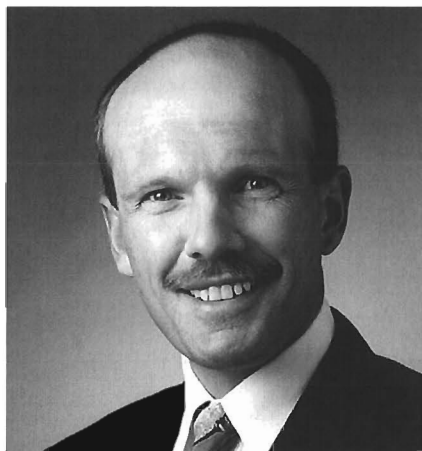


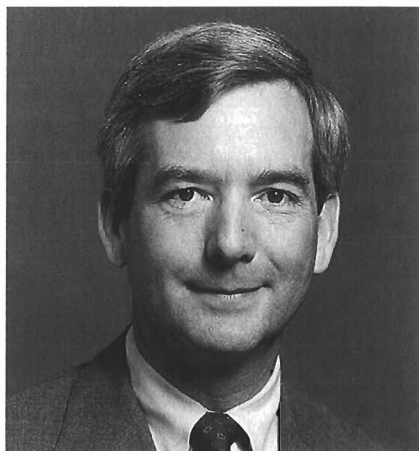
RECENT EVENTS

Recent Moves at Rayonier



Andrew Wiltshire

Andrew Wiltshire, previously Managing Director of Rayonier New Zealand has been appointed to the position of Director, Forestry Fund Marketing at Grantham, Mayo, Van Otterloo and Company, LLC (GMO) in Boston, Massachusetts. Mr Wiltshire, who joined the company in 1990, will remain an employee of Rayonier. He will work with GMO to build its portfolio of timberland assets and attract investors to its new forestry land. Rayonier has joined with GMO, a global investment management firm, in an alliance to seek timber investment and forest management opportunities worldwide.



Timothy Brannon

Rayonier has appointed **Timothy Brannon** to the position of Vice President Asia Pacific and Managing Director of Rayonier New Zealand. In this position Mr Brannon will have responsibility for Rayonier's forest and wood products interests in Australasia, which include Forest Resources, Log Trading and an MDF (Medium Density Fibreboard) plant at Mataura. Mr Brannon has been with Rayonier since 1972, and was most recently Vice President Pulp Marketing, located at the company's largest specialty pulp product facility in Jesup, Georgia.

Creating a Future for New Zealand Timber

The Forest Owners Association and the Forest Industries Council held a conference in Wellington on October 7, 1998. The conference theme was on where the forest industry should be going. A key point raised in the conference was that to survive the forestry industry's global downturn, the forest industry must find new markets and shift its focus from product to customer. As part of this shift, the forest industry must also reposition New Zealand's major forestry export, radiata pine, to increase its value overseas. This in turn means that the onus is on the forestry industry to pull itself out of its current situation.

Nick Roberts from Weyerhaeuser urged the industry to look beyond the current market, stating that, "for an industry that sets itself aside by a 30-year production cycle, we seem to have developed a paradoxical focus on the short-term." In the longer term, the markets which are currently causing so much anguish will recover with the demographics of the Asian population. Asia represented 60 percent of the world's population and was still expected to account for 60 percent of global economic activity by 2020. New Zealand harvest levels are increasing on Asia's doorstep at the same time as this increased economic activity is expected to create increased demand for wood products.

Wink Sutton said New Zealand had a disappointing record of predicting demand and supply for its timber. He also pointed out that the industry was also "not exactly known for innovative people doing wonderful things" to add value to the product and find new markets. He also pointed out that there are many suitable substitutes for almost every use of wood, and that the forest products industry must be much more aggressive in the marketplace, both in promoting wood and its environmental friendliness and creating new wood uses and products. "We can't predict a wood future but maybe it's even more exciting because we can create a wood future," Dr Sutton said.

The conference also outlined Wood New Zealand, an organisation that has been set up by the forestry industry to promote New Zealand wood products offshore. It will establish marketing and promotion offices in Japan, the US, Southeast Asia, China and Korea.

Beech Forest Management Plans On Line

For those who do not have \$300 for a personal copy of the Overview Plan for the Sustainable Management of beech forests produced by Timberlands West Coast Ltd, a comprehensive executive summary is available online from the Ministry of Agriculture and Forestry's web site (<http://www.maf.govt.nz/Forestry/susman/wcsusmn/htoc.htm>).

The online document summarises three Management Plans which will govern the sustainable management of beech and beech/podocarp forests in North Westland. The Plans, which have been prepared by Timberlands West Coast Ltd. are:

- The Overview Plan for Sustainable Beech Management.
- The Sustainable Management Plan for the Maruia Working Circle Forests.
- The Sustainable Management Plan for the Grey Working Circle Forests.

The Overview Plan contains background information on all of the Crown's West Coast sustainably managed beech and beech/podocarp forests, including a description of the forests and the management policies and techniques used to achieve sustainable management. The Maruia Plan and the Grey Plan each contain more detailed information on the forests in the Maruia and Grey Working Circles and describe how the management policies and techniques outlined in the Overview Plan will be applied in these forests.

The online summary has been prepared to assist in the process of public comment on the Plans.