Rough & Ready Lumber LLC

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ROUGH & READY LUMBER MILL TO CLOSE

Cave Junction, Oregon – Rough & Ready (R & R) Lumber announced today the closure of its Cave Junction lumber mill, a major local employer that recently celebrated its 90th year in business in Oregon's timber-dependent Illinois Valley. The mill, providing 85 family-wage jobs, has been unable to secure a sufficient supply of logs from the surrounding federal forests to remain competitive. "We deeply regret having to close the family lumber business that my grandparents founded in 1922," said Jennifer Phillippi, CEO and co-owner of Rough & Ready.

Link and Jennifer Phillippi and Joe Krauss are the third-generation family members operating the mill. Many R & R employees are third-generation, too.

Rough & Ready is known for producing high-quality wood products that are used in doors, windows and exposed beams, sought after by customers around the world. Over the years the family continued Rough & Ready's tradition of reinvesting in the community, including a \$6 million biomass cogeneration facility in 2007, Forest Stewardship Council green certification for



Rough & Ready announced that it would provide mill employees with severance pay based on years of service and assistance in finding new jobs. According to long-term R & R employee Ed Cunningham, "We are grateful the company kept the doors open during the recession, knowing how difficult it would be for employees to find work."

Looking ahead, the Phillippi and Krauss families will continue to manage Perpetua Forests Company, which owns private forestland, and will sell timber from those responsibly managed lands to other mills. Jennifer Phillippi indicated the family would be relieved if another owner with access to timber supply were able to buy the R & R mill and keep it running, "because those jobs are so critical to the economy of Cave Junction and the region."

Josephine County Commissioner Simon Hare praised R & R's long tradition of investing in the local community, and voiced frustration that failure to find solutions to federal forest policy has forced the 90-year-old company to shut down: "This may serve as a final wake-up call, because other local wood products manufacturers in Oregon's timber-dependent rural economies are just as fragile," Hare said.

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