following year the company moved to Canyonville and continued there until operations were consolidated with our planing mill in Riddle. We have operated continuously since 1947. We employ 62 people directly. Our employees have full benefits including medical, dental, and a retirement plan. At last calculation our average employee had been with the company for just over eleven years.

Our entire product line is either certified as sustainable by the Forest Stewardship Council (FSC) or is FSC controlled. We submit our entire log procurement program to rigorous third party scrutiny and audit by Smartwood an affiliate of the Rainforest Alliance.

We manufacture larger diameter trees into a wide variety of products ranging from door and window parts, appearance grade timbers, to industrial grade structural items. These products are in wide demand here domestically and on every inhabited continent on earth. Manufacturing these products in the United States ensures the highest environmental and labor standards are met, not mention keeping family-wage jobs in the U.S., something that is often discussed on the campaign trail and in Congress. Moreover, it's environmentally responsible to produce these products in the U.S. where we can ensure our high standards are met, rather than depending on products from developing nations with few standards and little enforcement.

Historically our log sourcing area was the Tiller Ranger District of the Umpqua National Forest. This area is within thirty miles of our mill. Today that sourcing area has grown to include the entire Douglas Fir region, which could be describe as the West slope of the Cascade Range to the Pacific Ocean, from Humboldt County in Northern California to the far northern tip of Vancouver Island. We travel this entire three state and two country sourcing area to procure the twenty million board feet of timber that we need to supply our mill. Senator Wyden and Senator Smith: our state of Oregon is the nation's wood basket, and our mill is situated in the heart of timber country. Our neighbor, the Umpqua National Forest is growing a half a billion board feet per year and will do so in perpetuity. Yet we're barging logs from Canada to feed our mill. Senators, when one of the major environmental and political challenges of our time is a dependence on foreign oil, something here is wrong.

The timber wars of the last twenty years in Oregon are full of villains and heroes, which vary by storyteller. But as policymakers, I urge my senators from Oregon and other Members of Congress to separate reality from mythology.

Myth 1

If manufacturers would convert to only small log operations then we could thin young stands to provide all the material necessary to supply society's needs for wood products.

Just as you cannot build a house out of one dimension of lumber, say 2x4's, you cannot build an industry that produces nothing but one type of wood. If you walk through a house under constructions you

certainly will find a lot of 2x4's. This is a primary framing component. But if you look closer you will see a vast number of various other grades and dimensions. The timber industry of the Northwest has evolved to fill the needs of this market.

Primary manufacturers in the Pacific Northwest can be divided into four basic categories; Dimension Sawmills, Grade Cutting Mills, Veneer Mills, and Chipping Facilities.

Dimension Mills cut a set of specific dimensions of lumber such as 2x4, 2x6, and 4x4 in varying lengths. A stud mill is a type of dimension mill.

Veneer mills turn a log on a lathe and produce the components for plywood and laminated veneer lumber.

Chip mills simply chip the whole log. These chips are used for manufacturing paper and can be used in the generation of electricity.

Grade Cutting mills do not concentrate on a specific dimension of lumber but rather seek to capture the highest grade of wood products from a log. These mills make products that are used in the manufacture of doors, window parts, paneling, industrial products, and appearance and/or structural grade framing material. One example of large log consumer products is the headers above doors and windows that need to bare a structural load. Thinning young stands alone will not supply the raw materials needed to produce these higher grades and structural types of wood products. Thinning only young trees will also not provide the long-term sustainable supply needed for existing mills in many areas, nor will it truly maintain forest health. In order to meet consumer demand for renewable and sustainable wood products, we need to manage our forests to provide a variety of tree species, sizes and quantities. This type of management will also lead to improvements in forest health.

Myth 2

There is one Timber Industry and all economic cycles affect the "industry" the same way.

While the dimension portion of the industry and to a lesser degree some segments of the veneer sector, is suffering through one of the worst "busts" ever, the chipping markets are red hot, and cutting markets are decent. It is important to note that the portion of the veneer market that is doing well is the high end or the appearance grade product.

The ability of cutting mills and veneer plants to manufacture appearance grade products is completely dependent on our ability to procure quality logs. As Milton Herbert, the founder of our company is fond of saying, "We cannot make the wood any better. We simply make it a different shape."

While all portions of the timber industry experience market cycles those cycles are not in sync and they do not have the same variations. Dimension lumber markets fluctuate dramatically. Cutting markets do not have the same extremes, which is reflected in the fact our company has operated continuously for nearly 62 years. In those 62 years there has never been a layoff. Part of that is due to the stability of our markets. It is also due in large part to the philosophy of the Herbert Family. That is, when the market is bad that is when the community needs these jobs the most. I can think of no other mill that can make this same claim, but in general cutting mills provide stability to the local economy. They do not have the highs and lows of the other types of mills and their cycles are often "out of phase" with other segments of the industry.

Just as it would be unwise for our government to encourage the agriculture sector to solely produce one agriculture commodity, say soy beans, it is equally unwise to adopt a policy that does not recognize the diverse demands and influences on wood products markets. Just as you would diversify your own economic portfolio, so too should rural timber economies be diversified. If federal forest policy forces every mill to create the same, low-grade product-then downturns in the housing market such as we see today will have even more dire effects in Oregon and elsewhere in the West.

Myth 3

Only those mills that manufacture small logs are state of the art.

It is often said that our industry needs to upgrade or modernize its facilities to manufacture small logs. The truth of the matter is that the entire industry, across all mill types, has modernized to remain competitive in the world marketplace, to more efficiently produce what consumers demand and to be good stewards of the land. The log supply in the last decade has been so critically short there is no room for inefficient mills anywhere, which is obvious if you look at the long list of sawmill closures.

The Herbert Family has invested millions of dollars in continually upgrading our facility to more efficiently produce our products. Our mill is still housed in a building that was erected in 1962 but the equipment inside more resembles the set of Star Wars than the original machinery used in 1947. This investment allows us to conserve and fully utilize the forest resource for the benefit of the forest, our community, and society.

Myth 4

There are only a small number of mills that need or can even process large diameter logs

The 4th congressional district of Oregon is the area that I am most familiar with. This district has the highest concentration of lumber and plywood manufacturing facilities in the United States. In this district there are approximately 34 manufacturing facilities. This is over half the mill capacity of Oregon. Of those 34 mills a full 17 are designed for and need large diameter logs for their operations. There are also companies that rely on mills to manufacture larger logs into a quality of veneer that is then utilized at other manufacturing facilities. So, while some companies may rely primarily on small diameter logs at most manufacturing locations, they may also need the quality of material that comes out of these larger trees to produce products such as plywood.

It should be further noted that of the 17 small log facilities, 2 have announced permanent closure and 2 only operate when they have accumulated a volume of the species required to run their mill. One is a small pine mill and the other uses cedar. These species are not typically found in merchantable size from Forest Service small diameter thinnings. Oregon's wood products industry needs a diverse mix of species and diameters to produce the products society demands. Since the Federal government manages over 50 percent of Oregon's forest, it has an important role to play in helping to meet these needs. Ignoring this reality has both economic and environmental consequences.

Myth 5

In order to protect and ensure that we have biological diversity in our National Forest we need to define "Old Growth".

There are many definitions of "Old Growth". I find none of them accurate and none of them useful. I have tried to eliminate the term from my vocabulary, and I see no benefit in coming up with what could

only be an arbitrary standard for its definition. **What we have a critical need for is a definition for <u>Protection</u>.** <u>All</u> of our forests are at risk of catastrophic and historically unprecedented wildfire as well as the effects of climate change and we need to devise a way to protect them from this. Active management will be required to help forests adapt to climate change – no management will only result in losing the very forests we're seeking to protect. Surely by now we know with certainty that we cannot arbitrarily draw a line on a map, through an age class, or through a diameter class and fool ourselves or the public that it is somehow magically protected. Unnatural stocking and fuel levels are threatening all forest of all ages in the Pacific Northwest. It wasn't logging that destroyed 25% of the Spotted Owl habitat in one year on the Rogue- Siskiyou National Forest in 2002. It wasn't logging that destroyed the "Last/Slick Creek Roadless Area" of the Umpqua National Forest that same year. It wasn't harvest that consumed over seventy-five percent of the Boulder Creek Wilderness on the North Umpqua. It wasn't logging that consumed over ten percent of the Umpqua National Forest in one summer. These lands had arbitrary lines drawn around them and were called "protected". Surely we understand that these lines are just that, lines on a map and do nothing to protect anything. If we are to truly protect something, then we must take action toward that end and empower the agencies to implement fuel reduction projects in the very stands of older forests we seek to protect. This will take trust and it will take courage on your part. But my children, the inheritors of your decisions, deserve both.

Myth 6

These Catastrophic Fires are a historical part of the forest landscape

When the first (first means first) settlers came to North America across the land bridge or in boats across the Pacific they brought with them forest management. The management tool of choice was fire. By most accounts they burnt often and once a fire was set they had no way of putting it out and depended on winter rains to do the job for them. These fires were frequent to a point that there was often little fuel accumulation and thus a low heat/intensity. Studies do tell us they also created clearings of various sizes, some huge, especially in the Coast Range. These set fires, and not natural fires, were the single largest contributor to shaping the forests that European settlers and explorers found in the New World. When the question was posed; "How often did areas burn before European settlement?" Charles Kay who has done extensive research on the subject gave the following answer.

> "As often as native people wanted. There is little doubt that Native Americans fully understood the benefits they could receive by firing their environment (Anderson2005). To suggest otherwise is to assume aboriginal people were ecologically incompetent, a supposition that is not supported by any reading of the historical or ethnographic record (Mann 2005). Thus, the idea that the Americas were a pristine wilderness, untouched by the hand of man (Vale 2002) is a statement of belief, not a fact supported by science (Kay 2002, Pyne 2003)."

He further states that:

> "Nevertheless, even with the simplifying assumptions that were employed, aboriginal use of fire most likely overwhelmed lightning ignitions as Stewart (1956,1963,2002), Anderson (2005) and others contend."

With the introduction of European diseases of which Native Populations had no defense there was a massive die off of indigenous people. It is estimated that as much as 90% of the population vanished before European settlers arrived. With this decreased population came a decrease in native burning. Forests are not static. Existing trees grow. New tree trees sprout and grow. When they grow fuel loads

increased and fires became less frequent but more intense with a much greater mortality of older trees. Compounding this growth, European settlers started putting out naturally igniting fires.

While human-caused fire was very much a part of shaping the forest we inherited, the fires we are currently facing are very different and threaten the very forest we want to protect. If we are to save these forests we need to redefine the concept of protection and focus on removing ladder fuels that are threatening older forests and reduce fuel loads to actually change condition class.

Myth 7

If we only thin overstocked stands of planted trees our forests will be healthy and protected

Second growth plantation forests only represent a small fraction of our National Forests. Limiting management to only these stands will not address the threats that exist to forest health on all stands, planted and natural. Moreover, given the historic role of indigenous and natural fire and the decision 100 years ago to suppress fires as means to protect communities, the reality we face today is more stems per acre now then previously. Trees grow in all forest types not just in young managed stands. To assume otherwise defies all logic. If we assume that because we have over-harvested and under-thinned in young planted stands that we need to correct this by human intervention, then we also need to recognize that because we have excluded fire/harvest from other naturally regenerated stands we need to also correct this through human manipulation. We have stands of all ages of trees that are overstocked when compared to historic levels. These stands are fuel loaded to the point that any attempt to reintroduce fire would be a catastrophe.

The forested landscape we inherited, and that species that adapted to it, were greatly influenced by both natural fire and by man using the tool of fire over a period of some ten thousand years. These fires were not like fires we see today which do great damage to entire ecosystems. For many reasons, including development and the need to protect and life and property, fire is not likely to play the role it once did. We can and have, however, achieved similar results in a more predictable way using modern harvest techniques. We need to redefine protection of our National Forests to promote a more extensive and less intensive program of removal of trees. Just when we are perfection those methods it would be counterproductive to limit them by implementing arbitrary prohibitions.

Myth 8

Clear Cutting is the only tool available for the Forest Service to manage and regenerate older forest types

On private timber lands in Oregon the goal is to maximize growth and thus profit. On these lands clear cutting helps create optimal growing conditions. These lands are some of the most productive in the world. The growth on our National Forests, however, far exceeds current or foreseeable levels of extraction. As a result, maximizing growth is not necessarily a desired goal.

There are many things that we do require of our National Forests. We expect clean water, recreation, wildlife habitat, solitude, and some contribution to our local and national economies. These expectations often require different management approaches and won't be accomplished through a one-size-fits all forest management prescription. For example, populations of elk and deer are suffering in many areas due to a lack of forest openings for grazing habitat and thinning won't address this problem. What should be the goal is an approach to management that meets the needs of all of the important objectives listed above. I am here to tell you that if we earnestly work to achieve this goal the byproduct will be the production of a quality material from our National Forests.

For the first eighty years of managing our National Forests in western Oregon we tried to mimic nature by excluding fire and creating manmade disasters called clear cuts. These did regenerate fir well but to the possible detriment of some tree species. They obviously offended some segments of society. For the last twenty years we have tried to exclude both fire and any meaningful amount of harvest. Forests and fuel loads continue to grow and we are seeing fires that, while they are a natural consequence they are not a socially or environmentally acceptable result if our National Forests are to provide us all the things we require of them.

Given that conservative estimates tell us that burning at any scale by indigenous people ended some 150 years ago and other reasonable estimates tell us that large scale burning probably ended 100 years before that, it is safe to assume that there are trees that are at least 150 to 250 years old that would not be on the landscape given the pre-European management regime and the more recent suppression of fire. As a result, any Forest Service management approach should recognize the need to selectively harvest larger trees to manage and protect older forest types. I believe any approach that fails to do this will fall short of producing the many objectives, including healthy older forests, we all desire.

In summary, it would be simple and politically expedient to define “Old Growth” as an age, size, or draw a line on a map. This will do nothing to protect it for future generations and in fact would doom the entire forest to risk of catastrophic, unnatural, and historically unprecedented wildfire. We need to concern ourselves with the entire forested landscape. We need to not make simple decisions that will rob our children of their rightful inheritance.

There are those on both sides of this issue that have made a living off this conflict. There are those extremes that will choose to not agree. There are also reasonable people on both sides that can agree that humans have a natural role in helping to shape, manage, and protect landscape again and are poised to work together toward that end. I would hope that you wouldn’t prematurely hamstring those efforts. This is not a case of jobs versus the environment. We have the opportunity to benefit both.

I can show you examples on the Umpqua and the Rogue that were not appealed or litigated that successfully met this challenge and harvested 130 to 250 year old timber. I have come here today to your office here in the Senate. Senators Wyden and Smith I have had both of your staffs spend time with me and I challenge both of you with your history of working across the aisle to come to my office, the Umpqua and Rogue, so I can show you my vision of what forest management should look like in the century ahead. I am here to tell you that Herbert Lumber, DTO, and AFRC are ready to work with you. Thank you.