

*"Mendocino Redwood Company: The First 100,000 Acres"* was published in the Anderson Valley Advertiser by Will Parrish, June 17, 2015

Mendocino Redwood Company found a number of comments that would benefit from additional correction, clarification or commentary which are presented on the right side of the page in green italics.

Substantial factual information on Mendocino and Humboldt Redwood forests and its practices are available at [www.mrc.com](http://www.mrc.com). Wherever possible we have provided direct links to specific material on our website to help the readers have easy access.

Text of Article <i>Text of article begins below, spaces placed to allow facts to line up with text of article.</i>	<b><i>Facts about Mendocino Redwood Company</i></b>
<p>[ BEGINNING OF ARTICLE BELOW]</p>	<p><i>Mendocino Redwood Company (MRC) was created in 1998 from lands purchased in Mendocino and Sonoma counties with the publicly declared mission to be good stewards of the forest and at the same time run a successful business. We have made significant progress in that regard:</i></p> <ol style="list-style-type: none"> <li><i>1. Adopting policies to make MRCs forestlands FSC certified (since November 2000);</i></li> <li><i>2. Adding more than <u>1 billion board</u> feet of redwood and Douglas fir trees by lowering the rate of harvest;</i></li> <li><i>3. Defining of old growth down to the level of an individual tree, along with implementation of a policy to protect all individual old growth trees across our property;</i></li> <li><i>4. Elimination of traditional clear cutting from our property;</i></li> <li><i>5. Long term investments to improve habitat for fish across the property by controlling or holding back more than 1 million cubic yards of sediment (more than 100,000 dump trucks of dirt) from the coastal streams flowing through our forest;</i></li> <li><i>6. Removal of more than 36 long time fish barriers, increasing fish bearing streams by more than 20 miles.</i></li> <li><i>7. Operating as an open and transparent business; including an open invitation to take interested individuals anywhere in the forest;</i></li> <li><i>8. Completing a substantial rebuild of our</i></li> </ol>

<p style="text-align: center;">[ BEGINNING OF ARTICLE ]</p> <p>Mendocino Redwood Company, or MRC, is Mendocino County's largest private landowner. No other individual or entity comes close. The company owns 227,000 acres of redwood and mixed conifer forest in the county's western half. Much of this veritable latifundia stretches across the vast mountainous expanses southwest of Willits to northeast of Point Arena. It also includes several other large swaths located east of Rockport, north of Willits, and south of Point Arena. In all, MRC owns roughly 10 percent of private land in our vast county. It also owns over 5,000 acres of western Sonoma County.</p> <p>To say that MRC owns this vastness is to say indirectly that one of the wealthiest dynasties on the West Coast, the Fisher family of San Francisco, actually owns it. Altogether, the Fishers are worth an estimated \$9 billion. One of the private equity firms of which the Fishers are majority owners, named Sansome Partners, is MRC's parent company. The same Fisher investment vehicle also owns Humboldt Redwood Company, which encompasses over 209,000 of the neighboring county to Mendo's north. Within the Fishers' 440,000 acres of forestland in Humboldt, Mendocino, and Sonoma counties, the family owns more coastal redwood forest than any private entity ever has.</p>	<p><i>Ukiah sawmill, assuring that Mendocino County will have infrastructure in the processing of wood products for many years to come; and</i></p> <p>9. <i>Employing about 300 skilled employees in Mendocino County earning family-level wages and benefits.</i></p> <p><i>MRC owns 228,000 acres.</i></p> <p><i>Hawthorne Timber Company in Mendocino County owns over 110,000 acres of Redwood forest. Green Diamond Resource Company in Humboldt County owns over 400,000 acres of Redwood forest. There several land owners in California holding at least 10,000 acres of Redwood forest. Additionally, the State of California through conservation and State Forests owns or controls about 100,000 acres of commercial Redwood Forest.</i></p> <p><i>Humboldt Redwood Company (HRC) was created in 2008. HRC is a sister company to MRC with the same stated mission to be good stewards of the forest and at the same time run a successful business. HRC owns 209,000 acres.</i></p> <p><i>Hawthorne Timber Company in Mendocino County owns over 110,000 acres of Redwood forest. Green Diamond Resource Company in Humboldt County owns over 400,000 acres of Redwood forest. There are several land owners in California holding at least 10,000 acres of Redwood forest. Additionally, the State of California through conservation and State Forests owns or controls about 100,000 acres of commercial Redwood Forest.</i></p>
--	---

MRC management's decisions about how they manage these lands have major consequences. That is particularly the case given the profound consequences of global climate change. Coast redwoods (*sequoia sempervirens*) store the most carbon of any living thing on Earth. Thus, the Fishers' North Coast properties probably have as much carbon storage potential as any land of equivalent size on the planet. MRC officials, of course, claim they are doing a marvelous job of restoring these forests.

*There are more than 10 sawmills in California that process redwood logs. Redwood competes in the market against Western Red Cedar, Incense Cedar, Imported Cedar from China, pressure treated lumber, plastic lumber and Douglas fir. Redwood is a small part of the US Lumber demand which exceeds 50 billion board feet annually. The California Redwood Association reported that Redwood sales in 2014 were less than 400 million boardfeet, or less than 0.1% of the US market.*

*MRC was created in 1998 from lands purchased in Mendocino and Sonoma counties with the publicly declared mission to be good stewards of the forest and at the same time run a successful business.*

*MRC timber harvesting has been and remains much lower than the rate of growth of the forest. As a result, the capacity of these forests to sequester carbon and greenhouse gasses expands.*

*We are working hard to restore the forest we own and set an example for other forest owners, managers and regulators to be good stewards of the forest and at the same time run a successful business. We have made significant progress in that regard:*

- 1. Adopting policies to make MRCs forestlands FSC certified (since November 2000);*
- 2. Adding more than 1 billion board feet of redwood and Douglas fir trees by lowering the rate of harvest;*
- 3. Defining of old growth down to the level of an individual tree, along with implementation of a policy to protect all individual old growth trees across our property;*
- 4. Elimination of traditional clear cutting from our property;*
- 5. Long term investments to improve habitat for fish across the property by controlling or holding back more than 1 million cubic yards of sediment (more than 100,000 dump trucks of dirt) from the coastal streams flowing through our forest;*

<p>Fortunately, while governmental regulations of industrial activities have generally proved to be enormously inadequate when it comes to protecting the integrity of the planet's ecosystems (we are currently living through the most rapid mass extinction of animal life in the earth's history), regulatory bureaucracies do generate an enormous amount of useful data. For example, the California Department of Forestry and Fire Protection (CalFire) has a document of record on file concerning every timber harvest that Mendocino Redwood Company has ever conducted.</p> <p>Taking advantage of California's relatively generous public records laws, I have just completed a comprehensive study of Mendocino Redwood Company timber harvests between 1998 and 2013. I compiled data from every timber harvest plan (THP) that MRC filed during this period, with a focus on quantitatively understanding how the company has managed its enormous landholdings (download the spreadsheet). Specifically, I obtained the information from an online database called the Watershed Mapper, where CalFire has logged data concerning every timber harvest plan filed</p>	<ol style="list-style-type: none"> <li>6. <i>Removal of more than 36 long time fish barriers, increasing fish bearing streams by more than 20 miles.</i></li> <li>7. <i>Operating as an open and transparent business; including an open invitation to take interested individuals anywhere in the forest;</i></li> <li>8. <i>Completing a substantial rebuild of our Ukiah sawmill, assuring that Mendocino County will have infrastructure in the processing of wood products for many years to come; and</i></li> <li>9. <i>Employing about 300 skilled employees in Mendocino County earning family-level wages and benefits.</i></li> </ol> <p><i>MRC is regulated by seven (7) state and federal agencies, including CalFire. Additionally, MRC voluntarily subjects itself to third part verification of forest practices under the guidelines of the Forest Stewardship Council (FSC) and has done so since 2000. We publish our inventory and many other details of our forest management on our website. It is straightforward to find information on our management of the forest. From our inception we have encouraged transparency and we have a publicly stated policy of taking anyone to anywhere on the property at any time to see our practices first hand. You can find more information at <a href="http://www.mrc.com">www.mrc.com</a></i></p> <p><i>MRC was created in 1998 from lands purchased in Mendocino and Sonoma counties with the publicly declared mission to be good stewards of the forest and at the same time run a successful business. This includes the preparation and implementation of Timber Harvest plans to achieve our mission. To further transparency we post our inventory and forest management practices on our website at <a href="http://www.mrc.com">www.mrc.com</a> We welcome the opportunity to discuss how we manage our lands and we support field visits in the woods for interested parties. We have a publicly stated policy of taking anyone to anywhere on the property at any time to see our</i></p>
--	--

in California since the listing of coho salmon as endangered in the mid-'90s.

I will present more detailed analysis resulting from my study next week. In the meantime, here are a few preliminary findings.

In this roughly 16-year period, Mendocino Redwood Company carried out timber harvests on nearly 100,000 acres (97,206.9, to be exact). On average, these timber harvests encompassed 6,075.43 acres per year. The lowest acreage, by far, was in 2009 in the midst of the economic downturn. The peak was in 2001.

**Mendocino Redwood Company  
Timber Harvest Acreage by Year, 1998-2013**

Year	Acres
1998	3,313.26
1999	5,412.43
2000	7,848.09
2001	9,886.96
2002	5,375.80
2003	5,270.00
2004	6,741.60
2005	7,306.01
2006	8,239.33
2007	7,080.57
2008	5,835.15
2009	260.98
2010	6,553.78
2011	5,680.25
2012	7,413.98
2013	5,002.78
Average	6,075.43
<b>Total</b>	<b>97,200.97</b>

*Acreage figures consist of total Timber Harvest Plan (THP) acreage for each year minus acreage designated as part of each THP's "No Harvest Area."*

*practices first hand. Please visit [www.mrc.com](http://www.mrc.com)*

*With the elimination of traditional clear cutting from our forest (#4 above), we implemented FSC certified uneven-age, selective harvesting silvi culture to gradually restore the forest to a mixed conifer stand in our lifetime. Acres are one measure of management, but looking simply at acres fails to reflect the activity on the ground under selective harvest practices employed by MRC. MRC must include acres in our THP where there may not be a single tree harvested because the acre may include activity related to roads, streams or wildlife.*

*In March 1997, Louisiana Pacific Corporation (L-P) published their plan for the property that was to become MRC. That plan called for an annual harvest and predicted inventory levels for the next 120 years. The table below shows L-P published plans for the forest next to MRC actual activity.*

	LP Plan	MRC ACTUAL
<i>1998-2014 Annual Harvest</i>	<i>More than 65 million boardfeet per year</i>	<i>Less than 36 million boardfeet per year</i>
<i>Standing Inventory 2014</i>	<i>Less than 2.5 billion boardfeet</i>	<i>More than 3 billion boardfeet</i>
<i>Harvest % of growth</i>	<i>More than 85%</i>	<i>Less than 50%</i>

<p>The Fishers formed Mendocino Redwood Company in 1998 when they purchased the holdings of Louisiana Pacific Corporation, a notorious cut-and-run outfit that laid waste to vast amounts of forestland. LP's approach was epitomized, rather famously, by its former chairman, Harry Merlo, who stated, "It always annoys me to leave anything on the ground when we log our own land. We don't log to a 10-inch top, we don't log to an 8-inch top or a 6-inch top. We log to infinity. It's out there, it's ours, and we want it all. Now."</p> <p>Soon after purchasing most of Mendocino County's prime timberland, MRC's leadership announced they would practice restoration logging and manage their land in such a way as to bring back the ecological balance of the creeks, streams, vegetation, and wildlife. From soon after the company's inception, its mantra has been "to demonstrate it is possible to manage productive forestlands with a high standard of environmental stewardship, and also operate a successful business."</p> <p>For the Fishers, image was crucial at the time of MRC's founding. Sweatshop labor in overseas factories had become a topic of popular concern. The Gap had been widely exposed for operating an archipelago of sweatshops throughout the Global South where men and women as young as nine years-old toiled for 16 hours a day at basement wages, in deplorable conditions. Giving the Fishers the benefit of the doubt, they may also have believed on some level in the mantra's viability.</p>	<p><i>MRC was created in 1998 from lands purchased in Mendocino and Sonoma counties with the publicly declared mission to be good stewards of the forest and at the same time run a successful business. This set a different, sustainable and better path from the legacy of previous owners.</i></p> <p><i>MRC was created in 1998 from lands purchased in Mendocino and Sonoma counties with the publicly declared mission to be good stewards of the forest and at the same time run a successful business. We have made significant progress in that regard:</i></p> <ol style="list-style-type: none"> <li><i>1. Adopting policies to make MRCs forestlands FSC certified (since November 2000);</i></li> <li><i>2. <u>Adding more than 1 billion board feet of redwood and Douglas fir trees by lowering the rate of harvest;</u></i></li> <li><i>3. Defining of old growth down to the level of an individual tree, along with implementation of a policy to protect all individual old growth trees across our property;</i></li> <li><i>4. Elimination of traditional clear cutting from our property;</i></li> <li><i>5. Long term investments to improve habitat for fish across the property by controlling or holding back more than 1 million cubic yards of sediment (more than 100,000 dump trucks of dirt) from the coastal streams flowing through our forest;</i></li> <li><i>6. Removal of more than 36 long time fish barriers, increasing fish bearing streams by more than 20 miles.</i></li> <li><i>7. Operating as an open and transparent business; including an open invitation to take interested individuals anywhere in the forest;</i></li> <li><i>8. Completing a substantial rebuild of our Ukiah sawmill, assuring that Mendocino</i></li> </ol>
---	---

<p>Up until now, though, it has been difficult to evaluate the company's logging practices in a quantitative manner. Most data concerning the company's practices has been produced by the company itself. This information paints a hopelessly one-sided picture. Naturally, MRC claims to be doing a marvelous job of restoring the forest. Are they?</p> <p>When it comes to MRC officials' claim that their company is a friendly departure from other timber corporations, much of it rests on the use of so-called "uneven-aged management" harvesting techniques and a rejection of traditional clear-cutting. For example, here is text from a section of MRC's web site entitled "Silviculture and Harvesting Methods":      "At MRC and HRC, we manage our forestlands with a long term goal of restoring the forest to a well-stocked condition with a large variety of sizes and ages of trees. To that end, neither company uses traditional clearcutting as a harvesting method. All harvested stands retain elements that provide perpetual, multi-aged stand structure, and maintain critical ecological refugia (e.g., patches of retained trees, snags, downed woody debris, and undisturbed soil)."</p> <p>To understand these practices, and how they translate on the ground, involves teasing out a fair amount of timber industry jargon. "Uneven-aged management" involves managing the forest for stands that differ significantly in ages. It involves removing mature trees, or groups of them, leaving gaps for young trees to grow. "Even-aged management" involves uniformly removing trees across a given area of forest. It is</p>	<p><i>County will have infrastructure in the processing of wood products for many years to come; and</i></p> <p>9. <i>Employing about 300 skilled employees in Mendocino County earning family-level wages and benefits.</i></p> <p><i>It is straightforward to find information on our management of the forest. From our inception we have encouraged transparency and we have a publicly stated policy of taking anyone to anywhere on the property at any time to see our practices first hand. Additionally, we post our inventory and other forest facts on our website. You can find more information at <a href="http://www.mrc.com">www.mrc.com</a></i></p> <p><i>From the formation of MRC we have had a policy of eliminating traditional clear cutting from our property; Defining of old growth down to the level of an individual tree, along with implementation of a policy to protect all individual old growth trees across our property. Variable retention is used by MRC to transition a stand with legacy problems of previous owners to one that can be managed using uneven aged silvi culture. Under MRC management and restoration our forest has <u>added more than 1 billion board feet</u> of redwood and Douglas fir trees by lowering the rate of harvest. From our inception we have encouraged transparency and we have a publicly stated policy of taking anyone to anywhere on the property at any time to see our practices first hand. Additionally, we post our inventory and other forest facts on our website. You can find more information at <a href="http://www.mrc.com">www.mrc.com</a></i></p> <p><i>To understand our practices and how they translate on the ground, please take us up on our publicly stated policy of taking anyone to anywhere at any time on the property to see our practices first hand. From the formation of MRC we have had a policy of eliminating traditional clear cutting from our property; Defining of old growth down to the level of an individual tree, along with implementation of a policy to protect all individual old growth trees</i></p>
--	--

typically far more destructive than “uneven-aged management.” Clear-cutting is the most common and well-known form of “even-aged management.”

Historically, MRC has conducted a great deal of clear-cutting on its lands. The peak of traditional clear-cutting occurred in 2004, when the company clear-cut 996.42 acres, according to the Calfire data. Shortly after, the company began a transition to a technique called “Variable Retention,” or what is traditionally known in the timber industry as “fuzzy clear-cutting.” Variable retention involves retaining between 10 and 40 of the original forest stand. MRC regards it as a form of “even-aged management.” I will evaluate this and other forms of “even-aged management” the company uses in next week’s AVA.

Historically, MRC has relied on “uneven-aged management” slightly more than “even-aged management.” The company conducted “uneven-aged management” forms of timber harvest on 43,634.18 acres in the 16 years under study. It conducted “even-aged management” on 33,910.2 acres and variable retention on 8,256.8 acres (collectively, that totals 42,167 acres of “even-aged management” harvests, according to how MRC classifies things). Again, I will provide a much more in-depth analysis of what these figures say about MRC’s

*across our property. Variable retention is used by MRC to transition a stand with legacy problems of previous owners to one that can be managed using uneven aged silvi culture. Under MRC management and restoration our forest has added more than 1 billion board feet of redwood and Douglas fir trees by lowering the rate of harvest. From our inception we have encouraged transparency and we have a publicly stated policy of taking anyone to anywhere on the property at any time to see our practices first hand. Additionally, we post our inventory and other forest facts on our website. You can find more information at [www.mrc.com](http://www.mrc.com)*

*Historically and from the formation of MRC we have had a policy of eliminating traditional clear cutting from our property; Defining of old growth down to the level of an individual tree, along with implementation of a policy to protect all individual old growth trees across our property. Variable retention is used by MRC to transition a stand with legacy problems of previous owners to one that can be managed using uneven aged silvi culture. Under MRC management and restoration our forest has added more than 1 billion board feet of redwood and Douglas fir trees by lowering the rate of harvest. From our inception we have encouraged transparency and we have a publicly stated policy of taking anyone to anywhere on the property at any time to see our practices first hand. Additionally, we post our inventory and other forest facts on our website. You can find more information at [www.mrc.com](http://www.mrc.com)*

*Historically, and from the formation of MRC, we have had a policy of eliminating traditional clear cutting from our property; Defining of old growth down to the level of an individual tree, along with implementation of a policy to protect all individual old growth trees across our property. Variable retention is used by MRC to transition a stand with legacy problems of previous owners to one that can be managed using uneven aged silvi culture. Under MRC management and restoration our forest has added more than 1 billion board feet of redwood and Douglas fir trees by lowering the rate of harvest.*



management practices — and how they give lie to the company's claim to be practicing “restoration” forestry — next week. Next week's piece will feature several more data charts, as well as several line graphs illustrating trends.

*From our inception we have encouraged transparency and we have a publicly stated policy of taking anyone to anywhere on the property at any time to see our practices first hand. Additionally, we post our inventory and other forest facts on our website. You can find more information at [www.mrc.com](http://www.mrc.com)*