

SMALL BUSINESS TIMBER COUNCIL

2300 Oakmont Way, Ste. 212

Eugene, OR 97401

Telephone: (541) 686-9607

Fax: (541) 686-8124

December 13, 2012

Mr. Lathrop Smith
Forest Management Service Center
U.S. Forest Service, USDA
2150 Centre Avenue, Building A
Fort Collins, Colorado 80526-1891

Re: Comment by Small Business Timber Council
On Forest Service Notice under Paperwork Reduction Act
For Information Collection, Advertised Timber for Sale
With Revisions to Timber Sale Bid Forms
OMB Number: 0596-0066
Date of Notice in Federal Register: October 18, 2012

Dear Mr. Smith:

The Small Business Timber Council represents small business lumber, plywood, and veneer mills in the State of Oregon that rely on the purchase of timber sales from the Forest Service and the Bureau of Land Management to obtain the timber supply necessary to operate their mills. As small businesses, the members of the Council rely on the Small Business Timber Sale Set-Aside Program to provide them with a "fair proportion" of those sales.

The Small Business Administration (SBA) has submitted its comments to the Forest Service in response to the above Federal Register Notice. The SBA has made a copy of its comments available to the Small Business Timber Council. The Council shares the SBA's concern that in "open" sales, the timber volume purchased by nonmanufacturers and resold to manufacturers is not always being properly credited to small business and to large business respectively. The Council also shares the SBA's

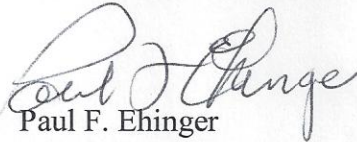
concern that when a timber sale "set-aside" for small business is purchased by a nonmanufacturer, the timber resold to manufacturers is not always according to the rule that no more than 30 percent of the sale volume may be delivered to a large business mill, and the rest must be processed in a small business mill. These practices, in "open" sales and in "set-aside" sales, compromise the integrity of the Small Business Timber Sale Set-Aside Program. The Council is in full agreement and support of the SBA's position expressed in its comments.

In particular, the Small Business Timber Council supports the SBA's requests to the Forest Service that the Forest Service require all nonmanufacturers bidding on sales to estimate on the bid forms where they will dispose of the timber from the sale, instead of merely requesting this information from nonmanufacturers on a voluntary basis.

The Council also supports the SBA's efforts to have the Forest Service collect this information from nonmanufacturers after they have been awarded timber sale contracts. Failure to collect this information on a systematic basis is a major problem that allows unscrupulous persons in the industry to evade the requirements of the Small Business Timber Sale Set-Aside Program, which weakens the protection that this program is intended to give to small business mill operators.

Respectfully submitted,

SMALL BUSINESS TIMBER COUNCIL

A handwritten signature in dark ink, appearing to read "Paul F. Ehinger", with a long, sweeping horizontal line extending to the right.

Paul F. Ehinger
Manager/Consultant

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TIMBER COUNCIL**

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Suite 212
Eugene, OR 97401

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Fort Collins, CO 80526-1891

60556+6121

