

~ Ruston Office News ~

TROTT HUNT - President

The Second Quarter of 1994 has seen the completion of one of the larger capital projects in company history with the installation of the XY Charger at the Natalbany Plywood Plant.

The installation was well done with the start-up on time and on budget. The subsequent operation of the new equipment, although slow to get up to budgeted levels, has progressed steadily. Needless to say, this new equipment will be a key element of the Natalbany facility and will contribute through higher fiber recovery, higher productivity, and improved quality.

Overall the markets for our finished products declined substantially in the second quarter, thus contributing to lower returns at all facilities. This fact, coupled with the shutdown and start-up at Natalbany substantially impacted the company's net profits. However, as we enter the Third Quarter, all markets are improving and the prospects for a good quarter are excellent.

401K Results

Year-to-Date

JIM HOUGH - Treasurer

Financial markets were unsettled in the 1st and 2nd Quarters. Fears of inflation caused both bond and stock prices to fluctuate with no clear direction. The falling dollar in the currency markets has also contributed to the negative result thus far this year.

Expectations are for a more stable 3rd Quarter and thus more stable prices.

(1.78%)

(2.51%)

PLAN #1 PLAN #2 PLAN #3

1st Qtr. (2.47%) (.99%)

2nd Qtr. (.86%) (.79%) (2.51%)

(3.33%)

The investment approach for all of our plants is to emphasize safety and a long term approach to investing. While we have experienced negative results this year, over the long haul, our continuing contributions and this dollar cost averaging has proven to generate the best results.

GERRY BRUCIA - Lumber Sales

I am pleased to announce that Andrea Spillers has recently been promoted to Sales Representative. In this capacity, she will be directly involved in both hardwood and pine lumber sales.

Andrea joined Hunt Plywood in February, 1992, as

lumber sales secretary. Prior to that time she spent six years with Mid-States Wood Preserving Co. in Simsboro, LA. In July 1993, she was promoted to lumber sales assistant, where she assumed trucking coordination and customer service responsibilities. She has an A.S. degree in Office Administration from Louisiana Tech and lives in Calhoun with her husband, David, and son, Andy.

Allison Baskin has joined the lumber sales staff as Sales Clerk. She joined Hunt Plywood in December 1993 as Accounting Clerk. She has a B.S. degree in Journalism from Louisiana Tech and lives in Ruston with her husband, Jerry, and daughter, Taylor.

JAY GUILLOT - Engineering

With the Natalbany X-Y Charger Project behind us, the Engineering Department is concentrating on a wide variety of project work at all of the manufacturing facilities. Added staffing in the Engineering Department has proven to be a great asset in addressing our project needs. A brief summary of the current project work is as follows:

Pollock Mill: Study of Log Processing System; Blow Detector Installation; Lathe Carriage Drive Modification; Fuel Storage Tank Project.

Castor Mill: Jump Chain System for Small Cants Project; Boiler Project; Concrete Paving Project.

Natalbany Mill: Currently evaluating and prioritizing numerous projects for the mill including the following: Chip Bin; Fuel Storage Facility; Vat Screening; Dry Chain System; Glue Mixing System; Railroad Spur; Steam Condensate System; Vat Control Project.

Environmental affairs continue to be on the forefront. Understanding our permits and each employee being environmentally responsible are common threads that will help insure a system that operates within permitted limits. Your efforts in these areas continue to be greatly appreciated.

Benefit News

GEORGE KEYS - Human Resources

The second quarter has been a busy one for the Human Resources Department. Our June sign-up for the 401-K Retirement Plan went extremely well with an

overall participation rate of 89%. Remember the next enrollment period will be January 1, 1995, with sign-up during December 1994.

The long-awaited optional Life Insurance Program is now in place. Response to this benefit has been favorable, with an overall participation rate of 58%.

Changes in federal law and terminology have caused the reprinting of our medical, dental, and life insurance benefit booklets. These minor revisions did not significantly change your benefits. Please keep these as references for questions regarding your benefits. If you did not receive your booklets, please contact your Administrative Office.

A new federal law under consideration would create a data bank requiring social security numbers for all employees and dependents covered by medical insurance. We will soon begin the process of gathering information needed to comply with this new law.

We want to welcome several new employees to the Ruston Office. Johnette Collinsworth is in the Accounts Payable Department, Josh Foster joins our accounting staff, and Darren Amos joins MIS as a programmer.

MERVIN PARKER - Forestry

The 'Circle of Life Tour', a 28 state educational promotion featuring a 36' x 6' 'second growth' Douglas fir log, made its only Louisiana stop in Ruston on Saturday morning, June 25. Our company, in cooperation with other forest industries and the Ruston Jaycees, made the Ruston stop possible.

The goal of the tour was to provide the public with a better understanding of the role forests, trees and wood play in supporting human populations and our quality of life; and to emphasize trees, a renewable natural resource.

Demand for wood and wood products continues to increase. The average American uses the equivalent of a 100-foot by 18-inch diameter tree each year and America's demand for wood and paper products is expected to increase 50 percent in the next 50 years. The world demand will double in the same period.

While we have the forest management skills to manage our forest wisely, to grow and harvest more timber, we are not doing it. Timber harvest on public lands continues to decline.

Those who want to ban timber harvesting on federal lands do not give credit to a great success story - the harvesting and growing of trees.

~ CASTOR OFFICE NEWS ~

NEAL EMFINGER - Plant Manager

The second quarter has produced positive results at the Castor mill.

We are currently installing the jump chains in the sawmill, which will allow us to cut all 4" and 6" cants on the horizontal resaw. This will increase production due to the fact that we won't be sawing as many lines at the headrig. Our log quality and size has really improved during this quarter.

Some ongoing projects at this time are concrete paving in various areas throughout the plant and installation of a Rens metal detector at our log processor.

Let's continue to work as a team to achieve our goals.

TIM NORMAN - Administrative Manager

We are pleased to announce in Castor the addition of Sammy Giddings to our staff. Sammy is the Planer Mill Supervisor for Shift 2. He has several years of experience in this area and will be an asset to our mill. Betty Potts has recently been promoted to Office Manager in Castor. She will be directly involved in handling the administrative duties of the Castor office.

The employees are to be commended for their 'team spirit'. Congratulations to the following shifts for working the 2nd Quarter of 1994 without any recordable accidents.

Shift 1 - Sawmill Log Yard Shipping Boiler Shift 2 - Boiler Planer

BOB BYRD - Dry End

Our lumber graders did extremely well at the recent SPIB Grading Contest held during the Forest Festival in Winnfield, LA on April 23. The following shows the versatility of our graders and their ability to do an outstanding job:

1' GRADING - Mary Nash was 1st; Judy Bolyer was 4th;

Harley Croft was 5th; and Donald Sandifer placed 10th. 2' GRADING - Harley Croft was 1st; Judy Bolyer was 3rd; Donald Sandifer was 11th; and Mary Nash came in 13th. Harley Croft had the best overall scores for Grading.

WAY TO GO CASTOR GRADERS



1994 SPIB GRADING CONTEST Graders (L to R): Harley Croft, Donald Sandifer, Mary Nash and Judy Bolyer.

CHRIS GATES - Forestry

The second quarter proved to be a normal one in regards to logging and inventories. We began with 4,099,735 bd. ft. of inventory and ended with 2,277,124 bd. ft. The reduction of 1,872,611 was expected and the ending inventory was right on target. Pine pulpwood sales still pose a problem with high mill inventories but some relief is hopefully in sight. We are pleased to announce the hiring of Dawn Stevens, a Louisiana Tech Forestry student, as our summer intern. Dawn will hopefully obtain valuable experience while working here this summer.

~ NATALBANY OFFICE NEWS ~

LARRY MANTHEI - Plant Manager

Things at Natalbany are beginning to look up since our greenend modifications. For the production week ending July 2nd both the greenend and dryers attained 4000 m3/8 feet production.

The remainder of 1994 will see much progress in all key areas including production, quality and recovery. While striving to attain our objectives in these areas, we must continue to keep safety at the top of our list

for improvement.

Recovery. This is the amount of usable veneer we produce divided by the amount of incoming log volume. This is an area everyone will continue to hear a lot about because the continued high cost of logs demands that we reduce the amount of wood waste throughout the operation. This means we must improve our process to produce more usable wood and give more attention to salvaging every piece of usable veneer. Every department must strive to help make these improvements.

We welcome the following changes at Natalbany:

Ladd Boyd - Greenend Supt.
Wayne Orr - Maint. Supt.
Bud Powell - QC Supt.
Joyce Breaux - Lay Up Supv.
Robert Gales - Dryer Supv.
Steve Goodger - Dryer Supv.
Dennis Turner - Greenend Supv.
Ricky Anderson - QC
Todd Bloomfield - QC
Michael Keaton - QC
Robert Miller - QC

BILL MAYER - Forestry

As of June 25, our log inventory has remained somewhat stable dropping from 5.453MMBF at the beginning of the quarter to 4.980MMBF. The wet log

inventory still remains at 3.859MMBF.

In preparation for the mill shut down, the Forestry Department, in conjunction with our gatewood contractors and company loggers, reduced the dry log inventory to 300,000bdft. This was mainly due to producing by-products rather than plylogs. We are now getting back to normal with the mill start-up and beginning to move our summer stumpage as the rains seem to be slacking off and ground conditions permit logging.

Jim Mattison, Forestry Manager, along with

Stanan Capdeboscq, Johnny Costanza and Tim Siggins, have completed the Dale Carnegie course and are looking forward to implementing their newly gained skills on the job. Also, Mark Mann, Forestry Technician and Coach of Centreville, MS Dixie Boy's League Team, has captured the Natchez Title with a 17-1 record. The team will advance to District in Summit, MS, on July 8, 9 & 10. Good Luck Mark!

SUSAN BALISTERI - Personnel/Safety

During the month of May, employees participated in Fire Safety Training. Each was given the opportunity to use a fire extinguisher on a contained fire and each took turns using a 2-1/2 inch fire hose.

Congratulations to the following shifts who were accident free during the 2nd quarter and qualified for

Quarterly Safety Dinners:

DE1 GL1 Shipping
DE2 GL2 QC
DE4 GL3 Log Yard

DE4 GL3 Log Yard
DE1, DE2, DE4, QC, Shipping and Log Yard were
accident free for the first six months of the year, Great
Job!!



SHIFTS ELIGIBLE FOR THE 2ND QUARTER SAFETY DINNER ARE SHOWN ENJOYING A CATFISH DINNER.

~ POLLOCK OFFICE NEWS ~

ED LATHAM - Plant Superintendent

During the month of June 1994, the Pollock employees participated in a Red Cross Blood Drive. This year Tom McKinley, Blood Drive Chairman, challenged the employees to a 40 percent contribution goal.

Tom established several dates for the blood drive that would accommodate the employees that worked on the rotating shifts. All employees that gave or attempted to donate blood were eligible for a steak dinner, which was personally prepared by Tom and myself.

The results were outstanding! Over 100 employees participated during the drives held on the plant site.

Several employees also travelled to Kingsville to donate in order to help the plant attain their 40 percent goal. The efforts of all of these employees have qualified the Pollock plant as a full participating member of the blood bank. This was the largest turnout of employees participating in a blood drive at our plant.

There have been two new assignments at the plant in the last quarter. John Foster, a Louisiana Tech graduate, has joined our staff as a Quality Control Technician. Steve Honeycutt, a ten year employee, has been promoted from Quality Control Technician to

Green End Supervisor.

Several capital projects were started during the second quarter. The new Prentice 410 loader was installed

on the number one log processor. This new loader has enabled us to process the small tree length logs at a much more efficient rate. The blow detector was ordered for the sawline and will be installed in July. This will enhance our reputation as a producer of quality plywood.

ROLAND SIMONS - Administration

The following shifts have earned their safety dinners for the 2nd Quarter:

DE1 Shipping Logyard DE2 Trucking

GE3 had their accident free record shattered in June. They did complete 33 months without an accident.

The construction on the additions to the Pollock office is almost complete. This additional space is needed to accommodate our growing Forestry and Administrative staff. We are looking forward to finishing this construction and moving into our new offices.



WORKING ON THE POLLOCK OFFICE

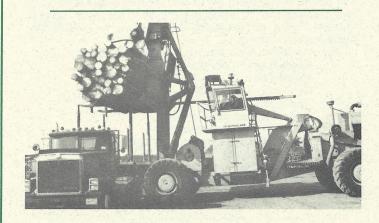
DON POWELL - Woodlands

Hunt Plywood Company's timberland acquisition program is a cooperative effort. So far this year, 14 tracts have been purchased for a total of 2,563 acres. The Forestry Department at Castor, Olla, Natalbany and Pollock have all provided leads and assistance in cruising land for purchase. A total of 32,438 acres is now owned in 19 parishes.

The Woodlands Department appreciates all leads and information about prospective timberland purchases. If you know of any land for sale, please call one of the following:

Keith Newsóm - (318) 768-2544 Billy Thurmon - (318) 765-3922 Don Powell - (318) 765-3922

Hunt Plywood Company's timberland purchasing and management program is evidence of its long-term commitment as a member of the forest products community of Louisiana.



POLLOCK LOGYARD - The "Lectro" makes this look so easy. It is only 50,000 lbs.

~ OLLA OFFICE NEWS ~

NEAL EMFINGER - Plant Manager

The second quarter has brought about many exciting changes for Hunt Lumber Company with the addition of the Olla facility. This mill will produce approximately 11 million bdft. of hardwood lumber annually. With this acquisition, we will be able to better utilize all of our resources and also attain new market accessibility. The Olla sawmill is currently performing above the initial production projections. Our log inventory has increased to a level where we now can operate 10 hours

I would like to thank everyone from Ruston and Castor who have helped with the transition in Olla. Also, thanks to our employees in Olla for demonstrating a team effort in meeting our goals thus far.

STUART FUQUA - Administrative Manager

The employees at the Olla sawmill are excited about the opportunity to work for the Hunt organization. Morale is high and we are all elated to be part of the team. Bo Phillips, the only previous Hunt employee, has played an integral part in instilling the Hunt work ethic throughout the mill. The mill has undergone a facelift since opening April 7, 1994. A fence in front of the mill, groundwork and landscaping, an office building, the mill painted, safety guards and handrails, and a fuel and oil bunker are some of the many improvements. Plans are now under way to improve the mill's wet storage area and build a new dip vat. We are seeking ways to increase production of the mill through efficiency while maintaining high quality standards. The support of our fellow employees throughout the Hunt organization has been truly appreciated.



OLLA MILL RENOVATIONS

RUSTON

<u>APRIL</u> - Johnette Collinsworth, Josh Foster, David Showers

MAY - Oscar Hannibal, Charlotte Bowen

JUNE - Darren Amos

CASTOR

APRIL - Sammy Giddings, Nathaniel Coe, John Hays,
Thomas Francis

MAY - John Procell, Bobby Pearson, Gary Castello

JUNE - Paul Kaiser, Victor King, Donald Williams

POLLOCK

APRIL - Lawrence Jones, Marshall Burks, John Otwell, James Hollis, Helen Jacobs, Terry Williams, Richard Terral

<u>MAY</u> - Ola Franklin, Robert Faircloth, George Allen, Ricky Grice, Charles Noland, Glenda Bowie, William Hall, Earnest Granvle, Michael Slaughter, Jay Carter, Curling Todd, Franz Williams, James Dickerson

JUNE - John Foster, Romonia DuBois, William
Bordelon, Robert Nevill, Derek Hutson, Robert
Davidson, Linda Webster, Michael Miller,
Charlie Lee, Reginald Nelson

NATALBANY

APRIL - Susan Balesteri, Dudley Holden, Sandra Harrison, Kenneth Hebert, Casey Barron, Pamela Campbell, Robert Richardson, Danny Edwards <u>MAY</u> - Glen Ruffin, Wayne Orr, Shawn Harrison, Robert Wilson, Dave Taylor, JoAnn Lee, Mickale Fairley, Ned Mobley, Sonia Chance

JUNE - Latitus Daniels, Johnnie Stelly, Todd
Bloomfield, Allen Moore, Alphonso Tenner,
Orlando Ford, Micheal Keaton, Anthony Ditta,
Albert Bahan, Alvin Deamer, Randall Smith,
Betty Smith, Floyd Wheat, William McDonald,
Kearston Foster, Burnell Nix, Anthony Green,
Karen Whittington, Alden Foster, Herbert
Smith, Gerald Risin, Aaron Parker, Cynthia
Wheat, Lonzo Johnson, William Cater

OLLA

Employees who joined Hunt in the 4/7/94 acquisition:

George Lacour, Timothy Lafferty, Donald Winstead, Isiah Nelson, John Taylor, James Vizinat, Ronald McGinnis, Warren Reitzell, Noel McManus, John Moran, Terry Day, Gregory Williams, Larry White

NEW HIRES

MARCH - Stuart Fuqua

<u>APRIL</u> - Gary Franklin, Bryan Bryant, David Jones, James Aymond

MAY - Marvin Jackson, Arthur Fletcher, Paul Magee

JUNE - Ervin Carr

Insurance coverage for dependents can be extended past 19 years of age provided the dependent is a full-time student at an educational institution. For more details, visit your Administrative Office.

Anniversaries w

RUSTON

5 YEARS - Trott Hunt

3 YEARS - Bart Wheat, Rosetta Hord

<u>2 YEARS</u> - Steve Napper, Joe Beason, Dixie Trainor, Gerry Brucia

<u>LYEAR</u> - Terry Clark, James Guillot, Chuck Lamping, Matthew Bowles, Sonia Sawyer, Becky Brawley, Keith Newsom, Terri Fedrick

CASTOR

34 YEARS - Tallie Smart

24 YEARS - Joseph Nash

18 YEARS - Harold Sandifer, David Lester

16 YEARS - Kevin Myers

14 YEARS - Eugene Weathers

13 YEARS - Bob Mathis

12 YEARS - Edward Hadnot

10 YEARS - Jimmie Williams, Billy Vise

9 YEARS - Gregory Leste

8 YEARS - James Adams

6 YEARS - Tommy Gray, Cecil Sanders

5 YEARS - Robert McElroy, Donald Daniels, Gary Cox

4 YEARS - Timmy Shoemaker, Alex Laurent

<u>3 YEARS</u> - Chris Gates, David Gardner, Billy Venzant, Thomas Howard, James Lovell

<u>2 YEARS</u> - James Warren, Rodney Madden, Larry Sanford

1 YEAR - Randall Jinks, Janet Havemann

POLLOCK

16 YEARS - Robert Blackman

13 YEARS - Marty Cogdill, Eddie Boren, Lester Moras

12 YEARS - David Albin, John Alvarado, Lawson Knight

11 YEARS - Donald Bergeron, Roy Hardy, Larry Holmes

10 YEARS - Gregory Gagnard, Perry Beard

9 YEARS - Rudy Bond, Russell Cindrich

8 YEARS - Keith Reeves, Micheal Spillers

7 YEARS - John Thompson

<u>6 YEARS</u> - Bryan Hearn, William Strain, James Sellers, Bobby Chandler, Robert Delrie

<u>5 YEARS</u> - Roosevelt Boyd, Thelma Coyle, Jamie Deen, Billy Pennington, Robert Frost, Steven Hawthorne

4 YEARS - Mike Sanders, Barry Ryder

<u>3 YEARS</u> - Rueben Foster, Randall Brodnax, Joseph Bruce, Joseph Hawthorne, Wallace Greer, Robert Nugent

2 YEARS - Lynn Coyle, Willard Lofton, Jewel Cunningham, Elsie Smith, Donald Camp Juan Lopez, Janet Brown, Roger Lacoy, Concordia Bradley, Loyd Chelette, Edward Johnson, Tom McKinley, Dennis Hines, Chris Nugent, Allen Roy, Johnny Hart

<u>I YEAR</u> - Donald Goff, Curtis Mills, Tammi Beassie Richard Thompson, Terry Oliver, Ronnie McCartney, Ed Latham, Scott Meyer, Joann Roland, Christian Arrant, Michael Sikes, Bryan Romero, Ricky Frazier

NATALBANY

6 YEARS - Bruce Fussell, Joey Perricone, Andrew Bailey, James Curry, Ella Burton, Wanza Taylor, Will Allbritton, Ricky Anderson, David Watkins, Eugene Warren, Johnny Payne, Leroy Kirk, Edward Coston, Randall Morris, Henry Ray, Joseph Dyson, Reginald Williams

5 YEARS - Galen Gill, Larry Williams, Donell Butler

<u>4 YEARS</u> - David Jenkins, Willie Wilson, Lawrence Henry, Timothy Jackson, William Harold, Narvella Hemphill, Robert Quillen

<u>3 YEARS</u> - Ray Francois, Elwood Basham, Debra Berry, Bobby Dixon, Anthony Williams

<u>2 YEARS</u> - Billy Ray, Steve Wilson, Harry Dugas, Leander Seiber, Keith Fleming, Lucius Lee, Charles Bateman, Ronnie Manzella, Jerry Cade, Charles Dyson

1 YEAR - Bobby Dyson, Kenric Griffin, Eddie Johnson, Emanuel Banks, Ronald Thomas, Johnnie Coats, Bud Powell, Fred Singleton, Darren Thomas, Gean Stevens, Markcalus Perry, Steven Phares, Stanan Capdeboscq

OLLA

2 YEARS - Warren Reitzell

1 YEAR - Terry Day, Gregory Williams

THE TIMBERLINE _