

# WSFPI annual report presented to members

"Despite sluggish markets during all of 1981, Warm Springs Forest Products Industries (WSFPI) operated at a modest profit rate through September. By October steadily eroding prices finally began to take their toll," so states the introductory letter in the WSFPI 1981 annual report. Tribal members were presented the report March 1 during a general council meeting at the Agency Longhouse.

"At year's end," continues the report, "the Company had lost \$216,454. The loss reflects an accounting adjustment that brought the cost of the white fir inventory down \$216,657 in line with market value. Without the adjustment, the Company essentially broke even for the year."

Profits for 1981 were over \$1.5 million less than 1980 and sales were almost 83% of 1980. Stumpage, profits and mill salaries to tribal members and affiliates combined to provide benefits of \$6,809,986 or 71.1% of 1981.

In recent years, it has been the policy of the WSFPI Board of Directors to pay a dividend to the Confederated Tribes of 25% of the previous year's profits. "Despite negative results in 1981, the Board of Directors declared a special dividend of \$387,070, off setting a downward adjustment

of stumpage prices at year's end," the report declares.

The timber harvest for 1981 was reduced again due to the economy and early weather problems. It is expected in 1982, that the full annual allowable cut will be resumed according to the current harvest plan.

"The home-building recession has now been extended beyond three years and housing starts in 1981 were the lowest since 1946. If not for renovation in 1978, says the report, "we might now be questioning the wisdom of staying in business as wood converters." Physical improvements continue to be made and personnel have become more productive. Absences and injuries decrease throughout the year.

"We thank our employees for their efforts to keep things going. With their help and modernized mill we are prepared to take advantage of any market improvement whenever and wherever it occurs," concluded the letter.

The thirteen page report, edited and photographed by Cynthia Stowell, is broken down into five sections: jobs, logs and logging, lumber and studs, veneer and plywood and chips and power in addition to the financial statements.

## Jobs

As Oregon's economy related in 1981, countless

numbers visited employment offices throughout the state. "About 300 millworkers were glad to be employed as WSFPI weathered the recession with minimal lay-offs."

In spite of this relative stability, WSFPI was affected by the poor economic conditions of 1981. The stud mill was closed in early December, putting nine men out of work. Most of those affected had been reassigned elsewhere in the enterprise by year's end. "It was this kind of flexibility and cooperation that helped WSFPI stay in business."

The report further explained that when job positions had to be eliminated for efficiency's sake workers willingly worked where they were needed. Also, in the last few months of the year, absenteeism was cut in half its January level.

In addition to this, routing inspections, equipment improvements and team incentives helped reduce lost time hours due to injuries by 17%, thus lowering claim costs.

## Logs and Logging

According to the report, 14 logging contractors worked cooperatively with WSFPI in 1981 to "provide a flow of logs that matched the plant's needs within the guidelines of the harvest plan." Congestion in the log yards made it necessary to reduce deliveries for a total of 7½ days.

"Log production for 1981," the report continues, "totaled 84,875,170 board feet, 48% of which was Ponderosa pine, 33% Douglas fir and 19% white fir and other species. WSFPI processed 67,425,813 board feet in 1981.

Log sales were down in 1981 to 10,270,690 board feet at an average price of \$53.48. "A surplus of white fir logs resulted from decreased production at the stud mill and changing demands at the veneer plant, and a satisfactory market for the logs could not be found until autumn," says the report.

## Lumber and Studs

Due to the streamlining of the sawmill, a five to seven thousand board foot per day improvement in production was seen. A sixth dry kiln was built to serve both the sawmill and stud mill, increasing drying capacity by 16-18%. Lumber sales volume reached 42,322,735 board feet with average net sales dropping to \$336.28 per thousand board feet.

The stud mill struggled through a poor market and growing inventories and experienced three week-long closures at different times during the year and then closed indefinitely in early December.

## Veneer and Plywood

A new computerized lath charger installed at the veneer plant during the summer shut-down helped the lathe peel veneer more quickly and accurately. The lathe can now handle smaller diameter logs and produce more of the wider, higher valued veneer. The veneer plant worked many nine and ten-hour shifts during 1981, but those were reduced to eight hours and the projected addition of a three-month swing shift was abandoned due to the poor market.

The plywood plant began to produce A and B grade panels in addition to the regular C/D grades which brought in new orders for the higher value product.

## Chips and Power

Chip prices fell during 1981 as the market leveled out, states the report. With production at the same level as 1980, chip sales declined 12.5%. But chips proved to be a reliable source of income during a difficult period.

The addition of substation capacitors at the powerhouse increased the number of usable kilowatt hours for the plant, thereby reducing the mill's power bill. A total of 20,582,500 kilowatt hours of electricity were proved by the powerhouse in 1981, of which WSFPI used 92% and PP & L purchased the balance.

## Bald eagle spotted on island



**EAGLE EYE**—Dr. Tom Creelman was fortunate enough to have his camera handy when he spotted this Bald Eagle perched in a tree along the Deschutes River. Bald Eagles can grow to 3½ feet with a wingspan of up to 8 feet.

Photo courtesy of Tom Creelman

Two decades ago the Bald Eagle was seldom seen. The eagles had a bleak future. But today with public awareness and the restricted use of DDT, along with eagle refuges and enforced penalties for shooting eagles, the number has reached as estimated 13,709 in the lower 48 states.

The Bald Eagle inhabits forested areas near large bodies

of water. They prey mostly on fish but will also eat carrion and small mammals, birds and reptiles. They grow to a length of 3½ feet with a wingspan of as much as 8 feet.

The eagle normally builds its nest of large sticks in tall trees lining the nest with grasses. Eagles mate for life and they will often use the same nest for years.

They lay one to three eggs which incubate for about 35 days. The young learn to fly at about 12 weeks but the fledglings remain dependent on the adults while perfecting their flying and hunting skills.

The eagle reaches sexual maturity at the age of five years at which time the adult acquires its white head and feathers, characteristics of the bald eagle.

## Reservation population data compiled

The reservations population, which constitutes the BIA's service population, is 52 percent of the 1.4 million total Indian population counted in the 1980 census.

Unemployment on the reservations is reported to be 31 percent of the labor force.

The information in the report is presented by states, BIA area offices, agencies and individual reservations.

The Bureau of Indian Affairs has published an updated report on American Indian reservations populations. The booklet includes estimates on unemployment.

Dated December, 1981, the report shows a population of 734,895 living on or near Indian reservations, including former reservations in Oklahoma.

## Recreation needs report completed

After many months of reviewing recreation needs questionnaires, the first recreation needs assessment has been completed and presented to Tribal Council for acceptance. Last year the recreation committee and Tribal Council hired the ORB organization of Portland to prepare the report.

The ten-page report lists what tribal members feel is necessary to improve and establish excellent quality recreation activities and facilities on the reservation.

Currently, states the report, the present recreation program is heavily oriented towards "competitive sports and physical fitness while family oriented activities and arts and crafts have received little attention."

The report continues, stating that the community center facility no longer meets the space-needs demanded by the various user groups. And because of this, Tribal Council felt it necessary to have the

needs assessment done.

The report is a summary of needs described by those who filled out the questionnaires and it represents a new direction in managing and providing recreation facilities and programs.

"It should be noted," warns the report, "that the Tribe cannot and should not attempt to meet everyone's recreation needs. The plan should be a balance between what the people want and what the Tribe can afford."

The report is quite long and the needs are well summarized. For those who would like to obtain a copy, contact the Planning Department and check with Uren Leonard. There will be a public meeting in the latter part of April at the Longhouse to discuss the findings of the report.

The summary will be mailed out to tribal members two weeks prior to the public meeting.

The recreation committee urges all to attend.