



# IDAHO FOREST

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# Quick Facts

- Over 1020 direct employees
- Total direct payroll of over \$63 million
- Significant Family Contractor Base
- \$290 million in log purchases going to land owners and contractors.
- Largest lumber producer in the Intermountain West
- Top 10 producer in the United States
- Annual production capacity of 1.4 billion board feet
- Top supplier of dimensional lumber to Lowes and now Home Depot

# TODAYS SAWMILLS ARE MUCH BIGGER AND HIGHLY AUTOMATED

## Sawmills Operating in the West

Number of Sawmills

Avg. Production - MMBF



# CT TECHNOLOGY – A GAME CHANGER!

# Microtec CT Log scanner

## Opportunities

- X-ray vision, saw logs from the inside out
- Avoid revenue negative logs
- Advanced sorting for enhanced sawmill operations
- Calculation of product yield sitting in log yard
- Elevated Education for our scalers
- Avoid anomalies (metal, dead knots, metal, cracks)
- Educate contractors on log quality and optimal age to harvest
- Sort out high quality logs with higher return (veneer, moldings, mantels, log homes)

# THE IDEA BEHIND THE SYSTEM, SAWING FROM THE INSIDE OUT

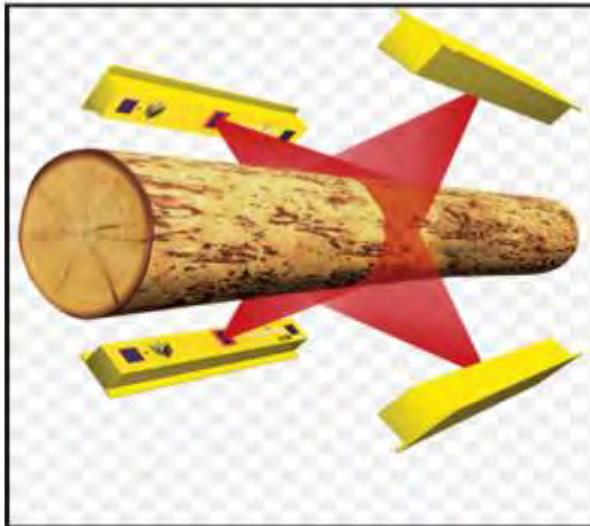


# DOES IT REALLY ADD VALUE?

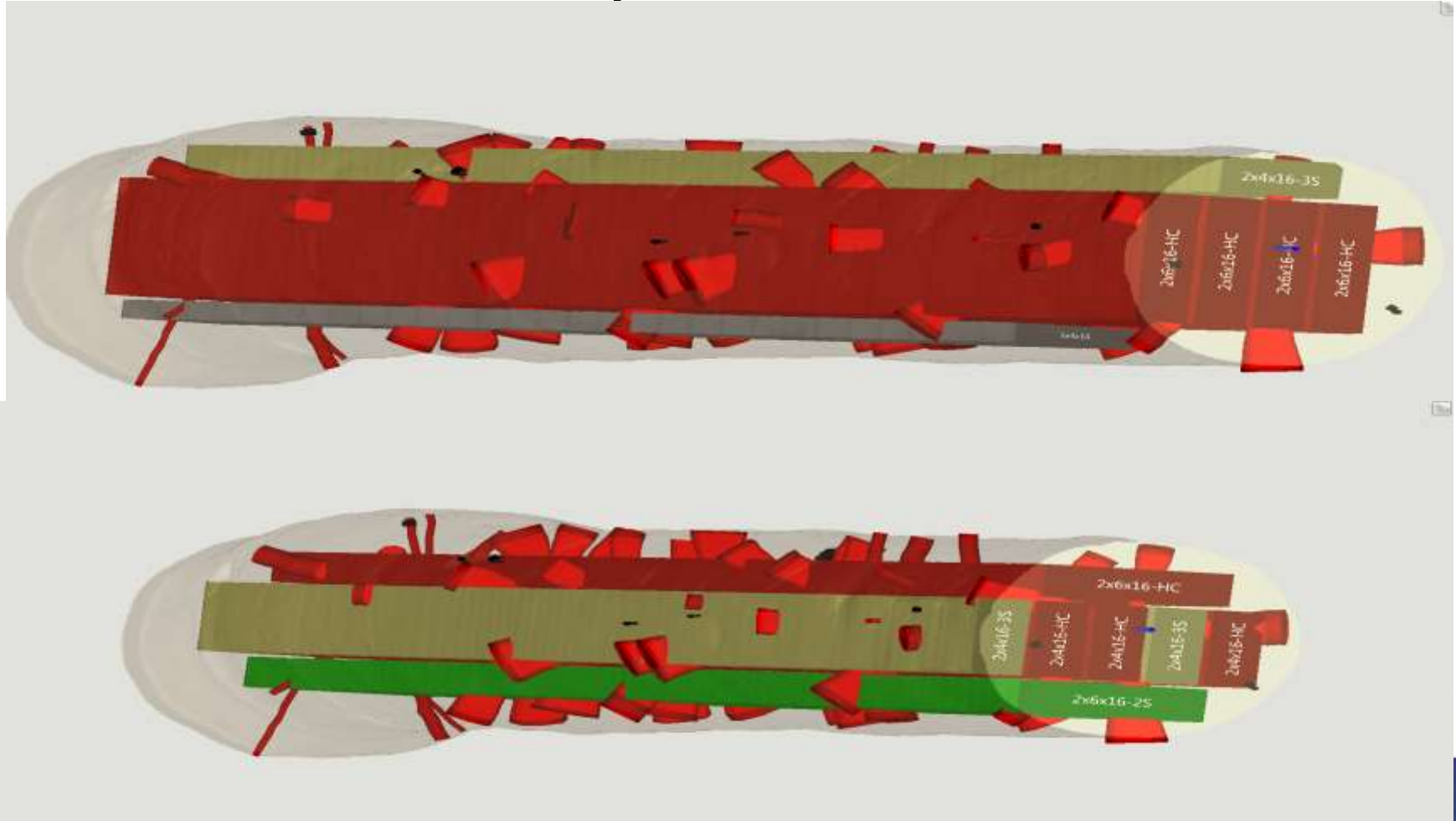
## 300 LOG SIM SHAPE VS CT D3 WF Logs Lewiston

Shape only	
Log cost	\$660
Recovery	1.63
Wood cost	\$404.91
Residual revenue	29.64
Sales revenue	607.28
Conversion cost	90.79
Margin per MBF	\$141.22

With CT data		
Log cost	\$660	
Recovery	1.616	
Wood cost	\$408.42	
Residual revenue	27.42	
Sales revenue	619.39	
Conversion cost	91.66	
Margin per MBF	\$146.73	+ 4%



# CT data changes cant width and pattern

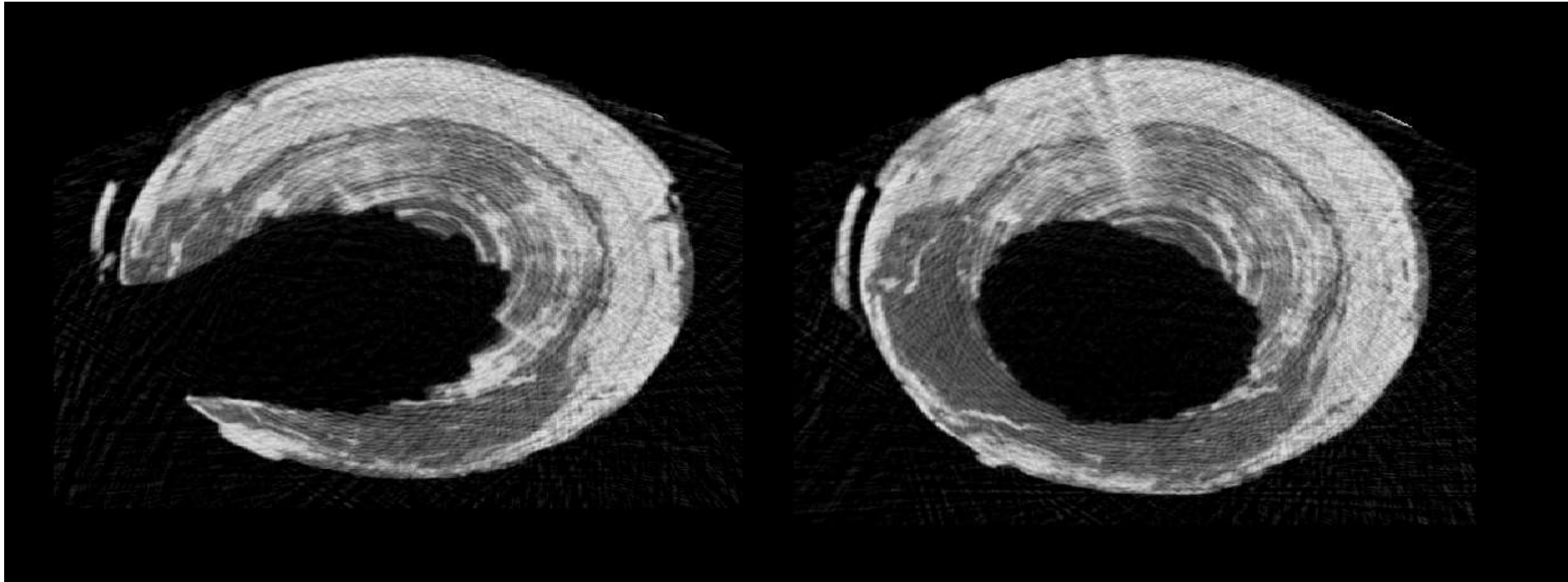




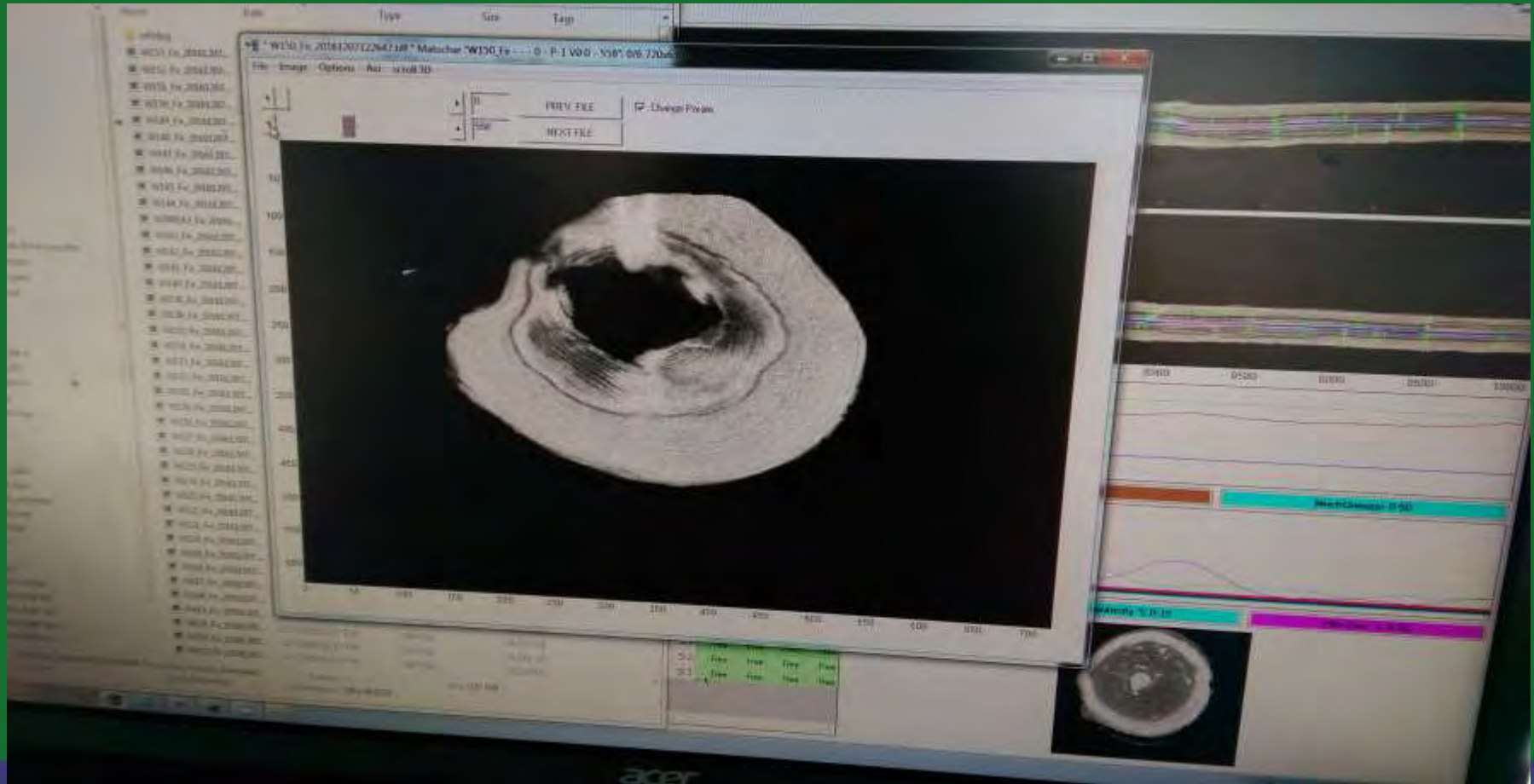
# Wood pecker nest



# Wood pecker CT images



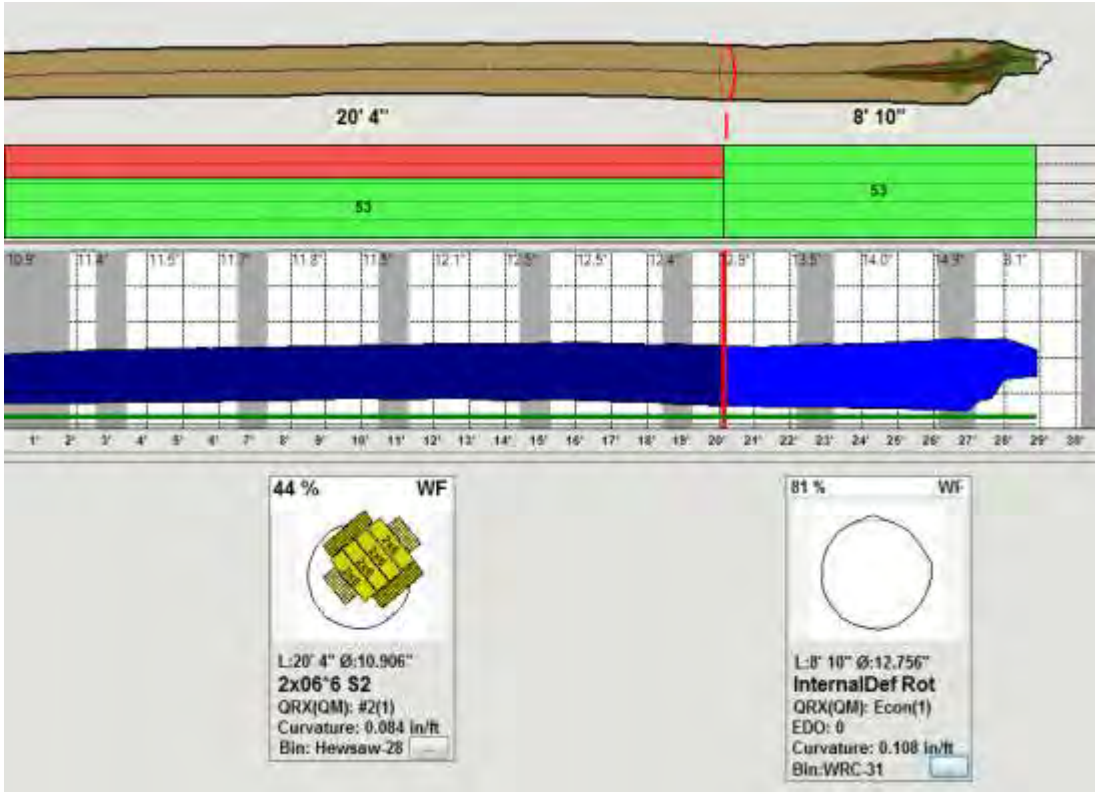
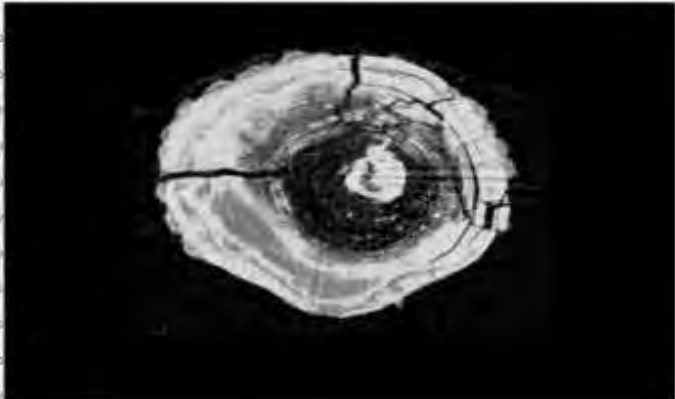
# MANUFACTURING COSTS EXCEEDS LUMBER AND RESIDUAL REVENUE



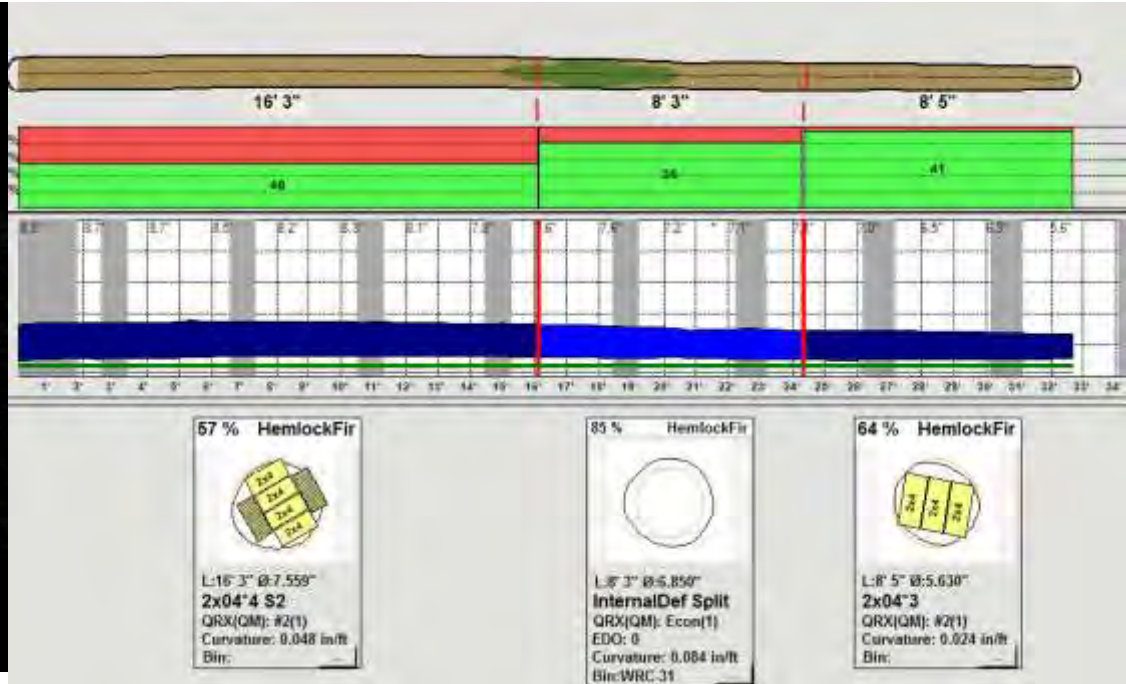
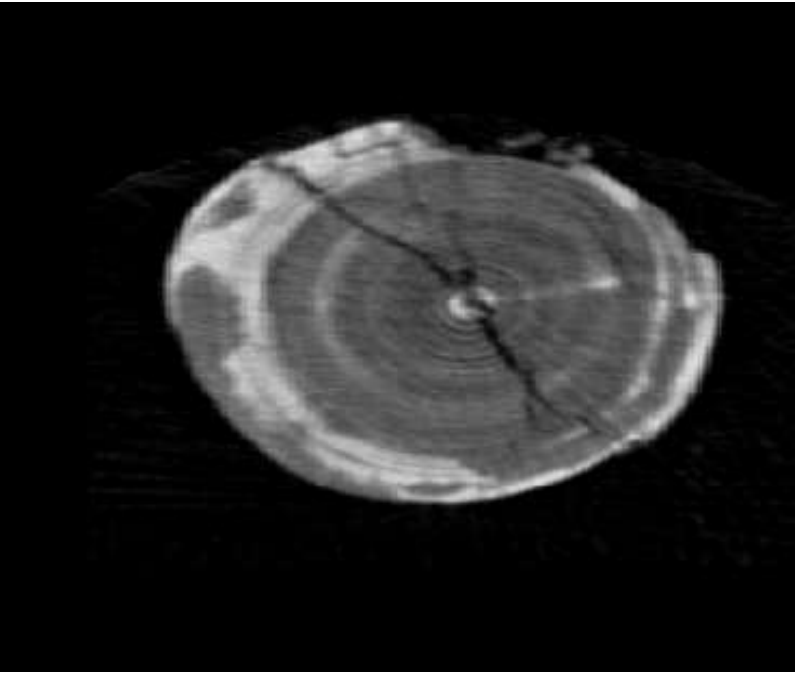
# REVENUE NEGATIVE LOG EXAMPLE



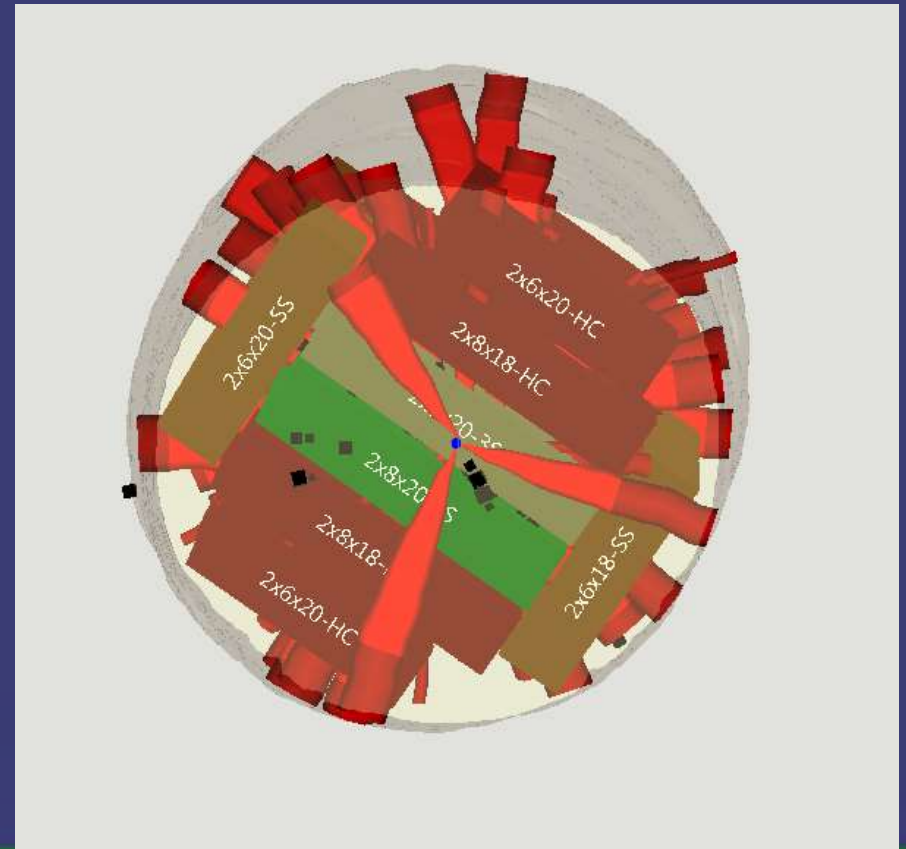
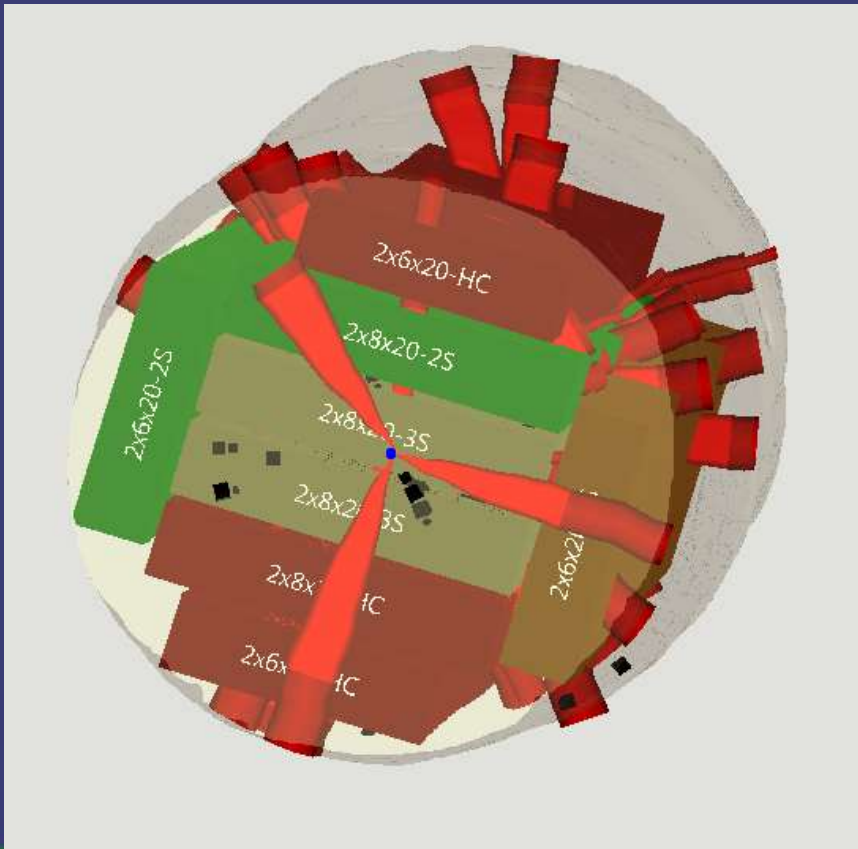
# Improved Uptime and reduced operating costs



# Fall break- Production cost > Wood revenue



# 18 DEGREES ROTATION CHANGES THE VALUE +8% WITH -1% VOLUME







# Log sorting by customer optimizing production runs

MICROTEC

MICROTEC

LOG QUALITY TRIAL – TEST LOGS



LOG QUALITY TRIAL – SAWN PRODUCTS



THANK YOU



IDAHO FOREST

WOOD FOR A GROWING WORLD

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