

160 JOBS LOST AT WILLAMINA MILL

WILLAMINA - Conifer Plywood Co. closed its doors indefinitely Friday, immediately laying off approximately 160 employees.

The plywood manufacturer, owned by Conifer-Pacific, will retain a small crew through Feb. 1 to help close the mill.

Mill manager Ivan Debban said the closing was necessary because of damage suffered in severe windstorms earlier this month.

However, John Turnbull, President of Conifer-Pacific, said on Jan. 10 that the mill would reopen in early February after repairs were made. Insurance would cover the loss, he said.

The mill had been closed temporarily for repairs since Jan. 7, after high winds blew down both 150-plus-foot-tall boiler smoke-stacks, causing an estimated \$300,000.00 damage, mill owner John Hampton said.

Conifer-Pacific has leased the mill from Hampton since November 1983.

The closure shocked Willamina city officials.

"It's going to be quite a blow economically to the town, all right," Mayor Francis Eddy said. "Hopefully we can get somebody back in there sometime soon."

It was unclear Friday why Conifer Pacific officials changed their minds about repairing and reopening the plywood plant.

Turnbull did not return five calls to Conifer Pacific's main office in Newberg Friday.

Poor plywood market conditions may be a factor in the decision not to immediately repair the plant, according to plywood industry analysis.

Hal Mayhew, a Portland financial consultant familiar with Conifer, said the same market forces that closed the Bohemia Plywood plant near Cottage Grove and the Champion International plywood plant in Roseburg also closed the Willamina plant.

A limited supply of large logs from federal lands has forced lumber prices higher in recent months, Mayhew said. Large logs are preferable in plywood manufacturing.

Prices have risen from \$300 per thousand board feet to \$458 per thousand board feet. The break-even point for plywood manufacturers is not much more than \$300 per thousand board feet, he said.

"Raw materials are almost 50 percent higher than a year ago," Mayhew said. "The way to the forest service thing is going - they might get cut off completely."

"If you want to run a plywood mill or a lumber mill, you almost always have to outbid the other guy. It's a bad situation, and all a mill can do is shut down."

Mayhew predicted that more plywood mills would close in the months to come.

Volatility in the plywood and timber industry is not new, he said.

"It's been around for years," he said. "But the players change."

Hampton, the chief executive officer of Hampton Affiliates of Portland, said he did not know what he would do with the plant.

He said his corporate engineer and insurance agent are inspecting damages and that he might decide the mill's fate in a few weeks.

Hampton Affiliates will not take over the operation of the plant, which it purchased from Champion International in 1983 and later remodeled.

Hampton Affiliates, which currently has nearly 500 employees, would be at a disadvantage in bidding for lumber from federal lands if it took over the plant's operation and had to grow to more than 500 employees, he said.

The federal government each year sets aside a percent-

age of the timber harvest solely for companies with fewer than 500 employees to bid on.

"It would be a disadvantage for us to be big," Hampton said.

The alternatives are to sell, lease or liquidate the Conifer plant, Hampton said.

Hampton said he will keep the community in mind when deciding the mill's fate.

Mayhew said he expected Conifer Pacific to continue operating its Triangle Veneer plywood mill in Eugene, Elma Plywood mill near Olympia, Wash., and a distribution center in Clackamas.

- Courtesy of the Statesman Journal



Mark Grosser got the job of repairing the Depot roof.

"MILL WORKERS START JOB SCRAMBLE"

WILLAMINA - The closing of the Conifer Plywood Co. came as a shock to many of its employees who learned of the news Friday.

"No way was anybody expecting this," Terry Smith, a glue shop worker from Monmouth, said. "If it hadn't been for the stacks falling, we wouldn't have shut down."

Smith, who supports his wife and family on his \$2,500 monthly salary, said he would need to find another job quickly.

"This is the third time this has happened to me - that I've been shut down," he said. "I was working at Camp Adair when Georgia Pacific closed it, and then for Boise Cascade. Same thing. This tells me something. It tells me I'm in the wrong profession."

Most of the workers made \$6 to \$7 dollars an hour, according to Ken Stenerson, a glue shop worker from Salem.

About a third of the approximately 160 employees live in Willamina, mill worker Frank Peterson said. "More live in Sheridan, McMinnville, Salem, Tillamook." On Friday, mill employees were given severance pay and letters explaining the closure and telling them where to apply for other jobs.

Standing outside the mill with their final paychecks in their hands, workers joked about kissing the foreman good-bye, but an undercurrent of worry ran through their talk.

"I'll try the other mills first," Stenerson said, "but if there's no mill jobs, I'll do a career change and go back to contracting."

Others said they wished they had another profession already learned.

Willamina worker Jim Hampton's wife, Sherry, said both she and her husband would be out Monday looking for work.

- Courtesy of the Statesman Journal



This downed tree blocked Ford Road and fell across these powerlines leaving them exposed.