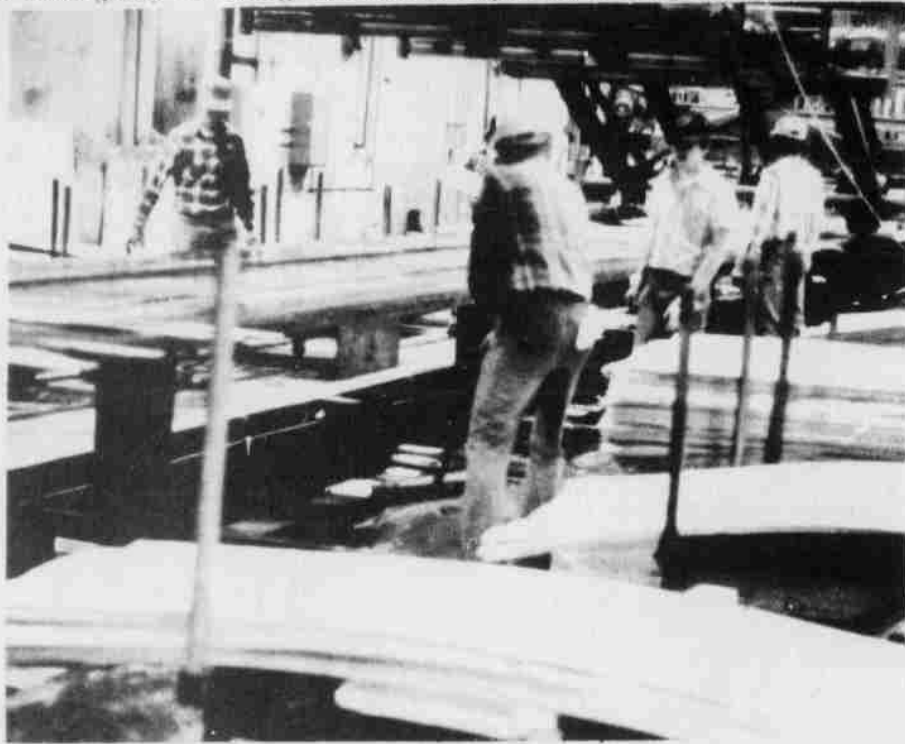




Cars will be more scarce at the mill with half of the employees gone. The sign in front of the office building may soon change from Kinzua Corporation to Georgia-Pacific.



These workers will soon be out of jobs.



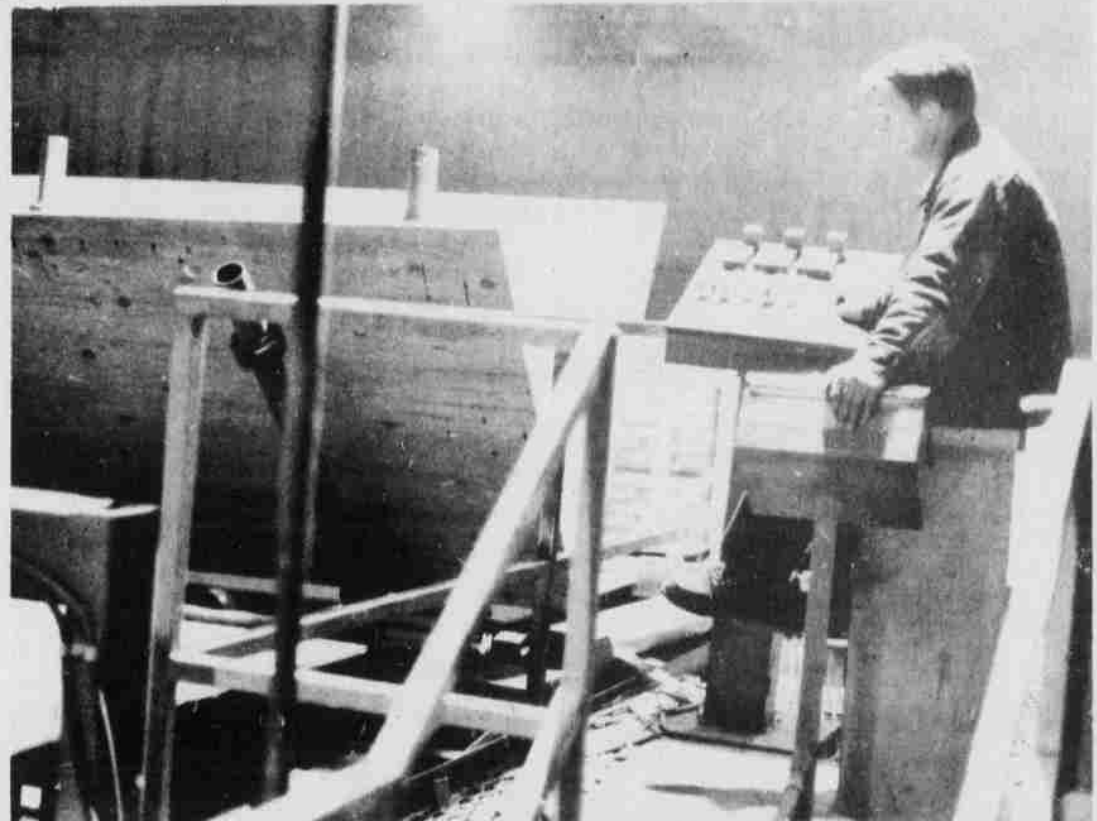
Lisa Collins is a feeder at the plywood plant.

## Kinzua

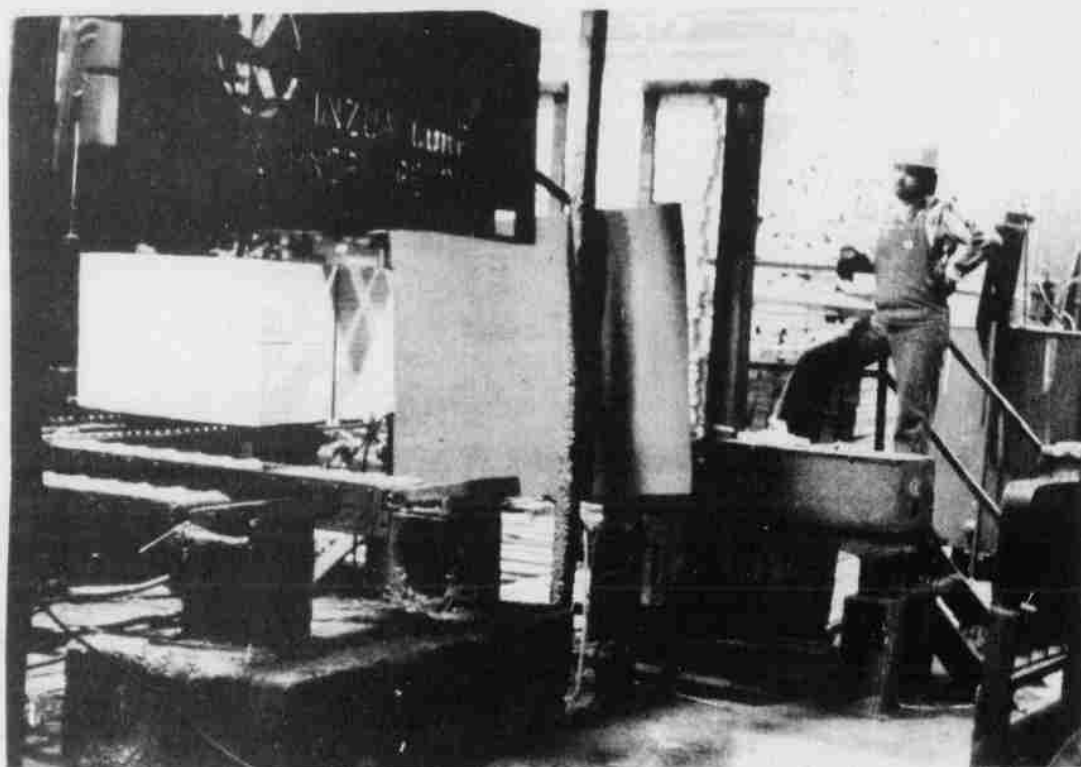
## plywood

## plant

## terminated



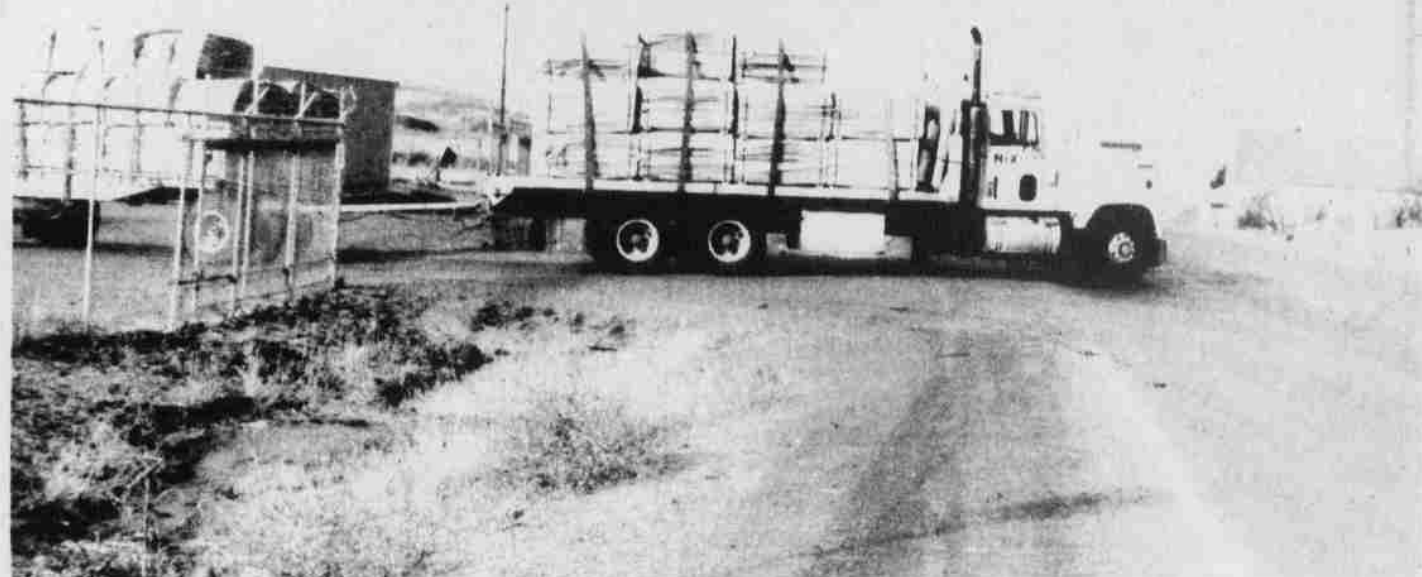
Ervin Epping's job was to grade the plywood.



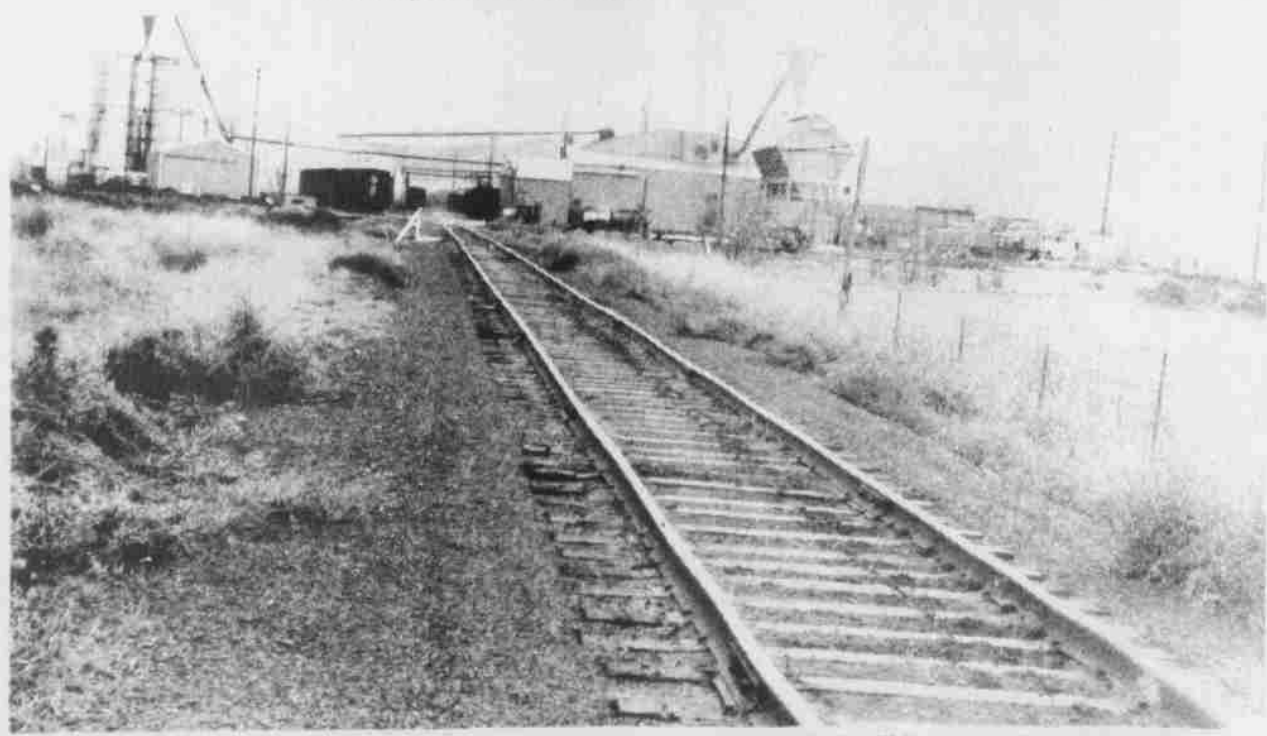
This stack of plywood is about to be sprayed with the Kinzua sign.



The Circle K insignia is now known as a store but as Kinzua around Heppner. The stamp will not be on plywood much longer.



Trucks like this one hauling loads of plywood out of Kinzua mill will not be seen after tomorrow.



Kinzua Mill from the outside looks the same but on the inside it will be empty of people and full of equipment not in use.

## Kinzua not only company with problems

The closing of the plywood mill at Kinzua will put about 150 people out of work but if the Kinzua owners sell the mill Georgia Pacific—it could cost some people in management their jobs too.

"I keep telling the workers in the plywood plant, 'we are in this together,'" said Harry Kennison, general manager at the Kinzua Mill.

Kennison said the sawmill will remain open but the plywood plant will be closing permanently tomorrow. He said he does not know what will happen to the millions of dollars worth of equipment at the plant but he said it just might sit there for awhile.

"They (the Kinzua owners) entered negotiations with Georgia-Pacific last week so they (Georgia-Pacific) will be the ones to decide who will stay in management and who will go," Kennison said. "I do not know what the outcome will be and any guess on my part would be pure speculation."

"G-P is a good company. They are serious in their

negotiations and I think the deal will go through.

"It is an economic fact we cannot supply enough raw materials to keep the plywood plant operating. There is not enough fir, Douglas fir or spruce on forest land to sustain the plant."

Kennison said Kinzua has been purchasing wood from as far away as Lewiston, Id. and Yakima, Wash. so it would have enough wood for the plywood plant but that has been a "disaster" for the company, he said.

"We tried every way possible to keep it open but putting that much money into it—we need a hot market but the market is rotten so we had terrible losses."

Kennison said when money is tight and earnings drop, people quit building houses first, thinking they cannot afford them. He said people quit buying cars second and the "Automobile industry is taking a beating now," he said.

The general manager said the wood industry is a disaster

as 26 mills have gone down in the west, 14 indefinitely.

"It is the worst I have ever seen in 36 years," he said. "The Wilderness Acts are tying up all the forests. Interest groups are afraid the wood industry is going to deplete all the forests—and with some justification."

"What we need is to manage our forests intensively so it will benefit all the people. We are in a pinch for raw materials so we need to recycle our natural resources like the European countries have been doing in their crunch."

Kennison said more lumbering is taking place in the south now because it takes 25 years for trees to grow large enough there while it takes 75 years in eastern Oregon for the trees to grow to the right size. He said there are few government forests in the south but they are planting the trees like orchards on the land that is available.

Kinzua is not the only company having problems making it during these hard

times. When Kennison called the Unemployment Office in Hermiston when it was decided the plywood plant was going to close, he was told five other companies were having lay-offs that would effect about 150 workers in the Hermiston area.

Kennison said the work force at Kinzua has been fairly stable the last three years with not much turnover so the plywood closure is going to effect some people who have been permanent residents of Heppner.

Kennison said he was forced to move about 20 years ago when the same type of thing happened when he worked in Pilot Rock and Georgia-Pacific bought the mill there.

"My philosophy in management is the strongest employees are the labor class people. They are the backbone of this nation," Kennison said.

Personnel manager Dan Sweeney probably knows what is happening at the mill the best. Outside his office is a sign saying, "No applications accepted—until further notice."