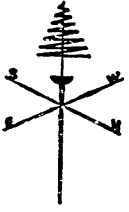


PHONE: 897-2381
AREA CODE 503



FRANK LUMBER CO. INC.

P. O. BOX 1467

MILL CITY, OREGON 97360

December 8, 1967

STATEMENT BEFORE SBA HEARING MT. HOOD NATIONAL FOREST, PORTLAND

I am Dick Posekany, Timber Manager for Frank Lumber Company, Inc. We are a small independently owned and operated sawmill employing 84 people with a gross payroll of approximately \$650,000 annually. In every manner, we qualify as a small business, entitled to bid upon set-aside sales.

Up to this moment we, and all other operating small businesses, have survived in varying degrees, the economic pressures resulting from log exporting. Our very real concern is for our ability, as a small mill dependent on federal timber, to survive through the next few years, when economic pressures far greater than anything known to date, will develop. It is quite possible that the surviving wood manufacturing plants would number but a very few if and when the programmed future foreign log needs are actually purchased.

We oppose the use of SBA set-aside sales as a means of curbing future log export volumes because we do not believe set-aside sales can accomplish this goal. We need, instead, a positive approach with export volume limitations upon all sales from Federal and State lands which would be fair to all the industry.

However, being a small enterprise, we may look upon SBA set-aside sales favorably at some future time when perhaps economic pressures from other directions, may endanger our livelihood.

/s/ Dick Posekany

MANUFACTURERS OF K. D. WEST COAST HEMLOCK ✧ DOUGLAS FIR

MILL LOCATION



MILL CITY, OREGON