

A photograph of a logging mill yard. In the foreground, a yellow grapple loader is positioned on a blue truck, which is loaded with large logs. The background shows a large pile of logs and a yellow excavator. The scene is set in a wooded area with a large pile of logs in the background.

# MAPPING THE COURSE *US PNW MILL SECTOR*

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JANUARY 23, 2020



# Roseburg Forest Products

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- Founded in 1936 by Kenneth Ford
- Employ over 3,500 talented and experienced team members in more than 200 communities throughout North America.
- Own and sustainably manage approximately 600,000 acres of timberland in Oregon, Virginia and North Carolina.
- Very diverse product line from 15 facilities

*Making Lives Better From The Ground Up*



# Roseburg

## 1930s

1936: Kenneth Ford founds Roseburg Lumber Co.

## 1940s

1946: RLC purchases Douglas County Timber; Dillard Sawmill 1 starts.

## 1950s

1952: Dillard Plywood built.  
1958: Coquille Plywood purchased.

## 1960s

1965: Riddle Plywood purchased.  
1968: North Bend Chip Facility begins operation.  
1967: Umpqua Timber purchased.

## 1970s

1979: California Timberlands acquired from Kimberly-Clark.

## 1980s

1983: Weed Veneer purchased from International Paper.  
1984: Melamine plant starts up at Dillard.  
1985: Roseburg Lumber Co. becomes Roseburg Forest Products.  
1988: Diamond Lands Timber purchased from James Goldsmith.

## 1990s

1996: IP Timberlands purchased.  
1997: Kenneth Ford passes away; Allyn Ford named president and CEO; New studmill completed in Dillard.  
1999: Ford Timber purchased.

## 2000s

2001: Riddle Engineered Wood Products built.  
2003: Missoula, Mt., particleboard plant purchased from Louisiana Pacific.  
2006: Seven Georgia-Pacific composite mills purchased; new melamine line installed at Missoula.  
2008: Hallie Ford Timberlands purchased.

## 2010s

2011: Simsboro, La., particleboard plant purchased from Flakeboard.  
2015: Medford, Ore., MDF plant purchased from SierraPine.  
2016: Allyn Ford retires; Grady Mulbery named president and CEO; Springfield, Ore., Corporate Office opens.  
2017: Construction begins on engineered wood plant in Chester, S.C.; Roanoke Timberlands purchased in North Carolina and Virginia.  
2018: Pembroke MDF plant purchased in Ontario, Canada; California Timberlands sold.  
2019: El Dorado, Ark., MDF purchased from PotlatchDeltic Corp.



# Roseburg Forest Products

## LOCATIONS

**Corporate Office** Springfield, OR

**Western Regional Office** Dillard, OR

**Eastern Regional Business Office** Atlanta, GA

## Particleboard & Specialty Panels

Dillard, OR

Missoula, MT

Simsboro, LA

Taylorville, MS

## Medium Density Fiberboard (MDF)

El Dorado, AR

Medford, OR

Pembroke, ONT, CA

## Thermally Fused Laminate Panels

Dillard, OR

Missoula, MT

Simsboro, LA

## Engineered Wood

Chester, SC

Riddle, OR

## Timberlands

Oregon

North Carolina

Virginia

**Hardwood Plywood** Dillard, OR

**Lumber** Dillard, OR

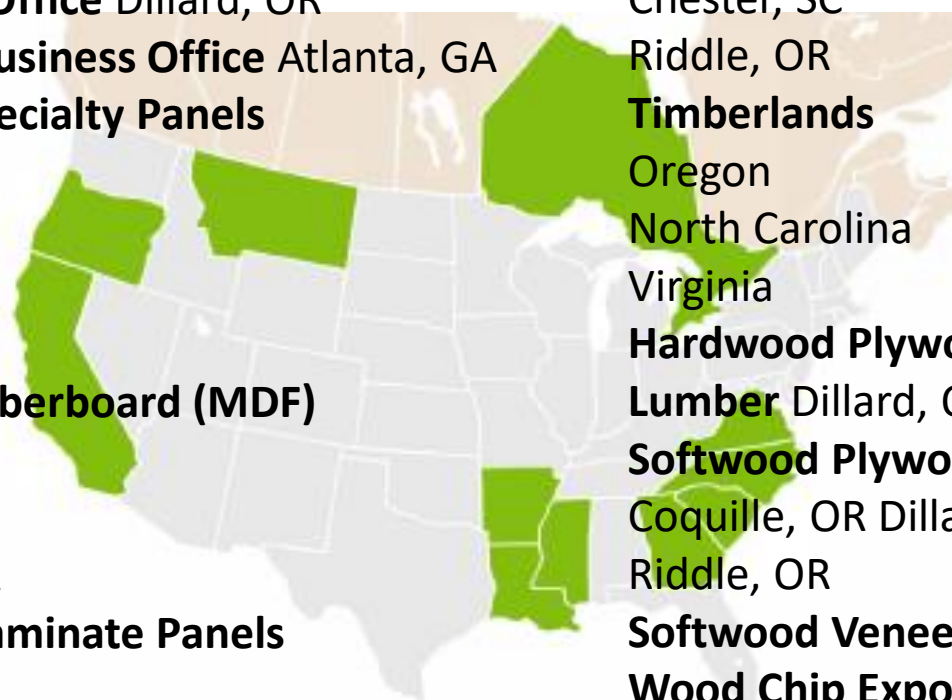
## Softwood Plywood

Coquille, OR Dillard, OR

Riddle, OR

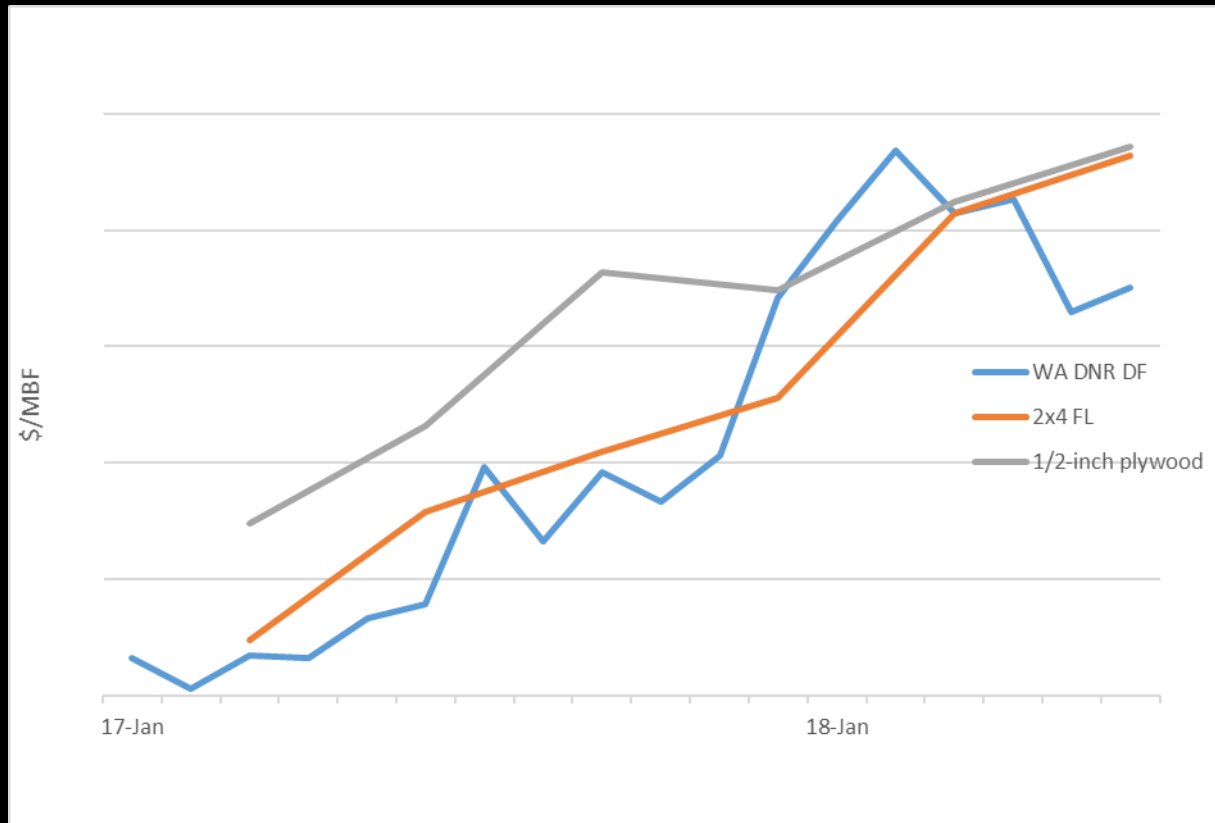
**Softwood Veneer** Weed, CA

**Wood Chip Export** Coos Bay, OR



# Market History

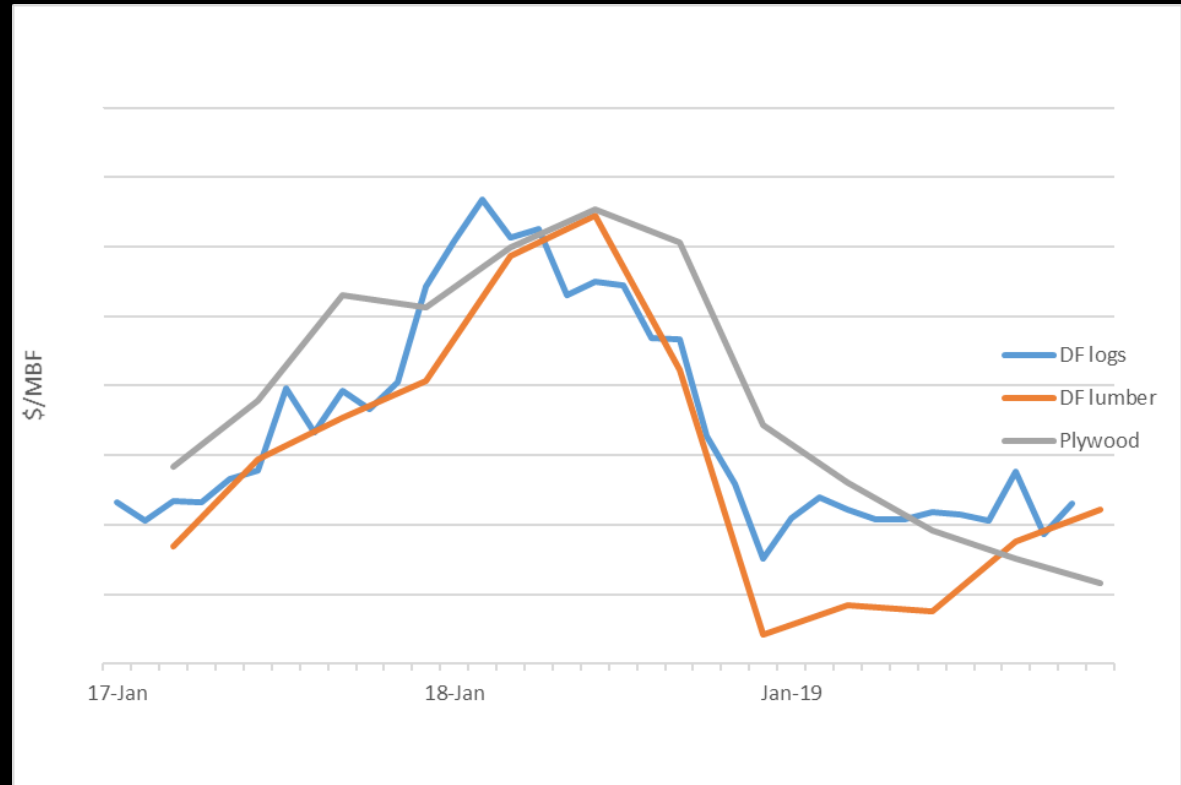
2017- Q2 2018 was good for most wood products businesses



# 2019 Supply

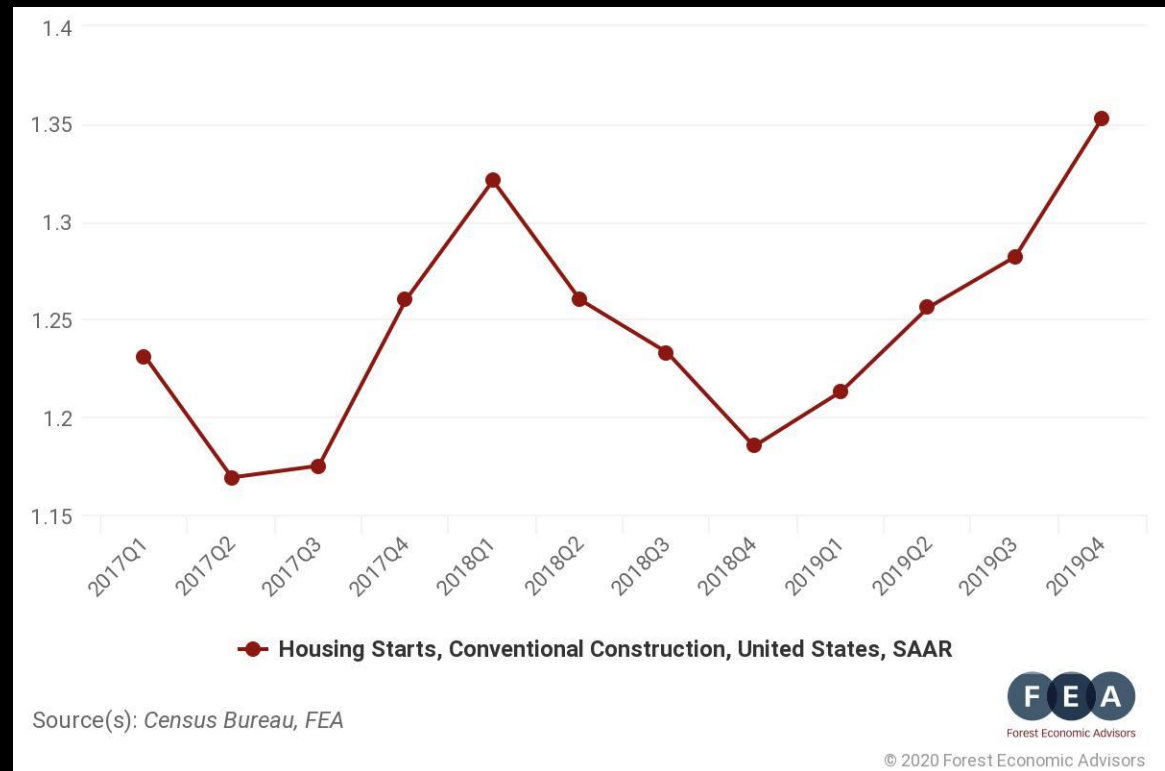
Then the precipitous decline going into 2019

- 2 mills close in Oregon
- Closures/curtailments in British Columbia
- Lumber imports declined
- Log exports declined significantly



# 2019 Demand

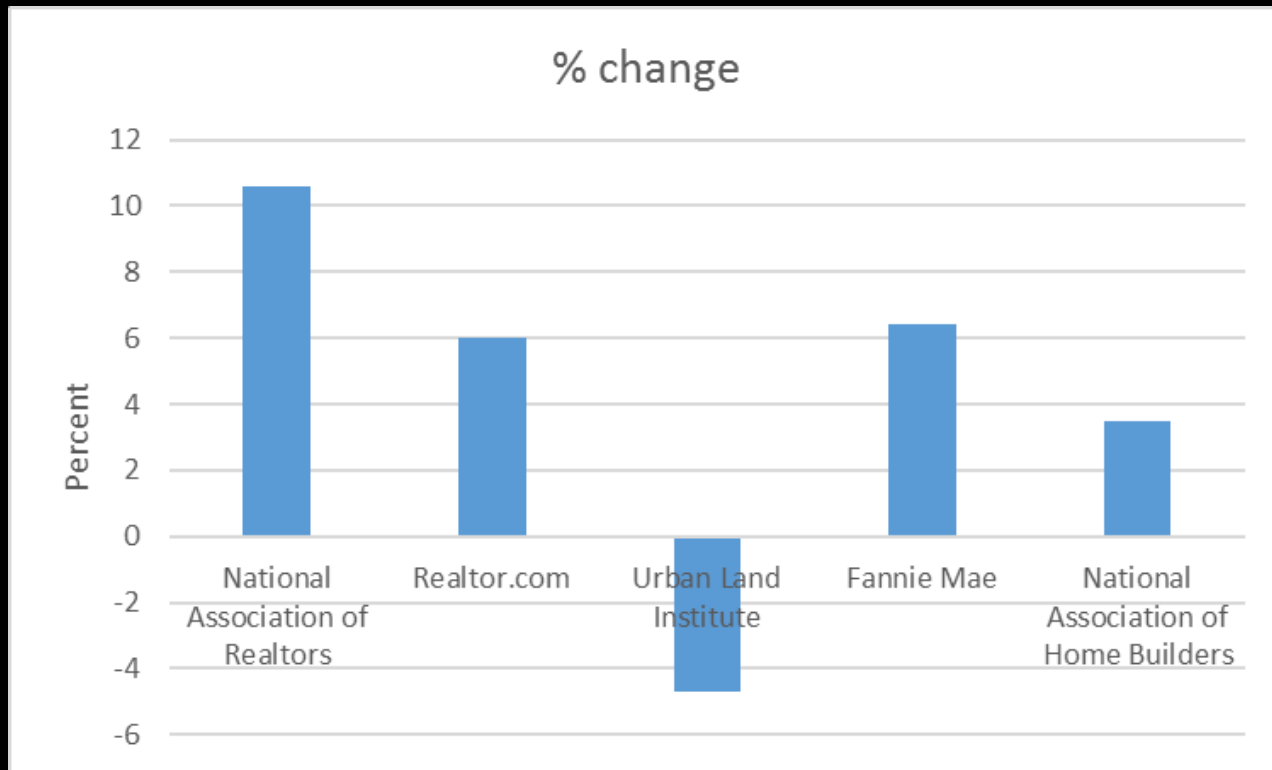
- Housing starts down then recovering
- Overall consumption down slightly
- Weather issues
- Uncertainty



# 2020 Outlook

## Consumption

- Most forecasters expect an increase in housing
- Strong economy
- Western states with strong population growth
  - Idaho (1), Nevada (2), Arizona (3), Utah (4), Washington (6), Colorado (7)





# 2020 Outlook

## Supply

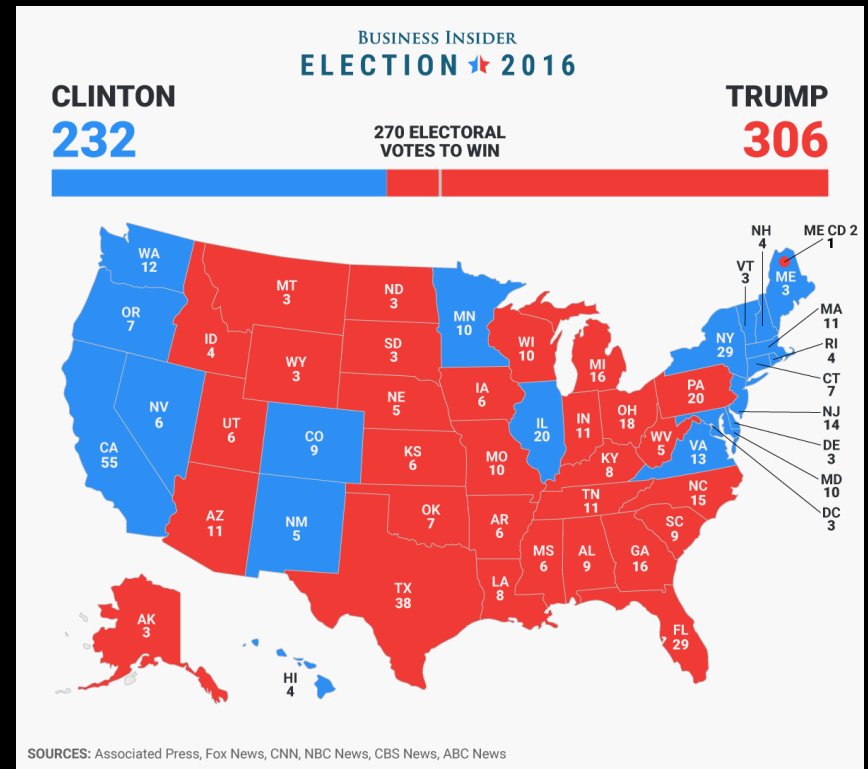
- Continued increases in production from the South
- Uncertain production from British Columbia
- Log exports remain subdued
- Imports continue



# 2020 Outlook

## Variables

- Politics
  - Election year
  - Trade discussions/ Tariffs
  - Foreign policy/unrest
- Imports
- Labor
- Court decisions regarding public timber
  - O & C
  - WA DNR
  - ODF



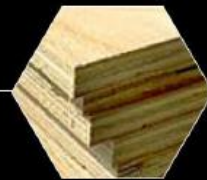
# Roseburg Forest Products

## DIVERSIFIED WOOD PRODUCTS



**LOGS**

- ▶ Raw materials for wood products



**PLYWOOD**

- ▶ Hardwood Plywood
- ▶ Sanded/MDO
- ▶ Siding
- ▶ Sheathing
- ▶ Underlayment



**COMPOSITES**

- ▶ Particleboard
- ▶ Thermally-fused Laminates
- ▶ MDF
- ▶ Prefinished Panels
- ▶ Shelving



**LUMBER**

- ▶ Studs
- ▶ Premier Studs
- ▶ Small Timbers



**WOOD CHIPS**

- ▶ Pulp Chips
- ▶ Fuel Chips



**EWP**

- ▶ LVL
- ▶ I-Joists

PRODUCTS

APPLICATIONS

- ▶ Plywood, lumber, veneer, chips

- ▶ Cabinets, casework, fixtures and displays
- ▶ Structural construction
- ▶ Furniture, signage, material handling, etc.

- ▶ Furniture, counter tops, cabinets, doors, and industrial products
- ▶ Molding

- ▶ Framing
- ▶ Rail ties

- ▶ Pulp and paper
- ▶ Bio-Energy

- ▶ Structural construction
- ▶ Headers and beams
- ▶ Perimeter framing and load transfer

