

BRADLEY COUNTY ECONOMIC DEVELOPMENT CORPORATION

POTLATCH UPDATES BCEDC BOARD

Mike Fitzgerald, the Potlatch Mill Manager and Bethany Brukardt, the Potlatch HR Manager met with the BCEDC Board on June 29, 2015. Mr. Fitzgerald updated the Board on the progress and modernization of the mill.

Mike Fitzgerald first provided the Board Members an overview of his career in logging and the timber mill industries. Mr. Fitzgerald explained that he moved from his hometown of St. Mary, Idaho, where he worked at Potlatch for 10 years and as the Lumber Superintendent for 9 years. He stated that this is his first time working in a union facility, a Yellow Southern Pine mill or as a Mill Manager.

Mr. Fitzgerald advised that his directions from Potlatch's home office is to "fix the mill and get it running". Mr. Fitzgerald explained that the mill has not changed much since 1993 and he wants to change that. Mr. Fitzgerald stated that the Warren mill is one of the most important, of Potlatch's mills. One of the reasons is log resource availability. Mr. Fitzgerald advised that he has been told that in AR the trees grow at a rate of 2.7 to the consumption rate. This means that in AR it will take about 30 years for a tree to mature, where it will take 70 to 80 years in Idaho. Mr. Fitzgerald explained that it is currently a cheap resource. The current log cost is about \$40.00 per ton. He stated that this is the cheapest log cost you will find anywhere in the U.S. or Canada. This is expected to increase as the demand continues to grow. The low cost is one reason many Canadian facilities are moving to our area.

Mr. Fitzgerald explained that Potlatch allotted just over one million dollars to upgrade the Warren mill and make it more competitive. Mr. Fitzgerald has completed his research on the needs of the mill and almost all of the funds have been spent. Mr. Fitzgerald advised that on 7/17/2015 the mill will be down about 2 weeks to install an Automated Grader Line at a cost of \$3.5 million. By the end of the year about \$5 million, in capital investments, will have been invested in the Warren mill. Mr. Fitzgerald discussed the additional increase in spending for clean-up, guarding, and improved maintenance reliability. He explained that in this older facility the operational costs are very high based on the amount of lumber being produced. The Warren facility is budgeted at 185 to 190 million board feet in production per year. Mr.

Fitzgerald explained that his budgeted production levels are not at the set goal, yet. He stated that if you concentrate on a tier of safety, quality, and production that the production will come once safety and quality are accomplished. Mr. Fitzgerald advised that the Mill should reach their production budget by early August. He explained that his number one goal at the facility is safety. Mr. Fitzgerald stated that the Warren Mill has employees with very good common sense.

Mr. Fitzgerald discussed Potlatch's 5-year plan, which includes the installation of continuous kilns.

Mr. Fitzgerald was asked how the installation of the automated grader will affect the workforce. Mr. Fitzgerald explained how the grader operates and that it would reduce manpower by 2 people, but nobody will lose their job. He stated that with the automated grader more technical support will be needed. Bethany Brukardt stated that 6 local Potlatch employees were sent to Quebec last month, to train on as technical support and they will continue their training at the Warren mill. **John Lipton** stressed BCEDC's desire to help with training needs or in any other needed areas. Mr. Fitzgerald discussed Potlatch's use of apprenticeship programs. Ms. Brukardt advised that Potlatch is working with SEACBEC to develop a training program. Ms. Brukardt explained that they have also hired an employee enrolled in the UAM-Crossett program. This employ will continue his training in the Crossett program while working at Potlatch.

Mr. Fitzgerald stated that having technical training is not enough. The best employee has also worked in a mill and is familiar with what makes the mill run. Mr. Fitzgerald stressed the difficulty in keeping trained technical employees due to the high demand.

Mr. Fitzgerald was asked about the ratio of tons of logs to tons of produced lumber. He explained that it takes 3.7 tons of logs to produce 1,000 board feet of lumber. Mr. Fitzgerald stated that Potlatch makes money on the lumber production residuals, as well as from board feet of lumber. The wood chips that are produced during the lumber production are sold. Potlatch pays \$ 40.00 per ton for logs and sells the chips for about \$30.00 per ton. (continued)

HOW CAN BCEDC HELP LOCAL BUSINESSES?

BCEDC can help your business in such areas as:

- Land and building acquisitions
- Financial packaging
- Demographic and economic data
- Incentive packaging
- Workforce training
- Plant expansions
- Entrepreneurial and small business development

BCEDC Is Affiliated With:

- Southeast Arkansas Cornerstone Coalition
- Southeast Arkansas Regional Intermodal Authority
- Arkansas Heavy Equipment Training Program
- Southeast Arkansas Community Based Education Center
- Arkansas Small Business and Technology Dev. Ctr. @UAM
- Bradley County Chamber of Commerce

June 2015— Jobs Update		
Bradley Co. Employers	# Emp.	Openings
AR Superior Federal CU	13	0
Armstrong Flooring	246	0+
Ashcraft Wood Products	21	0
Bradley Brand Furniture	5	3
Bradley County	68	0
Bradley Co. Medical Ctr.	265	24*
Chapel Woods Health & Rehab	102	2
City of Hermitage	6	0
City of Warren	41	2
First Presbyterian Childcare Ctr	20	0*
First State Bank of Warren	31	0
Fulghum Fibers	10	0
Hermitage Schools	82	1
New Beginnings, CASA	22	2
Oasis Trading	34	1
OK Foods	19	0
Ouachita Hardwood	39	1*
Ozark Mountain Poultry	272	1
Potlatch	165	1
SE AR Community Action Corp.	84	0
SE AR Human Dev. Ctr.	266	27
Super Valu Foods	59	1**
The Mad Butcher	63	0***
Townsend Flooring	28	1*
UAMS/KIDS FIRST—Warren	19	0
Union Bank	8	0
Warren Bank & Trust	37	0
Warren School Dist.	286	2
TOTAL	2311	69

*Taking Applications **Applications on Thur. ***Applications on Mon., 1-4 pm

POTLATCH—CONTINUED

Sawdust is sold for about \$10.00 ton. Mr. Fitzgerald explained that most residual money is received for “dries”. Dries are where the lumber has been dried in the kilns and then sent through the planer, which produces shavings. These shavings and trimmings were used to burn for fuel, but pellet mills now buy these dries to produce pellets.

Mr. Fitzgerald was asked if Potlatch utilizes their *cogen*. capabilities. He explained that currently it is not cost efficient, but as technology improves it may be utilized in the future.

John Lipton expressed BCEDC’s desire to help Potlatch and all industry, anyway they can. He invited Mr. Fitzgerald and Ms. Brukart to attend the Molly Monday Morning Meetings and to meet with BCEDC anytime. Mr. Fitzgerald stated that he would like to attend some of the Monday Morning Meetings and possibly meet with the board in the fall.

JOB OPENINGS AT:

Armstrong Flooring: Has ongoing True Temp production worker positions. The positions are typically long term with the possibility of becoming perm. Interested candidates apply at ESA in Monticello. Permanent positions may be found at www.armstrong.com as they become available.

Bradley Co. Medical Center: All employment opportunities are posted on the BCMC website. For open positions, in all departments and to apply go to — www.bradleycountymedicalcenter.com/jobs

Chapel Woods Health & Rehab: Has job openings for a LPN (3:00—11:00 pm shift) and a Maintenance Helper. For additional information and to apply call 870-226-6766.

City of Warren: Has job openings for 2 Police Officer. Contact the Warren Police Dept. for additional information. 870-226-3701

Hermitage Schools: Has a job opening for a Pre-K Teacher’s Aide. For additional information and to apply call 870-463-2246.

New Beginnings, CASA: Has 2 Clerical job openings. Candidates should have good computer skills. Call 870-226-9970 for additional information or to apply.

Oasis Trading, LLC.: Has an opening for a loader operator. Call 870-463-2688 or visit Oasis Trading to apply.

Ozark Mountain Poultry: Always looking for good production workers. Contact the Arkansas Workforce Center in Monticello, AR at 870-367-2476 for employment information.

LOOKING FOR EMPLOYEES ?

- Does your company have job openings?
- Do you need qualified employees?
- Are you having trouble locating the right employee?

Contact the Arkansas Department of Workforce Services.

477 S. Main St.
Monticello, AR 71655-4817
870-367-2476

Visit www.dws.arkansas.gov for information.

HOW CAN BCEDC HELP

BCEDC

110 N. Myrtle St.
Warren , AR 71671

Phone: 870-226-3760

Fax: 870-226-3770

websites:

www.bcedc.com

arkansasitesselection.com

E-mail:

bradleycountyidc@sbcglobal.net

Potlatch Corporation: Has an opening for a fully qualified electrician. Apply at www.potlatchcorp.com. EEO/AA / Veteran employer with competitive wages and benefits.

SE AR Human Development Ctr.: Among the job openings are 13 Direct Care Workers, 3 Shift Supervisors, and 2 Instructors. LPN’s are needed, as well. Openings of salaried positions are advertised in the Shoppers Guide. For additional information and to apply please go to www.arstatejobs.com

Warren School Dist.: For details on job openings and to apply contact the Warren School Dist. at 870-226-6738 or online at www.edline.net/pages/warren_sd

To list your company’s job listings, in the BCEDC Newsletter, please call 870-226-3760 or email us at bradleycountyidc@sbcglobal.net.

MONDAY MORNING MEETINGS

AT
MOLLY’S DINER

7:00 a.m. Every Monday

Join in the conversation!

This is an open forum meeting, open to all. We encourage all to attend. Every voice needs to be heard. **Join in the conversation and make a difference!**