



IN|TOUCH

february | march 2001

News, Ideas and Growing
Knowledge from Temple-Inland
Forest Products Corporation



Temple joins Mount Jewett community in mourning loss of employees

Company committed to regaining operation at particleboard plant

Temple employees throughout the company joined fellow employees and the Mount Jewett community in mourning the loss of three co-workers at the company's particleboard facility in Mount Jewett, PA.

Separate memorial services were held on February 19, 2001 for Gregg Engelken and James Covert who passed away from injuries sustained in an explosion and fire at the facility February 13.

A memorial service for Roger Smith, who died Wednesday, March 7, was held March 12.

Gregg Engelken was complex manager at the Mount Jewett operation, and James Covert and Roger Smith were maintenance technicians at the particleboard facility.

Seven other employees were injured in the accident that occurred around 9:00 p.m. EST. Four remain hospitalized; three have been treated and released as of March 8. Injured were David A. Johnson, press utility operator; Sandy L. Bussard, boardline operator; David N. Whipkey, finishing supervisor; Ralph W. Swanson, shift process control supervisor; Alfonse A. (Tony) Barnish, general foreman; Steve Mead, maintenance

manager, particleboard division; and Christopher M. Johnston, electrical technician.

"This has been tough on all our employees, both here and at our facilities throughout the company," said Harold C. Maxwell, president and CEO of Temple-Inland Forest Products Corporation. "I am proud of our people and the strength they have shown in dealing with the situation, and the compassion they have shown to the families involved."

"Concern, sympathy and condolences have poured in from across our operations in support of the families touched by this tragedy," said Kenneth M. Jastrow, II, chairman and CEO of Temple's parent company, Temple-Inland Inc. "Our hearts go out to all affected by this situation and we honor their memories and commitment to the community."

The company is providing on-site group sessions and individual counseling services for the employees and families affected by the incident.

The State Fire Marshal was on site following the incident investigating the cause and origin of the fire.



The plant was released to Temple on Monday, February 19. Currently on the scene are cause and origin teams from insurance companies, OSHA, and contractors and subcontractors that are conducting their own investigations. Investigations of this type involve an extensive amount of testing and interviewing of witnesses.

"The examination process is continuing and we are working cooperatively with all regulatory agencies to seek verifiable data and determine what happened," said Maxwell. "Our primary focus has been assisting the families and employees touched by this accident."

Temple will complete its own investigation of the incident, cooperate fully with the investigations of state and federal agencies, and proceed with engineering plans to repair or replace as necessary the damaged building and equipment.

"Our particleboard operation will be back online in the near future, and this should mean a matter of days or weeks," Maxwell added.

"The resilience of our team members during this difficult time has been phenomenal," said James Slay, Mount Jewett particleboard plant manager. "We firmly believe the healing process is underway, and our resolve to reinvigorate our operation is evidence of our employee strength."

Expanded and continuing coverage of the incident at Mount Jewett is being provided on the company's intranet and on its Internet site, www.temple.com.

Memorial Funds and a Disaster Relief Fund have been established at:

Hamlin Bank
34 Fraley St., Kane, PA 16735
(814) 837-8200

The Funds include:

- Gregg Engelken Trust Fund
FBO Joyce Engelken #902844865
- James Covert Trust Fund
FBO Jody Covert #902844822
- Mount Jewett Particleboard Families Disaster Relief Fund
#902844857
- Roger Smith Trust Fund
FBO Roger Smith Family #905424921



OUR BUSINESS

Our Business Cycle

By Harold Maxwell

One of the core strengths of our company has been our ability to anticipate and strategically position our operations to endure the inevitable cyclical nature of our industry. This issue's column is a discussion of the different factors that are impacting our business in the current economic landscape. Our commitment to customer service, the talent of our people and leadership in our category are the engines that drive our goal to maintain market share and compete hard as the market tightens.

With news that the retrenchment in the U.S. economy has not yet run its full course, contractions in various categories could continue. Our key customer segments are no exception.



At an increase of 5.3 percent in January, housing starts rose to their highest level in nine months, suggesting that lower mortgage rates are helping to stabilize the housing industry. Repair and remodeling markets have also benefited from the lower rates, expanding by 2.7 percent by the end of 2000.

The building products market has experienced a major adjustment during the past six months. New capacity, combined with a slowdown in demand has negatively impacted product prices and margins throughout the industry. Gypsum wallboard and lumber are the most notable sectors of weakness. Furniture and kitchen cabinet markets

are also experiencing weak demand, negatively impacting our industrial panel business. High energy costs have also eroded margins. These factors will persist during the coming year.

We believe the Federal Reserve will achieve a soft landing for the economy without inducing a recession. However, from a building materials perspective, we are already in a recession. The industry will continue eliminating older, less efficient capacity from the marketplace over the next six months. We are projecting that interest rates will decline further and our markets will strengthen in the last half of the year. All this means that it is important to remain focused – now more than ever – on our customer, as competition becomes fierce.

Interest rate-sensitive industries, like home building, continue to offer guarded forecasts of performance in the coming two years. While stable, this key customer segment continues to proceed with caution in its planning and purchasing for the foreseeable future. The National Association of Home Builders is forecasting that total housing starts will reach about 1.5 million units in 2001. This is a drop of 6 percent from 2000, but recent interest rate drops have served to stabilize the outlook for homebuilders.

Repair and remodeling markets showed surprising strength at the end of last year. According to the Remodeling Activity Indicator developed by Harvard's Joint Center for Housing Studies, expenditures by homeowners grew by 2.7 percent to \$101.9 billion in 2000. Although modest as judged by results of the past several years, this resiliency in remodeling activity means that the sector is still expanding. Like home building markets, repair and remodeling markets are profiting from low and stable interest rates.

History has shown that Southern markets offer the best potential for growth during a softening economy. We are well positioned to capitalize on this factor through the proximity of our facilities serving these and



Harold Maxwell, president and chief executive officer Temple-Inland Forest Products Corporation

other attractive Northeast markets.

In addition, as the battle for market share increases, our niche and value-added products begin to play an even more important role in weathering the cycle. Specialty products for commercial, residential and remodeling categories, such as Ultra MDF®, "green gypsum," and Stretch 54®, are a few examples where specialty product development, driven by specific customer applications, gives us a competitive edge.

This issue of *InTouch* begins an in-depth look at our markets, our specialty products and our customers, with a series featuring Temple's industrial materials. These products include composite panels our customers use in making cabinets, shelving, furniture and a growing list of other products that satisfy the changing tastes of consumers. The next issue will feature our construction materials produced by the company's Solid Wood, Gypsum and Fiberboard groups.

Change, market cycles and competition have never swayed us from our number one priority for more than 100 years – to lead the market in customer service. Today as always, our commitment in this regard will be the ultimate measure of our success as a company.

Focus, determination, smart positioning and innovative solutions will make us succeed in meeting the market challenges we face ahead. With these tenets as our foundation, let's work hard and work smart to maintain our market leadership with our customers as we navigate the new economy together.

Declining mortgage rates help strengthen housing industry

With a constant flow of downbeat business and economic news at the start of 2001, economists were acknowledging that a slowing economy had the potential to become softer still.

By the beginning of January, consumer confidence, an important indicator of the level of future buying, was down as were stock markets, factory orders, manufacturing output, and retail sales. Increases in energy costs, inventory levels and an upward jog in unemployment rates were drawing further scrutiny in financial circles.

Bob Talkington, senior vice president for Guaranty Bank, a subsidiary of Temple-Inland Inc., said "The issues affecting the housing industry today are the combined effects of the earlier tightening in credit, falling stock markets, the dampening economy and reduced customer sentiment."

With a cooling economy as the backdrop, analysts were surprised by the bright spot produced by the housing industry in January. Housing starts rose 5.3 percent to their highest level in nine months and to a seasonally-adjusted annual rate of 1.651 million units following a 0.3 percent gain in December, according to the U. S. Commerce Department. The rise was brought about by cheaper, stable mortgage rates, which helped home sales stay strong.

An interest rate-sensitive sector of the economy, the industry received a boost in December and January from

a trio of interest-cutting actions by the Federal Reserve. These moves brought the interest rate financial institutions charge each other on overnight loans down to 5.5 percent.

According to Guaranty Bank Senior Vice President Greg Jackson, "Today, consumers can obtain a 30-year fixed-rate loan in the 7.25 percent range with no points. This obviously increases the affordability of housing and, as a result, drives demand."

For the last 10 years, 30-year fixed-rate mortgages have averaged 8.12 percent after reaching 10 percent a decade ago.



Bob Talkington, senior vice president and director of residential real estate lending Guaranty Bank (left)



Greg Jackson, senior vice president Guaranty Bank (right)

Population growth source for healthy housing demand through coming decade

The cornerstone for the expansion and health of the housing industry is the size, age and growth rate of a nation's population. A growing population – particularly when that growth occurs within the age groups most active in household formation and home buying – helps determine the level of housing demand.

Initial figures from Census 2000 reveal the U.S. has grown by more than 33.3 million inhabitants to 281,421,906, a gain of 13.2 percent in 10 years.

This rapid growth underscores the source of the housing boom of the last decade, and more is expected. The Bureau of the Census is predicting that the population of the U.S. will grow by some 37 million over the next 15 years. This means the nation needs between 1.3 and 1.5 million new homes per year to meet the growing demand, according to the National Association of Home Builders (NAHB).

As they did during the roaring 1990s, the baby boomer generation will drive much of the home buying market. Yet, another trend is taking hold; minorities and immigrants are expected to contribute nearly two-thirds of household growth during the next 10 years.

Twenty states to experience higher rates of growth

Higher rates of population growth for 20 states in the coming decade will come from a combination of sources, including the influx of retirees; resort home buyers; in-migration from within the country and immigration from Asia, Mexico and Latin America.

General population growth is also stimulating growth along with some states offering a relatively stronger business climate and access to national and world markets. This, in turn, is attracting large-scale corporate relocations. Continuing the population shifts of the last three decades and destined to grow the fastest in the decade to come are the South, Southeast and the West.

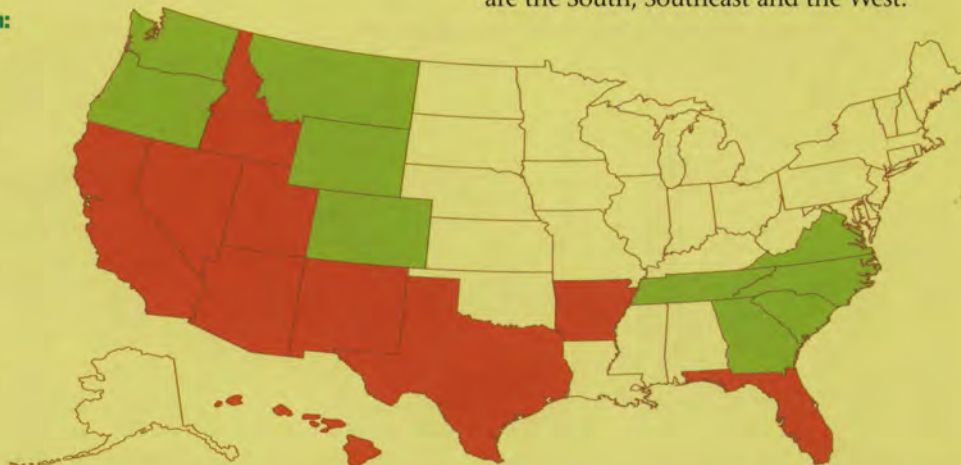
Listed in order, the top 10 states in projected growth:

- | | |
|---------------|-------------|
| 1. California | 6. Idaho |
| 2. New Mexico | 7. Utah |
| 3. Hawaii | 8. Arkansas |
| 4. Arizona | 9. Florida |
| 5. Nevada | 10. Texas |

Followed by a second tier group that includes:

- | | |
|----------------|--------------------|
| 11. Wyoming | 16. North Carolina |
| 12. Washington | 17. Montana |
| 13. Oregon | 18. Virginia |
| 14. Colorado | 19. Tennessee |
| 15. Georgia | 20. South Carolina |

Based on U. S. Census Bureau Data, as reported by *Builder* magazine





MARKET SNAPSHOT



Pictured in the product showroom of ready-to-assemble (RTA) furniture maker O'Sullivan Industries, Inc. during a recent visit is O'Sullivan's Senior Buyer Bill Woods and Temple's Account Representative Lela Richards and Industrial Account Manager David Wier.

Buying the right composite panel for the right job is important to RTA producers. O'Sullivan buys standard MDF and particleboard products for the manufacture of RTA furniture for home and office use. MDF is used for wrapped mouldings, embossed panels, and foiled edges along the tops of desks and entertainment centers. All other flat surfaces are made with particleboard.

Industrial Materials Unified composite panel strategy

Providing the right board for any job, from thin and thick board to laminated and cut-to-size panels, the particleboard and MDF composite panel products produced by Temple *outfit buyers with the right solutions.* Used as a theme for an advertising campaign, this message promotes the one-stop shopping available at Temple to buyers of composite panels.

Manufacturers use composite panel products for making furniture, moulding and millwork, cabinetry, laminated flooring, shelving and other industrial products.

Vice President Marketing, Panel Products Jim Rush, said, "Because the customer base for our particleboard and MDF product lines overlap,

Temple has developed a unified composite panel strategy that provides customers wider access to company resources and services. Included in these value added services is an increased depth in product knowledge and expertise provided by the company's marketing, sales, operations, customer service and technical support teams."

Because Temple's expertise in the composite panel sector is mainly in the area of particleboard, a business the company entered in 1964, the unified composite panel strategy is helping Temple develop its business in MDF.

Temple is the largest North American MDF producer with four state-of-the-art plants. Temple entered the segment

in April 1998 with the opening of Del-Tin Fiber L.L.C., its joint venture plant in El Dorado, AR. Growing the MDF business further, the company purchased two facilities located in Pembroke, Ontario and Clarion, PA in late 1998. More capacity was added in the fourth quarter of 1999 through the acquisition of a plant in Mount Jewett, PA.

"There is not another company with this level of commitment in the MDF market," said MDF Product Manager Mike Hopkins.

The particleboard business unit consists of five plants located in Diboll, TX; Hope, AR; Monroeville, AL; Thomson, GA; and Mount Jewett, PA. Combined capacity of these plants is approximately 800 million feet, ranking the company as the second largest producer of particleboard in North America.

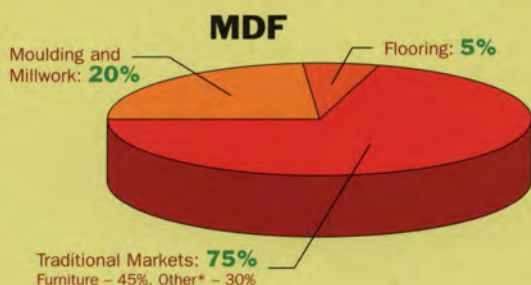
Temple's combined composite panel capacity is 1.3 billion square feet, which represents 12.6 percent of total North American capacity.

Maintaining market share in a time of overcapacity

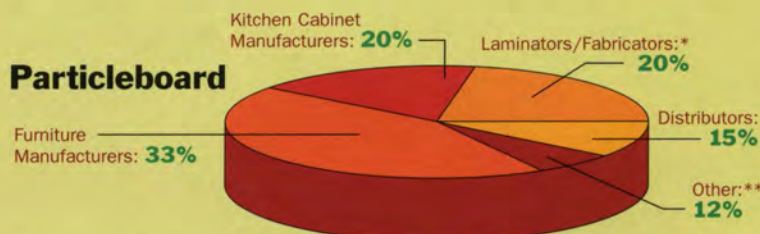
With industry-wide conditions of overcapacity caused by the construction of several new composite panel plants in North America, it is critical for a company to have strategic

Temple Composite Panels

The single most important market for particleboard and MDF is household and office furniture.



*Includes store fixtures, kitchen cabinets and retail.



The smallest piece of the pie, but the fastest growing segment of the MDF markets, is for use in laminated flooring. Since its entry onto the field in the mid-1990s, the market for MDF and particleboard in these products has doubled every year. Thin board for this use is produced at MDF plants in El Dorado, AR, Pembroke, Ontario and Clarion, PA.

*This segment sells the majority of its production into the cabinet and furniture markets.
**Includes store fixtures, retail and flooring

advantages to help protect market share and ensure future success.

According to Particleboard Product Manager Bryan Wilson, "It is imperative that Temple use every competitive advantage it has developed over the last several years to maximize returns under current conditions. Prime among these are Temple's position as the industry leader in product quality and customer service and the funding of capital projects and acquisitions. This has placed Temple among the best in the business.

Other advantages include having a strong technical support team and being at the forefront in information systems and e-commerce."

Customer partnerships

Enhancing Temple's understanding of customer needs and fostering closer relationships, the company's technical service group works directly with customers, helping improve the performance of Temple's products in their applications.

Temple's proven capacity for innovation in providing new products that meet the changing needs of customers and their markets is another important advantage. This gives the company the opportunity to sell premium, high-profile products into segments that bring maximum return.

State-of-the-art technologies

Regional Sales Manager Rich Anderson said, "Because of the investment made in advanced technical capabilities like continuous presses and high energy and series refining at some of our MDF plants, Temple is able to produce many innovative products. These include Ultra MDF® for rigid thermo foil (RTF) cabinet doors; light-weight fiberboard for architectural moulding and millwork; and thin panels for flooring substrate, store fixtures and other applications."

New capabilities have also allowed the particleboard business unit to add products like thin particleboard panels, moisture-resistant TemStock™ XP and TemStock™ Natural, a product with the same background levels of formaldehyde as natural wood.

"The company's highest priority commitment is maintaining our most valued strategic advantage: Our reputation for reliability and adherence to production and delivery commitments. Our customers know that once they give Temple an order, they do not have to worry. Temple is dedicated to providing the right composite panel product that customers want, and when they want it," Rush said.

OVERBOARD™

Applied over a substrate of either particleboard or MDF, Overboard™ is Temple's brand name for high-quality laminated composite panels. Custom fabrication services offered through the Value Added Group include cut-to-size panels, edge-banding, grooving, rebidding and joint tenoning.

Laminates are applied to particleboard and MDF panels used to manufacture shelving, office furniture, ready-to-assemble (RTA) furniture, doors for cabinetry and many other applications.

For Temple, the business of adding value to its products began in 1988 when a laminating operation was integrated into the company's Diboll Particleboard Operations. The plant applies decorative foil overlays and can cut-to-size and manufacture a variety of shelving items, which add value to the company's TemStock™ particleboard products and MDF products.



Displaying a laminated particleboard panel just off the Hymmen laminating line at Mount Jewett's Value Added Operations are (l to r) Mitch Rotar and Jim Dodge, laminating team leaders; Tim Becker, value added manager; Rhonda Himes and Jim Anderson, laminating paper operators.

In late 1999, the company added another manufacturing facility with value added capabilities with its acquisition, through a long-term lease, of the Mount Jewett, PA Particleboard, MDF and Value Added Operations. The plant provides foil and thermofuse melamine laminating, which uses resin-saturated paper that is applied under heat and pressure to substrate material.

ULTRA MDF®

First introduced to the marketplace in February 2000, Ultra MDF® is used in the manufacture of cabinet doors and furniture and other premium applications that have critical machining requirements, such as rigid thermo foil (RTF) doors.

One customer using the product for this purpose is Piedmont Woodworking Inc., a small, family-owned custom woodworking business in Rutledge, GA.

Between 40 and 50 percent of Piedmont's products are cabinet doors. Other products include side panels for oxygen generator cabinets for the medical industry, swivels for TV stands, parts for kiosks used by cell phone users to pay bills and replenish minutes and e-ticket kiosks used for pre-flight check-in.

Piedmont President John Colby said, "Because we rout into the board about half way in forming door front designs, the quality and denseness of the center of



Using Ultra MDF® for the manufacture of cabinetry opens a world of possibility for creating beautiful new products for the home building and remodeling segments.

the board is critical. The density of Temple's Ultra MDF eliminates the telegraphing of imperfections that get magnified when using other products."

He continued, "Another benefit of using the product is the smoothness of the outer surface finish. This gives a consistent finish on the face of the board and helps maintain a superior quality finished product."

Ultra MDF is produced in the company's Pembroke, Ontario and Mount Jewett, PA MDF plants. Temple's Del-Tin Fiber L.L.C., in El Dorado, AR, will produce the product beginning in the second half of 2001.



CUSTOMER PROFILE

Product Development: Crafting a “Brite” partnership

The ability to create new products is a special craft. It takes more than analysis in the lab and trial runs in the mill. It requires careful communications and a close partnership with the customers to ensure they get the product they need to be successful in their markets.

According to Account Manager Hugh Courtney, “Creating close and trusting partnerships with customers means going beyond the traditional vendor and buyer relationship. Besides supplying customers with a quality product on time, every time, the entire enterprise needs to be focused on anticipating future service and product needs of our customers.”

“Suppliers cannot just sell and take orders over the telephone anymore. The level of interaction needs to be much greater. In developing Ultra Lite®, Temple has done a great job of responding to Brite’s concerns.”

—George McCart, sales manager
Brite Manufacturing, Inc.

At Temple, inventing new products means taking a tag team approach involving the customer and many parts of the company, including the Applied Research Center, Marketing and Sales and the CPI and operations groups at the plants.

The recent creation of Temple’s new lightweight fiberboard, Ultra Lite®, was made possible through partnerships with customers buying the product.

One of the customers in the forefront helping Temple develop Ultra Lite was Brite Manufacturing, Inc. of Bolton, Ontario.

A family-owned business established 21 years ago as a wood lattice company, Brite manufactures exterior decking accessories, plastics and MDF mouldings. The company employs more than 275, with 40 working in the company’s MDF mouldings division, which makes doorjambs, casing, baseboard, chair rail and crown, dentil and embossed moulding products.

According to Brite’s Sales Manager George McCart, the company’s products are sold into distributor markets in Ontario, Eastern Canada and throughout the Midwest, Northeast and Southeast regions of the U.S.

After becoming concerned about rising imports of low weight, finished products from Chile and other Latin America countries last year, Brite turned to Temple for a similar product, allowing them to compete with this new market challenge.

Brite began test runs using Temple’s new lighter weight product in spring, and began buying the product for use in production in late summer 2000.



Brite Manufacturing, Inc.

Brite’s Moulding Division’s Stuart Robinson said, “Temple’s interest in the development of Ultra Lite was as responsive as any in the industry. We get the product we need.”

Instrumental in making the process a success were the foresight of Pembroke’s (CPI) Kalous and CPI Specialist.

Kalous said, “Because of the communication between the time necessary to develop the product was cut in half.”

The result of the Pembroke work is a product fitting

CERTIFIED MDF AND PARTICLEBOARD



Consumers are increasingly looking for certification of the environmental integrity of the wood products they purchase.

Since first achieving Forest Stewardship Council (FSC) Certification last summer for MDF produced in Temple’s Clarion, PA plant, the company’s certified product has been getting a lot of attention from customers.

Home Depot is the largest purchaser of Temple’s FSC certified MDF, and stocks this product in distribution centers supplying stores throughout the Northeast and Southeast. The “big box” retailer announced its certified wood purchasing policy in August 1999, and reports that sales of FSC wood products at its stores are up 300 percent since they began

MDF panel and shelving products displayed at a Home Depot retail operation in West Springfield, MA.



ng, Inc. Moulding Division General Manager Stuart Robinson and Sales Manager George McCart.

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Use of Ultra Lite eliminates the difficulties with
puckering and vulcanoeing that sometimes
occurs during installation with standard
weight MDF. The lower weight product also
handles easier and saves transportation costs.

Temple is helping Brite extend the applications
made with MDF. McCart said, "We are confident
Ultra Lite can be used for virtually all of our
interior moulding and decorative applications."

Robinson added, "Besides helping us maintain
market share against South American mills,
we think the new low weight product is going
to help us grow sales and open new markets."

tracking the category in June 2000. Other potential customers for
Temple's certified products are the cabinet, moulding and millwork,
laminated flooring and furniture producers that supply Home Depot
and other retailers that have adopted similar policies.

Mt. Jewett's Particleboard, MDF and Value Added Operations will begin
producing an FSC certified product in early February. The company's
MDF plant in Pembroke, Ontario achieved its FSC certification in
December 2000, and expects to begin manufacturing certified
product in March 2001.

The particleboard business unit will be pursuing certification for its
four southern plants from SCS (Scientific Certification System) in 2001.

ULTRA LITE® MDF

An area providing Temple big growth opportunities is the new lower weight fiberboard produced by the company. Ultra Lite® is a new product for North America filling the needs for emerging segments and products in moulding, furniture components and store fixtures.

Like the other fine MDF products produced by Temple, Ultra Lite offers an ideal surface for paints, stains, veneers or laminates, but in a material that is as much as 25 percent lighter.



From crown mouldings that visually blend ceiling and wall, to panels and chair rails, along with other decorative interior details, MDF mouldings and panel products are growing in use and popularity.

These products are produced at Temple's Pembroke, Ontario MDF Operations and the company's Mount Jewett, PA MDF Operations. Both facilities began shipping truckloads in August 2000. The company's Del-Tin Fiber L.L.C. plant in El Dorado, AR will begin production of Ultra Lite in late 2001.

According to Assistant Product Manager Chad Ward, "Our development of Ultra Lite was market driven and answers our customers' needs for a lighter weight product."

One such company was Triwood Corporation of Georgia in Americus, GA, which uses Ultra Lite for mouldings geared for high end, richly appointed housing units.

Triwood's Director of Purchasing Don Miknis said, "This is a product our higher quality-conscious customers want. With Temple, the quality is always consistent and there are no surprises from one load to the next."

Miknis said he likes the new product because of its quality, ease in workability, lower weight, and the fact that it moulds well to their product profiles.



SPEC SHEET

West Memphis Gypsum Operation

Location: 504 E. Barton, West Memphis, AR 72301, (870) 732-1050

The Temple West Memphis Gypsum Operation is located on a 20-acre site. Plant facilities encompass 300,000 square feet, with warehouse space capable of storing up to 18 million square feet of gypsum wallboard.

Products Manufactured: The plant produces gypsum wallboard from synthetic gypsum, marketed as Temple Gypsum Wallboard, which includes Stretch 54®. Board sizes range in thickness from 1/4-inch regular to 5/8-inch; widths of 24, 48 and 54 inches; and lengths of eight to 16 feet. These products are primarily used in residential and commercial construction.

Plant Capacity: The plant is capable of producing 440 million square feet annually.

Year Opened: May 15, 1972



Temple West Memphis Gypsum management staff pictured above are (l to r) front row: Brock Cline, quality control manager; Mark Buchanan, maintenance superintendent; Juanita McDonald, CPI engineer; Dan Bowden, plant engineer; Bruce Shrader, plant manager; second row: Wade Hardy, human resources manager; Michelle Warner, plant accountant; Suppiah Madasamy, electrical engineer; Kim Spencer, safety manager; Kenny Boone, shipping coordinator; third row: Tom Price, CPI engineer; Trey Shoup, general foreman; Robb Dickson, assistant plant engineer. Not pictured is Tadd Ridgill, CPI engineer.

Temple On Time

From particleboard panels shipped to manufacturers of kitchen cabinets and retail distribution centers to dimensional lumber and TrimCraft® making its way to contractor yards, on any given day as many as 600 trucks crisscross the country transporting Temple products.

Organizing which carriers are to pick up and deliver which products is a vast task, recently made faster and user-friendly with Temple's newest e-commerce entry: Temple On Time.



The new online service, developed by the company's Transportation Group with assistance from the Sales and Logistics I/S Department, offers motor carriers serving Temple an improved, accurate method of getting all the information necessary to complete daily load tenders. The secure, password-protected site allows registered users access to information about scheduled pick-up and delivery dates and locations of origin and destination.

Transportation Manager Bill Lovick said, "This new Internet-based system provides the same functionality with no cost for electronic transmission services previously purchased by the company and the carriers. Besides being cost effective, the system is helping create a more dynamic communications environment with our carriers."

Carriers currently using the system appreciate the time and money it is saving their businesses. Lovick expects about 70 carriers to sign up and log on as daily users of the service during the next several months.

Pictured are Temple On Time Project members; Bill Lovick, transportation manager; Jason Beard, transportation analyst; Robert McLellan, web developer; Mendi Brent, application programmer/analyst; and Barbara Smith, application systems analyst.



Temple Forest Internet site introduced

Furthering Temple's goal of delivering its stewardship message to customers and others important to the company's business, templeforest.com was formally introduced in February 2001. The Internet site is an important part of the company's Forest Communications (CARESM) Program.

The CARE program is specifically designed to deliver regular updates answering customers' concerns that the wood products they purchase come from responsibly managed forests. The CARE acronym stands for Commitment, Action, Responsibility and Environment.

The recent launch of templeforest.com complements other materials delivered to customers that have included a digital customer kit and the first issue of *CARE*, a newsletter published quarterly.

Using an appealing graphical format, the site offers a tour of Temple-Inland's forest. Content covers issues of stewardship; certification; balancing the needs for a productive forest with environmentally sound management; sustainability; the forest life cycle; and other topics.

Under development is a useful resource to students and educators called The Little Green SchoolhouseTM, which shows the importance of proper forest management and the role trees play in our everyday life.



Templeforest.com also highlights the public benefits Temple-Inland's lands offer beyond the source for fiber.

These include a variety of activities from hunting, fishing, and other recreational activities to research projects that help maintain biodiversity.

A special "Hunt Club" link offers information and provides easy online access for new and renewal Hunt Club applications on company lands in Texas, Louisiana, Georgia and Alabama.

The site is accessible through www.templeforest.com and through a link on the company's sales and marketing portal, www.temple.com.



Receiving a "Best Place to Work" Award on behalf of Clarion MDF Operations during presentations in Harrisburg, PA on December 12, 2000 are (center) Plant Manager Mike Barnes and Process Technicians Brian Musser and Larry Myers.

Temple Clarion honored as a "Best Place to work in Pennsylvania"

After completing a comprehensive application process, including the efforts of plant management and staff, Temple Clarion has been named among the top 100 Best Places to Work in Pennsylvania through a program presented by the *Central Penn Business Journal*.

Temple Clarion was ranked 27th of the top 50 companies in the "Medium-Sized Companies" category. The plant was also recognized as one of the top five companies "where management trusts people to do a good job."

The honor was announced after an in-depth analysis of the plant's workplace philosophy, practices and systems.

Plant Manager Mike Barnes said, "We're especially proud of this honor because it was the comments of our own employees in a confidential survey that expressed how this plant is one of the best places to work in the state."

The plant was recognized at an awards luncheon in Harrisburg December 12, 2000. As an award recipient, Temple Clarion will be highlighted, along with other winners, in a video presentation and in a statewide *Best Places to Work in PA* publication.



NEWS BRIEFS

Pineland's Howard Johns retires after 35 years without a single absence

After working for 35 years at Temple's Pineland Plywood manufacturing facility without a single absence, Howard Johns has elected to retire.

Johns' retirement came one week after the last plywood panel was produced at the 26-year-old Pineland Plywood manufacturing facility. Howard worked in the plant since its start-up in 1964. He was one of the first hired at the mill and worked as a dryer tender for 25 years.

Johns began his career in the forest products industry as a teenager, when his father, Jack Johns, a 40-year Temple employee, became ill and was unable to work. While attending high school during the day, the younger Johns, who wanted to help support the family, worked nights at Chambers Lumber Mill in Sabine County.

By age 21, Johns signed on with Temple as a day stacker trainee at the Pineland Lumber Operation. Later, he worked as a transfer operator until the Plywood Operation was completed.

According to Human Resources Manager Gary Ulman, "Howard's career was not unlike many others during that era, sacrificing youthful activities to assist in the care of aging parents. What has made Howard's career a shining example was his outstanding work ethic."

During his 35-year career with Temple, Johns never had an accident or injury, and he reported to work every scheduled workday, never taking a sick day or a personal day.



Howard Johns has retired after 35 years working in various positions at Pineland Lumber Operations.

In addition to this outstanding record, Johns trained and mentored hundreds of employees during his career. "He has served as an outstanding role model for more than one-third of a century," Ulman said.

When asked what advice he might offer to young employees, Johns said, "Change is part of life and we must prepare ourselves for it. No one is going to give you anything, you have to reach for it."

"Outstanding advice from an outstanding Pineland professional, Howard Johns will surely be missed," said Ulman.

Johns and his wife Ruby, also a 25-year Temple employee, raised five children in Sabine County, where he has lived all of his life. Johns hopes to use his newly found free time to catch up around the house.

Commemorative bud vase sales top \$6,000

The sales of 630 commemorative bud vases have helped raise \$6,300 for the families of deceased and injured employees resulting from the February 13 incident at Temple's particleboard plant in Mount Jewett, PA. The vases sold for \$10 each and were produced through the donations of time and supplies of a number of Kane, PA, businesses and the talent of a local artist.

According to Heidi Potts, administrative assistant at Mount Jewett Particleboard Operations, "Because of the overwhelming response and the time and complexity of producing the bud vases, sales to Temple employees were limited to 630 vases. The outpouring of support from Temple employees across the entire company has been extraordinary. Plans are already underway to produce another commemorative item in the near future to help raise additional funds."

Kane Hardwood, a local Kane, PA sawmill, initiated the community effort to sell the vases at Temple, through the Kane Chamber of Commerce and at several local

banks. The company is also donating the wood and the time to produce and assemble the vases, Holt's Greenhouse is supplying plastic vase inserts. Dennis Driscoll, a retired art teacher from the community, designed the green and white ribbon etching adorning the front of the vase. Holgate Toy Company is silk-screening the ribbon design on the vases. Since the incident, employees and families at Mount Jewett have worn green and white lapel ribbons in memory of Gregg Engelen, Jim Covert and Roger Smith and in support of the seven other employees who were injured.

The effort to introduce another commemorative item with the green and white ribbon motif to benefit the Mount Jewett Particleboard Families Disaster Relief Fund is being led by Kane Hardwood.



Mount Jewett Operations achieves FSC Certification

By Gregg Engelken
Mount Jewett complex manager

Underscoring the company's efforts to provide environmentally responsible products to its customers, Temple's Mount Jewett, PA manufacturing complex has achieved Forest Stewardship Council (FSC) Certification for all three of its operations.

The Mount Jewett Value Added Operation was granted FSC Certification in November 2000. Since receiving certification, the plant has been producing FSC Certified shelving and cut-to-size panels using MDF product from Temple's Clarion, PA Operation.

The MDF and Particleboard Operations received FSC Certification in February 2000.

Interest in the "green" product continues to build, especially for particleboard products. Mount Jewett's FSC Certified particleboard product will be the first of its kind on the East Coast.

The Mount Jewett complex is working to develop a certified raw material base to sustain required production.

Complying with certified chain-of-custody requirements, as monitored by SmartWood, an FSC accredited third-party certifier, procedures at the three plants have been established to assure proper tracking of raw material. Material is tracked from the time it is received by the plant until it is delivered to the customer.



Applications for particleboard and MDF FSC certified products for the do-it-yourselfer include storage shelving projects for closet, kitchen, home office and garage.

FSC Certified panel products contain at least 30 percent virgin fiber from forests managed according to methods developed as acceptable practice by the Forest Stewardship Council.

Before his death February 15, 2001, Gregg Engelken worked diligently to attain FSC Certification for the entire Mount Jewett Complex. He contributed this article to *InTouch* to announce its achievement.

Buna Lumber Operation curtails production

Temple-Inland Forest Products Corporation announced on January 23, 2001 its plans to curtail production from one of the two production lines at the company's Buna, TX lumber operation.

The action was taken due to weak lumber markets in the South resulting, in part, from production over-capacity in sawmills throughout North America.

The move lowers the sawmill's production by 15 percent and reduces the workforce from 184 people to approximately 150 people.

Temporary shut down at Del-Tin Fiber L.L.C.

Deltic Timber Corporation and Temple-Inland Inc. announced January 25, 2001 that Del-Tin Fiber L.L.C., a jointly-owned company, planned to temporarily cease operations of its medium density fiberboard (MDF) plant located south of El Dorado, AR.

The decision to temporarily shut down the plant, beginning January 29, 2001, is the result of high natural gas prices and general market conditions for MDF product.

During the shutdown, work will be done on the heat energy system to improve gas consumption and associated production problems. The modifications are expected to cost \$2.8 million and be completed in May 2001. The plant is currently expected to resume operations in June 2001.



PEOPLE ON THE MOVE

Promotions

Temple-Inland Investment

Farooq Khaled, *systems admin. NT*; Tamela D. Kimbro, *international auditor*; James Lepold, *systems programmer*; Melissa McGee, *assistant tax manager*; Evelyn R. Mika, *data security analyst*; Doyle R. Simons, *vice president, administration*; HongJia Q. Taylor, *senior tax accountant*

Temple-Inland Forest Products

Corporate: Jimmy W. Hight, *desktop specialist*; Karen R. Ingram, *accounts payable coordinator*

Temple

Mktg., Credit & Transportation:

Joann Anderson, *executive secretary*; Douglas L. Bowlin, *account representative*; James A. Cieciva, *account manager*; Wanda R. Clark, *marketing systems coordinator*; John D. Davis, *price administrator*; Scott P. Griggs, *national accounts manager*; Leslie I. Kilgore, *account manager*; Jacquelyn F. Purser, *account representative*; Renea V. Schott, *assistant credit manager*; Ryan R. Sorrell, *export manager*; Christopher S. Theriault, *national accounts manager*; Randall C. Wash, *credit manager*

Del-Tin Fiber L.L.C.: Robert N. Nicholson-Gould, *production superintendent*

Diboll: Joe S. Beard, *group technical director*; Mendi C. Brent, *application prog./analyst*; Mark W. Greene, *application sys. analyst*; Ruben J. Hamilton, *executive secretary*; Donna L. Parish, *contract administrator*

Diboll Fiberboard: Joe Gipson, *CPI project manager*; John T. Wallace, *technical director*

Mount Jewett Particleboard: Stanley R. Bowman, *CPI manager*; Gerald P. Brown, *supervisor - laminating & value added*; R. Joseph Orlandi, *safety coordinator*; James R. Slay, *plant manager*; Rebecca L. Steis, *human resource clerk*

Pembroke: Brad Clinton, *production superintendent*; Clay Deighton, *CPI specialist*; Dan Hill, *CPI specialist*; Mark Kalous, *CPI manager*; Dave Loney, *production team leader/supervisor*; Craig Marshall, *CPI specialist*; Keith Summers, *quality assurance coordinator*

SW Louisiana: Ronald T. Mueller, *green end supervisor*

Standard Gypsum L.L.C.

McQueeney: Marcia Muse, *controller*

Temple-Inland Forest

Bryan L. Jackson, *woodyard supervisor*; Danny C. Tarkington, *special use technician*

New Hires

Temple-Inland Investment

James R. Curtis, *computer operator*; Edward M. Olshefski, *systems programmer*; Scott M. Walsh, *systems admin. NT*

Temple-Inland Forest Products

Corporate: Mark S. Guy, *desktop specialist*; Shelley L. Henriksen, *secretary*; Val J. Kelmeckis, *regional environmental manager*; Andrew Lukavich, *computer operator*

Temple

Mktg., Credit & Transportation: Ronald M. Dawkins, *account manager*; Laurence G. Reidnour Jr., *account manager*

Del-Tin Fiber L.L.C.: Elizabeth A. Bagwell, *accounting clerk*; Gary D. Griffis, *plant engineer*; Carlton K. Martin, *maintenance superintendent*

Diboll Lumber/Fingerjointing: John R. Henriksen, *maintenance superintendent*; Alan P. Jones, *plant manager*

Pineland: James E. Jackson IV, *process engineer*; Robert T. O'Banion, *CPI engineer*

Rome Lumber: Jack Douthit, *maintenance superintendent*

Standard Gypsum L.L.C. McQueeney: David E. Priddle, *production manager*

Retirees

Temple-Inland Investment

Stephen D. Slaton, *director internal audit*

Temple

Pineland: Charles L. Jones, *shipping coordinator*

TEMPLE NEWSLETTER CORRESPONDENTS

Kristi Basey

Cumberland Gypsum

Janet Carroll

Fletcher Gypsum

Cathy Cleiland

Monroeville Particleboard

Cathy Dickerson

Temple-Inland Forest, DeQuincy

Jennifer Hardy

Pineland Complex

Cherie Harlow

West Memphis Gypsum

Jim Havard

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McQueeney Gypsum

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Buna Lumber

Faye Schonhoffer

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Hope Particleboard

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