

IN TOUCH

BY AND FOR EMPLOYEES OF TEMPLE-INLAND FOREST PRODUCTS CORPORATION

November/December 1995



BELOIT
Bel Bond

**A World Class Machine is Primed
for New Century Markets**

An InTouch interview with Per Klykken

Much credit goes to the crews and supervision for producing a quality sheet that is second to none in such a short time frame. As we approach the end of our modernization program, it is encouraging and pleasing to see a mill completely reconfigured and transformed from a commodity mill to one producing value-added grades into new domestic and international markets.

As the mill approaches the end of its five-year modernization program, what are your observations in terms of production expectations?

After four and a half years of continuous construction, we have now entered the "transition to full production" phase of our modernization program. All four fourdriniers have reached a quality level second to none in the industry.

Our competitors are acutely aware of our potential and are justifiably worried. With the major expansion projects now behind us, we have one final hurdle to clear and that is consistency.

Though No. 5 paper machine has received a lot of press coverage and attention since its startup, we cannot overlook the tremendous strides attained on the existing fourdriniers. With the new equipment in place on No.'s 1, 2 and 4 paper machines, our outlook has never been brighter. We are now in a role that will set new quality standards throughout the industry.

How have weakening fourth quarter paper markets affected this phase of the program?

Heading into the fourth quarter, which is historically soft, current production capabilities exceed orders due to unusually

high inventories throughout the industry. To further complicate matters, rigid customer demands dictate that we run at least three trials before acceptance as a permanent grade, which can take two to three months. Since first impressions are lasting ones, we are making a concerted effort that new products introduced into the marketplace must be equal to or better than our toughest competition.

Due to current market conditions, mill operation is at 75 percent of production capacity, which highlights the importance of cost containment throughout the manufacturing process.

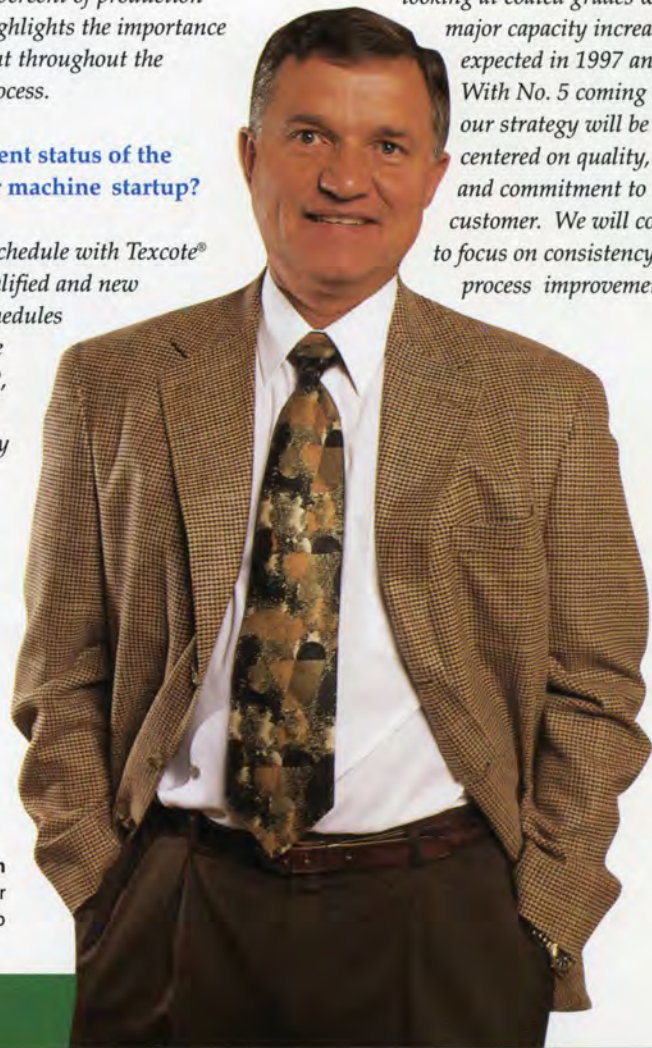
What is the current status of the Number 5 paper machine startup?

No. 5 is ahead of schedule with Texcote® grades already qualified and new orders and run schedules in the system. The trials on Texcover®, which is our light weight, low density grade, have been extremely well received, and we are actively pursuing additional tonnage.

What's the outlook for 1996?

We should reach our full potential by the end of the second quarter 1996. Our emphasis will be on gaining additional market share in folding carton grades, cigarette board, Texcover II, poly-coated cup and specialty tag grades. With only two new machines coming on stream in the next two years, the demand for uncoated free sheet remains reasonably strong. However, forecasters have expressed concern when

looking at coated grades with major capacity increases expected in 1997 and 1998. With No. 5 coming on line, our strategy will be centered on quality, service and commitment to the customer. We will continue to focus on consistency and process improvements.



Per Klykken
Vice President, Mill Manager
Bleached Paperboard Group



By Tony Bennett

Vice President, Public & Government Affairs

Soon, Congress is expected to address one of the thorniest issues affecting the forest products industry: the **Endangered Species Act**.

On September 7, Republican Congressmen Young of Arkansas and Pombo of California introduced the Endangered Species Conservation and Management Act of 1995, HR 2275, along with 120 Republican and Democratic sponsors. Debate on the bill is now underway in committees and in public forums. Though the Young-Pombo legislation is expected to pass Congress, the bill faces possible veto by President Clinton.

Among other provisions, the bill would subject scientific decisions to a rigorous peer review, allow social and economic impacts to be considered in recovering endangered species, permit landowners to enter into voluntary agreements with assurance that the rules will not change in the future, remove the potential of prosecution for modifying property which might serve as habitat for listed species, and provide compensation to landowners for the loss of property values.

While HR 2275 doesn't contain everything sought by the forest products industry, it is a good starting place for dealing with an issue that has shut down logging operations and sawmills throughout the United States.

No one questions the necessity of protecting certain species of plants and animals in America, but environmental groups have used the Endangered Species Act as a weapon to achieve other goals like halting logging on national forests and restricting the use of private lands for forest management.

A good example of the misuse of the law can be found in North Carolina where landowner Ben Cone had managed his 5,000 acres on a long-term rotation. He did his job so well that 12

colonies of the endangered red-cockaded woodpecker had made their home in his largest pines.

The government stepped in, terminated his right to practice active forest management on 1,121 acres. To avoid future financial losses, Ben was forced to practice short-rotation forestry on the rest of his land to discourage new colonies of the government-protected birds.

As a result, Ben won't be able to manage his lands to their fullest potential and the red-cockaded woodpeckers won't have any new homes when his older trees die.

Ben Cone was, in effect, punished for being a good forest landowner. ▲

Historic Temple-Inland locomotive prepares for new career on Texas State Railroad

This spring, when the dogwoods began to thread their way through the forests of East Texas, a railroad conductor will call, "All aboard," and an old steam locomotive linked with the history of Temple-Inland will pull out of a Rusk station, pulling a series of passenger trains.

Engine No. 28, once used to haul logs at Temple-Inland's manufacturing complex in Pineland, Texas, will make its maiden run on the Texas State Railroad when the state historical park opens for the 1996 season.

The 79-year-old Baldwin locomotive will join three other steam engines on the Rusk-to-Palestine route. The engine was retired at Pineland in 1955 and donated by Temple-Inland to the state line in 1972, but its restoration wasn't finished until last November.

Two other steam engines used at Pineland have also found new homes. A Mikado locomotive was given to the City of Pineland for a historical display and a third locomotive was donated to the Red River Historical Society near Shreveport.

Blair Lavell, the state railroad's maintenance superintendent, calls No. 28 "a unique reminder of the history of East Texas when steam engines were the work horses of the timber industry."

Lavell and his crews spent 10 years carefully restoring No. 28 to its former glory. It received a new paint job, a new boiler, and hundreds of other

improvements. It was also given a new identification number, 300, to reflect its status among its fellow engines, Nos. 201, 400, and 500. A fifth engine, No. 610, awaits restoration in the railroad's maintenance shop at Palestine.

Many of No. 28's replacement parts had to be hand-made. "Everything that moved, we rebuilt," said Lavell.

No. 28, known in railroading history as a "General Pershing" class engine, was built for the U.S. Army in 1917, was first put into service for the U.S. Army at Camp Polk, Louisiana, and later served on the Tremont and Gulf Railroad at Winfield, also in Louisiana. Ironically, another Rusk State Railroad engine, No. 400, also worked on the Tremont and Gulf line. It, too, was built in 1917.

No. 28 was purchased in the 1940s by Southern Pine Lumber Company for use at Pineland and spent the next decade hauling logs from the forests along the Sabine River and carrying freight and people to Southern Pine's logging "fronts."



Locomotive No. 28, once in service at Pineland, awaits its passenger run near Palestine.

The 83-ton oil-burning locomotive, which has a top speed of around 50 miles an hour, looks like a shiny new engine sitting on its tracks at Palestine. Lavell and his crews provided it with a red, black, yellow and silver paint job—giving it the appearance of an Old West locomotive.

"She's a marvelous addition to our line," said Lavell, "and the folks who ride with us will appreciate what Temple-Inland has done for the history of East Texas."

The Texas State Railroad, which operates a 50-mile roundtrip between Rusk and Palestine, offers train rides between March and December on selected days. Reservations and information may be obtained by contacting the Railroad at Box 39, Rusk, Texas 75785, telephone 903-683-2561 or 1-800-442-8951.

A world class machine is primed for new century markets

With a successful startup of the new No. 5 paper machine in motion, the production managers at Temple-Inland's Evadale mill aren't wasting any time watching the machine reel out its planned tonnage of 550 tons a day.

Most of their working hours these days are being spent refining techniques to produce higher-end paper grades that could put Evadale into new and more profitable international markets by the end of this century.

In line with a manufacturing and marketing strategy established before No. 5 was even designed, Evadale is using the technological advantages of the machine to produce lower-weight bleached paperboard capable of opening new markets, such as pharmaceutical and cosmetic packaging, greeting cards, cigarette boxes and cartons, and other products where customers prefer a lighter weight, printable paperboard.

Wayne McFee, production manager at Evadale, says No. 5's capabilities have created sales opportunities that didn't exist before. "We'll now be able to offer customers the advantage of a lighter paperboard at competitive prices," he said. "The prevailing demand in the marketplace is to produce a lighter paper, but to retain, or even increase, the ability of the paper to print well," said McFee.

"A lot of what we're doing is focused on growing export markets," he said. "We see a lot of growth potential, for example, in Asia and Latin America."

At the same time, the machine's flexibility will enable Evadale to produce an even higher quality paperboard for food containers such as those used by McDonald's, Church's and Dunkin' Donuts. "These have been good markets for Evadale in the past, and we don't want to forget them."

"Now that we've had a successful startup of No. 5, and seen what it can do, we've embarked on a very aggressive effort to show potential customers what we can do for them," said Dee Hinkie, No. 5's superintendent.

For example, a run of lightweight paperboard was recently shipped to Latin America, where the paper underwent a series of successful printing trials for the production of cigarette packaging. "They were very demanding trials, but our paper did very well, and the printer was very impressed," said McFee.

Another effort will explore the feasibility of developing a packaging material combining Evadale's paperboard with brown paper made by Inland Container's mill at Orange, Texas. "Our goal is to develop a cheaper packaging product with more printing capabilities that will improve its overall appearance," said Hinkie.

Some of the advantages of No. 5 are its ability to maintain a quality consistency through extensive computer controls, a unique press section designed especially for low-density paperboard grades, a greater flexibility in applying starch to control the paper's

surface, a three-blade coating system that allows special coatings on both sides of the sheet, and an extensive web-inspection system that detects surface defects as small as a needle point at speeds of 1600 feet a minute.



Luvenia McDonald in the control room of #5 Machine

Dramatic improvements follow No.2, No.4 machine upgrades

Keeping the mill's manufacturing capabilities competitive in terms of product quality is necessary to have control over the Bleached Paperboard Group's destiny in the market place.

That was the challenge faced by Temple-Inland's Evadale mill when it decided to improve the performance of its No. 2 and No. 4 paper machines.

This fall, as workmen completed a massive three-year upgrade of the machines, the mill was able to look back on a series of outages, a maximum of fourteen days downtime in any one year, and see dramatic improvements in the performance of both machines.

Jim Buob, paper operations manager, says this success is due to teamwork at the mill.

"Nearly every department in the mill was consulted, their input considered, and when the time came to make the improvements, each group did its job in a timely and effective fashion," said Buob. "As a result, everyone in the mill had an ownership in the project."

"Everything was planned around the mill's annual production and maintenance outage schedules to meet our customers' needs," said Robert Sasser, chief engineer. "Advanced production planning for orders was very important."

The overhaul of No. 2 machine, its first major upgrade since 1985, was undertaken with a broad array of improvements. Included were new



James F. (Jim) Buob, Paper Operations Manager and Dee Hinkie, #5 Machine Team Leader

PAPERWORKERS HEALTHIER THAN GENERAL POPULATION

A study by one of the country's most prestigious medical institutions has shown that workers in the pulp and paper industry live longer, healthier lives than the general U.S. population.

The report by Johns Hopkins University, of Baltimore, Maryland, was funded by the American Forest & Paper Association (AF&PA).

The first phase of the Johns Hopkins study examined 63,000 long-term workers employed by 52 mills in 20 states, including Texas. Medical information on each long-term employee, both active and terminated, was acquired mainly from mill records and death certificates.

Phase Two, expected in two or three years, will cover all 100,000 active and former employees in the industry.

"The pulp and paper industry believes that a large, thorough study conducted by Johns Hopkins University provides a credible first step in assessing the health of paper industry employees," says an AF&PA spokesperson.

Overall, the report found that long-term pulp and paper workers have a 26 percent lower mortality rate than the general U.S. population. In the 20 states where participating mills are located, that percentage is even better: 27 percent lower.

"Long-term workers in the pulp and paper industry do not have significantly higher risks of mortality from all causes compared to the general population," states Dr. Genevieve Matanoski, principal investigator for the Johns Hopkins study. "In actual fact, they have significantly lower risks than the general population."

When comparing 50 specific diseases, including heart disease and cancer, researchers discovered that death rates were also generally lower when compared with the general public.

primary cleaners, a new secondary fan pump, new approach flow piping, new and improved secondary cleaning systems, a new size press with starch kitchen, control upgrades, new table foil and vacuum elements on the fourdrinier, a new top wire former, and a new waveless edge deckle board system. In all, the cost was about \$9 million over the three years.

"The goal of the project," explained Sasser, "was to produce a sheet of paperboard with improved surface smoothness on both sides and with improved, more even sheet formation, before entering the blade coater sections. This would allow for better control in preventing too much of the



Robert Sasser, chief engineer

coating from penetrating too deeply into the board and improve the print quality of the finished product."

"We took a long look at the limitations of No. 2 machine and concluded that one of the first objectives was to add more fan pump and cleaner capacity, along with changing the table elements so we could lower headbox consistency and improve the base sheet formation coming out of the headbox. The second objective was to add a top former so that we could improve the smoothness of the top side of the sheet to nearly equal the bottom side of the sheet," said Sasser.

The result has been a substantial reduction of the so-called "grainy edges" on the paperboard and a product that has made Evadale more competitive in the market place.

"Previously, we were about fifth or sixth in market quality, but the improvements on No. 2 machine have now placed us in first or second place on every grade we make," said John

Dayton, director of technology. "In some grades we are second only to our new No. 5 machine."

No. 2 machine makes paperboard ranging from eight to 26 point, but with the startup of the mill's newest paper machine, No. 5, Dayton anticipates No. 2 will produce grades ranging from 14 to 22 point.

A key objective for No. 2 machine was to improve the quality of all of our basis weight grades, particularly the lighter weight grades short-term, in order to maintain market share until No. 5 machine could be brought on line. "Now with the No. 5 machine, we will be able to expand the market," said Dayton.

A second project was set in motion in 1994 to make the same upgrades to No. 4 machine. These improvements were just installed in October of this year and already show excellent results.

Experience gained from the No. 2 machine project was utilized to make the required changes on No. 4 machine at one time. After less than two months of fine tuning, No. 4 machine is now able to make the best uncoated base sheet formation of all the machines at the mill. This improved quality will allow expanded market penetration into bleached liner and white tag grades used for display cartons and coated base stocks for secondary conversion.▲



John Dayton, director of technology

CORPORATE

Scholarships

High school seniors who are interested in applying for Temple-Inland Foundation Scholarships are encouraged to obtain applications from local human resources offices of Temple-Inland Forest Products Corporation or Financial Services, or by writing the Foundation at P.O. Drawer 338, Diboll, Texas 75941.

Sons and daughters of active or retired employees of Temple-Inland Inc.'s Forest Products Corporation and Financial Services subsidiaries may apply for Temple-Inland Scholarships, provided the parent has completed three (3) years of continuous full-time services as of April 1, 1996.

Applications should be completed and returned to the Foundation no later than March 15, 1996.

DIBOLL, TX. -- Temple-Inland recently reported third quarter earnings of \$84.8 million or \$1.51 a share. This represents the second consecutive quarterly operating earnings record, and more than 2 1/2 times 1994 third quarter earnings of \$33.1 million or \$0.59 per share. Revenues for the period were \$869.7 million, an increase of 15 percent over the third quarter of last year.

For the first nine months of the year, earnings per share were \$3.85, compared with \$1.48 per share in the first nine months of 1994.



Temple-Inland's Mike Harbordt, vice president of Environmental Affairs, second from left, announced funding of a \$26,114 research proposal for SFA recently. With him are, from left, SFA President Dan Angel, Linda Syler, director of the Solid Waste/Forestry Environmental Programs, and Dr. Thomas Atchison, dean of the SFA College of Sciences and Mathematics.

The Forests Division and the Environmental Affairs Division of Temple-Inland Forest Products Corporation will fund an aquatic biology research program at Stephen F. Austin State University in Nacogdoches, Texas.

Mike Harbordt, vice president, Environmental Affairs, presented the \$26,114 funding to the university for a research proposal by Dr. Jack D. McCullough, professor of biology at SFA.

The research will involve an intensive study of two streams on Temple-Inland property in northwest Newton County. Water samples will be analyzed and aquatic habitats assessed to determine the effects of management activities employed by Temple-Inland.

The purpose of the study is to design a monitoring program to demonstrate the successful implementation of Best Management Practices (BMP) and their effectiveness in protecting the physical, chemical and biological integrity of the streams.

Dr. Thomas Atchison, dean of the College of Sciences and Mathematics, noted the Temple-Inland research support will assist the university in its current efforts to develop a Master of Science in Environmental Science degree program.

He added that McCullough has been active in aquatic biology and environmental studies in East Texas for many years and his expertise is recognized nationally.



Halloween at Temple-Inland- Diboll
The "Lynn Pavlics" in Temple-Inland Accounting Department are from left Pam Capps, Shobha Reddy, Betty Burchfield, Dee Dee Groom, Donna Gardner, the real Lynn Pavlic, Linda Knight, Darlene Hensley, Diane Smith, Donna Parish.

BUILDING PRODUCTS

WHO YOU GONNA CALL?

If an emergency arises, did you know that Temple-Inland Forest Products Corporation has its own rescue team?

The Diboll Complex, Pineland Complex and Bleached Paperboard mill each have their own on-site rescue teams that respond immediately to crisis situations.

Each team is trained in confined-space rescue as well as high-angle rescue. The Evadale team is also trained in fire and hazardous material situations.

The Diboll Complex rescue team was formed in 1989. Initially the team had only six members based at Fiber

INS TEMPLE

Products Operation. In 1993, the decision was made to expand the team because an on-site team was deemed more effective in emergencies than an off-site rescue service provider.

To adequately provide coverage for the Diboll complex, the team was



The Diboll rescue team on a recent maneuver.

expanded to 13 members drawn from Diboll Lumber, Diboll Particleboard and the Corporate group as well as Fiber Products.

The Diboll Complex rescue team members include Darrell Roberts, captain, Fiber Products EMT-I; Joe Perkins, Fiber Products, EMT-I; Ruth Oates, Corporate, EMT; Andy Archer, Fiber Products, EMT-P; Terry Barrett, Particleboard, EMT; John Presnall, Particleboard, EMT; Myrton Thompson, Lumber, EMT; Robert Fancher, Fiber Products; James Cotton, Lumber, EMT; Scott Hamilton, Lumber, EMT; Joe Thompson, Fiber Products.

DIBOLL, TX. -- Electronic reporting has provided instant and extensive information available to computers throughout the Diboll Particleboard plant.

"We can now reference computer files for data and graphs that once was a stack of daily paperwork, including board tests, downgrade reports and trend charting," said Joe Gage, process analyst.

Statistician Lan Li and process analyst Cory Thomas have been paramount in the development of these "paperless reporting" programs.



Cory Thomas (standing) and Garland Thompson, sanding grader, work with a finishing department access program.

IDE -INLAND

Proposed production startup is 1997.

The plant will be designed to produce up to 150 million feet of medium density fiberboard annually, ranking it larger than any current operating MDF plant in the United States.

Raw materials will be purchased from sawmills and chip mills within a 70-mile radius of the site.

Medium density fiberboard is an engineered wood product composed of wood chips, shavings and sawdust and an adhesive bond.

The plant will annually consume 430,000 tons of wood residues which are historically waste by-products.

Deltic Farm and Timber is a subsidiary of Murphy Oil Corporation of El Dorado.



Alejos Salais of Diboll Lumber Operation has been named grader of the quarter. Salais is a 22-year employee of Temple-Inland and has been a lumber grader for the past eight years.



Lan Li continues to develop easy-to-use production and finishing reports, available at any computer terminal.

Recent installation of three Bliss Hammermills has improved surface quality of Diboll particleboard. "Replacement of our double-disk refiners with the hammermills will continue to keep our board competitive in the marketplace, where surface quality is becoming critical," said Robbie Fletcher, general foreman.



Joe Gage, process analyst, Dennis McKay, milling & drying operator and Robbie Fletcher, general foreman, stand in front of one of the new hammermill wood refiners at the Diboll Particleboard plant.

Temple-Inland, Deltic Farm and Timber to build Medium Density Fiberboard plant

The Building Products Group has announced a 50-50 joint venture with Deltic Farm & Timber Co., Inc., of Arkansas to build a medium density fiberboard plant near El Dorado.

The project is a 50-50 joint venture operating under the name Del-Tin Fiber, L.L.C. The new facility will be constructed at a cost of \$80 to \$90 million and will employ about 110 people with an annual payroll of approximately \$3 million.



Allan Wells, safety coordinator; Ray Cummings, shift mechanic; and Steve Smith, production superintendent, all help with elementary mentor programs in Thomson.

THOMSON, GA. -- Three of the Georgia Particleboard employees are involved in the mentor program at area elementary schools. Ray Cummings, shift mechanic, Steve Smith, production superintendent, and Allan Wells, safety coordinator, spend time each week working with elementary school children who are considered to be "at risk" for future educational problems due to various reasons. The volunteers spend time each week with a particular student giving them one-on-one attention to let them know that their progress is important to others. Various events such as kite fly-ins, ice cream socials and breakfasts are also planned throughout the year to provide the kids additional incentives to do well in school.

Pam Walker, program coordinator at Maxwell Elementary School in Thomson, said the mentor program makes the children feel special.

(continued on next page)



Pete Lokey, mechanic; Clay Holbrook, lead electrician; Alex Florence, maintenance superintendent; and Marvin Stribling, mechanic, stand in front of the Coen air heater burner in the Milling & Drying area at Georgia Particleboard.

CPI CHRONICLE

CONTINUOUS PROCESS IMPROVEMENT

Particleboard Facility

THOMSON, GA.—One of the task groups at Georgia Particleboard has been busy putting Conway methodology to the test and has proven it to be successful in eliminating waste. By using the Pareto mentality, the Downtime Task Group determined that the Coen air heater burner was the cause of the highest downtime by equipment as well as highest man-hours for all of 1994. The Coen air heater heats the air that is used in the dryers to dry the wood to a consistent moisture for use in the operation. The 1994 downtime for the Coen burner alone cost more than \$88,000 in lost sales and 593 maintenance repair man hours.

Earlier this year, the design of the burner scroll on the Coen was changed to shorten the distance that the dust had to travel to get into the burn pattern. This alteration of the design came after much discussion, research, and trial and error of applications. The success is clear. Year-to-date total costs have dropped to 27 percent of last year's costs at the same time.

"The solution of this problem has done a lot more than save money on the bottom line," said Pete Lokey, mechanic and member of the task group. "Morale has improved for production and maintenance personnel since this time-consuming problem does not bother us anymore."

MORE INSIDERS

"The time mentors spend with their kids is special. It makes the child feel as though he or she is loved because a special friend visits them on a weekly basis to check on their progress and find out what is happening in their lives," she said.

Wells and Cummings volunteer at Maxwell Elementary while Smith is a mentor at Dearing Elementary. Cummings is also involved with the mentor program at Thomson Elementary.

DEQUINCY, LA. -- Employees of the Planermill Department at the Southwest Louisiana Lumber Operation have worked 500,000 hours without a lost time accident. This accomplishment took three years and eight months.



Blue shift members are, front row (l to r), Billy Harper, Jason Pearce, Todd Littleton, Ronnie Jeans, Don Fosher, Van Vantassel, Lloyd Nolan, Randy Colflesh. Middle row are Regina Farris, James Busby, Perry Lewis, Brent Jones, Chris Clark, Stanley Thompson, Brian Brown, Dalbert Fontenot, A.J. Ray, David Edmonson, Corwin Archfield, and Michael Eaves. Back Row are Gene Ware, Michael Johnson, Royan Baggett, B.J. Duhon, Dwayne Smith, Lonnie Williamston, Cecil Sweet, Scott Dyson, and Chaston Chaney. Not pictured are Larry Holcomb, John Dyer, Brenda Franks, Shawn Knapp and Tony Steele.



Red shift members are, front row (l to r) Don Foshee, John Royer, Randle Johnson, Steve Felts. Middle row are Bill Owen, Jeff Lanelos, Derwyn Harper, David Harper, Jason Ray, Reginald Malachi, Joe Ardoin, Jason Thomas, Victoria Cochran, Shawn Vanhorn, and Matthew Curry. Back row (l to r) are DuShawn Lomax, Joe Rosendoll, David Burnett, Brian Davis, Syrina Silas, Donald Tyler, Richard Dowden, Frank Lorenz, Dale Westendorf, Donald Sandifer, and Earl Gillette. Not pictured are Glenn Weeks, Roger Thibodeaux, and Greg Burge.



Buna Lumber Operation's plant emergency team at the scene of a simulated vehicle crash as part of the training in a mock disaster drill.

BUNA, TX. -- Buna Lumber Operation's plant emergency team recently participated in a mock disaster drill with the Jasper County Emergency Management office and the Buna Fire Department.

The drill included simulations of an explosion and fire, an electrocution in a confined space, and a motor vehicle crash.

Temple-Inland employees participating in the training included Ray Porter and Alex Dickson, victims; Bobby Deal, Ricky Paine, Chris Fanning, Tommy Best, Rusty Herrington, Eugene Babinat, George Williamson, Delton Harper, Brian May and Elton Cole, E.M.S. Rescue personnel.

FORESTS

ROME, GA. -- To date this year, the Rome Forest Division has had no lost-time accidents, three sub-major injuries, and three first aid cases. As the period ended Aug. 27, 1995, the Division had worked 1,045,035 safe manhours, or 829 safe work days, since the last disabling injury, which occurred on May 11, 1992.

Timothy S. Duckett was promoted to timber buyer, Homer District, effective Oct. 1, 1995. Prior to his promotion, Duckett was a timber technician in the Homer District. He came to work for the company on July 30, 1990.

In the spirit of continuous improvement, four woodyards in the Georgia/Alabama operation have utilized advanced technology to eliminate unnecessary administration and improve accuracy of reporting.

"This automation sure does make life much easier at the woodyard," said Mark Folwell, woodyard foreman at the Gainesville Woodyard.



Mark Folwell, woodyard foreman in the Gainesville, Ga. woodyard, sits in front of his new computer that monitors processing and improves the accuracy of reporting.



FFA students from Louisiana competed in a statewide invitational forestry contest hosted by Temple-Inland and the Calcasieu Parish FFA Federation.

DEQUINCY, LA. -- Area Louisiana FFA students were involved in a forestry contest on Sept. 19. This contest was to help raise students' awareness of forests in Louisiana and the importance of managing forests to protect valuable resources for the future. The Forest Division of Temple-Inland Forest Products Corporation in DeQuincy, in conjunction with the Calcasieu Parish FFA Federation, hosted a statewide invitational forestry contest. There were four areas in which students competed: tree identification, timber stand improvement, measurement of standing trees-sawtimber and pulpwood, and a compass and pacing practicum.

Students identified 10 different tree species and received points for each tree's common name, scientific name, and its primary use (commercial, wildlife or aesthetic). Timber stand improvement gave students the opportunity to show their ability to improve the health and vigor of a stand of trees. Suppressed, diseased, and deformed trees were chosen for removal, allowing the best trees room to grow to their maximum potential.

Measurement of standing trees, sawtimber and pulpwood, challenged the students in volume calculations. Each student measured the tree's diameter and

merchantable height to calculate the volume that could be expected for sawtimber and pulpwood production. The compass and pacing practicum allowed students to show their skills in compass reading and measuring distance by pacing. A pace is the average length of two natural steps; students determine how many paces it takes to make a chain (66 feet). Keeping track of chains and paces allow them to estimate distance without measuring with a tape or by other methods.

Thirty-five teams, consisting of four students from 12 different schools, competed in the contest. The top four teams were DeRidder 1, 1st place; Elizabeth 1, 2nd place; Elizabeth 2, 3rd place; and DeRidder 2, 4th place.

BLEACHED PAPERBOARD



Mary Dickson, Linda Fincher and Don Tantzen answered phones at the MDA Telethon in Evadale recently.

EVADALE, TX -- Volunteers from Temple-Inland's Evadale branch answered phones in October for the Jerry Lewis Telethon benefiting muscular dystrophy. Volunteers were Ramona Johnson, Billie Chandler, Sharon Moody, Sharon Scott, Kathy Woods, Renee Long, Claudia Sherman, Mary Dickson, Linda Fincher and Don Tantzen.

The Bleached Paperboard Group's Sales Department has been reorganized around major lines of business. According to *PaperTalk*, the reorganization was met with enthusiasm and support. More than just a shuffling of accounts, the reorganization required that business managers relocate to offices near the Intercontinental Airport in Houston. Business managers include Tom Whalen, Food Service; Terry Hallemann, Packaging; Marc Tannenbaum, Commercial Printing; Jim Montgomery, Office and Other; Todd Teichman, Export.



Wanda Hebert, Boss of the Year.

Wanda Hebert, customer service manager with the Bleached Paperboard Group, was named "Boss of the Year" in a contest held in observance of Boss's Day, Oct. 16. Wanda was nominated by a number of people who work for her in the Customer Service Department. A panel of judges named Wanda as "Boss of the Year" after reviewing comments submitted with nominations. Perry Galloway, left, presented Wanda with a framed certificate and other gifts.

Halloween at Temple-Inland - Evadale



Oma Watley and Jane Sitton, Bleached Paperboard Medical Services



Penny Molandes and Joy Martindale (as a black-eyed pea), Bleached Paperboard Customer Service

Retirements:

Charles Messer, Shipping shift supervisor, 36 years;

Jack King, journeyman welder, 40 years;

Charlie Wright, planner/coordinator, 36 years.

Service Anniversaries

November / December 1995

Bleached Paperboard	Martin Perez
35 years	Bill Weatherford
Dorothy Jones	15 years
Peggy Stone	Spencer Brewer
30 years	Leo Wright
Robert Alumbaugh	<i>Fletcher</i>
Douglas Ener	10 years
John Hollis	David Broberg
Mack Smith	Bobby Perkins
25 years	Charles W. Smith
Charles Kellum	Monroeville
20 years	15 years
Angel Jones	John Russell
Emma Kyles	<i>Pineland</i>
Freddie Lewis	30 years
Kathryn Lewis	Virgie Jones
Curtis Lynn	James McNaughten
Kenneth McLemore	10 years
Charles Prewitt	Timothy Ezernack
Mary Robinson	Darrell Holloway
Larry Willette	Robert Ladner
Timothy Wray	Carla Randle
15 years	Clyde Shields, Jr.
Charles Adams	Mennie Williams
Hubert Cooper	Barry Wright
Craig Howard	<i>Thomson</i>
Vickie Miller	15 years
Building Products	Edward Dove
<i>Diboll</i>	Forests Division
30 years	30 years
Don Hendrick	Alvey Witmer
25 years	15 years
Juan Diaz	Rayburn Hooks
Ignacio Morales	



CHARLES A. (CHARLIE) NEEL

Temple-Inland lost a loyal friend and dedicated employee with the death on December 1 of Charlie Neel, director of Corporate Security.

Charlie joined the company in 1987. He was retired from the Texas Department of Public Safety with 25 years of service, 15 of which were as a Texas Ranger.

During his tenure with Temple-Inland, Charlie implemented the Business Abuse Hotline and most recently initiated the threat assessment network throughout company operations. His expertise of corporate security and timber theft were widely respected in the industry.

Charlie received a bachelor of science degree in criminal justice from Stephen F. Austin State University in Nacogdoches where he attended on a music scholarship. He served in the U.S. Navy.

He was a graduate of the Federal Bureau of Investigation's National Academy in Quantico, Virginia; a certified fraud examiner; and past president of the Texas Division of the International Association for Identification. He was a member of the Sheriff's Association of Texas and the East Texas Peace Officer's Association.

OKLAHOMA LANDMARK IS FLETCHER EDC

A 70-year-old landmark home known as "the rock house," has become the new employee development center for Temple-Inland's gypsum wallboard plant in Fletcher, Oklahoma.

Plant manager Joe Brown said the home, which was purchased with the Druie King farm when the Fletcher wallboard facility was built, had been unoccupied until its conversion as the development center.

"The King home, built in 1924, has a lot of historical significance in the Fletcher area, and we felt that by remodeling the building and converting it into a useful facility, we could help perpetuate an important part of Oklahoma history," said Brown.



Temple-Inland's Fletcher, Oklahoma, gypsum wallboard plant converted a historic farm house near the plant into an employee development center.

other facilities. The home was also landscaped.

Druie King—the father of 18 children, including seven who were born in the rock house—came from Alabama to Greenville, Texas, during the early 1900s to help the family of a deceased uncle. While in Greenville, he met and married Frances Julia Snell. They eventually settled in the Fletcher area, where he purchased a tract of land in 1920 for \$5,600.

King started the rock house in 1924, completing it a year later for a total cost of \$6,000. His son, Floyd, remembers that King "used

the best carpenters in Fletcher," who worked for 75 cents to \$1 a day.

"The house was sided with rocks hauled from west of Porter Hill, near Stony Point, by my brothers, Dick, Howard and Albert, and myself," remembers Floyd King. "We'd get up at 4 a.m. and load the rocks on our dad's T-model truck. We could haul about three loads a day, stockpiling the rocks on Saturday so they would be ready to load during the week."

Floyd said he once asked his father about being paid for the work. "He said there would be no pay since we were his sons," he recalled.

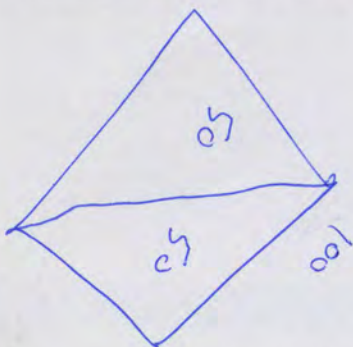
The house had a full basement with an 18-inch footing. "My dad said it took a boxcar load of cement to build the basement, which had walls three to five-feet thick," said Floyd. In the basement, the family had two large bins, one for Irish potatoes and another for sweet potatoes. A 100-foot well was also dug to supply the family with water.

When the remodeling of the rock house was completed, Temple-Inland held an open house for members of the King family. "Our family was so pleased to see our homeplace renovated," said Floyd King. "It has meant a great deal to us."



Dexter Stockstill, production manager at Fletcher, utilizes some of the tools in the "rock house" training center.

The training center includes the latest visual aids and other technical needs for employee training. It includes a large conference room, a kitchen and refreshment room, bathrooms, and



Danny Smith, left, Terry McCain, center, and Jarvin Freeland operate some of the sophisticated computer controls that keep Temple-Inland's Fletcher, Oklahoma, gypsum wallboard plant producing 415 million square feet of board a year.



A fleet of 1956 delivery vehicles in front of the HWI warehouse in Fort Wayne, Indiana.

Customer Profile: HWI

Germany had surrendered in World War II only 51 days earlier when seven independent hardware and lumber store owners met on June 28, 1945, in a small office in Fort Wayne, Indiana, to create a new cooperative of stores.



Fresh colorful signage brightens the interior of a new HWI Do It Best store.

Their efforts led to Hardware Wholesales, Inc. (HWI), a Temple-Inland customer, now celebrating its 50th year of service.

HWI, whose member stores now number nearly 3,400 in the United States and abroad, is a distributor of all Temple-Inland building products and one of the company's largest gypsum wallboard buyers.

HWI's first generation of member companies defined the company's mission as "helping independent hardware and lumber retailers remain competitive with chains and other forces in the market."

HWI board chairman Stan Lyons, a store owner from Wilmington, Delaware, says that

mission is as important today as it was in 1945. "Our marketplace has become global and only the strong will survive," said Lyons. "But we have the technology to do things that were only dreams then."

In 1995, for example, HWI rolled out a new marketing and customer service concept called "Do It Best," which enables every store to create its own powerful identity, inside and out. The program includes innovative efforts such as "Do It Best" rental centers; the HWI Flash, a book featuring pricing specials that enable member stores to effectively compete with large chains; and the HWI circular program, which gives stores the improved ability to deliver targeted advertising messages.

The company also equipped its area managers with special lap top computers and extensive training, giving them a greater ability to assist stores in the field with business planning and retail market assessments, and commissioned IBM and Purdue University to conduct a special survey of more than 1,100 HWI stores.

In fiscal year, HWI member purchases increased to a record \$1.7 billion, an increase of 4.7 percent over the previous year. Member rebates from HWI increased 9.8% over 1994 to a record \$74.8 million.

Martha Grissom, national accounts manager for Temple-Inland Building Products, said HWI and Temple-Inland have had "a long-time relationship" and work very closely to serve HWI's customer needs. "HWI is very customer-oriented and its stores do a lot of new and exciting things to serve their markets" she said.

Temple-Inland sales personnel attend two Indianapolis-based HWI trade shows in May and October each year to promote building products with HWI member stores throughout the nation.

Even with its progressive marketing and customer service approaches, HWI remains essentially a family of hardware and lumber stores. HWI members serve on the company's board of directors and are responsible for its direction. In 1995, store owners from Ohio, New York, Wisconsin, Texas, Alabama, Illinois, Kansas, Michigan, Delaware and Michigan served on the board.

Paul Von Tobel III of Von Tobel Lumber Do-It Center in Valparaiso, Indiana, says HWI's vision of the future "still makes sense" after 50 years.

Von Tobel has good reason to be sold on HWI. The cooperative's founder, Arnold Gerberding, visited his grandfather, Paul Van Tobel, who listened to Gerberding's story about the new marketing alliance. "Grandfather was impressed and joined HWI in 1949," said Von Tobel, whose father, Paul II, is now 85 years old and recently retired from the business. ▲

HWI PROFILE

Name: Hardware Wholesales, Inc. (HWI)
Founded: June 28, 1945, Fort Wayne, Indiana
Description: A cooperative of 3,400 member hardware and lumber stores in the U.S. and abroad.
Gross sales: \$1.7 billion (fiscal year 1995), up from \$1.6 in 1994.
Gross profits: \$99.3 million, up from \$89.4 in 1994
Member rebates: \$74.8 million, up from \$69.1 million in 1994.



HWI's first Do It Best store was opened in July 1945. Operated by Hader Hardware, the store is located at Erlanger, Kentucky.



Sherman Allen, specialist welder at Temple-Inland's Fiber Products Operation, is shown welding a 4-inch stainless steel water line during the plant's scheduled shutdown in October.

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