

Senator MORSE. I want to thank you very, very much.

I now ask Senator Hatfield to ask such questions as he cares to.

Senator HATFIELD. Thank you, Mr. Chairman.

Mr. JOHNSON, on page 1 you describe some of the type of operations which you represent. I assume that when you are talking about 120,000 tons of annual production of newsprint, this is your primary product, that you are in that as the total of your organization indicates.

Mr. JOHNSON. Yes, Senator, that is our only product, newsprint.

Senator HATFIELD. Your only product. Could you tell me a little bit about the ownership of your company? Who owns your company?

Mr. JOHNSON. My company is owned by 41 newspaper publishing firms located in the nine western continental States and Alaska.

Senator HATFIELD. Could you name some of these for us as examples of who is involved in your company?

Mr. JOHNSON. They are as indicated distributed throughout Washington, Oregon, California, and other States. Some of them would be the Eugene Register Guard, the Aberdeen World, the Everett Herald, and then on into California.

Senator HATFIELD. Is the Eugene Register Guard the only Oregon newspaper involved in the ownership in the State of Oregon?

Mr. JOHNSON. I don't have the list with me, but others in Oregon are members, including the Medford Mail Tribune.

Senator HATFIELD. So that it is a significant resource and product which you are involved with as it relates to the newspaper printing world in other States that you mentioned. It is a very significant supplier of newsprint?

Mr. JOHNSON. Yes, it is. The percentages of newsprint from our firm used by each newspaper varies of course with the size of the publishing firm. I do point out, however, that we as a domestic producer do not supply any one of our newspapers with their entire supply of newsprint.

Senator HATFIELD. You mentioned about the increasing problem or potential problem, I should say, of chips as it relates to British Columbia supply. Did you hear testimony yesterday in which it was indicated by some of our witnesses that there is a great untapped potential in our own forests for the supply of wood chips which would lead to pulp and so forth, and therefore when you raise the question about the possible cutoff of British Columbia resources, would you care to comment as to what effect you would think this might have upon the development of a greater wood chip program here in the States of Oregon and Washington?

Mr. JOHNSON. I think it would have a tendency to stimulate the utilization of additional waste wood, also the utilization of more thinnings from second growth stands.

Senator HATFIELD. As a professional forester, Mr. JOHNSON, do you feel that there are other ways that we could stimulate this greater utilization of this resource, without facing the crisis of a cutoff or great reduction from British Columbia sources? Do we have to wait for that crisis, in order to develop greater use of this resource?

Mr. JOHNSON. No. I don't believe that we have to wait. There are substantial movements underway within private ownerships, also within the Government agencies, to work toward more complete utilization. It does certainly stem to available markets which may not at the present time exist, but if improved techniques for harvesting and