Season’s greetings! We hope that this newsletter finds all our members well in the midst of the hustle and bustle of the holiday season, and the ever looming economic climate which has all of us continuing to wonder what the future will bring. Thankfully, many reports now seem to infer an upswing in our economy, and we hope that this continues to be the trend.

2009 was a tough year for the forest products industry in Maine and across the nation. 2010 also holds a lot of questions, but the Maine Forest Products Council is determined to face our industry’s challenges with vigor and determination. After all, we represent the very best that Maine has to offer.

Our theme last year was grassroots activism. You, the membership, took on the challenge we posed to you which was to become more engaged in Maine policymaking and we are very happy to report that we exceeded our expectations. Because of your efforts we defeated many laws and regulations that would have harmed our industry.

2010 can be no different. We have a real opportunity to make big and important changes to help our industry. Staff has made the pledge to stay engaged in the 2010

\[\text{(Continued on page 3)}\]
President’s Message:

Back to the Past – Reflections from a Dinosaur

I recently was treated to a tour of lands I use to manage and are now owned by Plum Creek. We went to see commercial thinning operations taking place in plantations and spruce/fir pre-commercial thinning (PCT) created during my tenure on the land base. This was indeed a pleasure because it gave me a chance to reflect on our past efforts to prepare the forest for the future. There is usually a third critical leg to the plantation and PCT process; the application of herbicide. This treatment is now only discernable indirectly as we viewed the nearly pure conifer stands.

I well remember the initial efforts to develop a program to increase the softwood volume to meet the anticipated post budworm shortfall due about 2017. We had very little information available to create a successful program. We did have the necessary ingredients, however. While money was not unlimited, silviculture projects with reasonable returns were well funded – millions for the entire industry. There was tolerance by upper management for a level of failure – perfection was seen as a barrier to timely moving ahead. The CFRU was in place to help with research needs and landowners were willing to fund in-house research as well. Perhaps most enjoyable, was the great group of professional foresters, technicians and contractors we worked with. And we had some “giants” within and associated with our industry to support and guide our efforts. For my company at that time, our woodlands Manager, Bob Labonta and the leader of the CFRU program, Professor Max McCormack, stand out.

We had a host of issues to confront and just in case foresters now struggling with such things as landscape level habitat management, biodiversity, late succession stands and like issues think they have it tough, I will list some of our issues.

We grappled with rotation length, planting/PCT initial density, future thinning schedules (if any), matching species to site specifics, soil mapping, desired species, site preparation needs, type and timing of herbicide use, planting success and so on.

Some of these issues took years to address. A seemingly simple program to increase seedling survival was a real bear and involved designing proper planting tools, determining site prep needs, growing healthy seedlings and on and on.

Did we make mistakes? Oh yes, a number of them, but most were corrected over time. Probably the biggest potential miss-step, although it turned out ok, involved the projected use of softwood by our pulp mills. As we know, softwood use by pulp mills is down but sawmills and other markets fortunately stepped in to fill the potential demand gap. In the early days, species weren’t optimally matched well to sites. A few species like larch and jack pine

(Continued on page 3)
Pres. Message . . . . . . (Cont. from page 2)
didn’t stand the test of time. Perhaps more effort could have gone into tracking the impact of the silvicultural programs on wildlife and the list could continue.

Over all though, I’m pleased to have this type of intensive management attached to my era of foresters. We certainly developed new silvicultural protocols, we increased softwood growth on a significant acreage and we created a softwood resource available for the next generation of foresters to grapple with (thinning schedules, regeneration, etc).

If asked, I would toss out the following advice to the foresters now dealing with the plantations and PCT stands approaching operability (I can just hear the egger panting of new generation foresters hanging on every word from this fossil!)

For all those PCT spruce/fir stands, remember the budworm will come back. How best can you lower the risk of protection cost and losses to mortality? Do you want to end up protecting huge acres of commercially thinned stands or protecting a smaller number of fully stocked stands? Yes, this is code for thinning/shelterwood system versus one pass clearcutting.

Don’t get hung up on determining the absolutely best prescription. Don’t let analysis bring on paralysis! Your ability to foretell the future is often only partially accurate. Do something reasonable and don’t beat yourself up over minutiae – leave this role to the faint of heart!

Try and capture the growth results on these softwood stands by recording volumes from operational harvests. We may never again have such an opportunity to do this on a large scale. There are some things models or limited studies will fail to tell us. At worst, my generation of foresters will see how they did.

Except for a few landowners, the plantation program has been very substantially reduced. I hope all that we learned is collected and stored away for the future. This concern extends to herbiciding a little but research is better recorded for that program as is information on the PCT program.

It was great to be part of an industry wide program that was focused on forest growth. Issues like biodiversity and wildlife are very important but for some of the older generation foresters, nothing like growing timber, lots of timber, stirs the soul! And as for the future, from my visit with Plum Creek I think our past work will be built upon by knowledgeable and caring foresters.

Happy Holidays

We are the relationship lender for Maine's forest products industry.

Take advantage of the knowledge of lending professionals with over 60 years of experience in lending to the forest products industry.

When you’re ready to purchase timber property, equipment, vehicles or mills, call us. We’ll stop by your place to discuss your business and financing needs.

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Presque Isle 1-800-831-4640
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Exc. Director . . . . (Cont. from page 1)
election cycle where we will elect a new governor and legislature. We also expect to have another successful year in the legislature, but we can’t do it without the help of you and your company.

2010 also marks the Council’s 50th year in business and we plan to celebrate. We’ll be engaging all members to help make plans for our annual meeting in September, and we hope you will contact us with your ideas and suggestions on how to make this our most memorable year yet.

On behalf of all of us here at the Maine Forest Products Council, we wish you a restful and enjoyable holiday season, and look forward to working with you in the year to come to enhance our image and influence in the halls of Augusta and celebrate the achievements of this very special organization.

Patrick Strauch,
Pat Sirois,
Sue McCarthy,
Kerry Casey,
James Cote,
Michele Maclean
activities promoting responsible forest management and community outreach.

“It is an honor for both myself and Maine’s SFI Implementation Committee to receive this type of recognition. The committee is very proud of the work that we have done, and we look forward to more of this type of work, and new partnerships in the future” said Sirois.

Mr. Sirois is the coordinator of the committee, which was actively involved in the Maine Green Forest Summit, which raised awareness about forest certification and market opportunities for certified products. He was also an integral component in a recent partnership with Bank of America to help build a Habitat for Humanity home in South Portland, using sustainably certified wood products from Maine.

Jim Robbins, of Robbins Lumber in Searsmont, who is chair of the SIC, also applauded Sirois and the committee for their work. “Maine’s Sustainable Forestry Initiative and the SIC are raising the bar for sustainable forestry both nationally and globally. Thanks to the efforts of the committee members, and Pat Sirois in particular, we’re seeing growing interest in our mission. We are very proud to receive this type of recognition.”

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The Maine SIC works at the local level to promote the SFI Standard as a means to broaden the practice of sustainable forestry and ensure on-the-ground progress. These resource professionals volunteer a significant amount of time to assure that national SFI program objectives are consistently implemented and adapted to region-specific needs.

Background on the State Forest Assessment and Strategies

The 2008 Farm Bill requires states to complete state forest assessments and resource strategies (SFAS) as a condition of receiving federal funds to support state forestry programs. The planning process has three components:

· Statewide Assessment of Forest Resources: provides an analysis of forest conditions and trends in the state and delineates priority rural and urban forest landscape areas.

· Statewide Forest Resource Strategy: provides long-term strategies for investing state, federal, and other resources to manage priority landscapes identified in the assessment, focusing where federal investment can most effectively stimulate or leverage desired action and engage multiple partners.

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State Forest Assessment. . . . (Cont. from page 4)

- Annual Report on Use of Funds: describes how federal funds were used to address the assessment and strategy, including the leveraging of funding and resources through partnerships, for any given fiscal year.

Maine will integrate SFAS into its existing forest resource planning framework. The intent of Maine’s SFAS is to identify key forest-related issues and priorities to support development of a long-term Resource Strategy specific to Maine’s forest needs. The SFAS process will identify landscape areas where national, regional, and state resource issues and priorities converge. It will incorporate the best data available, work with stakeholders, and adequately consider other state assessments, plans, and priorities as relevant.

The Assessment will address the three national themes identified by the USDA Forest Service:

- Conserve Working Forest Lands: conserving and managing working forest landscapes for multiple values and uses.

- Protect Forests From Harm: protect forests from threats, including fire, catastrophic storms, flooding, insect or disease outbreaks, and invasive species.

- Enhance Public Benefits from Trees and Forests: including air and water quality, soil conservation, biological diversity, carbon storage, and forest products, forestry-related jobs, production of renewable energy, and wildlife.

We have set up a survey to find out more about the issues that concern Maine’s forest stakeholders. We encourage you to take a few minutes - at the most five minutes - to complete our forest assessment survey. Your input will help us focus our efforts on the important issues facing Maine’s forest resource. Please complete this survey no later than Tuesday, December 15, 2009.

For more information about the State Forest Assessment and Strategies, please go to: http://www.maine.gov/doc/mfs/mfs/state_assessment/index.html

SAVE THE DATES!!!

MFPC Golf Tournament
Bangor Municipal Golf Course
July 8, 2010

MFPC Annual Meeting
50th Celebration
Will be held in Augusta
September 12-13, 2010
Maine Department of Labor Notice

Public Comment Sought on Proposed Logging Rules

TIME: 1:00 PM, Friday, December 18, 2009
LOCATION: Fort Kent Town Hall
CONTACT: For more information on the rules or the public hearing, please contact William Peabody at William.A.Peabody@maine.gov.

BACKGROUND:

The Maine Department of Labor is seeking public comment on proposed rules regarding proof of ownership of logging equipment operated by foreign workers.

The proposal provides standards and reporting methodology for employers to demonstrate compliance with ownership requirements under 26 MRSA Section 872. The law applies to logging employers that hire foreign workers under the H-2 visa program. These rules provide guidance in response to amendments to the law passed in the First Regular Session of the 124th Legislature (2009 PLc 201 2009 PLc 381).

Written comment on the proposal can also be mailed to William A. Peabody, Director, Bureau of Labor Standards, 45 State House Station, Augusta, ME 04333-0045. The deadline for written comment is December 29, 2009.

For more information, or to obtain a copy of hearing materials, please contact:

AGENCY CONTACT PERSON: William A. Peabody, Director
AGENCY NAME: Bureau of Labor Standards
ADDRESS: 45 State House Station, Augusta, ME 04333-0045
TELEPHONE: (207) 623-7931

Climate Adaptation Working Group Update

The final Coordinating Committee meeting of the Climate Change Adaptation Stakeholders Group is scheduled for Monday, January 25, 9:00 am – 3:00 pm.

Location to be determined, although it will likely be the DEP Response Training Room, Blossom Lane, Augusta. The first draft of the recommendation should be available publicly by Friday, December 18.

Patrick has been serving on the steering committee with this effort and will be sharing preliminary feedback with the technical committee when he receives the draft report on December 18th. To date the meetings have not identified any immediate legislative actions but have pointed to the need for continued efforts towards developing a state adaptation plan.

For more information, please contact Malcolm Burson at the Maine Department of Environmental Protection, 287-7755 or Patrick Strauch at MFPC.
EPA Announces Meetings on Effects from Pesticides on Fish and Ecosystems

In the Nov. 25th Federal Register, the US EPA announced that it will hold six public meetings, Jan. 11-22, 2010, across the country, to solicit information on methods to characterize the effects from pesticides on fish and aquatic ecosystems.

These public meetings will be held in Chicago, IL (Region 5), Edison, NJ (Region 2), Kansas City, KS (Region 7), Atlanta, GA (Region 4), San Francisco, CA (Region 9), and Seattle, WA (Region 10), starting in January 2010. At the public meetings, EPA will provide presentations that detail its initial thinking on how to ensure that pesticide effects are characterized consistently by both OPP and OW. No meetings are scheduled for Maine.

More information can be viewed at www.epa.gov/oppefed1/cwa_fifra_effects_methodology/index.html.

USFS Enters Maine Data into FIA Database

The Maine Forest Products Council has received reports that the U.S. Forest Service is in the process of loading the new Maine data into the FIA database. They hope to have annual reports as soon as possible. It will be important for MFPC members to stay abreast of the resultant information. MFPC staff will continue to keep members posted on the progress of this initiative.

Wildlife Committee Update

The MFPC Wildlife Committee scheduled a meeting for Thursday, January 17 at the MFPC office in Augusta. The Committee plans to discuss the recent meeting of the Eastern and Northern Deer Task Force, which was held on December 3, along with several other wildlife issues, including the Bald Eagle, moose populations, nuisance beaver, and lynx updates.

The meeting is scheduled in three parts. The first session will be an internal discussion between MFPC Wildlife Committee members and staff about issues that the industry is facing. The second session is planned to be a discussion between other stakeholders, such as the Small Woodlot Owners Association of Maine, Sportsman’s Alliance of Maine, Maine Trapper’s Association and Maine Professional Guides Association. The third session is a meeting between all stakeholders and the Department of Inland Fisheries and Wildlife.

The Deer Wintering Area Management Guidelines endorsed by MFPC, SWOAM, and DIFW, and the deer population in general are expected to be the most pressing topic of discussion.

If you are interested in becoming a member of the MFPC Wildlife Committee, please contact James Cote.

Technical Committee- Save the Date!

The first MFPC Technical Committee conference call is being scheduled for Friday January 8th at 8:00 a.m. The Committee will begin to review legislation that has been submitted for the second regular session of the 124th Legislature. A call in number will be email to committee members by the end of December.

The Technical Committee meets via conference call every Friday morning at 8:00 a.m. during the legislative session to review legislation and provide feedback to Patrick, James and Michele, the Council lobbyists. If you are interested in participating, please contact James Cote at jcote@maineforest.org

MFPC Policy Guidelines Meeting- Save the Date!

The third in a series of meetings to develop MFPC’s new policy guidelines is being scheduled for 1:00 p.m. on January 4th at the MFPC Office in Augusta. A call-in number will also be provided for those who cannot attend in person.

The latest draft of these guidelines will be distributed to members of the Executive Committee, Board of Directors, Board of Advisors, and other interested members.

Members are encouraged to send thoughts, questions, and suggestions on this document to James Cote at MFPC.

MFPC staff plan to complete the policy guidelines by late March 2010 and plan to share them with gubernatorial and legislative candidates in 2010.
Communications and Membership Committee-  Save the Date!

Staff at the Maine Forest Products Council are reviving the Communications and Membership Committees by combining the efforts of the two into one new initiative. The first meeting of the committee is scheduled for Monday, January 4th at 10:00 a.m. at the MFPC Office in Augusta. Anyone interested in participating should contact Sue McCarthy at smccarthy@maineforest.org. All members are encouraged to participate- we hope you will join us in making our 50th year in business the best one yet!

Among the agenda items for this meeting are discussions and planning for our 50th Anniversary and annual meeting in September, membership recruitment plans, interior decorating needs at the MFPC office in Augusta, and communications efforts. Staff will make an effort to include prior members of these committees along with other potential participants in an email with the agenda and call-in numbers for those who can't attend in person by the end of December.

MFS Schedules Meeting of Key Forest Stakeholders

The Maine Forest Service has schedule a meeting of key forest stakeholders in Maine to discuss the development of Maine’s State Forest Assessment and Strategies (SFAS).

The meeting will be held on Tuesday, 22 December at 9:00 a.m. at the Department of Conservation's Bolton Hill Facility on Route 3 in Augusta (directions are attached). The meeting will last no longer than two hours. In case of bad weather (we will let you know in advance by email if the meeting needs to be rescheduled), the alternate date is Tuesday, 29 December, same time and location.

The purpose of the meeting is to present the SFAS process and discuss the issues you see confronting Maine’s forests in the years ahead.

If you have any questions in advance of the meeting, please pose them to Don Mansius at donald.j.mansius@maine.gov.

Great Maine Forest Initiative

Commissioner McGowan and several key players in the Great Maine Forest Initiative (GMFI) recently visited the Secretary of the Interior Salazar and Secretary of Agriculture Vilsack, in Washington, D.C. to discuss the forest land conservation component of the GMFI.

The work of the GMFI was moved by the belief that major conservation funding was available to and effort with an identified pilot project in place. The group is also motivated by the potential to use federal streams of money, such as NRCS funds to establish riparian zone easements and the ability to build a unified voice in request for additional Forest Legacy funding.

The group reviewed the working outline on the land conservation component of the initiative, which was spurred by a late summer visit by the Secretary.

BCAP Update

Both secretaries challenged the group to come up with a pilot project proposal to implement the concept for a specific area in Maine within the next two months. Secretary Vilsack indicated an interest in coming to Maine in early 2010 to review the proposal with USDA agencies to see how they could contribute to the effort.

Patrick continues to be involved in the effort and will keep the membership posted on its progress.

MFPC continues to hear reports from the field that the Biomass Crop Assistance Program, or BCAP, has been funded and is now available for deliveries to qualifying facilities. Call Patrick at MFPC or visit http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ener&topic=bcap for more information.