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Manager's Message

Longevity, it is an interesting topic to consider. Some will quickly state that longevity is a blessing, others that it is a curse. When it comes to personal longevity, while aging comes with its challenges, for most people, a long, active, fulfilling life is something to strive for. "A Highly Experienced Life" comes with its challenges, but, for many, the tradeoffs are manageable and we celebrate a life well lived.

But what about longevity in the business world? Certainly, long-lived companies like Ford or Coca-Cola are iconic, and the products and services they provide become part of our lives and society. However, longevity coupled with inertia is never a winning combination. Business longevity is usually an indication of nimbleness and adaptability.

For Stoltze, at 113 years of operation, we attribute our success to a strong foundation of mission and culture combined with an attitude of innovation and optimism with a long-term view of success and value. Much like a tree, there is as much going on under the dirt as above. The invisible and therefore underappreciated root system is measured by the growth, strength, and form of the above-ground half of the tree, where the "value" is.

In these turbulent times, longevity is both a curse and a blessing. We see it in our partner the US Forest Service, which is in its 120th year of operation as we know it. Unfortunately, with any governmental entity, the ability to couple longevity with inertia is all too common. Over time, agencies tend to become embroiled in the business of managing the agency rather than in executing the mission. At the risk of offending a few, I'd say that is where the USFS finds itself today.

The good news is we have a tremendous opportunity to refocus on the mission and culture of the Forest Service and reinvigorate the most storied and capable forest land management entity in the world. While the pace and scale of change we have seen in the last few months has been painful and unsettling, we as long-lived private businesses are empathetic, having gone through similar tough times.

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Manager's Message

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The Forest Service's mission: "To sustain the health, diversity, and productivity of the nation's forests and grasslands to meet the needs of present and future generations." is not surprisingly, very similar to the Stoltze mission!

Just as we at Stoltze have had to invest in innovation and adaptation to meet the challenges of today's changing business climate, so must the USFS fundamentally adopt a radically new business model. One that recognizes the scope and scale of the land management challenges, both ecological and societal. One that recognizes a changing workforce that is motivated by a different set of values. One that embraces the concepts of stewardship, generating a sense of ownership and personal/professional satisfaction and accomplishment. And one that values partnerships at a level not previously considered.

Let's face it, selling high-value timber products to private industry as a way to generate revenue for the treasury is not a high priority primary use of our national forests for the majority of the general public. Healthy forests, healthy communities and healthy families is a mission people can and want to get behind.

Stoltze stands ready as a strong and capable partner. It is time for out of the box thinking, pulling together our common ground partners and refocusing on shared values and desired outcomes to help the USFS both as an agency and, more importantly, as our neighbors and community members to navigate these turbulent waters.

In the words of Gifford Pinchot, the "Father" of the Forest Service, "Where conflicting interests must be reconciled, the question shall always be answered from the standpoint of the greatest good of the greatest number in the long run."

But you know what the good news is? The trees are still growing!

Best Regards, Paul McKenzie Vice President - General Manager



News From the Plant

As winter turned to spring and spring now turning to summer; we find ourselves once again, in a familiar situation. The economy isn't great and the lumber market is low and slow. However, like in past situations, things will recover, and get better and the demand for lumber will increase.

I know I sound like a broken record, but it is hard to believe that we are almost at the halfway point of 2025. I guess it is true that the older you get, the faster time flies. I wish I could tell you and talk about projects that are getting done and new projects/upgrades that are scheduled; unfortunately, I can't at this point. We need to see the market turn around a little before we can start that process. Being optimistic, we should be able to start moving forward with some of these projects/upgrades later this fall.

In the Planer, we would like to get started on extending the infeed to the Planer, also installing a new breakdown hoist and extending lumber storage capacity before the infeed. This will allow us to keep lumber flowing through the Planer more efficiently; therefore, limiting downtime and filling lugs at a higher percentage. This will also give us a better lumber backlog going into the infeed and a lot less downtime with a new breakdown hoist. We can do 90% of this project while running the way we are currently set up and then tie into this new system over a four-day weekend.

At the Power Plant, we are working with an engineering company that specializes in fuel handling systems. We are looking to build a more efficient fuel handling system, separating out the oversized pieces that will run through the hog for fuel and the fine pieces to possibly turn into pellets or some other kind of material we can utilize. This is a pretty significant undertaking, which will take some time to come up with a solid system. This will, at the earliest, be started mid to late 2026.

The Sawmill is at a point to start the process of upgrading computers and controls in all the different machine centers. This process is very much needed so that we can continue to run at the speeds and accuracy that is required. Not only are these upgrades expensive but the timeframe to install these systems is around 8 - 12 months, from the time of order. Getting all these machines up to date takes about five years. We usually start with the machine that is giving us the biggest issues and then go on to the next machine, then the next, and so on. We will probably start with the CurveSaw Gang, like last time we upgraded, and then move to the Trimmer/Sorter, then the Robo Edger, then the TwinBand, and finally the HeadRig. Unfortunately, by the time we get done with the final machine, it will be time to start this process again. We would like to start the process of the CurveSaw Gang this fall, looking to install and upgrade everything in late summer of 2026.

As I come to the end of this, I look outside and see the sun and blue skies. I can't help but feel grateful for my family and friends (outside of work), grateful for my work family and friends, and grateful for this company.

Thank you all, past, present, and future employees and the Stoltze family for the dedication and commitment you give during these trying times. Your commitment and dedication is unwavering, and this is what makes F.H. Stoltze Land & Lumber Company a strong company.

Keep moving forward, keep plugging away, and take every day as it comes. Remember tomorrow is not promised. Keep the attitude positive; you and only you can control your outlook on what lies ahead. Work safe, play safe, hug your loved ones a little tighter, and smile a little longer. Let's meet the second half of 2025 head on and finish strong! I hope you all have a safe and great summer! Enjoy this beautiful place we get to call home!

Trevor Kjensrud Plant Manager



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My theme at our contractors' meeting this spring was perseverance. This means not giving up and having the persistence and tenacity to keep going even when the going is hard. I think it's extremely applicable to the current state of our timber industry.

There are a lot of positive things occurring in the forestry world right now, including two executive orders focused on domestic lumber sourcing and increasing domestic lumber production. It's nice to see an administration that wants to increase active forest management and do it right here in the good of U.S. of A! There will also be increasing duties on Canadian lumber at the end of August, our biggest competitor, and tariffs...maybe. Either way, to be a blip on a current administration's radar and be declared essential for ensuring national security is phenomenal!

Also, Tom Schlutz has been appointed as Chief of Forest Service. Tom attended U of M and worked for MT DNRC, Idaho Department of Lands, and most recently Idaho Forest Group. I've met Tom before and witnessed his leadership and depth of knowledge through affiliated organizational involvement. I think he's going to be great! Not only does he know the "interior west" and our challenges he also knows industry and state management systems. This will be critical as the USFS goes through restructuring and his experience will be called upon to leverage his knowledge of industry and state relationships to get more work done on the ground with fewer people. Tom is the first non-career USFS Chief in over 100 years.

This is all extremely positive! But...we also have low housing starts, high interest rates, Canadians dumping lumber in fear of tariffs and increasing duties, and lower demand than anticipated and hoped for with the current lumber market.

So, what does all this mean? My perception is that there are a lot of positive changes occurring but it is not without current challenges. While times may be tough and markets may be dull, there are bright spots on the horizon ahead and we have to continue to preserve.

This company has been through over 113 years of ups and downs. I think our time to shine, to prosper, lies just ahead. There are a lot of common-sense changes occurring on the federal level, red tape is being cut, bureaucratic swamps are being drained and restructured and according to experts, there is a giant amount of pent-up housing demand. Also, our time to reshape how this country markets and uses our domestic timber supply is now. It is more important now than ever to be at the table to come up with the long-term solutions to our forest management system that our society needs for utilization and our forests need from being loved and preserved into an apocalyptic wildfire nightmare.

Our time as stewards of the forest is now and when we persevere, we will create a better forest tomorrow for ourselves and our children to enjoy.

I still think it's a great day to be a logger and I thank all of our contractors and suppliers who make what we do here at Stoltze possible.

> Cameron Wohlschlegel Lands & Resource Manager





"FILL THE TILL!"

News from the

Sales Office

As I sit in front of my keyboard and ponder what to write for this issue of the Trumbull Creek Times, I ask myself: What can I share from the Personnel/HR desk that would interest the readers of this newsletter? I don't have updates on timber manufacturing, lumber markets, or production numbers. And while national and local news outlets are flooded with stories about workforce restructuring—whether in our federal agencies, large tech firms, or big box retailers—I can't help but reflect on what all this means for a company like Stoltze.

From a personnel standpoint, it's quite simple:

F.H. Stoltze's real engine behind our success isn't just the equipment or the product—it's the people.

Over the past quarter, we've welcomed new employees into the fold and continue to grow our workforce at a steady, healthy pace. As hiring continues, we're always on the lookout for individuals who bring a strong work ethic and the right attitude. Word-of-mouth referrals from our current employees have had a major impact—thank you for helping us build a strong, dependable team, one person at a time.

With new faces beginning their careers in the timber industry, we're reminded that the oil keeping the wheel turning is the consistent, day-in and day-out dedication of all Stoltze employees across the plant site. Whether you've been here for ten or more years or ten days, your work matters—and it does not go unnoticed.

This industry isn't always easy, but it is filled with pride, purpose, and resilience. And that's because of the people who show up, give their best, and continue producing high-quality Montana lumber. Here's to a strong second half of the year—and to the people who make it all happen.

Leah Michael Personnel Manager It sure feels like summer has started with all the hot weather we're having but you never know when you're in Big Sky Country. Building season is in full swing and we've been moving some decent volume in the Sales Department. We've had some volatility in the lumber market which can be good or bad. We started off the year with a good upward trend in prices and demand and things sort of fell apart. Now it seems like we're off to the races again and I hope it lasts.

This year has a different feel than the last. We have some cautious optimism in the market that we haven't had for a while. Although the national scene seems to be lacking, our local lumber market seems to be moving right along. Part of the reason for the national sales sliding a bit is the influx of Canadian fiber into the market. Last year at this time we were experiencing similar conditions but we had an excess of spruce and lodgepole so we were forced to compete with the Canadians on price and that's never good as they have a subsidized industry.

This year the Canadian sawmills have dropped prices in an effort to keep their forest industry going through the threat of tariffs. Now that the tariffs haven't materialized, we are all stuck with a lower priced market due to the irresponsible Canadian lumber industry's actions. All the spring prices nationally were on an upward trend and looking like we were going to see the first decent price level since the pandemic highs but foreign producers put a stick in the spokes. So, the prices have come down substantially in the last six weeks but I think we are at a bottoming out point and the market has mostly absorbed the excess Canadian lumber that was available for garage sale prices.

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"FILL THE TILL!" News from the Sales Office

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But the Canadian drama will continue! Coming toward the end of summer the countervailing duty on Canadian lumber will go from 14% to about 34%, which will undoubtedly have an effect on national prices, and even more so on local prices since we are so close to the border. How this will play out is anyone's guess but my hope is that it will drive prices up to where they need to be.

This spring we've made some decent progress in our push to get more of our products out of the commodity market and into niche markets. We've started a few different projects with various customers exploring those niche markets and, so far, have been successful. These projects have the potential to change our position in the realm of manufacturing by capturing a higher value for products we already make but doing it in a way that benefits the end user. We've had to package things differently and make some small changes and it's worked out really well. These projects wouldn't be possible without the tireless efforts of everyone here. Thank you for all your work to get these projects off the ground!

A few weeks ago, I attended the MSR Producers' Council in Coeur d'Alene. The crowd it draws comes from all corners of the MSR world and it's the first time F.H. Stoltze has ever attended. There was some good information presented and more MSR is being used than ever before in the mass timber world. Mass timber, for those who don't know, is a form of building that utilizes laminated timber for structural support rather than steel and concrete. It has been shown to outlast steel and concrete in burn tests and is being widely adopted in more metropolitan areas. This industry trend isn't going away and we have been supplying more MSR to mass timber manufacturers than in the past. It was a good thing to hear that what we make has a viable future and a solid place in the industry.

With summer coming make sure you get out and enjoy some of our forests. Go on a campout or a hike and soak up some of our company land. We live in an amazing place and just about everywhere you turn public land is at your fingertips. I hope you all have a great summer and you get outside as much as possible, I know I will!



JUNE 2025 | VOL. XXXIII, NO.1 PAGE 6 John Bolles Sales Manager



As we hit the halfway mark of 2025, I wanted to share a quick update on some key IT projects and reflections as we continue to adapt and push forward through a tough couple of years.

We're currently in the process of installing a camera system. Not the first one we have had, but one that will be more expansive and open us up to more coverage and security. It's a ground-up project, and we are tackling it slowly-one step at a time. While I've never installed a system like this before, I'm learning as I go and trying to make sure we get it done right to meet the needs of our facility now and into the future.

Alongside the camera upgrade, our IT network is also going through a major shift. Believe it or not, we have run out of IP addresses. When this network was first built, a single 255-address subnet seemed like more than enough. Who could've imagined we'd someday be running this many connected devices — from production equipment and barcode scanners to smart phones, computers, watches, tablets, printers and video systems? Everything needs an IP address now to function. Times have changed, and the demands on our digital infrastructure has exploded. We're expanding our network to support this growth, and implementing smarter address management to future-proof things for the next wave of tech.

Of course, all of this is happening while we continue to face some of the most difficult market conditions the lumber industry has seen in years. Prices are down, demand is soft, and it seems like every week brings a new challenge. It's easy to feel discouraged — but we've been here before. We've weathered tough markets in the past because we're resilient, we're smart, and we stick together. As we continue navigating a tough market, it's worth remembering just how much groundwork is being laid behind the scenes. From the Planer to the Power Plant, and throughout the Sawmill, our teams are planning smart upgrades to keep us competitive and efficient. Projects like extending the planer infeed, upgrading the breakdown hoist, and modernizing our fuel handling system aren't just about productivity — they're about building resilience for the long haul. These aren't quick fixes, but investments that reflect our belief in where we're headed. The same applies to our sawmill controls — the multiyear upgrade cycle might feel slow, but it's critical to maintaining the speed and precision our industry demands. To expand on Paul's always reliable quote--

"The trees are still growing—and so are we."

As summer begins, I encourage everyone to take a breath, enjoy the longer days, and find time to unplug with family and friends. Whether it's a weekend camping trip, an evening BBQ, or just a quiet walk — don't underestimate the power of a mental reset. The road ahead may still be bumpy, but we're a strong team, and we'll get through this. Keep showing up, keep supporting each other, and keep the long view in mind. The market will turn — and when it does, we'll be ready.

Josef Kuchera Office Manager/Editor



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