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April 25, 2007

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**MURPHY ENGINEERED WOOD PRODUCTS TO
OPEN NEW MODERN PLANT IN SOUTHERN OREGON**
Local and state officials rally support for rebuilding after 2005 fire

SUTHERLIN, Ore. — With uncertainty about the future of the wood products industry in the Northwest, the decision to start over again was not an easy one for John Murphy following the fire that destroyed his company's plywood mill in the summer of 2005. However, through the support and persistence of local, county and state agency officials, Murphy Engineered Wood Products is now building a new modern laminated veneer lumber plant on the site of the former plywood plant.

"It's been a long time since a new wood products plant has been built anywhere in the Northwest," said company president John Murphy. "It was a big decision. I couldn't have even considered rebuilding without the support and encouragement that came from local and state economic development officials. There were simply no hurdles that these folks would not help us tackle."

Recognizing the importance of the plant to the small southern Oregon town of Sutherlin, population 7,500, officials from the Oregon Economic and Community Development Department (OECDD), the city of Sutherlin and Douglas County were on site just days after the fire offering assistance and resources to Murphy. Working together, the agencies helped the company obtain necessary permits, receive much-needed economic incentives and coordinate workforce training.

Because the new plant will be located within an Enterprise Zone, Murphy will receive a tax exemption in return for providing jobs that will pay 150 percent of the county average wage. The company will receive an additional tax exemption through the newly created Oregon Investment Advantage program.

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When it opens in the fall of 2007, the plant will create about 80 new jobs. While this is less than the 300 employed at the former plywood mill, the new jobs will pay significantly higher wages due to the skill levels required at the new highly automated computer-operated plant. With these highly skilled jobs comes the need for workforce training, which will be partially subsidized through the Governor's Employer Workforce Training Fund as well as the Coos Curry Douglas Regional Investment Fund that is supported by lottery dollars.

A \$100,000 grant from the Governor's Strategic Reserve Fund will provide additional site work, relocation of a rail spur, improved vehicle access and additional site preparation work.

It is estimated that the new 215,000-square-foot plant will be, when complete, a \$61 million investment.

About Sutherlin, Oregon

Sutherlin is located in southwest Oregon in the heart of the Umpqua Valley, which is well known for its outdoor recreation opportunities including hunting, fishing, hiking, and camping. The area is also becoming known for a growing number of award-winning wineries.

The city is located less than two miles off Interstate 5, the state's major north-south transportation route providing connections to all major population centers on the West Coast. It is a three-hour drive from Portland and an eight-hour drive to both Seattle and San Francisco. The region also is in an excellent position for servicing the entire Pacific Coast from British Columbia, Canada, to Mexico.

The county contains nearly 2.8 million acres of commercial forest lands and the largest stand of old growth timber in the world, which still provides the region's main livelihood. Approximately 25 percent of the labor force is employed in the forest products industry.

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