

JOHN MONK

Interview 176a

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ABSTRACT: In this interview with Jonathan Gerland, former General Manager of Texas and Louisiana Forests for Temple-Inland John Monk reminisces about his life in the forest products industry and the corporate culture at Temple. He also spends a great deal of time detailing their forest management practices and the push to become more standardized within the industry and the company. He particularly talks about Streamside Management Zones. Mr. Monk worked for Owens Illinois in Louisiana as the Forest Manager and Procurement Manager and then came to Temple when Temple bought out Owens Illinois land in 1986. He talks about the transition between the two companies and the differences in their forest management practices. Mr. Monk mentions Clifford Grum, Jack Sweeny, Jim DeCosmo, and Jim Cumbie.

Jonathan Gerland (hereafter JG): Today's date is February the 26th, 2009. And my name is Jonathan Gerland. And I'm at the History Center today in Diboll with Mr. John Monk, who worked for Temple-Inland. Actually, retired from Temple-Inland and, at least a good part of his time with Temple, was a general manager of the forest for Texas and Louisiana. And I thought maybe we could just begin...maybe just tell us when and how you came to work for Temple. And we can, you know, back up at some point.

John Monk (hereafter JM): Ok.

JG: And go back and forth. But, maybe as a beginning point, just start with when you came to work.

JM: Well, I actually came to work for Temple in nineteen-eighty...June of 1986. And that was when the completion of the acquisition of Owens Illinois properties and the Orange Mill occurred. Temple acquired...I worked for Owens Illinois for twenty years prior to that. And, so I was involved with the...primarily with the procurement, land management procurement for Owens Illinois. And then when that came into Temple, which was about a little over 250 thousand acres that came into the Temple ownership. And that was the first time that Temple became involved in Louisiana, 'cause they did not own any land in Louisiana prior to '86. And...so that's how they got started into any activities in Louisiana. So I came to work for them in 1986. Originally, started...lived in Orange and started at Silsbee. They called me the Southern Logging Manager or something like that. Actually it really involved the Southern Region Manager. At that time we operated as three regions, named very uniquely: Southern, Central, and Northern. And the Southern region was headquartered in Silsbee, Central region was in Jasper, and Northern region was here in Diboll. And, I wasn't there very long in that capacity before I moved to...here to Diboll, actually in '87 really. And came to work for, I worked under Jim Cumbie. Glenn Chancellor was the Vice President...Group Vice President of the

forest. Jim Cumbie worked for him and I worked for Jim Cumbie. And, like I said, we operated as three regions. When I came up here, I was...I believe I was called...Logging Coordinator or something. Anyway, I was mostly involved with procurement under Jim Cumbie.

JG: And what was Cumbie's job?

JM: Cumbie, Cumbie was...he was, at that time, I think he was called...it wasn't General Manager...Operations Manager. I think he was Operations Manager or that may not be the exact title. But he, the three regions actually reported to Jim. And...another fellow that was involved at that, and if you haven't talked to him at some point you should, and that's Tom Berger. Tom was...worked for Jim Cumbie when they, they came out of the Eastex operations. When they had the Evadale Mill they were both involved with procurement for the Evadale Mill. 'Course Glenn came from the Southwestern Lands and Timber when...

JG: That would be the Southwestern Settlement and Development Company?

JM: Right. Uh-huh. When they came together, Jim Cumbie was from Eastex and Glenn Chancellor was Southwestern. And when they came here to Diboll and joined together...I remember when it happened 'cause I was with Owens Illinois at the time, and that's when Glenn was made Vice President and Jim Cumbie worked for him. And that was always a very close relationship and they got along fine and did great work together.

JG: What...was your first impression, you said you had a twenty-year history with Owens Illinois and now you're working with and for a new company. What were your first impressions of Temple-Inland and specifically with their forest management?

JM: Ok. Well, this was a time...I might have to back up a little bit here...

JG: Ok, sure.

JM: ...to get to work up to that. I had worked, I came to work for Owens Illinois and...do you mind me giving you some forest history in general here? (laughing)

JG: Go ahead, go ahead.

JM: I think it may help to understand the changes that were going on, or had gone on in forest management during that time. Like I said, I'd worked for Owens Illinois...I came to work for them in 1966. And...that was, in the early '60's was when there was a big change going on in forests. A lot of old companies at that time were selling out, they were being acquired by some of the other majors. In fact, I had worked before that in Mississippi for a corporation that was...history was very similar to Temple's, in that they owned a lot of land and sawmills in Mississippi.

JG: What was their name?

JM: L. N. Dantzler Lumber Company. And...it was kind of funny. They were a very progressive little company. They had gotten down to all they had was about 115 thousand acres of land. 'Cause they were like so many of them who had to sell most of their land during the Depression to the government, to be able to hold on to something and survive. So, really the national forests of Mississippi, Louisiana, and Texas were derived from a lot of these old companies that sold their land to the...and so, but in the '60's, you began to see companies from, like from the southeast where forestry had moved along maybe a little quicker. But, I mean, you always had like the Temples and some basic ones that had always practiced some semblance of forestry. It was...Temple was more, they did more of the, what we would have called, Even Age or Selection Management for a long time. And the Even Aged era was becoming in place. Southwestern had already moved to that and started doing some clear cutting, replanting and that sort of thing. Temple held off on that for a little bit longer, so it was not until Southwest and Temple came together that you started to see some of the rotations of the...shorter rotations, heavy site preparation, and plantation management start with actually the old Temple. One interesting thing when I...

JG: Of the Temple lands, when Time acquired Temple in '73...the first real clear-cut of former Temple lands I think was '75.

JM: Uh huh. Yeah.

JG: Of course the Southwest and Eastex and all that had been doing it well before all of that.

JM: Right. Yeah. And, in fact when Owens Illinois came out here they started to...I remember I was, at that time, I was managing land for them in west Louisiana. And they came in with their big tractors and doing bedding work and that was a...it just blew people's minds. They had never seen anything like this. Taking D-9's and going out across the country and clearing everything and coming back and planting. And...and so that was a big change and we did, and some people, you know, got upset about it. And so, that was really what was happening was we were trying to walk a good line here between this kind of management and keeping a good relationship with people who always visualize the forest as some big natural thing. And they didn't realize at some point it all has to get turned over and changed. And so, that was a lot of our work, especially through, in the associations. Doing that...and that took a lot of, Glenn Chancellor was involved in a lot of the early work and a lot of the national associations...and in, around in those aspects of management. Then we had the, we had the Endangered Species Act came in, in I think by '73 or '74. Nobody really thought that much about it, thought it just probably be involved mostly with the national forest. Which it was, but of course, it then did get over into private lands. And that was something that we had to work through. And, I think, eventually came to live with it and handled it equitably for all involved.

JG: Of course you had the clean air and water acts of the early '70's.

JM: Yeah. We had the water...

JG: And EPA.

JM: All of those things began to come in. And so it was a real balancing act to...not that most of us didn't, we didn't feel like this was something that we couldn't live with, or it should be done. But, we just had to make sure that it didn't go so overboard that it was things that you...were really, more than needed to be done and not hurt the industry. But, some things could be given up. And 'course Mr. Temple's attitude and his history in that guided the company, was still there, and was an excellent thing. I guess my first...first time I've ever heard of Southern Pine Lumber Company is when I was working for Dantzlör. We, by chance, had the same radio frequency on our forest operations in south Mississippi as they had here at Diboll.

JG: Hmmm.

JM: And back then the frequency, I think I still remember it, was 49-42, very low band. And back then you got what we call skip. And I remember being in an office sometimes when I'd hear someone from Diboll, Texas calling someone over at Pineland or something. (laughter) You know, I didn't...and then, years after that I wind up living here and working for them. But...yeah.

JG: They were trying to get your attention from early on.

JM: Well I guess they did, I don't know. I learned a lot more about them later than I knew then. But that was how I got to come to work for Temple...and, I tell a story...I was sold twice in my life. And those were very traumatic experiences. I was sold first when I was thirty, when Dancellor sold to International Paper Company. And I did not go to work for International; I came to work for Owens Illinois...who happened to be expanding into west Louisiana and East Texas. Owens Illinois bought the...their first acquisition was Angelina County Lumber Company, and made that acquisition...had the plywood plant in Lufkin.

JG: I think that was '66, wasn't it? There about.

JM: Yes...well, it was...actually they bought Angelina I think in '65.

JG: Oh ok.

JM: I came to work for them I think in '66, that acquisition had already been made. I worked through some of that...finalizing some of the acquisitions in Louisiana. But, that was a basic start, was Angelina County Lumber Company that got them started. 'Course they later sold that to the Lufkin Plywood and to Louisiana Pacific. And...so, that was the way I came to work for Temple. I...and I remember when Glenn and Jim Cumbie, when it was announced that we were being acquired by Temple...'course that process had started a year or so early. And it got very close to happening in '85. But, somewhere

about mid '85, it didn't, it wasn't working out. And I remember getting a call from...course we'd been hearing the rumors and, at my job at Owens Illinois I had to provide some information. So I was aware of what was going on, but, when that...in '85 when something happened to so-called kill the deal, I was called by the...our boss from Toledo, Ohio and told that I could announce to everyone that the sale to Temple was not going through. And, that we were going to continue to manage our land and run the Jasper Plywood and the Orange Mill, and things were just going on. And...I was named, I had already been named to become Woodlands Manager for Owens Illinois first of '86. Well then, about December of '86 we got told that, no, we are selling to Temple. (laughing) And so, early on I was contacted by Glenn and Jim Cumbie, who I had worked for...worked, we had a lot of wood exchanges and our trails had crossed a lot through the years before that. So, they knew me. I was Director of Wood Procurement for Owens Illinois. And so, I had made a lot of meetings and deals with them on timber aspects for a number of years. And I guess, I don't know, I may be getting off of the subject you're really interested in, but, one of the things that went on back in those days that changed rapidly, fairly soon after I came to Temple, was, back then in the '70's, '80's, most all of the majors out here...Temple, Kirby, Champion, Owens Illinois, and a few others...hunting, most everybody had hunting areas, you know. Eastex had Bruni and...there was a lot of, we would take people...Owens Illinois we did not have a hunting lodge or area, but, we had...we would get day hunts, duck hunts over in south Louisiana and we'd invite people over there. And...we'd have people from Temple, and Kirby, and a lot of other places would come over there. And they would take us and we'd go...I've been down quail hunting with Kirby, in south Texas a lot of times. And at those times that Jim Cumbie and Glenn were on a lot of those hunts as were other people. So, that was kind of the way things were going at that time. So I, I guess what I'm building up to...when I came to work with Temple I was already very familiar with their operations and the people who ran it. And...fortunately, like I say, that was my second time to be sold. And I was glad that early on they came to me and said, "We have a job that we'd like for you to come up..." Because we did not, when they bought, I mean when Temple bought Owens Illinois, the Woodlands people, we were actually terminated officially by Owens Illinois. We did not carry over into Temple any retirement or any aspects of that. We just started as fresh new employees...those of us that were hired. Fresh new employees of Temple. And that was kind of devastating to a lot of people. I mean, they were glad to have a job, no question about that, but, that was kind of a hurt that that did not happen. But anyway, early on I was asked, or I was told, that they had a job for me...and so I was involved early on in helping decide who out of the Owens Illinois organization would be offered positions in Temple. And, that was a...it was kind of traumatic in some aspects, but it was a job and it had to be done. And I was glad to help them with it.

JG: 'Course in '84 Temple Inland was actually formed...

JM: Uh huh. Right.

JG: ...as a spin off company from Time Inc....and so just to put that in a little perspective. So, although it had a long history, especially the Temple side with the forest.

You know, it's kind of a...well, you know, a little bit of a new company in a way...and of course it inherited a lot of the Eastex management plans.

JM: True.

JG: Specifically I'm getting with Even Age and clear cutting. And...so yes that's good that we sort of backed up a little bit and covered some of those environmental influences. 'Cause I know that influenced, if not the '80's, certainly the '90's with the sustainable forestry initiatives and all that.

JM: Yeah. Right.

JG: And I do want to get to all that, but, maybe...start with when you became a general manager of the forest. And what does that mean?

JM: Well, when Jim, Jim Cumbie, like I said was...Jim worked...when we came over, Owens Illinois merged in, Owens Illinois, I mean we had...we had forest management people and we did forest management no question about that. We were probably a little more procurement oriented because we had to acquire a higher percentage of our wood from the...

JG: Outside.

JM: ...outside, outside.

JG: Meaning that you needed other people's timber to make the mill...

JM: So, yeah, other people's timber. A higher percentage, you know. We were not near, did not have near have the wood supply.

JG: Self-sufficiency.

JM: Self-sufficiency that Temple had at the time. And so we were, we had a little bit more developed, or stronger I guess, wood procurement organization. But, Temple was seeing that they were going to have to build into that too, with the expansions and all coming. And so, when I was made, at that time, as general manager...well, let me back up. Jim Cumbie, just before he retired...at one time, some of the other departments reported directly to Glenn like the land department Henson and those guys reported to Glenn. And Jim had any kind of procurement that was going on, but the regional managers reported to him. And the forest management, you know, fell under that too. So he had both. And then just before he retired the position, general manager, was established. Jim was made General Manager, and all of the other departments and the lands, and the site prep, and everything except the finance came under Jim. And then he retired and then I was made General Manager of the same thing.

JG: What year was that?

JM: I have too...I thought maybe...the years are what kind of slips your mind sometimes (laughter).

JG: Right. Right...and it's not so much important...

JM: Well, let's see...that was...'89. I became General Manager in 1989. And Jim probably retired that year, or either the next year, right about that time.

JG: As far as an advancement or...as far as your job responsibilities, describe that...the change, you know, in your job duties.

JM: Yeah. Well, at that time the general manager, of course, reported to Glenn Chancellor. And 'course we had operations in Georgia also. Georgia and Alabama, for the Rome Mill. And so there were two general managers.

JG: And that was through, just for the tape, yes, through the Inland Acquisition.

JM: Right, yeah.

JG: Inland had half of what Georgia Pacific, their holdings, in Georgia I guess. That would be the...Kraft. Georgia Kraft.

JM: Well it was in Kraft.... Georgia...Kraft. Yeah, that was the old Georgia Kraft Operation. And so, the way Glenn had us organized was...Sid Kenney was General Manager of Georgia and Alabama operations and I was General Manager of Texas and Louisiana.

JG: Which was, by far, the largest.

JM: By far the largest.

JG: Land wise, for sure.

JM: Over there I think they had about five hundred and something thousand acres. And a lot of that was long-term lease. And at that time we were about a million three I think all together. And that was before the Kevingham Acquisition which brought it out here up to a million six. But anyway, that was a way that we were organized and as general manager you were responsible both for all forest management and for procurement for all of the mills in your area. And...we still had, we went from...that to...we had the three regions still established. And we had people, you know, staff people that handled various aspects of that, Darwin Foster, Paul Hugon. The others that handled some of the administrative aspects of forest management on the upper level. But, the regional managers, they were also responsible for some procurement in their areas. And, we began to buy and bid on outside tracts of timber a lot more than Temple had been involved before. I want...if you keep in mind that at this time...you'd had, like I said, Eastex, Southwestern came together, and then when Temple-Inland was formed, which was '84.

JG: Well, Time bought Temple Industries in '73.

JM: Right. And then...

JG: Then Temple Eastex was formed '74, '75 somewhere in there.

JM: Yeah. Right...and then...

JG: Which brought...basically it merged in '84.

JM: ...when we got, when it got to be Temple-Inland, when Temple-Inland got brought into Georgia aspect in...and that was in '84, and then in '86 you had Owens Illinois people come in. So, what you had going on was Glenn had all of these different organizations and people that were coming together. And that was one of his big goals at that time was to get everybody on the same wavelength, get to know each other, and establish how he wanted things to be managed and run. And so, that was a big effort on his part...and I think he did a fine job of it. He accomplished that by starting to have meetings between the two groups over there, and working those of us that came from Owens Illinois, getting to know the people and working out what our management approach was going to be. And we would have, every summer, we would have a meeting of the two groups, managers of the...upper managers of the two forest groups, Georgia and Texas. And we'd meet some years we'd meet over there or somewhere neutral ground.

JG: We're they considered eastern and western at that time? I know later they were but...

JM: Later they were...we were just called Georgia...

JG: ... still by the state.

JM: Yeah, primarily.

JG: Not necessarily a western forest and an eastern forest.

JM: No, it was just called Georgia operations and Texas operations. Yeah. So, we would have meetings in the summer. And one year it would be Sid's responsibility to put on the meeting, plan for it and make all the arrangements and the next year it would be mine. And we swapped that back and forth. And I think it was probably those meetings that got the group pulled together, as close as we eventually became. And we still have good relations with...that were established those years ago with those people over there. And so, really it had...it had the responsibility when I became General Manager I found myself responsible for forest management on a million six hundred acres of land. 'Course I had a lot of good help with that. And we'd supply for two paper mills because, we at that time, we still had Evadale Paper Mill and had acquired Orange. So we had those two

paper mills, one plywood plant over at Pineland, and four sawmills. 'Course by that time...well Buna came on very soon after the OI acquisition...

JG: Yeah.

JM: ...and then we built the DeQuincy in later. But, eventually we had four sawmills, a stud mill, a fiberboard, a particle plant, and two chip mills all to supply wood for.

JG: And even with the million point three acres you still had to buy a good bit.

JM: Oh yeah. We still bought outside timber.

JG: And of course I would imagine you strategically managed it with the market situation too whenever.

JM: Right, yeah. And one of the things that, I mean, Owens Illinois and Temple both, we used to buy quite a bit, and I say quite a bit...we probably bought more than Temple did but...bought timber off of the national forest looking for the larger good grade saw timber that was being sold off the national forest. 'Course that came to a halt in the '80's. And so that was not there, so, that forced us to...

JG: And, I know, but, for the sake of the tape...

JM: Yeah, ok.

JG:...tell why that stopped.

JM: Well, it started...with the whole thing that was going on...the South was not involved that much. 'Course it started out with, primarily, with the spotted owl and the other environmental concerns out there and that began to build up here. So we woke here in the East Texas National Forest with lawsuits, the national forest being under injunction where they couldn't sell timber. And, in fact, in 1988 I was serving as President of the Texas Forestry Association and, you know the history over there...you probably got this from somewhere else, but, more detail than I would go into. But, before Judge Justice made his ruling on the, we call the Woodpecker Ruling which really told the National Forest what all they could and could not do. Before that ruling happened we had all of the logging was essentially shut down on the National Forest because these injunctions were being filed. We owned, we had bought timber, but we couldn't log it because of, there was an injunction until it went through a process and got settled and then the regional forester ruled on it and come back. And then they could let you log that timber. So the National Forest in Texas about that time in '88 was just essentially shut down. And so, I took a delegation to Washington. It consisted of me and some of the County Commissioners and School Superintendent, and everybody that was being hurt because there was no funds coming from the...

JG: No timber sales. Just the county's got...

JM:...no timber sales and counties were getting their share and the schools their share.

JG: Which went back to the beginning of when the forest was set up in Texas... 'cause it took land off the tax rates. Ok.

JM: Right. And that was...but, so that was the reason for going to Washington was to, we met, we were going to meet with the Secretary of Agriculture to impress on him that the process was not really working very fast. It was taking way too long for these things to work. There was a system and the process for it to happen, but it was just getting bogged down in bureaucracy. And so we wanted to impress on him to do whatever he could to get this moving. So we took this delegation and...now I don't remember how many. There were maybe fifteen of us, or ten or fifteen. Anyway, we went to Washington and went in to meet with the Secretary of Agriculture. And so I started off, and before we went in some of the guys that worked up there all the time were some of the national organization did warn me. She said, "Now, you need to be careful with him...because a week before some guys came in and started fussing about the environmental organizations, and he got really down on them. And so you need to be kind of careful of what you say." Well this was, like I said, in '88 and it was Secretary...his name was Ling. Came from California and this was Reagan's time. And so we go in and sit down and I start to tell him about who were, why we were there, and that we were not there to complain about the organizations that were concerned about how the National Forest were being run. But, we just needed something to happen to resolve the issue.

JG: Soon. Yeah.

JM: Sooner than was happening. Well, I said something about National Forests in Texas...and he turned to some of the, his assistants there. And one of them happened to be a fellow that was high up in the Forest Service. He was not the Chief Forester 'cause he was out somewhere. And I happened to remember the guy, I knew him 'cause I worked for the National Forest years ago over in Louisiana and I remembered him from there. But anyway, when I said National Forest in Texas he turned around there and he said, "Uh, do we have National Forests in Texas?" (laughter) And I thought, man I'm in pro over here. And, "Oh yes sir, we have National Forests in Texas." He said, "Well, I didn't well know there were any trees in Texas." (laughter) So I'm talking to the Secretary of Agriculture and this is where we are. But, anyway, it did turn out good. We got him, we got a trip for him a month or so later down to East Texas and showed him some East Texas forest. (laughter) But, a little side issue to that is kind of funny. I found out years later, I had an uncle...who...in his career eventually became President of Swift Fresh Meat in Chicago. And we were at a family reunion, or something years later, and got to talking or something...anyway, I don't know how it got to it, but, I brought up this story and I was telling about going to talk to the Secretary of Agriculture 'cause I knew that my uncle had been involved in agriculture and he was a good friend of Dolph Briscoe and all that, you know. So I was telling this story and he said, "Who was that Secretary?" I said, "Dick, Mr. Ling." He said, "Dick Ling?" I said, "Yeah," I said, "Do you know him?" He said, "Well, he used to work for me." He said, "When I was President of the Fresh Meat Association, or something, he was director out in California,

he worked for them.” And he said, “He was pulling your leg.” I said, “Well, if he was pulling my leg he did a good job of it because I sure believed that he didn’t think there were any trees in Texas.” Anyway, that’s just a little side story. (laughter)

JG: Hey, would you say, talking about Temple-Inland getting trees, timber...procured from the National Forest, of the industries of those who were manufacturers, where was Temple as far as a National Forest customer as you might say? Were they, did Temple-Inland buy timber from the National Forest more than anybody in those years?

JM: No, probably not...I don’t know that I could...

JG: And I’m just talking about in Texas, just in Texas.

JM: Well, I may have to give you a little background to that.

JG: Ok. (laughter) I was just curious.

JM: I don’t know if I could remember it, but there was a period of time there...

JG: Here’s some water.

JM: Yeah. That I remember, and this would have been probably the late ‘70’s, or, well, probably early ‘80’s. The National Forests were selling a lot of timber. Temple did buy quite a few sales, I know that from the fact that as Owens Illinois we competed with Temple on buying National Forest sales. Late ‘70’s, early ‘80’s there was a lot of timber being put on the market.

JG: Mostly big timber.

JM: Well it...yes it was...

JG: Saw timber, saw timber.

JM: ...saw timber then that was fine for Diboll and ‘course we were, Owens Illinois, we were still running the Lufkin Plywood Plant. So we were interested in it from that standpoint. And, this was a time when, I remember, I had opportunity when I was with Owens Illinois...‘cause we were buying national forest timber in Louisiana also. And...as it turned out, right after I became Wood Procurement Director for Owens Illinois we were bidding on National Forest timber in Louisiana. And...we bid over a million dollars, and won the sale. And that was the first million-dollar timber sale that the Kisatchie National Forest had ever made. Well, a few years later, bidding on timber up here in Texas...and there was a nice sale came up and we felt like to get it, it was going to be right around a million dollars. Well, there was a law that was out at that time that if you acquired a government contract over a million dollars you had to go through an EEOC investigation. Make sure that your employment practices were being, you know, were fair and all that. And it was a pretty good audit that you had to go through. Owens

Illinois had just gone through one of those audits for some box sale or something that they had done with the United States Government, so they had just passed one of those audits. So, if we got this sale, we wouldn't have to go through that again because we'd just been through one. And I just had the feeling, you know, some of these people out here bidding on that probably don't want to have to fool with one of those things if they haven't been through one, because it was a pretty good process. And I just didn't think that Temple was going to bid over a million dollars, or Louisiana Pacific, or Georgia Pacific, or anybody else was going to do that. So we bid just a little bit over a million dollars and got the sale. So I wound up buying the first million-dollar timber sale in Louisiana and the first one in Texas. But, it was either soon after that that timber markets fell...had been going up so rapidly and there was a purchase of National Forest and all other timber. Stumpage prices were escalating real fast. And there was prediction that they were going to keep going up. And this was brought because of the, so many sales on the West Coast being shut down. That was before they started shutting them down here, they were shutting them down out west. And so, stumpage prices were going up. And then all of a sudden, the prices dropped even probably...percentage wise more drastically than they have under this, what we're in now. And...so a lot of us wound up with timber sales on the National Forest that you just absolutely could not afford to harvest. And it was...it gone down to, you'd be better off to let them go back to the government than it would be to try to hunt...anyway, a long story short...the National Forest came up with a process whereby they would take those sales back, you know. Or you could take what you'd put on those and put on another one or something like that. So, we had a meeting in Lufkin, and a lot of us sold our timber back to the National Forest. And some of those sales never were harvested. But, at that time, this was back during the time when capitol gains was a big factor in timber harvesting. When cutting your own timber or buying timber, the capitol gains advantage of timber was about 18% at that time. And so, a lot of National Forest sales were being used along with other private sales to establish what would be the fair market value of harvesting your own timber. And most of us over in Illinois, you had to go through a process to establish what your timber was worth, that you harvested and brought to your own mill. Off of your own land, what it was really...what you could transfer that for...for capitol gains purposes. And you based that on what other outside sales that were being made. That did change over the years, where there wasn't any advantage to that, so that kind of went away. But that was what was going on then and...so Temple was kind of in and out of that market, but, at some times they were a pretty large player. I can't remember percentage wise how they fit with some of the others.

JG: Ok, and I know we were probably jumping a little bit chronologically here, but, I want to, if we can, get into some of the events of the nineties...and maybe some of this environmental pressure. And not necessarily just from environmental groups, but, you know, just a changing in the public opinion. I've read some of the...

JM: Uh huh.

JG: ...Mr. Chancellor's speeches and even Clifford Grum at times...

JM: Uh huh.

JG: ...you know, where they've addressed that issue and how the markets were really demanding certain things. So, if you could talk a little bit about that and, you know, the so-called Best Management Practices and...maybe we can begin that if you think this is a good introduction. Tell us about Temple-Inland's forestry principles.

JM: Uh huh.

JG: And how much involved were you in that?

JM: That was coming along kind of towards the end of my time. It had started...the Best Management Practices, when those first started being kicked around there were a lot of meetings going on, and our people participated in that. I remember there was one big meeting here at Diboll at the Civic Center. And it was meetings to discuss, just how this could be approached in getting those Best Management Practices down. And who would administer them, and who would check them and how they would be where you could tell whether you were doing right or not. And the Forestry Association worked diligently on that. The National Association, well it used to be American Pulpwood Association then it became the Forest, I can't probably remember all of the name changes that it went through. But in looking back you notice that Glenn Chancellor was Chairman of the American Forest Association at one time...not American Forest Association, I guess, it used to be American Pulpwood Association. I think it was still American Pulpwood Association when he was Chairman; it changed names soon after that. But, they were very involved in trying to keep some semblance of common sense in a lot of these things. But also recognizing that there were going to have to be some standards set...because, the market was beginning, people wanted to know that when they bought something that it would come up through proper management. And, 'course, you still had people that were seeing these things and questioning harvesting. And so, these management principles at Temple eventually put down on paper that the operator...were evolving towards the end of my tenure and were well established. And Temple followed them diligently and probably, as far as Best Management Practices, especially with Stream Side Management Zones...which was probably the area that most of the contention came about, was how to define a Stream Side Management Zone, and how wide it had to be. And then, logging, that was one of the big concerns is how can you put down some guidelines for logging so that you wouldn't be tearing up the land and, but, you still had to be able to log under certain...that was a real, I think they came up with six inch ruts. And I don't know that they still have those in there, but that was a big area of contention. You could log as long as you weren't making over a six-inch rut. (laughing)

JG: I've seen some six-foot ruts...just this past year.

JM: Right. So, that was a big contention. But, I remember when I came to work for Temple, they were already leaving Stream Side Zones; we called them Stringers.

JG: Stringers.

JM: Stringers. They were called Stringers...and in Owens Illinois we probably weren't that far into that. I'm not saying that we devastated the land...

JG: Right.

JM: But we did not leave Stringers to the extent that Temple did. And that was an area of contention, was, how close to the stream do you come? And so, when they came out with the statewide, and each state established their best management practices. When those were adopted Temple had no problem of meeting those standards. In fact, we went beyond those standards, in my opinion. And...in some cases, especially over in Louisiana on some of the long term leases that we had there...the way we were harvesting those and leaving...we were actually, as it turned out, were called to task by the owners of the leases that, "You're leaving too much of my timber here." And so that had to be straightened out, but...

JG: What about...you mentioned Stream Side Management Zones, what about Aesthetic Management Zones...

JM: Ok. Yeah.

JG: ...as far as Owens Illinois coming into Temple? And were they called, or something else?

JM: Well, at that time they were called all kinds of things because...

JG: And specifically, I guess, what I'm getting at here are the...

JM: Roadsides.

JG: The roadsides.

JM: Right. And that was an area...in fact, I remember we took Glenn and we took some of our managers and went up to, into Oklahoma. Because Weyerhaeuser up there was doing some work on...on road, they were getting a lot of flack from people looking at mountainsides. Fortunately we didn't have mountainsides anybody had to look at. We did over in Georgia, and they were catching flack for that. So we were trying to come up with, "How can we do that?" And all the other companies were doing the same thing, trying to figure out how to do that. And we started, we proposed and we started doing, in fact, one of the first ones we laid out was just down below Zavalla, as you go south of Zavalla there. First started, and Temple had started this early on, was leaving strips along the major roads, and leaving...

JG: So that was already in place and in the policy when you came in.

JM: That was already...yeah, it was already kind of in place. On something...it wasn't a problem to cut to a road or some roads, it was expanded after that. But, the deal was, and you can see that on 1818...

JG: Yeah, that's what I'm talking about. Yeah.

JM: ...out here, not now, but, those strips were left there probably, for no other reason, is Mr. Arthur drove that way going to Pineland and he wanted to see that, and there was no problem about that. But, if you'll notice there the plantations, it was cleared and replanted behind that and the idea was that ok, after those get up to some height there then you can come back and take those strips out and replant those. So, there would have always been something there. On the major roads...you left those strips probably longer than needed to be. But, what we eventually came to, as were a lot of other people...

JG: Well essentially, I mean, in laymen's terms I guess, it's really hiding or shielding the...

JM: Well...and that was some of the argument that came out. You had one faction that says...

JG: You're hiding...

JM: ... "You're just trying to hide what you're doing." And some people even calling them mureen strips. That was a term that was thrown around, a mureen strip, yeah what is that? That's something for the eye. But, what we've finally got to, I think, just before I left we were doing some of this, and I still believe it's the thing to do. Is there was no, to me, there was no problem of coming out to a road with, say, a clear cut, as long as it just wasn't for miles and miles. But you curved that thing so that as you're coming down the road...if you look over here, you may see an area that's been cleared, but, if you look behind it you're going to see trees growing. And if you look ahead you're going to see trees growing, and a curve, just a designed operation there of different size and age timber. We did that just south of Zavalla on the right side of the road, if you go down there.

JG: Going south, down on the west side.

JM: It's going south there, right. We brought that all the way out to the road, but we left a curved area and to the back you could see an SMZ left back in there, and...

JG: Stream Side Management Zone.

JM: Stream Side Management Zones. It looked like, maybe, kind of a landscaped approach. And I think that's, I still think that's the way to do it. That way you get away from being caused where you're just leaving a stream here, but, you actually see some good timber management being done.

JG: And I don't know how...how your job might have been involved with these, but, I know also in the '90's and maybe that came out of that...was the creation, I think in '96, of a Special Use Forester.

JM: Uh huh.

JG: And then, I think that merged in...and they created a Natural Forest Management Group in '99.

JM: Yeah. Well that...

JG: Were you involved with that or...how...?

JM: Well, how that came about...like I said, when I came over...

JG: And really I guess this is going back to a multiple resource asset way to look at the forest.

JM: Right. What was...this was evolving, like I said, when I came for a number of years I had all. But, when Temple started to...at Temple-Inland was going to expand the Evadale Mill...they were going to expand the Evadale Mill. And that was going to require a lot more hardwood. And hardwood was a contentious commodity at the time...not only from the total supply that was available, but, when you started clear cutting hardwood areas you got into a lot more trouble than you did when you was clear cutting pine area.

JG: 'Course Temple and everybody else deadened it in the '40's and the '50's.

JM: Oh yeah. We, we all did that. But...that was more out on the hillsides; that was not down in the bottoms.

JG: Bottoms...yeah.

JM: It was the bottomlands that were becoming the problem. Although, the bottom lands in this area were heavily cut for, especially for white oak and all that years ago.

JG: Well Temple, even here in Diboll had a hardwood mill for many years and it was, you know, they cut big hardwoods all through Boggy Slough and all that.

JM: Yeah. Uh huh. Right...I mean the Neches River bottom and all that. But see, when the big lakes came in...Rayburn and Toledo, that took a lot of hardwood area out of production.

JG: The cypress that we have in this building here came out of some of those lake bottoms before they were impounded.

JM: Oh yeah, right. Well, I remember being involved back there. In fact, the Louisiana Forestry Association was adamantly against Toledo Bend...fought it tooth and nail for that reason. I don't know if, as it turned out, whether they would have been that adamant against it. But anyway, they were and caught flack for being against it.

JG: The curse for really Angelina County Lumber Company, was really against Rayburn.

JM: Yeah.

JG: 'Cause they had...they had the biggest holdings.

JM: Right, they had. Right. Uh huh. So all, that all...

JG: And I think that might have influenced their ultimate destiny.

JM: Yeah, probably.

JG: Because that was in the late '50's, early '60's and then they sold out in '65 so...

JM: Yeah. Right. Uh huh. Yeah...well that...

JG: There were other factors of course.

JM: Well, I use the example a couple...I've seen it so many times that most of those old family companies like that at about the third generation...

JG: Yeah.

JM: ...is about where they swap off. But, going back to the hardwood...the expansion of Evadale Mill for hardwood came about at a time when we had the Japanese taking hardwood out of LPE, and others were shipping hardwood out of Beaumont and around to Japan. And here we were trying to expand Evadale. And so, we were looking at where we were going to get more hardwood. And so Glenn came up, "Well, one thing we got to manage our hardwood bottoms. We got to manage our hardwood lands to produce hardwood, stay within good management practices and all that." So...

JG: Pretty much how did you see hardwoods before that, just...you just ignored them?

JM: Well, 'course Evadale had always, I mean, and this comes from the Eastex side with Evadale, they'd always been a hardwood using mill. And, in fact, I used to, at Orange, we...

JG: That's because of the paper that they made, which was whiteboard.

JM: Paper...the paper that they made, whiteboard required hardwood. And, I used to compete with them all the way up the Sante Fe line all the way up to, almost to Longview

for hardwood by rail. And...I used to ship hardwood, or let some of our hardwood go to Evadale.

JG: And that was still for pulp though so it didn't have to be the quality.

JM: That was for pulp. But the problem that was established was that, whenever Evadale got into a bind for hardwood, and they did a lot of times in wet weather, the old...they would change the process down there and they would start taking bigger trees that could have been saw timber, hardwood saw timber....and go to Evadale for pulp. You know, that was...so what we were moving to do to keep from doing that...we were looking for other areas to get hardwood and that's why we started looking at places to put chip mills further north and west. We, at one time, were looking to put in maybe three hardwood chip mills. And that's when we got involved with Eucalyptus plantations in Mexico. Got in with Simpson Paper Company out of Portland, I think. And they had a mill down at...out from south of Houston there. And they had an operation already going in Mexico. Glenn got with them and made a deal where we would go in as joint venture with that. And I went to Mexico with Glenn and by myself quite a few times getting that started.

JG: How many acres of Eucalyptus?

JM: Oh...I don't know whether I can remember that. (laughter)

JG: That's ok. We've got that information.

JM: Ok...I would think that you would. But, it was...the idea was that we were going to ship that to...

JG: Beaumont.

JM: Beaumont, then to Evadale. And...

JG: Did you ever get any shipments?

JM: No, we got out of...in fact, well, we inherited...the deal was that Simpson can put it to us and we'd have to buy it at the place or let it go. And we bought it, and then after my time the company got out of there.

JG: So there never was any Eucalyptus that came up. Ok.

JM: Never was any Eucalyptus that came up here. Well, 'cause...well two things, the paper mill finally decided they didn't think they could use Eucalyptus. (laughter)

JG: After you'd already done all that.

JM: It took us a long time to get them to decide that. (laughter) And then, 'course they eventually sold the Evadale Mill.

JG: Yeah.

JM: But, what I was getting at...what built this up was needing the hardwood. Glenn said, "Well, we need some hardwood expertise." So they hired Norman Davis.

JG: I met with him a few years back.

JM: Ok. Norman came on and he was going to be the hardwood manager. And...he, when he came on, and he just took over everything to do with hardwood management, set up the guidelines and how the cutting was going to be done and managing Temple's hardwood. And then also, he took over, or got involved in the Mexico operations, doing that aspect of it too, until the Evadale Mill was sold. But that was the...I guess was the first step in kind of separating the management of the lands into different aspects. When Norman first came, for the first few years up until Glenn retired in what eighty, I mean, '96.

JG: '96. Yes, sir.

JM: '96. Norman reported to Glenn, he didn't, I don't think, I don't recall, he ever reported directly to me. But, my organization handled the logging of a lot of that...until the hardwood department got more established and did it. But then, soon after, a year or so after that, when Jack came over, separated that and...Norman and I used to call, he was "Mr. Hardwood" and I was "Mr. Pine." (laughter) We kind of separated that. And then, through the years, after following that, we began to break that into special use forester aspect and breaking more down into specialization came on really more after I retired. Or after, about the year before I retired, I was, main thing I was involved was working on the wood supply agreement with Westvaco when we made that sale. And that's how those guys started.

JG: Well, I know, I've looked at some of the annual reports, you know, for the company as a whole and I think in '84 when Temple-Inland spun off from Time, that they reported that 40% of their lands had already been converted from the, what they called the natural forest to pine plantation. And they actually announced that the goal...and I guess this is the Eastex influence, but the goal was to do more conversion and faster.

JM: Yeah, right.

JG: And I think by the end of the decade they were up to 50%. So half of the lands...so I thought, you know, I would just see that as...

JM: Yeah.

JG: ...you know, by '90 more than half, and that had been the goal, and I'm sure it still was through the '90's...but, it was interesting that just a decade later, now they've got a Natural Forest Management Group...

JM: Yeah, uh huh.

JG: ...and I think you explained, you know, why and how that kind of came about. I guess the bigger, it still, though, is going back to some of those forestry principles and practices, best management practices, and...were you involved...I visited a little bit with Bill Goodrum and I know he was the point man, I guess, for the...

JM: Uh huh. Yeah.

JG: Sustainable Forestry Initiative and the International Standards Organization, the certifications and all that. Did he report to you?

JM: Now Bill, no, Bill...that was, he worked for the environmental department.

JG: Ok.

JM: See the environmental department...and they were kind of put on, I don't want to call them watchdogs, but we worked together. But, they were the ones that kind of kept up on where this was going and were established to try and come out and check and guide the forest management guys on following these things. And, we'd go out with him and we'd present our case about this and he'd...that was how we were working together, was to come to some consensus about the Stream Side Management Zone. How should it be operated, and how wide it should be and all that.

JG: So...Glenn was already gone by this time and it was Jack over forest, right? And I think Jack came on right after Glenn in '96.

JM: Yeah...he came right at '96. Yeah.

JG: And it was 2001 when they actually, or end of 2000, that they got all the certifications.

JM: Yeah. Uh huh.

JG: So, you know, Bill, I know was working up through that in the end of the '90's. But, I guess my question is...he...Was that Jack's project or was that more environmental, or did environmental report to Jack in that particular project?

JM: Yeah, the environmental...Harbordt...

JG: Mike?

JM: Mike Harbordt had the environmental department and it was both for the building products and forest.

JG: Ok.

JM: And they would, they had a group that would go out and as anything would happen during a learning process like that, you were going to have difference of opinion about...and they would come out and find a place, "Well, you fellas did this wrong." "Well, ok. What were we supposed to do?" You know...and so it had begun to...that was the deal was to try, these regulations or guidelines were coming out and the environmental department was the one that was keeping up with them and learning how they should be applied, and were the guidance for the forest timber management on making sure that we adhered to them. And they reached...and then of course these certification programs were all coming on later. But, Temple was well on the way to being able to meet those as they got finalized and deciding which ones to go with. But, a lot of that came, you say, the certification came in...

JG: I think 2000 or 2001.

JM: 2000. I think it was 2001. Actually by two thousand, well, I retired in January of 2002. And, like I said, most of 2001 I was still handling the land department and some of the other things. But, I was primarily involved with the wood agreement with Westvaco. Because I was moving up...

JG: That's who bought the Evadale Mill.

JM: Yeah, right. I was moving up to retirement and so some of these other guys were taking over, moving into the organization that Jack wanted to have eventually.

JG: Comment on that a little bit, if you wouldn't mind. Maybe, you know, you worked both under Glenn Chancellor and Jack Sweeney and...you know, I know Jack brought some changes, I'm assuming. Can you just comment on that...maybe about the changes or what were their visions, differences, similarities?

JM: Well, you have to keep in mind that Glenn...

JG: Had a forestry background.

JM: ...came with so many of us, came up through the forestry ranks. We were foresters by training and...those of us that reached some of the upper echelons eventually, we did get some business training. Glenn, I think right after he was made Group Vice President, I think he and Harold, and maybe Joe Sample, or some of the others went to management school at the SMU, I believe. I may have that wrong. And then, like I said, off of Owens Illinois, they sent me to Ohio State for a couple of summers for management school. So, we got exposed to management through that way or just in association with the management.

JG: A forester's foundation and then, yeah, and Jack was maybe...

JM: And Jack came through the sales and building products side. And so, when Jack came over he brought with him some of the ideas that were already happening in building

products. The...statistical approaches to this and to different things. Conway, we were going through a lot of...he started the Conway Training. That began a little bit with Glenn.

JG: And explain what that is.

JM: Well, that was a business approach that Bill probably hired...Conway. Bill Conway had a company that worked with us for years on developing statistical methods and approaches to managing almost anything. It fit real good with building products because you had specific processes that were there. And this was the key word was process.

JG: Some consistencies to manage.

JM: Yeah. I mean, like I said, you keep doing the same thing, you're expecting a different result and that doesn't happen. And so it was a matter of trying to put some statistical approach to things. And...in forest, most of the statistical aspects that we ever dealt with was the statistical aspects of cruising timber. We were pretty well versed in that, but applying it to some other things probably not, especially doing with management. And early on, I know Jim Brody worked between the two there for a while in that. And one of the aspects that did come along was the approach of our forest management of designating the areas each year to be harvested. Now that had started back when I was with Owens Illinois and Temple and all the others were doing it too...was coming up with, as you went to this Even Aged management approach...you had to come up with some way to decide, "Well, I'm gonna cut this tract next year and next I'm gonna cut this tract." You know, get a sequence to it to maximize your returns. Because what you could run into...well, you cut this tract...well two years from now it would have been worth a whole lot more, if you'd just let it go two more years and cut this one over here. So, managing that was a big aspect from...and Mike McCollum was brought on. Glenn...he was bought...Mike was actually assistant to Glenn. He was called Assistant to the Vice President. But he was involved with a lot of the technical aspects of the forest in establishing when, how you decided when tracts were going to be cut, scheduling, and that sort of thing. And that was being done with our computer set up and a lot of field data went into that. And...that had progressed a lot while Glenn was still here...and then progressed when we got into the Conway aspects of management. A lot of it was being applied there. Joe Rogers kind of took that over and carried it on through. And coming up with some programs on his own of how to decide when tracts would actually be harvested. So each year we come out with a list of specific tracts to be harvested that would maximize return for the forest on scheduling of those tracts. And if you...and you needed to hold to that the best you could. And sometimes some of the field foresters had a problem with it when they'd go out there and see what they were supposed to be cutting and they didn't quite understand why they should be cutting this one as opposed to this one over there. But that also got involved in the environmental side of working out this thing of...we don't want to cut, we don't want to cut this tract until this one that we just cut over here is at least four years old or the trees are ten feet tall or something like that. And that gets to be a real puzzle...you can't quite do that in here. In your mind you've got to have computer help to do that. And that's where we

were working to apply environmental aspects to that also, also to the maximizing of the returns from the forest.

JG: So, was all that implemented by the time you retired in 2001 or was there still some...

JM: Well, it was implemented. I'm sure it was improved on. Probably Joe Rogers carried that on to...

JG: 'Cause not too long after you retired Jack moved on to what...Chief Operating Officer and a few other things didn't he?

JM: Yeah. Yeah.

JG: Who took over the forest after Jack? I know that was after you left but...?

JM: Well, I guess mostly...

JG: DeCosmo?

JM: DeCosmo came over actually just before I retired.

JG: Oh, ok.

JM: He came over during that last year and he...he had forest. And then after I retired, well...let me back up. Actually Gregg Seige was in there for just a short time. He took over for just a short time, and then...he got out or was sent to Austin or something. But anyway...no, I think he went to work for someone else. But...and then Jack brought Jim DeCosmo over and he took over forests that last year before I left.

JG: Oh, ok...so Jack left before you retired.

JM: Well, Jack was still...he was still over...

JG: That's right, he was over building and forest, yeah, there for a while.

JM: Yeah, and DeCosmo reported to him...

JG: Right.

JM: ...and had all the forest and all that. But at that time, by that time, they were pretty well spread out to different groups. And...then I guess after...I wasn't involved enough to remember just how it was organized after I left. But...

JG: So, how would you describe that transition? It seems that, you know, it's pretty stark differences as far as management, you know, you said someone coming in with a little bit different background...

JM: Yeah.

JG: ...you know, figuring things out by computers rather than...

JM: Well, it was no...it was a little bit difficult. Probably more difficult for us old hard-headed foresters (laughter) that kind of...some things would come up that we felt like, we've been through that we know...I remember one story, and in fact Jack will tell you himself. He's related it several times, heard him about Jay Sergeant who worked real close with me through all the years. Jay was involved with the logging and procurement aspects. And Jay and I were both there in the office there in Diboll when Jack took over. And one day Jack stopped us in the hall. We were in the process of trying to, we were trying to cut...get our fee cut. In other words the company owned timber fee, we had a budget for that every year. And, it was getting close to the end of the year and we were trying to get that in. And so, and there was timber on the outside, market timber available. But, we weren't getting as much as that in because we were trying to get this fee cut.

JG: Trying to cut your own.

JM: We would cut our own. And so, Jack stopped us in the hall...Jay and I one day he said, "I want you fellows to start getting more of this outside wood." We said, "Well, we can't take it. We got to make sure we got to make sure we get the fee cut." He said, "You don't worry about the fee cut, I'll handle that upstairs. You just get that outside wood." We kind of looked, Jay and I kind of looked at each other. And Jack left...in a little while he came back and he said, "I bet you guys were laughing at me when I left." We said, "Well, yeah, we kind of did Jack." 'Cause he came back and he had been told upstairs by Grum and some of the others that "You gotta get that fee cut in there." (laughter) Well, he hadn't been there...he hadn't been there for just a few months. But we knew, from past experience that the company gets the fee cut because that's money in the bank. You know, already...you convert that to make the profits that it's been said we were going to make. And...you weren't going to be making that off of buying timber and converting it. But Jack laughed about that any time Jay and I were around. He always picked us about, "I know you two guys laughed at me that time." (laughter) But it was...you know, any time you get a major change in manager, like I say, his style was different from Glenn. Glenn was a guy that, I don't know if you have my...well what I said about him when we, when he was introduced into...inducted into the Texas...

JG: No.

JM: ...Forestry Hall of Fame. I'll give you that.

JG: Oh ok. Yeah.

JM: I want you to have that because that says about everything I've ever felt about Glenn Chancellor. But, Glenn...one of his big aspects was he did not like controversy. That's why he worked so diligently in trying to get the groups that had all come from different places together and work together. If there was any controversy he didn't, he was...in fact, some of us would get a little upset with him sometimes because he wouldn't maybe jump on some things that needed to be straightened out. But, he would get it done, but he didn't want any controversy about it. And of course...Jack always took a little bit more direct approach on some things and so that was a little different. But, any time you get a major change like that you're gonna have a different...everybody's got a little different style of management. And so...but, I think that Temple...nothing can be, not enough can be said that is, overall the Temple forest reached a point where they had a good heritage of, not only being a profitable forest, but, also being one that could stand up with anybody as far as environmental aspects. And I think that's a good legend, and good history, and it evolved over a number of years. And there were a lot of people involved with it.

JG: Alright. Well, I see we've gone nearly an hour and a half, so that'd probably be a good first interview.

JM: Ok.

JG: So...I thank you Mr. Monk. Like I said, we might talk about a few other things on some follow up interviews...

JM: Ok.

JG: ...after we've both had a chance to kind of reflect. But...I appreciate it very much.

JM: Well thank you.

JG: If it's alright with you I'll stop the recorder...ok, thanks.

END OF INTERVIEW